



DAWN OF NEW

# *Lifestyles*

annual  
report  
**2021**



## Our Vision

Our vision is to help improve the quality of life by providing a better place to live or work in. By carrying out this vision, we want to be recognised by our customers, shareholders and employees as a world-class property developer.

## Our Mission

Our mission as a caring and reliable property developer is to deliver outstanding service, quality products and value for money to our customers. Through dedication, innovation and passion, we are confident about our ability to achieve these goals.

## Our Way Forward

It starts with inspiration. A vision to provide ideal homes, work places and recreational facilities; to create an environment that enhances the quality of our lives. From pen to paper, plan to reality, we build the vision.

Glomac's vision is to enrich the lives of Malaysians in the most fundamental ways - value, quality and service. This is the catalyst of our business and the essence of our success, affirming our reputation as a visionary property developer.

### Cover Rationale

'Dawn of New Lifestyles' is the headline of the cover design in order to highlight Glomac Berhad's optimism about the future.

Thanks to the company's visionary management team and the demand for its properties, it is forging ahead to achieve greater success.

On the cover, striking images of Glomac Berhad's impressive developments are showcased to define its stature. Overall, the cover design conveys the company's prestigious status and excellent prospects.



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GLOMAC ANNUAL REPORT 2021  
(Steps on next page)

All information provided is correct at time of print,  
and subject to changes

# CONTENTS

Corporate Profile	2
Corporate Information	3
Corporate Structure	4
Board of Directors' Profiles	6
Key Senior Management Profile	15
5-Year Financial Highlights	16
Sustainability Statement	18
Group Executive Chairman's Statement/ Kenyataan Pengerusi Eksekutif Kumpulan	50
Awards and Recognition	54
Management Discussion & Analysis	56
Corporate Governance Overview Statement	70
Statement on Risk Management and Internal Control	86
Audit Committee Report	95
Financial Statements	99
Additional Compliance Statement	208
List of Top 10 Properties and Development Properties	210
Analysis of Shareholdings	212
Notice of Annual General Meeting & Administrative Details	215

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## CORPORATE PROFILE



**Glomac was founded on the vision, passion and determination of two entrepreneurs who aspired to develop inspiring places to live and work in. The founders of the Group, Tan Sri Dato' Mohamed Mansor Bin Fateh Din, Group Executive Chairman and Datuk Fong Loong Tuck, Group Executive Vice Chairman, joined forces to establish the Group in 1988 and have since delivered value beyond expectations in every Glomac project.**

Currently helmed by Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor, Group Managing Director/Chief Executive Officer, Glomac Berhad comprises more than 55 subsidiaries with involvement in every facet of the real estate business encompassing property development, property investment, construction, property management and car park management.

Glomac Berhad was listed on the Main Board of Bursa Malaysia Securities Berhad on 13 June 2000 and has established a trusted reputation as a responsible and visionary property developer with its solid record of developing townships, residential, commercial and mixed development properties.

To-date, the Group has completed total sales value of close to RM9 billion. For the financial year 2022, Glomac plans to launch about RM282 million worth of properties.

As a long term player committed to escalating our presence in the real estate market, Glomac is continuously planning and designing new projects for our existing landbank, evaluating new landbank opportunities and looking out for new opportunities in the country; with particular focus on the prime Greater KL area where the Group is well established.



# CORPORATE INFORMATION

## Board of Directors

**Tan Sri Dato' Mohamed Mansor bin Fateh Din**  
*Group Executive Chairman*

**Datuk Fong Loong Tuck**  
*Group Executive Vice Chairman*

**Datuk Seri Fateh Iskandar bin  
Tan Sri Dato' Mohamed Mansor**  
*Group Managing Director/Chief Executive Officer*

**Dato' Ikhwan Salim bin Dato' Haji Sujak**  
*Senior Independent Non-Executive Director*

**Datuk Ali bin Abdul Kadir**  
*Independent Non-Executive Director*

**Shan Choo**  
*Independent Non-Executive Director*

**Datuk Bazlan bin Osman**  
*Independent Non-Executive Director*

## Audit Committee

**Datuk Ali bin Abdul Kadir**  
*Chairman*

**Dato' Ikhwan Salim bin  
Dato' Haji Sujak**  
*Member*

**Shan Choo**  
*Member*

**Datuk Bazlan bin Osman**  
*Member*

## Remuneration & Employees' Share Scheme ("ESS") Committee

**Dato' Ikhwan Salim bin  
Dato' Haji Sujak**  
*Chairman*

**Datuk Ali bin Abdul Kadir**  
*Member*

**Datuk Seri Fateh Iskandar  
bin Tan Sri Dato' Mohamed Mansor**  
*Member*

**Shan Choo**  
*Member*

## Principal Bankers

AmBank (M) Berhad  
Malayan Banking Berhad  
HSBC Amanah Malaysia Berhad

## Registered Office & Principle Place Of Business

Level 15, Menara Glomac  
Glomac Damansara  
Jalan Damansara  
60000 Kuala Lumpur  
Tel : +603 7723 9000  
Fax : +603 7729 7000

## Risk Management Committee

**Shan Choo**  
*Chairman*

**Dato' Ikhwan Salim bin  
Dato' Haji Sujak**  
*Member*

**Datuk Bazlan bin Osman**  
*Member*

## Company Secretaries

**Lilyrohayu binti Ab. Hamid@Kassim**  
MAICSA 7044674  
SSM PC No.: 202008001385

**Chua Siew Chuan**  
MAICSA 0777689  
SSM PC No.: 201908002648

**Chin Mun Yee**  
MAICSA 7019243  
SSM PC No.: 201908002785

## Auditor

Deloitte PLT (AF 0080)(LLP0010145-  
LCA)  
Level 16, Menara LGB  
1 Jalan Wan Kadir  
Taman Tun Dr. Ismail  
60000 Kuala Lumpur  
Tel : +603 7610 8888  
Fax : +603 7726 8986

## Nomination Committee

**Dato' Ikhwan Salim bin  
Dato' Haji Sujak**  
*Chairman*

**Datuk Ali bin Abdul Kadir**  
*Member*

**Shan Choo**  
*Member*

## Registrar

Shareworks Sdn. Bhd.  
2-1, Jalan Sri Hartamas 8  
Sri Hartamas  
50480 Kuala Lumpur  
Tel : +603 6201 1120  
Fax : +603 6201 3121

## Stock Exchange

Main Market of Bursa Malaysia  
Securities Berhad  
Stock Name : GLOMAC  
Sector : Property

## Website

<https://www.glomac.com.my>

## CORPORATE STRUCTURE



### Property Development & Investment

100%	<b>Anugerah Armada Sdn. Bhd.</b> Lot 13720, Pekan Kayu Ara	100%	<b>Glomac Sutera Sdn. Bhd.</b> Sri Saujana, Kota Tinggi, Johor
100%	<b>Dunia Heights Sdn. Bhd.</b> Proposed Residential Development in Sg. Buloh	100%	<b>Glomac Vantage Sdn. Bhd.</b> Taman Mahkota Laksamana, Seksyen III, Melaka
100%	<b>Elmina Equestrian Centre (Malaysia) Sdn. Bhd.</b> Saujana Utama V, Sg. Buloh	100%	<b>Kelana Centre Point Sdn. Bhd.</b> Kompleks Kelana Centre Point, Kelana Jaya
100%	<b>Glomac Alliance Sdn. Bhd.</b> Lakeside Residences, Puchong	100%	<b>Precious Quest Sdn. Bhd.</b> Saujana Jaya, Kulai, Johor
100%	<b>Glomac Consolidated Sdn. Bhd.</b> Bukit Saujana, Sg. Buloh	100%	<b>Regency Land Sdn. Bhd.</b> Saujana Utama III, Sg Buloh & Saujana Aman
100%	<b>Glomac City Sdn. Bhd.</b> Plaza Glomac, Kelana Jaya	100%	<b>Glomac Kristal Sdn. Bhd.</b> Glomac Centro, Petaling Jaya
100%	<b>Glomac Damansara Sdn. Bhd.</b> Glomac Damansara, Kuala Lumpur	100%	<b>FDM Development Sdn. Bhd.</b> 121 Residences, Petaling Jaya
100%	<b>Glomac Enterprise Sdn. Bhd.</b> Sungai Buloh Country Resort, Sg. Buloh	100%	<b>Berapit Properties Sdn. Bhd.</b> Glomac Cyberjaya 2, Cyberjaya
100%	<b>Glomac Nusantara Sdn. Bhd.</b> Dataran Glomac, Kelana Jaya	100%	<b>Kelana Kualiti Sdn. Bhd.</b> Saujana Perdana, Sg. Buloh
100%	<b>Glomac Jaya Sdn. Bhd.</b> Glomac Cyberjaya, Cyberjaya	100%	<b>Magical Sterling Sdn. Bhd.</b> Saujana KLIA, Sepang
100%	<b>Glomac Maju Sdn. Bhd.</b> Suria Residen, Cheras	100%	<b>Glomac Realty Sdn. Bhd.</b> Glomac Business Centre, Kelana Jaya
100%	<b>Glomac Rawang Sdn. Bhd.</b> Saujana Rawang, Rawang	51%	<b>Glomac Al Batha Sdn. Bhd.</b> Glomac Tower (now known as Menara Prestige), Kuala Lumpur
100%	<b>Glomac Regal Sdn. Bhd.</b> Suria Stonor, Kuala Lumpur	51%	<b>Glomac Al Batha Mutiara Sdn. Bhd.</b> (held through Glomac Al Batha Sdn. Bhd.) Reflection Residences, Mutiara Damansara
100%	<b>Glomac Resources Sdn. Bhd.</b> Galeria Hartamas, Kuala Lumpur		
100%	<b>Glomac Segar Sdn. Bhd.</b> Plaza@Kelana Jaya		

# CORPORATE STRUCTURE



## Other Activities

### Property Investment

**100%** **Glo Damansara Sdn. Bhd.**  
Glo Damansara Mall @  
Glomac Damansara,  
Kuala Lumpur **100%**

**100%** **Bangi Integrated  
Corporation Sdn. Bhd.**  
Plaza Kelana Jaya, Phase II,  
Kelana Jaya **51%**

**100%** **Berapit Pertiwi Sdn. Bhd.** **30%**  
Suria Stonor, Kuala Lumpur

**60%** **Glomac Utama Sdn. Bhd.**  
Worldwide Business Park

### Investment Holding

**100%** **Glomac Restaurants  
Sdn. Bhd.** **100%**

**100%** **Glomac Australia Pty Ltd.**

**85.7%** **Glomac Power Sdn. Bhd.**

**30%** **Irama Teguh Sdn. Bhd.**  
(held through PPC Glomac  
Sdn. Bhd.)

### Car Park Operations and Management

**60%** **Prominent Excel Sdn. Bhd.**

### Property Management Services

**100%** **Glomac Property Services  
Sdn. Bhd.**

**100%** **Kelana Property  
Management Sdn. Bhd.**  
(formerly known as Kelana  
Property Services Sdn. Bhd.)

### Property Development, Investment Holding and Project Management

**Glomac Group Management  
Services Sdn. Bhd.**

### Building Contractor

**Glomac Bina Sdn. Bhd.**

**PPC Glomac Sdn. Bhd.**  
(held through Glomac  
Power Sdn. Bhd.)

### Management and Operation of Restaurant

**Kelana Seafood Centre  
Sdn. Bhd.**

## Dormant

### Dormant

**100%** **Berapit Development  
Sdn. Bhd.**

**100%** **BH Interiors Sdn. Bhd.**

**100%** **Glomac Land Sdn. Bhd.**

**100%** **Glomac Leisure Sdn. Bhd.**

**100%** **Glomac Real Estate  
Sdn. Bhd.**

**100%** **Magic Season Sdn. Bhd.**

**100%** **Magnitud Teknologi  
Sdn. Bhd.**

**100%** **OUG Square Sdn. Bhd.**

**100%** **Prisma Legacy Sdn. Bhd.**

**100%** **Prima Sixteen Sdn. Bhd.**

**100%** **Sungai Buloh Country  
Resort Sdn. Bhd.**

**100%** **Glomac Thailand Sdn. Bhd.**

**100%** **Glomac Cekap Sdn. Bhd.**

**70%** **FDA Sdn. Bhd.**

**60%** **Glomac Excel Sdn. Bhd.**



## BOARD OF DIRECTORS' PROFILES



—  
Aged 81, Male,  
Malaysian

### Tan Sri Dato' Mohamed Mansor Bin Fateh Din

#### Group Executive Chairman

**Tan Sri Dato' Mohamed Mansor bin Fateh Din or better known as "Tan Sri Dato' FD Mansor" was appointed to the Board of Glomac Berhad on 1 April 1986. Before he founded the Glomac Group, he was attached with Utusan Malaysia Berhad as the Group Personnel Director.**

Tan Sri Dato' FD Mansor has extensive experience in the property development business through his involvement in the industry for more than 30 over years. He was the Honorary Secretary of the Selangor Chapter of Malay Chamber of Commerce and Industry from 1987 to 1995. He was also on the Advisory Council in Iqra Foundation.

He was awarded the Selangor Entrepreneur of the Year 1995 by the Malay Chamber of Commerce Industry, Selangor Chapter in recognition of his contributions to the state. In September 2005, Tan Sri Dato' FD Mansor was awarded the prestigious "Property Man of the Year" by FIABCI Malaysia. Being a genuine Malay businessman and entrepreneur, he was presented the award of "Anugerah Usahasama Tulen" by the Malay Chamber of Commerce, Malaysia in June 2008. In June 2011, Tan Sri Dato' FD Mansor was bestowed with the "Jewels of Muslim World 2011" award in recognition of his achievements and contributions in the Muslim World. In October 2013, Tan Sri Dato' FD Mansor was conferred the prestigious Brand Laureate - Premier Brand Icon Leadership 2013 in the Brand Laureate Icon Award 2013 for his illustrious career as one of Malaysia's top business entrepreneurs and corporate leaders. The annual Brand Laureate Award provides recognition to inspirational leaders who dedicate their lives and profession to the country.

In 2016, The Edge Malaysia Outstanding Property Entrepreneur Award was presented to Tan Sri Dato' FD Mansor and Datuk Fong Loong Tuck, both being the founders of the Glomac Group, to honour industry captains who have made significant and outstanding contributions.

Tan Sri Dato' FD Mansor attended all five (5) board meetings of the Company held during the financial year ended 30 April 2021.



## BOARD OF DIRECTORS' PROFILES

—  
Aged 70, Male,  
Malaysian



**Datuk Fong Loong Tuck**

**Group Executive Vice Chairman**

**Datuk Fong Loong Tuck or better known as “Datuk Richard” was appointed to the Board of Glomac Berhad on 4 April 1988. He graduated with a Bachelor of Science (Hons) in Civil Engineering from University of London, United Kingdom. Datuk Richard began his career in Mudajaya Construction Sdn Bhd and IJM Corporation Berhad before founding the Glomac Group in 1988.**

He has more than 30 years of experience in property development, building construction and engineering. He served as the Secretary General of FIABCI (International Real Estate Federation) Malaysian Chapter from 1998 to 2000 and was appointed President of FIABCI Malaysia from 2006 to 2010.

As the former President of FIABCI, he was instrumental in the formation of Malaysia Property Incorporated ("MPI"), a body set up by the Economic Planning Unit of the Prime Minister's Department, to promote property investments among foreigners in Malaysia. Datuk Richard also served as the Chairman of MPI from February 2008 to June 2010.

In 2016, The Edge Malaysia Outstanding Property Entrepreneur Award was presented to Datuk Richard and Tan Sri Dato' FD Mansor, both being the founders of the Glomac Group, for their significant and outstanding contributions to the property development industry. Datuk Richard is frequently invited as guest speaker at forums and seminars on property market in Malaysia, both locally and internationally.

Datuk Richard attended all five (5) board meetings of the Company held during the financial year ended 30 April 2021.

## BOARD OF DIRECTORS' PROFILES



—  
Aged 53, Male,  
Malaysian

### Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor

Group Managing Director / Chief Executive Officer

Member of Remuneration and ESS Committee

**Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor better known as "Datuk Seri FD Iskandar", is one of Malaysia's well-respected figures. An exemplary leader, he has carved out a place as a nation-builder for vast swathes of Malaysia's modern development. Now, as Group Managing Director and Chief Executive Officer at Glomac Berhad, he continues to lead the way for the company to become one of Malaysia's most pioneering property developers. He was appointed as a board member of Glomac since 5 February 1997.**

Datuk Seri FD Iskandar attended the Malay College Kuala Kangsar (MCKK). He pursued his studies and graduated with a degree in Law from the University of Queensland, Australia and later obtained his Master in Business Administration (MBA).

Datuk Seri FD Iskandar's career first started in the legal field in Australia. Upon his return to Malaysia he first worked in various capacities in Kumpulan Perangsang Selangor Berhad (KPS) before leaving KPS to join Glomac Berhad as General Manager for Business Development. By 1997, Datuk Seri FD Iskandar was appointed to the Board as Glomac's Executive Director, a position he held for seven (7) years before assuming his current role of Group Managing Director/Chief Executive Officer.

Datuk Seri FD Iskandar has held a position as one of the Directors on the Board of Construction Industry Development Board, Malaysia (CIDB) from 2018 until September 2020 and has also been appointed as the Chairman of the Construction Research Institute of Malaysia (CREAM) from January 2019. In addition to that, he also sits on the Board of Axis-REIT Managers Berhad, the management body of Axis-REIT which was the first REITs company listed on Bursa Malaysia. Moreover, he has been a member of the City Advisory Board of Dewan Bandaraya Kuala Lumpur (DBKL) from 2014 to November 2019. He is also the Patron of REHDA Malaysia (Real Estate and Housing Developers' Association Malaysia) and from year 2014, Datuk Seri still currently hold the Chairman's position with GreenRE Sdn. Bhd. and ESD Greentech Sdn. Bhd. (subsidiaries of REHDA Malaysia).

## BOARD OF DIRECTORS' PROFILES

Datuk Seri FD Iskandar was President of REHDA Malaysia for two (2) terms from 2014 until 2018 and he was formerly the Chairman of REHDA Selangor for two (2) terms from 2006 to 2010. He has also served as the Chairman of the Special Taskforce to Facilitate Business (PEMUDAH), specialising in legal matters. Datuk Seri FD Iskandar has served as an Independent Director of Telekom Malaysia (TM) since 2013 until 2018. TM is Malaysia's broadband champion and leading integrated information and communications. He was the Chairman of VADS Berhad; a wholly-owned subsidiary of Telekom Malaysia Berhad which services the IT and telecommunications industries until 2018.

Datuk Seri FD Iskandar was also the Group Chairman of the Media Prima Berhad (2015 to 2017), the largest incorporated media company in South East Asia. He was appointed to the Board in 2009 and was also the Chairman of the Nomination & Remuneration Committee and Risk Management Committee of Media Prima. His presence also extends to being a Director of New Straits Times Press (Malaysia) Berhad from 2009 until 2015, the most established publisher in Asia with three (3) main newspapers.

He was formerly a Director of Kumpulan Hartanah Selangor Berhad from 2004 until 2008. He was also the Deputy Chairman of the Malaysian Australian Business School (MABC), Chairman of Gagasan Badan Ekonomi Melayu, Selangor Branch (GABEM) a body that promotes entrepreneurship amongst Malays in the country. He was one of the Founding Directors of Malaysia Property Incorporated (MPI), a partnership between the Government and the private sector that was established to promote property investment and ownership to foreigners all around the world.

With around 30 years experience and involvement in the property development industry, his vast experience and expertise has made him a very well-known and respected figure among his peers locally as well as internationally.

He frequently shares his insights and views as a guest speaker in forums, seminars and conventions, and has given talks on the Malaysian property market both locally and abroad.

His esteemed position is reflected through the wide variety of accolades that he has accumulated which included the Malaysian Business Award in Property by the Malay Chamber of Commerce (2012), the Outstanding Entrepreneurship Award at the 2013 Asia Pacific Entrepreneurship Awards, the MBA Industry Excellence Award (Property Sector) by the Malaysia Business Awards in 2013 and the Brand Laureate Corporate Leader Brand Icon Award by the Asia Pacific Brands Foundation in 2014.

Datuk Seri FD Iskandar was also the recipient of the Global Leadership Award for Commercial Property Development by The Leaders International in 2014 and 2015. In 2016, the World Leader Business Person and World Business Leader award by The Bizz was awarded to him.

The Special Achievement Award from Asia Pacific's Most Prestigious Awards (APEA) 2017 under the category of Property Development Industry was awarded to Datuk Seri FD Iskandar to recognise and honour business leaders who have demonstrated outstanding entrepreneurship, embodying qualities such as exceptional performance, perseverance and tenacity in developing successful business in Asia Pacific.

In 2018, Datuk Seri FD Iskandar was honoured by The Edge Malaysia with Malaysia's Exemplary Real Estate Industry Leader for his contribution to the local real estate industry in general and specifically for his property management. Furthermore, Datuk Seri FD Iskandar was also honoured by the Property Insight Prestigious Developer Awards 2018 for Industry Excellence Award in the recognition of his immense contribution to the industry all these years as well in his capacity as REHDA President.

Datuk Seri FD Iskandar was honoured under the special recognition awards category by ASEAN PROPERTY AWARDS MALAYSIA 2018-2019 by Des Prix Infinitus whereby he was awarded the Prestigious Leadership Excellence Award in March 2019. In May 2019, The Property Insight Prestigious Developer Awards 2019 presented the Best Industry Leadership to Datuk Seri FD Iskandar in recognition of his long-time leadership in the property industry.

Datuk Seri FD Iskandar attended all five (5) board meetings of the Company held during the financial year ended 30 April 2021.



## BOARD OF DIRECTORS' PROFILES



—  
Aged 64, Male,  
Malaysian

### Dato' Ikhwan Salim Bin Dato' Haji Sujak

Senior Independent Non-Executive Director

Chairman of Nomination Committee, Remuneration and ESS Committee

Member of Audit Committee

Member of Risk Management Committee

**Dato' Ikhwan Salim was appointed to the Board of Glomac Berhad on 9 February 2000. He holds a Bachelor of Science degree in Economics and Accounting from Queen's University, Belfast, Ireland. He began his career in 1977 as an auditor with Coopers & Lybrand, United Kingdom and, later in 1979, he joined Nestle (M) Sdn. Bhd. In 1980, Dato' Ikhwan Salim moved on to be the Group Financial Planning Manager of Kumpulan Low Keng Huat Sdn. Bhd. In 1982 he ventured into business and was made Managing Director of Jaya Holdings Sdn. Bhd.**

Currently, Dato' Ikhwan Salim runs his private business namely Konsortium Jaringan Selangor Sdn. Bhd. He is the Non-Executive Chairman of Malaysia Steel Works (KL) Berhad and Independent Non-Executive Director of Land and General Berhad.

Dato' Ikhwan Salim attended all five (5) board meetings of the Company held during the financial year ended 30 April 2021.

## BOARD OF DIRECTORS' PROFILES

—  
Aged 72, Male,  
Malaysian



### Datuk Ali Bin Abdul Kadir

Independent Non-Executive Director

Chairman of Audit Committee

Member of Nomination Committee, Remuneration and ESS Committee

**Datuk Ali was appointed to the Board of Glomac Berhad on 20 February 2009. He is a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW), member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He is also the Honorary Advisor to ICAEW Malaysia and Honorary Fellow of the Institute of Chartered Secretaries & Administrators, United Kingdom.**

Datuk Ali is currently the Chairman of JcbNext Berhad and ENRA Group Berhad. He is a board member of Citibank Berhad and Ekuiti Nasional Berhad. On 18 November 2019, Datuk Ali was appointed as an Independent Non-Executive Director on the Board of PureCircle, a public company listed on the main market of the London Stock Exchange until July 2020. He also sits on the boards of Landskap Malaysia, as well as Tropical Rainforest Conservation & Research Centre Berhad. He was the Chairman of Privasia Technology Berhad up until his retirement in June 2018 and was also a board member of Labuan Financial Services Authority up until his retirement on 17 October 2019. Datuk Ali was appointed as Chairman of the Board of Trustees of Amanah Lestari Alam (ALAM) in August 2020 and President of Persatuan Makanan Ehsan (Free Food Society) on its incorporation on 22 March 2021 to date.

Datuk Ali was the Chairman of the Securities Commission of Malaysia from 1 March 1999 to 29 February 2004. He was tasked to rejuvenate the capital market in the aftermath of the 1997-98 financial crisis.

During his tenure, he initiated and launched the Capital Market Masterplan and the Capital Market Advisory Council. He was also a member of a number of national level committees namely the Foreign Investment Committee, Oversight Committee of Danaharta and Finance Committee on Corporate Governance.

On the international front, he was a member of the Executive Committee of the International Organisation of Securities Commissions (IOSCO) and Chairman of its Asia-Pacific Regional Committee and the Islamic Capital Market Working Group. He was also the advisor to the Sri Lanka Securities & Exchange Commission.

Earlier in his career, Datuk Ali was the Executive Chairman and Partner of Ernst & Young and its related firms. He was the Past President of the MICPA, chairing its Executive Committee and Insolvency Practices Committee, and co-chairing the Company Law Forum. He was appointed as an Adjunct Professor in the Accounting and Business Faculty, University of Malaya in 2008, retired in August 2011. He was then appointed to the Advisory Board of the same faculty until 2 July 2021.

Datuk Ali was bestowed with the "Lifetime Achievement Award" by MICPA and the "President's Award" by ICAEW Kuala Lumpur City Chapter.

Datuk Ali attended all five (5) board meetings of the Company held during the financial year ended 30 April 2021.

## BOARD OF DIRECTORS' PROFILES



—  
Aged 61, Female,  
Malaysian

### Shan Choo

Independent Non-Executive Director

Chairman of Risk Management Committee

Member of Audit Committee, Nomination Committee and the Remuneration and ESS Committee

**Shan Choo was appointed to the Board of Glomac Berhad on 3 July 2017. She holds a Bachelor of Economics from Monash University, Australia and is a member of CPA Australia. She also attended the Management Acceleration Programme in INSEAD, Fontainebleau in 2008.**

She started her career in the stockbroking industry with Seagroatt & Campbell and later moved to commercial banking industry with the MUI Banking Group. She moved to Australia in 1986 and worked with the ANZ Banking Group, Melbourne as Group Credit Analyst.

In 1990, she returned to the stockbroking industry in Malaysia by joining RHB Research Institute Sdn. Bhd. where she undertook the role as a banking analyst. She subsequently moved on to head a team of analysts covering various sectors of companies listed on Bursa Malaysia Securities Berhad.

Shan Choo then joined CLSA Malaysia in 1999, firstly as an analyst covering banks and conglomerates. She subsequently led an award-winning research team for six (6) years as Head of Research before moving on as Head of Sales in 2006 when CLSA Malaysia was awarded a full stockbroking licence. She was appointed the Country Head and was the principal officer for CLSA Group's operations in Malaysia in 2007. In August 2015, she was appointed as Chairman of CLSA Malaysia and on her retirement in December 2016, she was made an advisor. She sat on the Board of RHB Asset Management Sdn. Bhd. and RHB Islamic International Asset Management Bhd until her resignation as a board member in 2018. Shan Choo was a board member of SapuraOMV Upstream (Holdings) Sdn. Bhd. (formerly known as Sapura Upstream Sdn. Bhd.), a subsidiary company within the Sapura Group, from 20 July 2018 to 27 June 2019.

Shan Choo attended all five (5) board meetings of the Company held during the financial year ended 30 April 2021.



## BOARD OF DIRECTORS' PROFILES

—  
Aged 57, Male,  
Malaysian



### Datuk Bazlan Bin Osman

Independent Non-Executive Director

Member of Audit Committee

Member of Risk Management Committee

**Datuk Bazlan Bin Osman was appointed to the Board of Glomac Berhad on 24 July 2020. He is a Fellow of the Association of Chartered Certified Accountants (ACCA), UK and a Chartered Accountant of the Malaysian Institute of Accountants (MIA). He is also an Independent Non-Executive Chairman of FIMA Corporation Berhad, an Independent Non-Executive Director of Bursa Malaysia Berhad and Syarikat Takaful Malaysia Keluarga Berhad. All the three (3) companies are public listed companies. He is currently the Non-Executive Chairman of GITN Sdn Berhad (a wholly owned subsidiary company of Telekom Malaysia Berhad), a board member of Citibank Berhad and a director of Malaysia Professional Accountancy Centre (MyPAC). He is also the Vice President of MIA and Deputy Chair of ACCA Malaysia Advisory Committee.**

Datuk Bazlan was formerly a Director of Labuan Reinsurance (L) Ltd (from 2007 until 2012) and Nationwide Express Holdings Berhad (from 1994 - 2005). He was also the Board Commissioner of PT XL Axiata TBK from 2005 to 2008.

He was the Executive Director of Telekom Malaysia Berhad (TM) from April 2008 until February 2019 and board member of VADS Berhad from 2012 to 2019. He served as TM's Group Chief Financial Officer (CFO) from May 2005 until his promotion to the position of Deputy Group Chief Executive Officer (CEO) in April 2017. He was appointed as the Acting Group CEO from June 2018 until November 2018. Prior to joining TM, Datuk Bazlan was with Celcom Malaysia Berhad as the Senior Vice President, Corporate Finance & Treasury in 2001 before being elevated to the CFO position in 2002.

Datuk Bazlan began his career as an auditor with Messrs. Hanafiah Raslan & Mohamad, a public accounting firm after he graduated in Association of Chartered Certified Accountants (ACCA) in 1986. He then joined the Sime Darby Group from 1989 to 1993, holding various finance positions in its corporate office in Kuala Lumpur, Singapore and Melaka. He had a one year stint in American Express Malaysia Berhad as its Manager - Accounting. Thereafter he served

Kumpulan FIMA Berhad (KFB) as Senior Vice President, Finance/Company Secretary from 1994 to 2000. He was a member of the Issues Committee of the Malaysian Accounting Standards Board from 2006 till 2010.

He had attended the IMD Programme for Senior Executives in 2008 and the Strategic Leadership Programme at the University of Oxford's SAID Business School in 2013. In 2015, he was named in the Global Telecoms Business 50 CFOs To Watch. In 2016, he was awarded the Best CFO in Malaysia (#1) by Alpha South East Asia Investors. He was also recognised for Excellence in Financial Planning & Analysis at the 5<sup>th</sup> Annual CFO Innovation Awards | CFO Innovation Asia. In 2017, he was inducted to the Global Management Accounting Hall of Fame by The Institute of Certified Management Accountants.

Datuk Bazlan attended all four (4) board meetings since his appointment on 24 July 2020.

## BOARD OF DIRECTORS' PROFILES

Additional information of the Directors:

1. Tan Sri Dato' Mohamed Mansor bin Fateh Din and Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor has a family relationship.
2. Save as disclosed in this Annual Report, none of the Directors have:-
  - i. Any family relationship with any directors/major shareholders of the Company;
  - ii. Any conflict of interest with the Company;
  - iii. Any conviction for offences within the past five (5) years other than traffic offences; and
  - iv. Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 April 2021.

## KEY SENIOR MANAGEMENT PROFILE

**Ong Shaw Ching joined Glomac in 1996 and was appointed as Chief Operating Officer of Glomac on 1 January 2014. He was also appointed as the joint Secretary of the Company from 1 December 2009 to 8 March 2021.**

He is a Fellow of the Association of Chartered Certified Accountants (UK) and a Member of the Malaysian Institute of Accountants.

He began his professional career in 1988 and spent six years in two international accounting firms where he was involved in the audit of several public listed companies and handled a wide range of corporate rescue exercises.

In 1994, he moved on to be the Financial Controller of a Hong Kong based group of companies involved in manufacturing and trading before joining Glomac in 1996.

### Ong Shaw Ching

Aged 56, Male, Malaysian  
Chief Operating Officer

**Zulkifly Garib joined Glomac Berhad on 15 October 2019 as Chief Operating Officer - Operations.**

He graduated with a BSc. in Civil Engineering and is a Member of the Chartered Institute of Highways & Transportation, United Kingdom.

Zulkifly began his professional career as an Engineer with a consultancy firm followed by appointments with PLUS Berhad and subsequently UMW Corporation Berhad.

He brings with him extensive experience in the land and property development sector having held senior managerial positions at Land & General Berhad and Tropicana Corporation. He was Senior General Manager of UDA Holding Bhd as Head of its Township Division before taking up position as Director of Operations at United Malayan Land Berhad in 2006.

Prior to his appointment at Glomac, Zulkifly was Project Director with UEM Sunrise Berhad.

He is currently Vice-President of the Real Estate and Housing Developers Association Malaysia (REHDA) and is the Immediate Past Chairman of REHDA, Selangor. He also sits on the Board of the Selangor Housing & Property Board (*Lembaga Perumahan & Hartanah Selangor* - LPHS)

### Zulkifli Garib

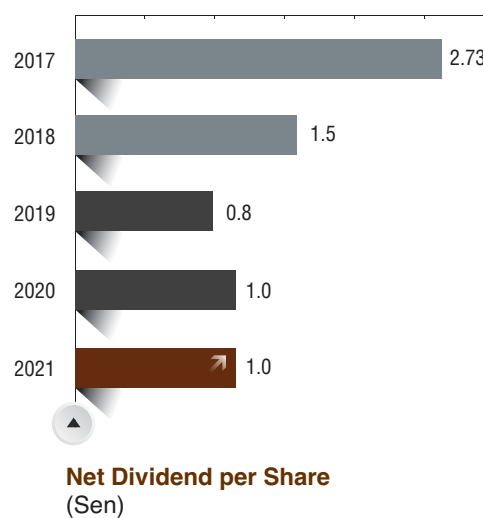
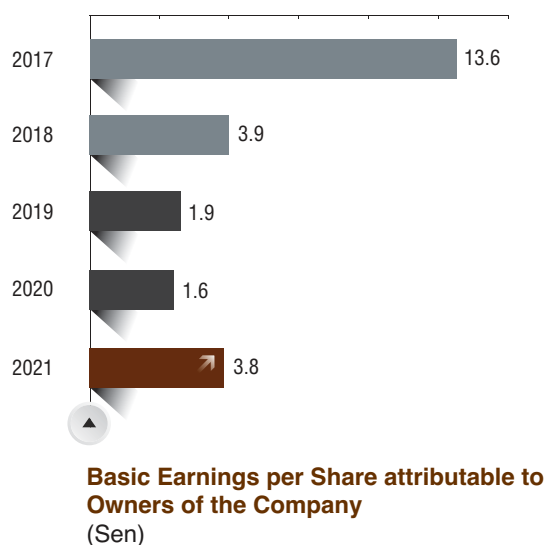
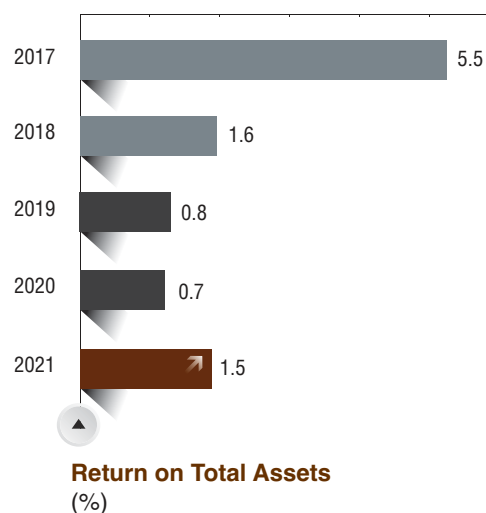
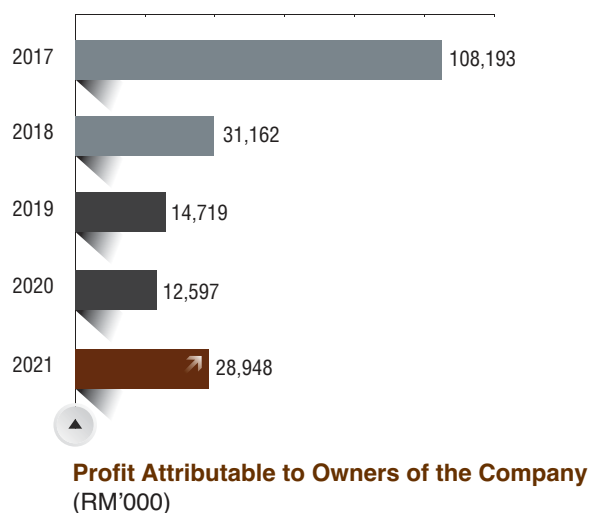
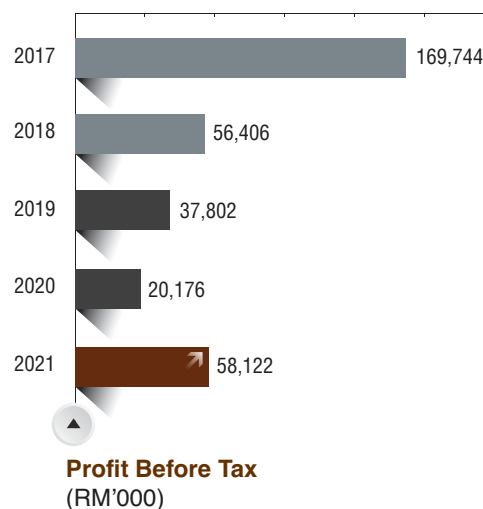
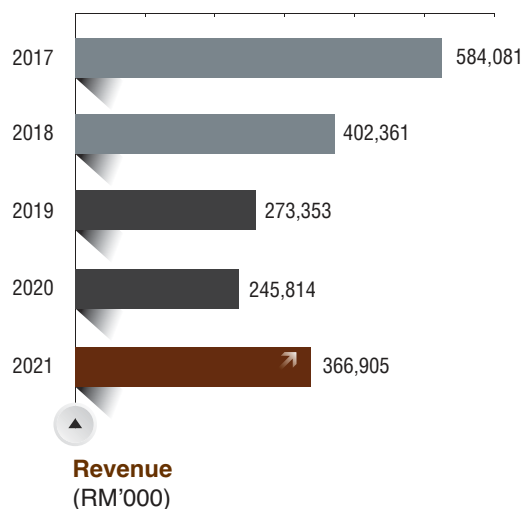
Aged 60, Male, Malaysian  
Chief Operating Officer -  
Operations

Save as disclosed, none of the Key Senior Management:-

- i. Has directorships in other public companies and listed issuers;
- ii. Has any family relationship with any directors/major shareholders of the Company;
- iii. Has any conflict of interest with the Company;
- iv. Has any conviction for offences within the past five years other than traffic offences; and
- v. Has any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 April 2021.



## 5-YEAR FINANCIAL HIGHLIGHTS



## 5-YEAR FINANCIAL HIGHLIGHTS

	2021 RM'000	2020 RM'000	2019 RM'000	2018 RM'000	2017 RM'000
Revenue	366,905	245,814	273,353	402,361	584,081
Profit Before Tax and Exceptional Item	58,122	20,176	37,802	56,406	169,744
Profit Before Tax	58,122	20,176	37,802	56,406	169,744
Income Tax Expense	(25,639)	(2,779)	(23,083)	(22,876)	(60,535)
Profit for the year	32,483	17,397	14,719	33,530	109,209
Profit Attributable to Owners of the Company	28,948	12,597	14,719	31,162	108,193
Non-controlling Interest	3,535	4,800	-	2,368	1,016
	32,483	17,397	14,719	33,530	109,209

### Assets and Equity

Total Assets Employed	1,947,592	1,895,748	1,899,692	1,918,811	1,970,670
Paid-up Share Capital	418,632	418,632	418,632	418,632	418,632
Equity Attributable to Owners of the Company	1,115,249	1,094,768	1,090,748	1,092,286	1,074,644
Return on Shareholders' Funds Attributable To Owners of the Company	2.6%	1.2%	1.3%	2.9%	10.1%
Return On Total Assets	1.5%	0.7%	0.8%	1.6%	5.5%

### Share Information

Basic Earnings Per Share Attributable to Owners of the Company (Sen)	3.8	1.6	1.9	3.9	13.6
Net Assets Per Share Attributable to Owners of the Company (RM)	1.45	1.42	1.40	1.38	1.35
Net Dividend Per Share (Sen)	1.0	1.0	0.8	1.5	2.73

## SUSTAINABILITY STATEMENT

### ABOUT THIS SUSTAINABILITY STATEMENT

Glomac's annual Sustainability Statement presents its economic, environmental and social ("EES") efforts that benefit tenants, residents, employees and communities while preserving and enhancing long-term value for all stakeholders.

Covering information throughout the latest financial year, this Sustainability Statement runs from 1 May 2020 to 30 April 2021 (FY2021). This statement complements Glomac's Annual Report 2021, which presents the Group's financial results and corporate governance practices. The previous statement was published in August 2020.

Glomac's sustainability performance has been categorised into three main pillars: Economic, Environmental and Social. Following the Bursa Malaysia Sustainability Guide and the Global Reporting Initiative Standards (Core option) provides a comprehensive discussion on embedding sustainability into all business operations.

The scope of this statement includes all business divisions and operations under the Group. Data disclosed covers properties that it owns and/or manages, unless otherwise stated.

In FY2021, Glomac's sustainability progress and achievements have been mapped against the United Nations 2030 Agenda for Sustainable Development. Linking the United Nations Sustainable Development Goals (SDGs) with identified material sustainability matters allowed the Group to concentrate on areas that have the greatest impact.

This statement represents all business divisions and significant operations. Unless otherwise stated, the data covers properties that it owns and/or manages.

This statement is published online on our website <https://www.glomac.com.my> and is available in print upon request. All feedback is welcomed and can be directed to:

Company Secretary  
Level 15, Menara Glomac  
Glomac Damansara  
Jalan Damansara  
60000 Kuala Lumpur  
Tel: +603 7723 9000  
Fax: +603 7729 7000



# SUSTAINABILITY STATEMENT

## THE BUSINESS OF SUSTAINABILITY

This is a time of rapid technological advancement and global volatility. Tenants and residents are choosing to live, work and play in built environments that deliver sustainable and socially responsible features. Glomac strives for lower energy and water consumption while also focusing on waste reduction and management strategies. Powered by data analytics, these efforts provide a clear course of action to achieve better financial returns and enhanced tenant and customer satisfaction.

Real estate depends on social sustainability to foster the right conditions for progress. Glomac's social and community programmes operate at the forefront of all tenant/residential communities to deliver a more engaged way of life.

This is how sustainability - in a business context - recognises the importance of delivering financial value to clients through focused execution while simultaneously enhancing environmental and social performance.

We summarise some of our best ideas and efforts over the past year that make our re-defined understanding of sustainability part of our value equation. Sustainability becomes a durable business driver and self-propelling change agent for the built and natural environments that we all value.

## SUSTAINABILITY STRATEGY

Glomac is committed to driving responsible and sustainable business practices throughout the organisation. Implementing strategies and initiatives helps maximise business performance with regards to expanding the development portfolio, building sustainable investment assets and forging reputable long-term stakeholder relationships.



## Sustainability Goals

- Incorporate sustainability practices into all three economic, environmental and social aspects to establish ourselves as a sustainable Group
- Achieve long-term corporate sustainability by identifying aspects that are material to the Group
- Create an environment that can enhance our quality of life while ensuring our business success as a visionary property developer

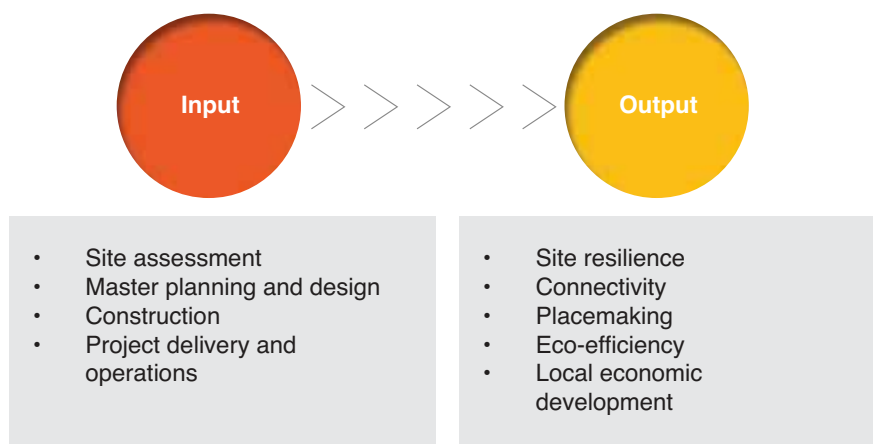


## SUSTAINABILITY STATEMENT

Pillars	Objectives	Focus areas
<b>Economic</b>	We support nation-building and long-term economic growth without negatively impacting environmental or social aspects of the community.	<ul style="list-style-type: none"> <li>• Nation-building</li> <li>• Economic performance</li> <li>• Local hiring</li> </ul>
<b>Environmental</b>	We operate within environmental limits so that our properties are sustainable in the long term.	<ul style="list-style-type: none"> <li>• Energy and climate</li> <li>• Waste minimisation</li> <li>• Water efficiency</li> <li>• Biodiversity</li> </ul>
<b>Social</b>	We want everyone to enjoy happy healthy lives in vibrant, inclusive communities and workplaces.	<ul style="list-style-type: none"> <li>• Health and wellbeing</li> <li>• Culture and community</li> <li>• Equity and diversity</li> <li>• Transport, mobility and connectivity</li> </ul>

### HOW WE CREATE VALUE

Embedding Glomac's sustainability focus areas in the project development process and supply chain ensures that tenants, residents and customers can enjoy sustainable communities.



### SUSTAINABILITY GOVERNANCE

Glomac's sustainability is championed by a group of middle and senior management from various business units and departments. They are responsible for ensuring the Group's continued progress and improvement in the areas of economic, environment, social and governance ("EESG") and implementing action plans and communicating them to stakeholders.

Glomac's Board of Directors is updated regularly on any matters relating to sustainability risks and business malpractice incidents. Glomac's sustainability management performance, key material issues identified by stakeholders and planned follow-up measures are also presented to the Board.

## SUSTAINABILITY STATEMENT

### SUSTAINABILITY RISKS AND OPPORTUNITIES

Glomac systematically manages sustainability risks. These risks are considered a part of everyday company management and organisational operations and should not be approached separately. Senior management plays a critical role by setting a clear tone at the top and developing a code of conduct that creates the right environment for mitigating risk.

#### Investor

##### Reduce risk; increase net operating income

- > We incorporate sustainability factors into our investment strategy to maximise value, manage risk and support stable, long-term returns

#### Tenant

##### Enhance tenant loyalty, health and satisfaction

- > We create stronger tenant-landlord relationships by working with tenants to achieve their sustainability objectives and operate within sustainable environments

#### Employee

##### Align with business priorities

- > We integrate sustainability and business objectives into annual incentive plans for our employees while providing sustainable workplace environments that align with our values

#### Community

##### Create positive impact

- > We focus on health and well-being and the creation of sustainable communities, both inside and outside of our properties

#### Industry

##### Advance thought leadership

- > We coordinate with the industry to share information, adopt best practices and advance thought leadership

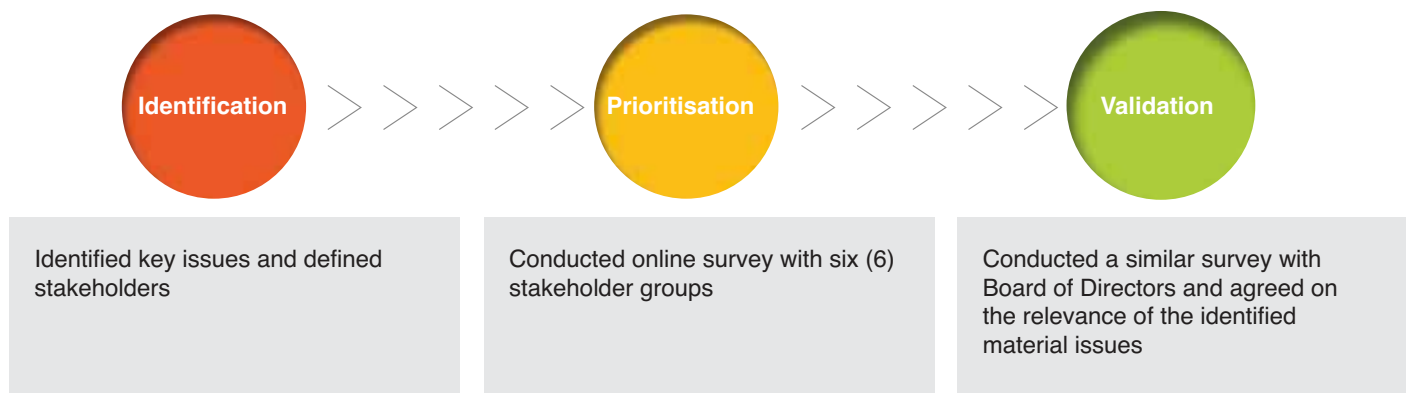
# SUSTAINABILITY STATEMENT

## DEFINING OUR MATERIAL ISSUES

Glomac aims to report on risks and opportunities that have economic, environmental and social relevance. An independent, refreshed materiality assessment has shaped the content of this Sustainability Statement. This process helped review the relevance of material topics to ensure Glomac is well-positioned to respond to shifting priorities of the business and stakeholders.

Sustainability matters are considered material when they reflect Glomac's significant economic, environmental and social impacts and substantively influence the assessment of its stakeholders. Glomac's materiality assessment approach is guided by the United Nations Sustainable Development Goals ("SDGs") and the Global Reporting Initiative ("GRI") Guidelines to reconfirm that the material issues and priorities were captured in the sustainability strategy and business plan.

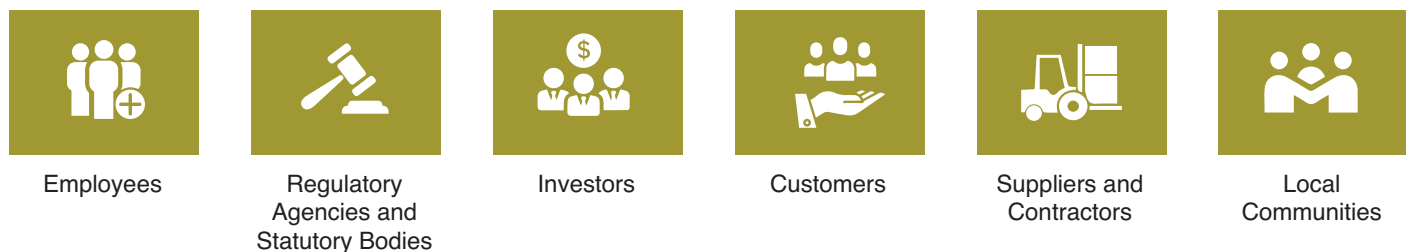
### Materiality Assessment Approach



### METHOD

The Glomac Berhad Stakeholders' Materiality Survey 2021 was conducted in the last quarter of FY2021. The survey was performed by an external consultant to ensure impartiality and the anonymity of the respondents.

### Stakeholders Consulted During the Materiality Study



## SUSTAINABILITY STATEMENT

The respondents were asked to indicate the importance they placed on 18 economic, environmental and social issues. These issues, along with their descriptions, are presented in the table below.

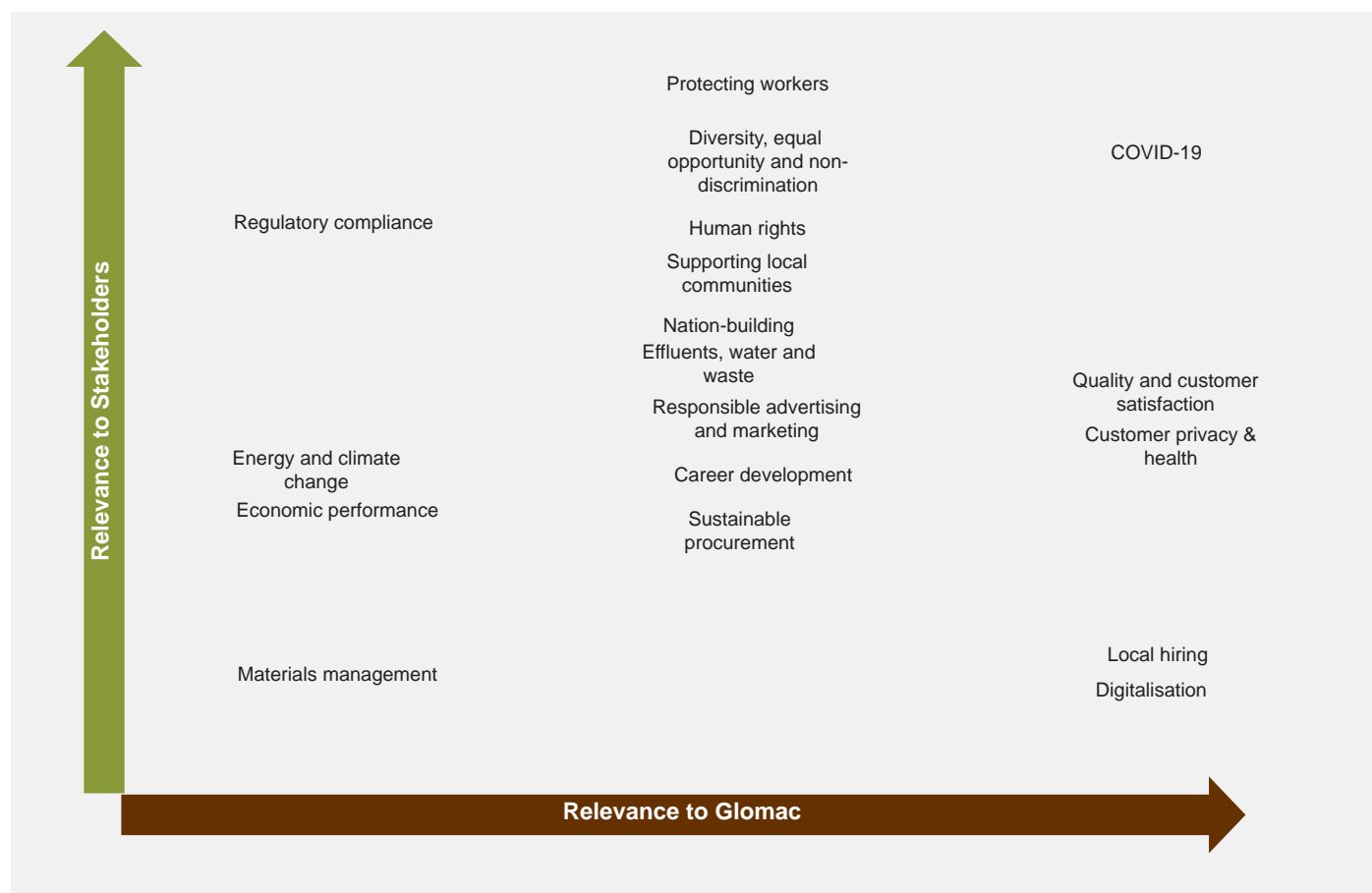
Sustainability Issue	Description
<b>Economic</b>	
Regulatory compliance	Preventing and reporting corrupt and anti-competitive behaviour and complying with all other economic, environmental and social legislation
Economic performance	Generating and distributing economic value among different stakeholders
Sustainable procurement	Supporting local suppliers and promoting good socio-environmental performance throughout the supply chain
Nation-building	Developing housing and local infrastructure and their impact on local communities
Local hiring	Promoting local economic development in local areas and communities in which Glomac operates
<b>Environment</b>	
Materials management	Reporting all recyclable and non-renewable construction materials with the aim of reducing these
Effluents, water and waste	Disclosing effluent discharges and all wastes including scheduled waste, spills and water bodies affected by runoff
Energy and climate change	Managing emissions and energy effectively with a view to reducing them whenever possible
<b>Social</b>	
Career development	Hiring, recruitment and retention as well as training, upgrading employee skills, performance and career development reviews
Protecting workers	Keeping all workers safe, respecting their rights to joint representation and their consultative practices with employees and their representatives
COVID-19	Protecting all stakeholders from COVID-19 infection within all properties and sphere of influence through strict Standard Operating Procedures ("SOPs"), enforcement and monitoring
Diversity, equal opportunity and non-discrimination	Promoting diversity and equal opportunities and eliminating all forms of discrimination in the workplace
Human rights	Protecting all aspects of human rights including those of the indigenous population, security staff and children while eliminating all aspects of forced labour
Supporting local communities	Supporting all local communities that are economically, socially or environmentally impacted by operations
Responsible advertising and marketing	Providing accurate and transparent information on all aspects of products and services
Customer privacy & health	Protecting the safety, health, wellbeing and privacy of customers and members of the public
Quality and customer satisfaction	Promoting quality throughout the properties' life cycles to ensure high levels of customer satisfaction
Digitalisation	Promoting a transformative digitalisation strategy to improve workplace, environmental and operational efficiency

## SUSTAINABILITY STATEMENT

The respondents were asked to indicate the level of importance they place on each criterion from 'very unimportant' (1) to 'very important' (5).

There was a natural skew in the results as the different stakeholder groups were not represented equally. A separate average score was calculated for each of the 18 areas within each stakeholder group before an average from all eight (8) was obtained.

The same survey was completed by the Board of Directors, whose responses were used to represent Glomac.





# SUSTAINABILITY STATEMENT

## ENGAGING WITH STAKEHOLDERS

Glomac regards stakeholder engagement as fundamental in the process of understanding the breadth and depth of its impacts both within and outside our business. Engaging openly, honestly and regularly with stakeholders help us understand their expectations and concerns. The key stakeholder engagement mechanisms utilised in FY2021 are summarised in the table below.

### Sustainability-Related Communication with Stakeholders

Key Stakeholders	Method of Engagement	Key Sustainability Topics
Contractors/Consultants/ Supply Chain Partners	<ul style="list-style-type: none"> <li>• Safety briefings</li> <li>• On-site audits</li> <li>• Compliance and declarations</li> <li>• Training sessions</li> <li>• Video conferencing</li> <li>• Materiality surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Performance</li> <li>• Occupational safety and health</li> <li>• Key Performance Indicators ("KPIs")</li> </ul>
Customers (including tenants)	<ul style="list-style-type: none"> <li>• Customer service channels</li> <li>• Surveys and feedback channels</li> <li>• Website and other online/offline publications</li> <li>• Materiality surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Satisfaction and expectations</li> <li>• Quality of services and facilities</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Training programmes</li> <li>• Wellbeing programmes</li> <li>• Other communications such as email blasts and newsletters</li> <li>• Materiality surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Staff bonding</li> <li>• Career development</li> <li>• Safety and health at work</li> <li>• Community volunteerism</li> <li>• Work satisfaction</li> </ul>
Investment	<ul style="list-style-type: none"> <li>• Results briefings</li> <li>• Annual General Meeting</li> <li>• Investor conferences</li> <li>• Road shows</li> <li>• Materiality surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Financial results</li> <li>• Business performance and outlook</li> <li>• Sustainability</li> </ul>
Local community	<ul style="list-style-type: none"> <li>• Various feedback channels</li> <li>• Community programmes</li> <li>• Sponsorships, donations and other philanthropic contributions</li> <li>• Materiality surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Community needs</li> <li>• Social and environmental impact from Glomac's operations</li> <li>• Placemaking</li> </ul>
Regulators	<ul style="list-style-type: none"> <li>• Licenses, certifications, reports and compliance</li> <li>• Focus groups and discussions</li> <li>• Materiality surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Industry trend and standards</li> <li>• Compliance</li> <li>• Regulatory expectations and challenges</li> </ul>

## SUSTAINABILITY STATEMENT

### SUSTAINING ECONOMIC GROWTH FOR ALL

Leveraging value-adding opportunities drives long-term total returns and maximises stakeholder value. Glomac aims to provide shareholders with sustainable income streams and increasing returns. Progressively, investors are aligning their investments with their personal values, which include demanding a more holistic assessment of Glomac's positive and negative environmental, social, governance and ethical impacts.

Operating activities can also have negative impacts. Glomac minimises these whenever possible by:

- Creating spaces that support productivity and lifestyle improvements for tenants and residents;
- Improving high-value assets which support the growth of cities; and
- Supporting community development through community partnerships.

Glomac continues to be actively involved in industry associations to support industry-related programmes and address critical issues that affect the country's economy such as developing the housing and real estate industry.



### BUILDING FOR THE FUTURE

The construction and property industry is facing tremendous pressure to deliver high quality and affordable products while reducing project delivery time. Glomac emphasizes sustainability through its built environmental planning, design and construction economics.

<b>Industrialised Building System (IBS)</b>	<p>Glomac embraced the adoption of advanced digital construction technology, IBS. Building components are prefabricated off-site in a controlled factory environment. IBS has been implemented at several sites such as Glomac Centro and Lake Residence.</p>
<b>Aluminium system formwork</b>	<p>This modernised construction system involves using aluminium casts from panels for a building's concrete. This technology can be employed in both high and low construction. The basic structure of the formwork is aluminium welded with sheets and ultimately to a panel. When the formwork is removed, a high-quality concrete fished structure is achieved that does not require plastering. This system has been used for Plaza@Kelana Jaya and 121 Residences.</p>
<b>Aerated concrete blocks (ACB) and structural sheer wall system</b>	<p>Glomac has started to adopt ACB and the structural shear wall system to minimise conventional brickwork and plastering works. ACB combines insulation and structural capability in one material for walls, floors and roofs. Its lightweight, cellular properties:</p> <ul style="list-style-type: none"> <li>• Make it easy to cut, shape size and accept nails and screws readily; and</li> <li>• Allow it to be routed to create chases for electrical conduits and small diameter plumbing runs.</li> </ul> <p>Fire resistance is excellent; it is non-combustible and will not burn or emit toxic fumes. As ACB blocks are lighter and the dead load on the structure is reduced, the structure can be designed more efficiently for a lower load. As the unit weight is reduced, the output is enhanced by at least 40%.</p>

## SUSTAINABILITY STATEMENT

### HOW COVID-19 HAS AFFECTED HOUSING DEVELOPERS AND HOME BUYERS

The Movement Control Order (“MCO”) enforced by the Malaysian Government commenced on 18 March 2020 and is still ongoing. The MCO is vital to protect Malaysians from the spread of COVID-19. However, these restrictions pose challenges and risks to property development and many other industries. Developers, contractors, suppliers of building materials and equipment, manufacturers, professionals and purchasers have struggled to meet their commitments.

The COVID-19 Act, modifying the Housing Development (Control & Licensing) Act 1966 (“HDA 1966”), was enforced on 23 October 2020. Essentially, it provides the following relief:

- 1) The period between 18 March 2020 and 31 August 2020 is excluded from the time calculation for the delivery of vacant possession that was agreed contractually; and
- 2) The computation of liquidated damages for housing developers’ failure to deliver vacant possession excludes the prescribed period.

Although the COVID-19 Bill offers protection for developers, MCO restrictions continued to delay projects both directly and indirectly. Procuring foreign-made construction materials and supplies was challenging as most countries had shut their borders. Glomac was only allowed to delay 50-60% of manpower from starting construction during the Conditional Movement Control Order (“CMCO”).



Some projects are days ahead as the result of hard work by Glomac’s Project teams and business partner contractors. The team worked diligently and consistently to overcome various obstacles resulting from the pandemic.

Everyone has been affected by COVID-19 both personally and financially. Glomac aims to deliver products to homeowners on time. The timely delivery of properties reduces the financial stress of buyers who are first home owners waiting to move into their new homes.

Glomac’s financial position remains robust as it takes appropriate steps to circumvent and mitigate challenges. The Group is also backed by a sustainable pipeline of new launches for the financial year. Focusing on operational improvements will result in smooth construction that will enable the timely delivery of ongoing projects.

### SUPPORTING GOVERNMENT COMMITMENT TO PROVIDING AFFORDABLE HOUSING

Affordable housing is one of the main deliverables in the development of the low-income and middle-income housing structure. Along with Dasar Perumahan Negara (DPN) and the 12<sup>th</sup> Malaysia Plan, the government is urged to increase the quality and availability of affordable housing at a minimal cost.

Urban house prices have increased beyond the means of many low and middle-income groups and first-time buyers. Priced between RM42,000 and RM250,000, payments for Glomac’s affordable homes are less than 30% of customers’ income. Glomac works closely with the Government to align its financing terms with Governmental schemes such as the Home Ownership Campaign.

## SUSTAINABILITY STATEMENT

The supply of affordable homes in many areas falls short of demand. Potentially, the urban poor is consigned to further generations of poverty and the accompanying social problems. Glomac supports the government by providing four (4) types of affordable housing in its townships in Selangor and Johor.



Nuri Apartment - Saujana Rawang - Rawang



Seri Kenanga - Saujana Perdana - Sg Buloh



Seri Kenari - Saujana Perdana - Sg Buloh

### ENABLING LOCAL COMMUNITY TO PROSPER

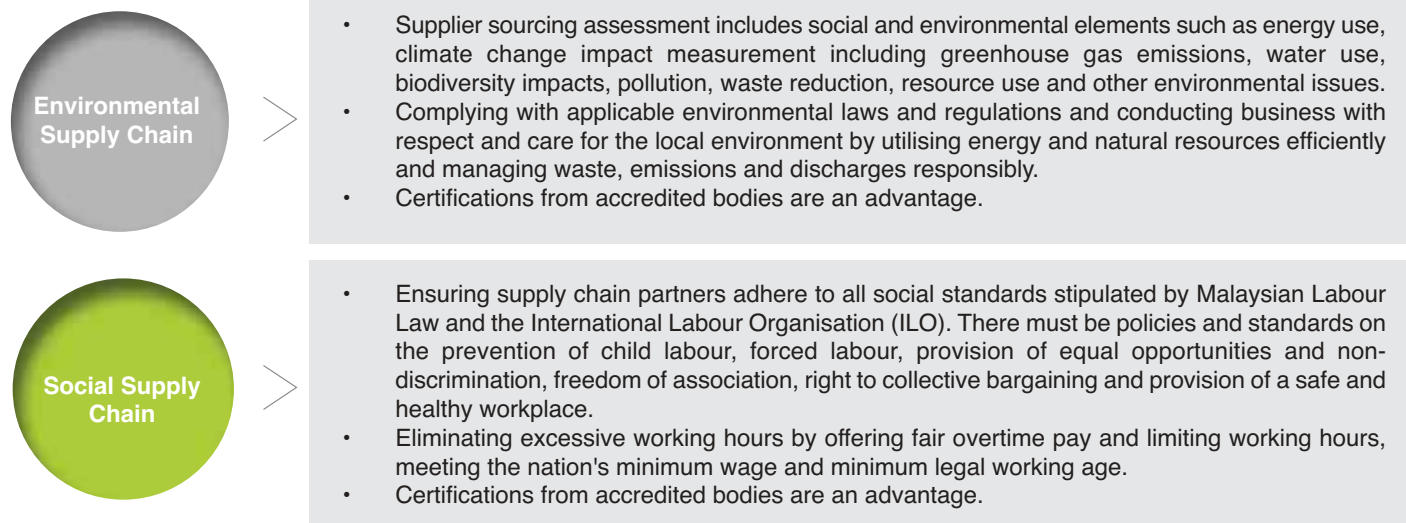
Economic growth is a prerequisite for increasing productive employment; it is the combined result of increases in employment and labour productivity. Glomac contributes to local economic growth rates through employment creation. Engaging local contractors for services such as securities management and waste collections creates jobs in the local community.

Hiring locals for mall operations is crucial for coolers and electrical and gas installations. 100% of our suppliers at Glo Damansara are locals.

### INTEGRATING SUSTAINABILITY INTO OUR SUPPLY CHAIN

Glomac encourages business partners, suppliers and dealers to adopt and share sustainable practices. All suppliers must respect the Glomac Code of Business Ethics and Conduct which includes the values recognised, adhered to and promoted.

#### Environmental and Social Expectations of Suppliers



## SUSTAINABILITY STATEMENT

New and existing major suppliers are subjected to an environmental and social risk assessment to ensure they comply with the Group's standards. This is especially important for those who are deemed as 'high risk'. Glomac conducts periodic supplier visits through its appointed property management company. Suppliers must comply with Malaysian Labour Law and their license to operate must be approved by the relevant Government Ministries.

There has been no major non-compliance with regards to suppliers' conduct during this reporting year.

### WHAT IF WE BUILT OUR COMMUNITIES AROUND PLACES?

Long-term sustainability lies at the heart of all developments. Glomac determines how it can best transform the land into a development that would best meet the community's needs before work commences. The development should also complement the amenities in nearby neighbourhoods.

Placemaking inspires people to collectively reimagine and reinvent public spaces at the heart of every community. Strengthening the connection between people and the places they share, placemaking refers to a collaborative process that shapes the Group's public realm in order to maximise shared value. With community-based participation at its centre, Glomac adopts an effective placemaking process which capitalises on a local community's assets and inspiration. Quality public spaces are created that contribute to people's health, happiness and wellbeing.

#### Amenities at Glomac's Townships



Family parks



Walkways



Playground facilities



Basketball courts



Attractive green landscaping



Dahlia Sari



Mawar Sari





## SUSTAINABILITY STATEMENT

Saujana Perdana has walkways for joggers and cyclists amongst green landscapes. Glomac always surpasses the minimum green space requirements set by the local council to preserve the environment. Land is also allocated for schools, *Surau*, *Rumah Ibadat*, *Pusat Komuniti* and the Hawker Centre Saujana Perdana.



Glomac's placemaking strategy promotes better urban design while increasing property prices due to the improved connectivity. Properties are built at strategically matured locations within the city. Extremely easy access ensures dwellers are connected to all modern infrastructure such as highways, education institutions, health and medical centres, security and various lifestyle and leisure activities. Many of Glomac's properties are Transit Oriented Development (TOD), which also help the property investment value to increase.

Glomac undertook various construction and infrastructure upgrading works such as access roads to the development and public road. The Plaza@Kelana Jaya and Lakeside Puchong projects now have a direct public connection to LRT 3. Persiaran Warisan Indah is also being upgraded for improved connectivity with existing and future developments, which will connect the existing SKLIA development with Kota Warisan, Salak Tinggi and new upcoming business centres.

Glomac's holistic township planning ensures that all relevant components are intact in building a sustainable township. Aspects of township planning focused on include infrastructure, economic activities and community well-being. For example, Dahlia Sari, which is scheduled to be operational in May 2023, is close to schools, educational institutions, places of worship, healthcare facilities, restaurants and convenience stores. These amenities offer stress-free convenience with suburban healthy lifestyle facilities such as parks and open spaces.

### Amenities Close to Mawar Sari and Dahlia Sari in Saujana Perdana

	<b>Shopping</b> <ul style="list-style-type: none"> <li>SU Mall and Central Mart Shopping Centre</li> </ul>		<b>Medical</b> <ul style="list-style-type: none"> <li>Hospital UiTM and Sungai Buloh Hospital</li> </ul>
	<b>Education</b> <ul style="list-style-type: none"> <li>SMK Saujana Utama, SRK Saujana Utama, SRK Seri Pristana, SRK Merbau Sempak, SK Kampong Subang and SRAI Saujana Utama</li> <li>Universiti Teknologi Mara (UiTM) Puncak Alam, UiTM Puncak Perdana, Universiti Selangor and UiTM Shah Alam</li> </ul>		<b>Connectivity</b> <ul style="list-style-type: none"> <li>Persiaran Mokhtar Dahari, Guthrie Corridor Expressway (GCE), Kuala Lumpur-Kuala Selangor Expressway (Latar), New Klang Valley Expressway (NKVE) and Damansara-Shah Alam Highway (DASH)</li> </ul>

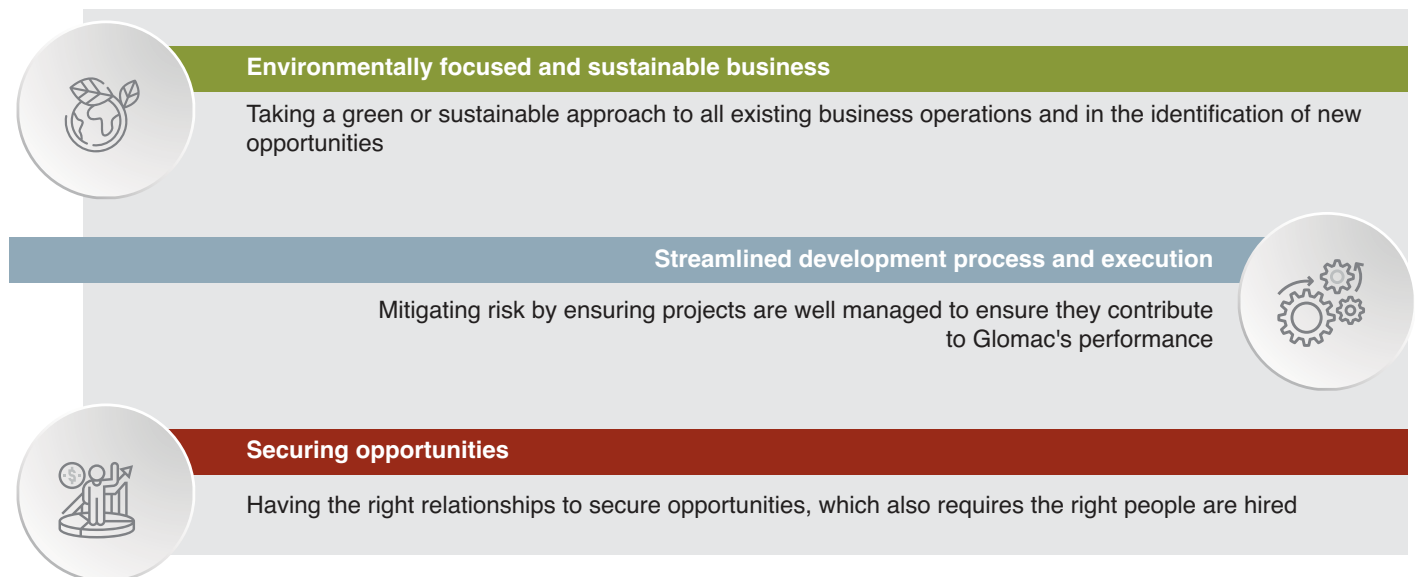
## SUSTAINABILITY STATEMENT

### ENVIRONMENT

Glomac's built environment impacts atmospheric emissions and the wider resource consumption profile. However, the Group is well-positioned to improve the resource consumption of its buildings through efficient property management and development. Existing buildings can also be upgraded with more efficient plants and equipment. Responsible building management contributes to the capital appreciation of those buildings over time.

Glomac aims to deliver quality sustainable homes to its customers. Careful thought and planning are put into development projects to build an eco-friendly space that promotes healthy living for residents by incorporating green features and constructing green landscapes.

#### Glomac's Commitment to the Environment and Long-term Stakeholder Value Chain



Improving the operational and environmental performance of properties help maximise the useful life of the equipment and reduce operating costs for tenants. Glomac's proactive approach enhances the operational and financial performance of the business and supports a resource-efficient work and living space for tenants, employees and residents.

### ENVIRONMENTAL GOVERNANCE

An Environmental, Safety and Health ("ESH") Committee is formed at every site.



**ESH  
Committee  
responsibilities**

- Ensuring compliance with the Group's environmental policy and processes
- Conducting a monthly audit upon receiving a weekly checklist from site officers
- Convening each month to discuss and review environmental-related risks, challenges and opportunities
- Recording and reporting the outcome of meetings to the Group Managing Director

## SUSTAINABILITY STATEMENT

### ENVIRONMENTAL POLICY

Glomac's Environmental Policy portrays an ambition to create vibrant and sustainable workplaces for tenants. Glomac's environmental policy incorporates the United Nations Global Compact ("UNGC") environmental principles, which stipulate that business should:

- Support a precautionary approach to environmental challenges;
- Undertake initiatives that promote greater environmental responsibility; and
- Encourage the development and diffusion of technologies with better environmental performance.

### ECO-EFFICIENCY AND EFFICIENT RESOURCE MANAGEMENT

Constructing and operating various developments consume significant natural resources. However, these activities present the greatest opportunity to improve efficiency in consumption. Glomac remains committed to reducing its environmental impact by adapting activities to conserve natural resources and manage waste properly.

Glomac proactively invests in infrastructure and operational practices that monitor, analyse and minimise operating expenses for tenants. Municipal and state benchmarking ordinances drive compliance with energy and water regulations.

### MATERIALS

The construction industry is the largest consumer of basic materials. Synthetic, manufactured and natural materials such as stone, sand, clay and lime are used. Excess construction materials are reused for maintenance and replacing broken and ageing items. For example, old rubber tyres are cut into strips and used as shock absorbing underlay for metal gratings on driveways to reduce noise and damage to the drainage edge.

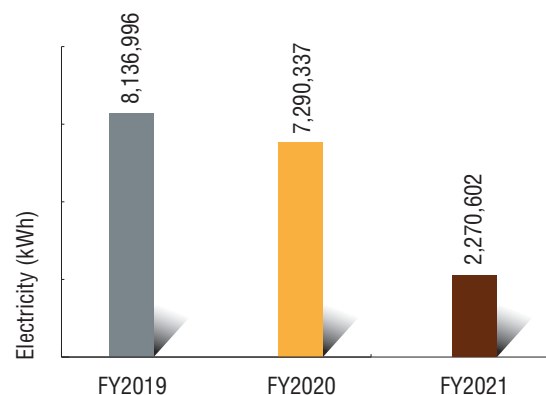
Extracting raw materials from the environment is expensive. Recycling and reusing help conserve important raw materials and protect future natural habitats.

### ENERGY

Glomac improves energy efficiency by harnessing energy-efficient fixtures and fittings, augmented with smart technology to leverage capability and reduce energy impact. Typically, existing fluorescent lighting fittings have been retained. Retrofitting these fittings with LED lighting tubes has resulted in the same lighting capacity with significantly less power.

Glomac has also installed energy-saving inverter technology, which eliminates air-conditioning wastage by efficiently controlling motor speed. A Variable Refrigerant Flow ("VRV") system also efficiently regulates the building air conditioning in Menara Glomac. The system allows tenants to control and maintain the building temperature instead of relying on a central air conditioning system that would consume excessive amounts of electricity.

### Group Electricity Consumption



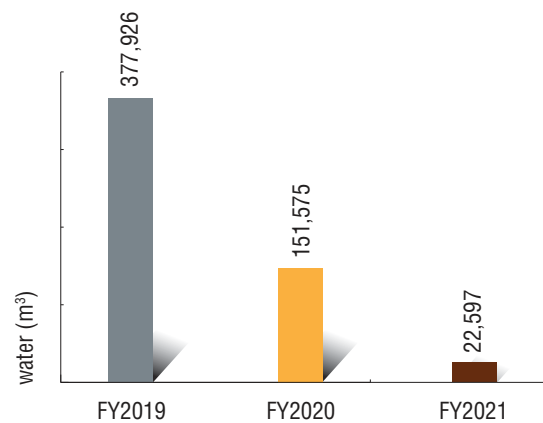
## SUSTAINABILITY STATEMENT

### WATER

Glomac improved its water efficiency by reducing waste and reusing water where practical. Rainwater harvesting has been implemented at some developments such as Plaza@Kelana Jaya, 121 Residences, Glomac Centro and Reflection Residences. The water footprint is reduced through these water-saving initiatives on-site and Glomac is looking to replicate the system at other properties.

Glomac complies with local policies regulating water extraction and utilisation. The Group's developments utilise water district suppliers that operate in the project sites such as Syarikat Bekalan Air Selangor ("SYABAS").

#### Group Water Consumption



### LONGSTANDING COMMITMENT TO GREEN DEVELOPMENT

Glomac drives operational excellence through advanced technologies, tenant engagement strategies, and stringent energy, water and waste management. Validating building performance with green building certifications demonstrates to stakeholders that Glomac's initiatives achieve exceptional results and exceed benchmarks. Greater value is delivered for customers, tenants and residents while lowering operating costs.

Two properties, Glomac Centro and Reflection Residences, are Green Building Index ("GBI") certified and Plaza@Kelana Jaya and 121 Residences are in the process of obtaining GreenRE Bronze Certification. GreenRE Certification provides a holistic approach to benchmarking green buildings. This development is currently being evaluated by a third-party consultant. Glomac targets achieving Green Building Certification once the construction has been completed.

## SUSTAINABILITY STATEMENT

**According to the World Green Building Council, green buildings produce up to 60% fewer greenhouse emissions than average buildings and consume 50% less potable water than if they had been built to meet minimum industry requirements**



Glomac Centro



Reflection Residences



## SUSTAINABILITY STATEMENT

Some examples of Glomac's environmentally-responsible initiatives are summarised below.

### Other Environmentally-Responsible Initiatives

Menara Glomac	Glo Damansara
<ul style="list-style-type: none"> <li>Inverter technology and green refrigerant gases used in air conditioners, fire extinguishers, refrigerators and cleaning solvents to minimise Ozone Depleting Substances.</li> <li>VRV system efficiently regulates the building air conditioning and enhances energy efficiency.</li> <li>LED lights installed on elevators to reduce electricity consumption and utility costs.</li> <li>Office windows are double glazed to reduce heat transfer.</li> <li>Natural light from windows and glass panels account for up to 50% of lighting in common areas.</li> </ul>	<ul style="list-style-type: none"> <li>A staged central chiller system with green refrigerant gas minimises energy surges during start-up.</li> <li>LED lighting illuminates common areas.</li> <li>A Building Automation System ("BAS") manages electrical equipment.</li> <li>Variable Speed Drive (VSD) units installed on Air Handling Units further reduce electricity and chilled water consumption.</li> </ul>

### MANAGING ENVIRONMENTAL IMPACT WASTE MANAGEMENT

Glomac conducts a monitoring programme during the earthworks, construction and operational phases. Performing quarterly environmental monitoring on all construction projects minimises noise and the deterioration of water and air quality. Glomac strictly adheres to the Environmental Quality Act 1974 and its subsidiary regulations and complies with all regulatory standards set by the local authority or the government.




Glomac works with tenants to minimise their environmental impact and reduce operational costs. The Group conducts regular performance tests on its tenants' units to ensure the equipment is functioning optimally. Glomac will continue to work with its tenants and include them on this journey to becoming a green property manager.

Waste management is another key environmental issue identified by stakeholders in addition to energy and water consumption. Developing and operating buildings produce waste but managing and minimising its negative impacts is key. Recycling solutions have been implemented at several Glomac properties and operations. Currently, the team is working towards collating and disclosing waste data in future reporting periods. Diverting this waste from landfill is a key focus.

Glomac recognises its role in reducing the waste generated by its properties' tenants and residents. Aspiring to support the creation of a circular economy, the Group will work with its tenants to phase out single-use plastic and move to compostable packaging.

The bulk of the waste is generated by contractors and tenants but Glomac:

- ensures that its contractors adhere to the waste disposal processes stated in the Environmental Management Plan;
- checks that all recommended mitigation measures are being followed in a responsible and coordinated manner;
- manages waste in its properties through proper waste segregation; and
- promotes the 3Rs - Reduce, Reuse and Recycle - throughout operations with recycled input materials including timber and aluminium formwork.

	<b>Solid waste</b>  Municipal and other non-hazardous wastes  - Disposed of according to the Department of Environment regulations		<b>Construction waste</b>  Concrete, aggregates and bricks  - Recycled as underlay hardcore and construction metal scraps		<b>Scheduled waste</b>  Oil, paint and chemicals  - Collected by appointed contractors for disposal at registered site
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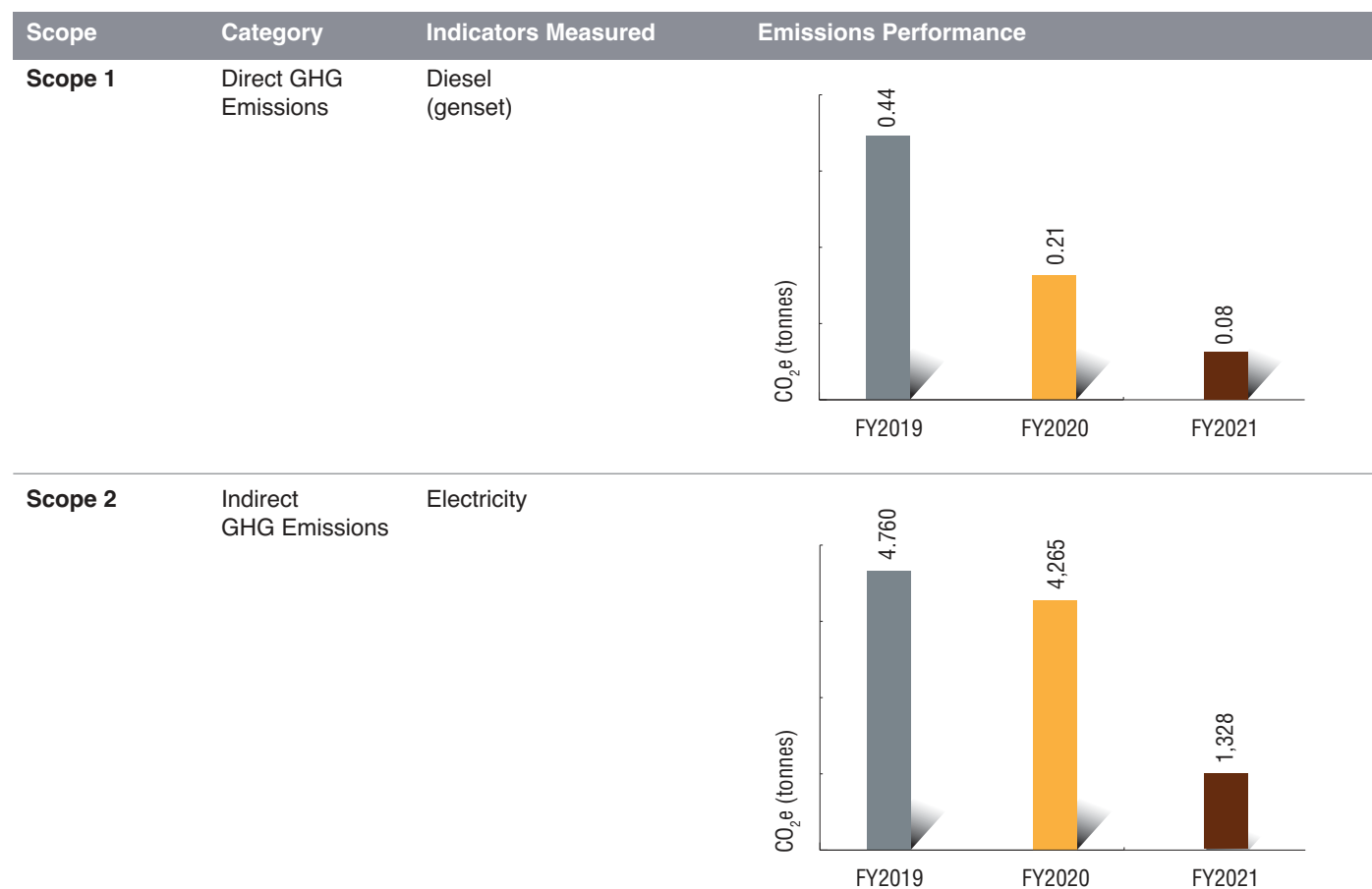
# SUSTAINABILITY STATEMENT

## EMISSIONS

Buildings account for roughly one-third of the world's greenhouse gas emissions and consume 40% of global energy according to the United Nations. Any changes made to a building's performance also reduce its environmental impact. In FY2021, Glomac continued to reduce its greenhouse gas emissions and tracks meaningful analytics on data which is key to lowering operating costs.

Glomac's  
emissions  
accounting is  
based on the:

- Internationally recognised GHG Protocol established by the World Business Council for Sustainable Development (WBCSD) and World Research Institute (WRI)
- GHG Protocol classification of direct and indirect emissions



# SUSTAINABILITY STATEMENT

## SOCIAL: LABOUR PRACTICES AND DECENT WORK

Health, happiness and well-being of a best-in-class team are key factors to business success. Glomac devotes extraordinary efforts to hiring, developing and retaining its talented employees.

### EMPLOYEE CONDUCT

Employees must:

- Act with uncompromising integrity at all times
- Comply with all rules and regulations

Potential breaches can be reported through a confidential whistleblowing procedure. Incidents are followed up in a thorough and responsible manner. Employees must report grievances to their immediate superiors, the Head of Human Resource and the Chairman of Audit Committee. All reports are investigated promptly, overseen by the Chairman of Audit Committee. An appropriate course of action is recommended to the Audit Committee for their deliberation once the investigations have been completed. Glomac examines ways of preventing similar situations from arising in the future.

### Infringements Protected by Whistleblowing

				
Improprieties in matters of financial reporting	Fraud	Corruption, bribery and blackmail	Unethical behaviour, malpractices	Criminal offences
				
Illegal acts or failure to comply with regulations	Miscarriages of justice	Sexual harassment	Endangering an individual's health and safety	Concealing any or a combination of the above

## SUSTAINABILITY STATEMENT

### BENEFITS

Glomac aims to provide a comprehensive benefits package that surpasses the needs of employees and their families. Highly competitive offerings help employees to stay healthy, meet their retirement and financial goals and balance their work and personal lives.

#### Components of Glomac's Competitive Benefits Programme

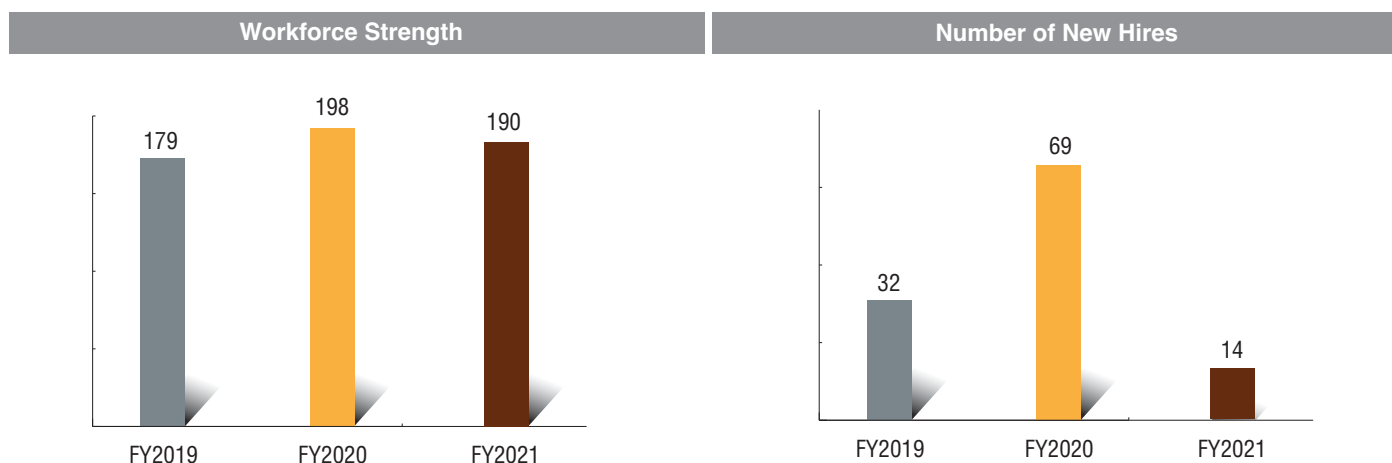
Leave	<ul style="list-style-type: none"> <li>Annual leave</li> <li>Maternity leave</li> <li>Paternity leave</li> <li>Marriage leave</li> <li>Examination leave</li> <li>Disaster relief leave</li> </ul>
Insurance	<ul style="list-style-type: none"> <li>Group insurance and medical benefits</li> </ul>
Allowances	<ul style="list-style-type: none"> <li>Fixed allowance and reimbursable (for manager level and above)</li> <li>Meal allowance (for executives and senior executives)</li> </ul>
Work-life balance employee assistance programme	<ul style="list-style-type: none"> <li>Stress management programmes</li> <li>Career development programmes</li> <li>Wellness programmes</li> </ul>

During FY2021, Glomac revised its benefits packages by:

- Improving insurance coverage from 1 December 2020; and
- Appointing third-party administrator, MiCare, to manage staff medical benefits. Employees can check their medical coverage using the MyMed mobile app. MiCare has 2,580 panel hospitals and clinics in Malaysia. COVID-19 RT-PCR swab tests can also be reimbursed through MiCare.

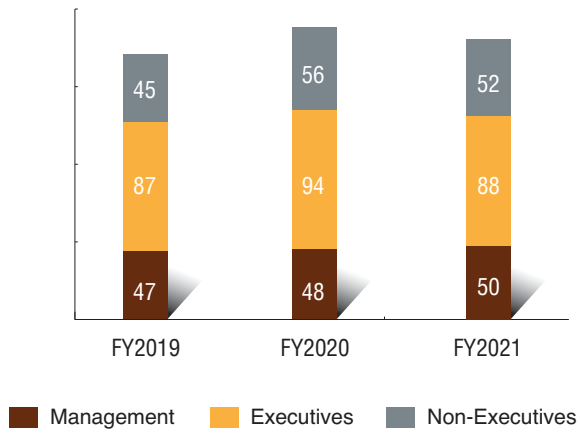
### DIVERSITY AND EQUAL OPPORTUNITY

Glomac promotes diversity and regularly reviews its compensation and corporate structure to identify any areas for improvement. Glomac is committed to building a culture that is entirely inclusive of different people, approaches and ideas by balancing gender, culture and working patterns. Delivering the best stakeholder outcomes requires careful and different thinking, and a diverse workforce fully supports this vision. All employees are Malaysian (100%) and hired under permanent contracts. The diverse Glomac family is showcased in the charts below.

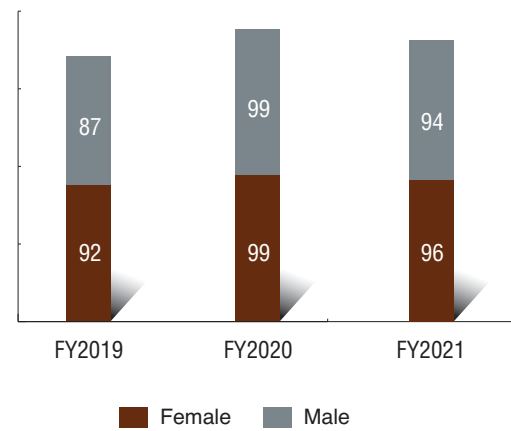


# SUSTAINABILITY STATEMENT

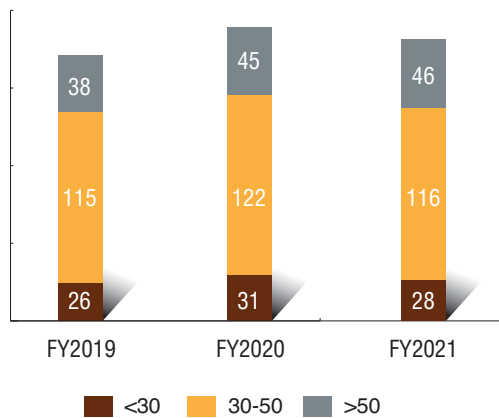
### Breakdown of Employees by Category



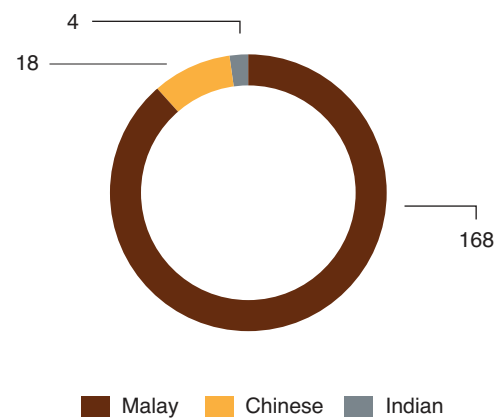
### Breakdown of Employees by Type



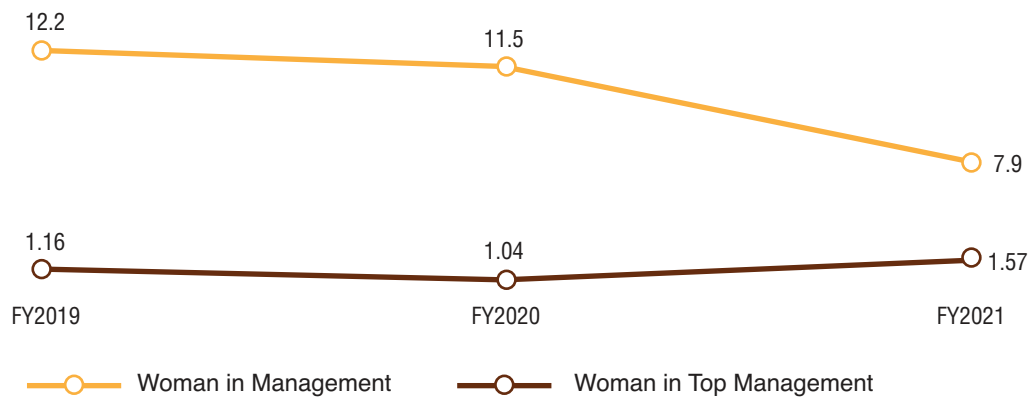
### Breakdown of Employees by Age Group



### Employees breakdown by Ethnicity



### Percentage of Females in the Management (%)





## SUSTAINABILITY STATEMENT

### EMPLOYEE TURNOVER RATES

By Gender (number)	FY2019	FY2020	FY2021
Female	19	33	10
Male	17	29	14

By Age Group (number)			
<30	8	14	2
30-40	14	26	12
40-50	9	12	8
>50	5	10	2

### TALENT DEVELOPMENT AND GROWTH OPPORTUNITIES

Development and growth opportunities are instrumental in attracting and retaining the best talent in the industry. Glomac enhances the effectiveness, well-being and engagement of employees through a number of learning and development programmes.

Enthusiasm and curiosity for continued learning are instilled in employees. Each is granted access to development offerings and resources to support their professional goals. Employees receive a training subsidy to develop their professional knowledge and skills. Glomac also invites professionals on a regular basis to share the latest industry insights and developments. Due to the pandemic, almost all training programmes were postponed or conducted virtually.

### EMPLOYEE ENGAGEMENT AND SATISFACTION



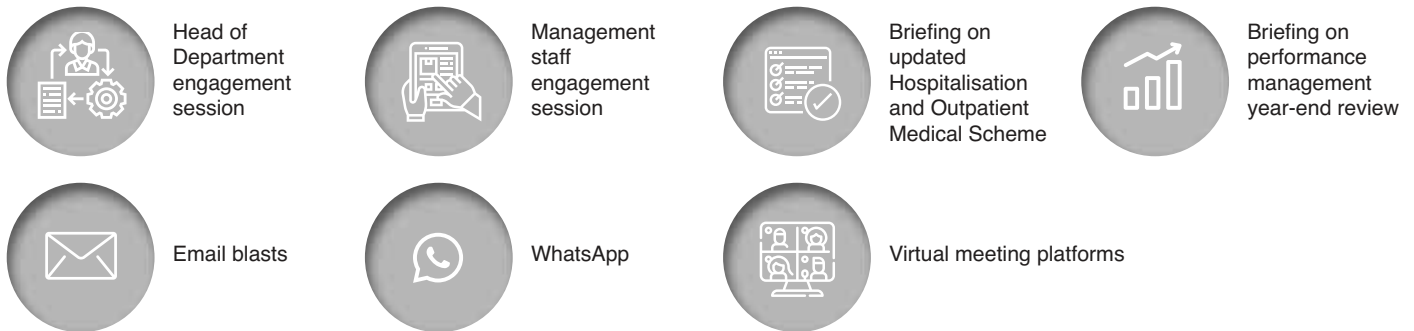
- Building a collaborative and engaging environment
- Encouraging people to excel and contribute
- Empowering employees to be proactive
- Attracting those motivated by accountability and making a difference
- Adopting a flat organisational structure and open-door culture to quickly adapt, respond to change and grasp opportunities

Creating an inclusive environment and encouraging employee and board diversity benefit the business significantly. Glomac has encouraged a continuous improvement and feedback mindset to promote employee engagement and motivation.

Employee engagement is becoming increasingly important in the new norm. Working from home can be challenging; a lack of physical interaction due to the pandemic restrictions can significantly affect a person's mental and wellbeing. The management encourages employees to voice these concerns at various engagement sessions.

## SUSTAINABILITY STATEMENT

### Employee Engagement Sessions Held in FY2021



Glomac celebrates each and every moment: birthdays, company anniversaries, festivals or small events are all enjoyed. Happiness and joy are at the heart of the company's ethos. All employees can enjoy the warm environment of Glomac.

Employee satisfaction is monitored and input from staff facilitates continuous improvement. All full-time employees (100%) receive an annual performance review. These evaluations are aligned with the annual bonus review.

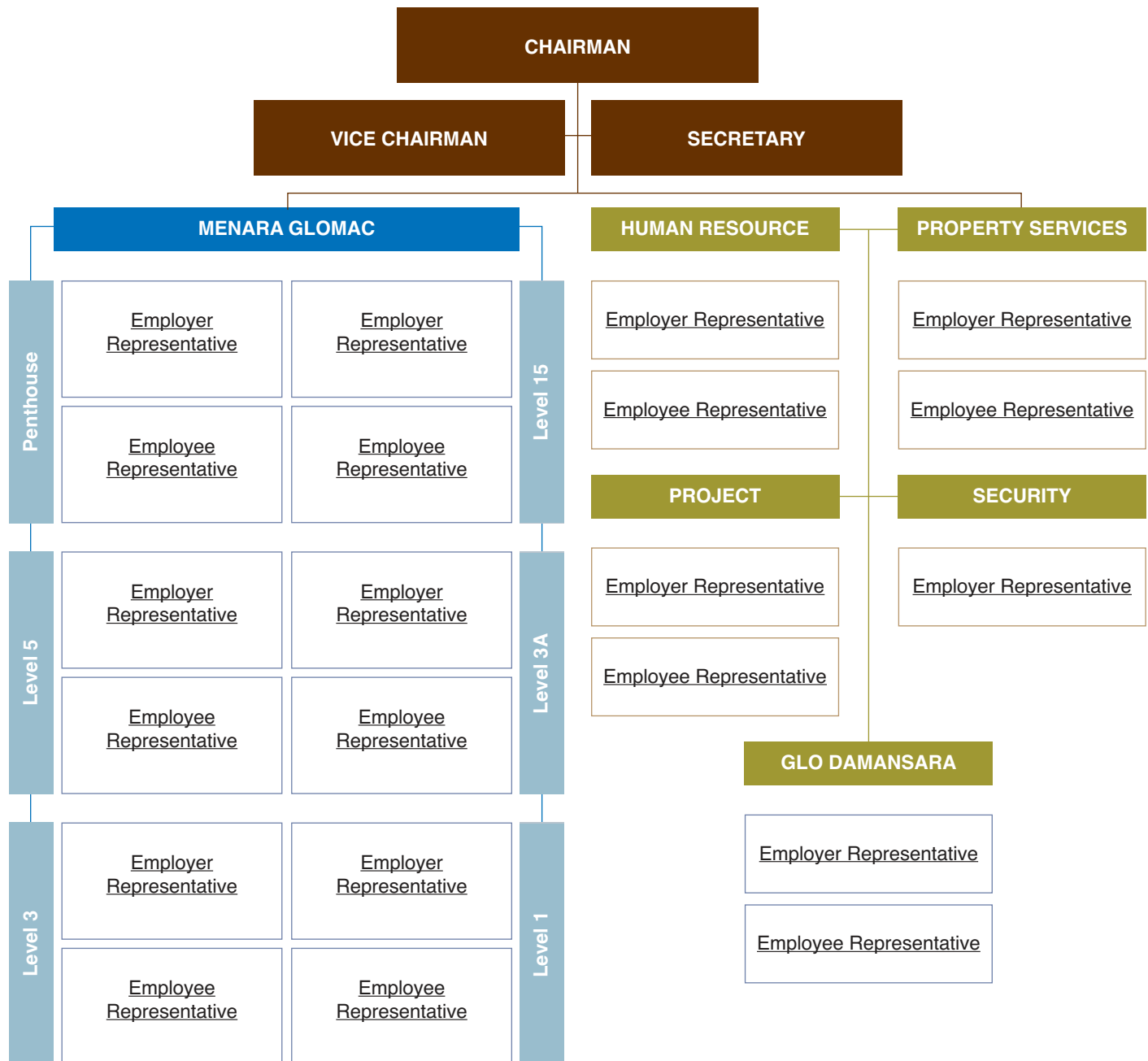
### SAFETY AND HEALTH

The health and safety of all employees and others affected by Glomac's operations are extremely important. All staff and visitors to any workplaces are entitled to return home in the same condition that they left. Glomac aims to achieve zero harm in the workplace by applying risk management principles, effective stakeholder engagement and continuously improving systems of work.

Each division is represented in the Occupational Safety and Health ("OSH") Committee in compliance with the Occupational Safety and Health (Safety and Health Committee) Regulation 1996. The OSH Committee meets quarterly to review safety and health issues and introduce control measures for the respective division. The Committee ensures that the management and workers meet regularly. Understanding the practical work more clearly helps align processes with the management's workplace overview and organisation.

# SUSTAINABILITY STATEMENT

OSH Committee Chart



## SUSTAINABILITY STATEMENT

Contractors are responsible for the safety of their workers on all Glomac sites. The buildings' occupants and the public must not be exposed to any health, safety and security risk when performing any works.

The maintenance team performs larviciding to destroy mosquito larvae in stagnant water. Mosquito larvae left untreated develop into adult mosquitoes, which are a nuisance and a public health threat.

All necessary certification and permits are obtained from the relevant authorities. The *Permit Muat Angkat* (PMA) for elevators and other building machinery is renewed annually and all fire certification is up to date.

Each contractor is required to protect the security, safety and health of the workers and public at the place of work. Every Permit to Work stipulates those contractors must comply with all relevant laws and regulations including the:

- Occupational Safety and Health Act 1994;
- Factories and Machinery Act 1967;
- Uniform Building By-Law 1984;
- Safe operating procedures in the installation of scaffolds; and
- All other related government agencies' regulations.

There were no major accidents or safety incidents occurring in FY2021.

### GLOMAC'S RESPONSE TO COVID-19

Navigating through the global COVID-19 pandemic, which has had a staggering impact on daily lives, Glomac stands firm in upholding its promise to its employees. First and foremost, the Group must protect the wellbeing of all employees, followed by the safe and optimal operation of businesses throughout the value chain.

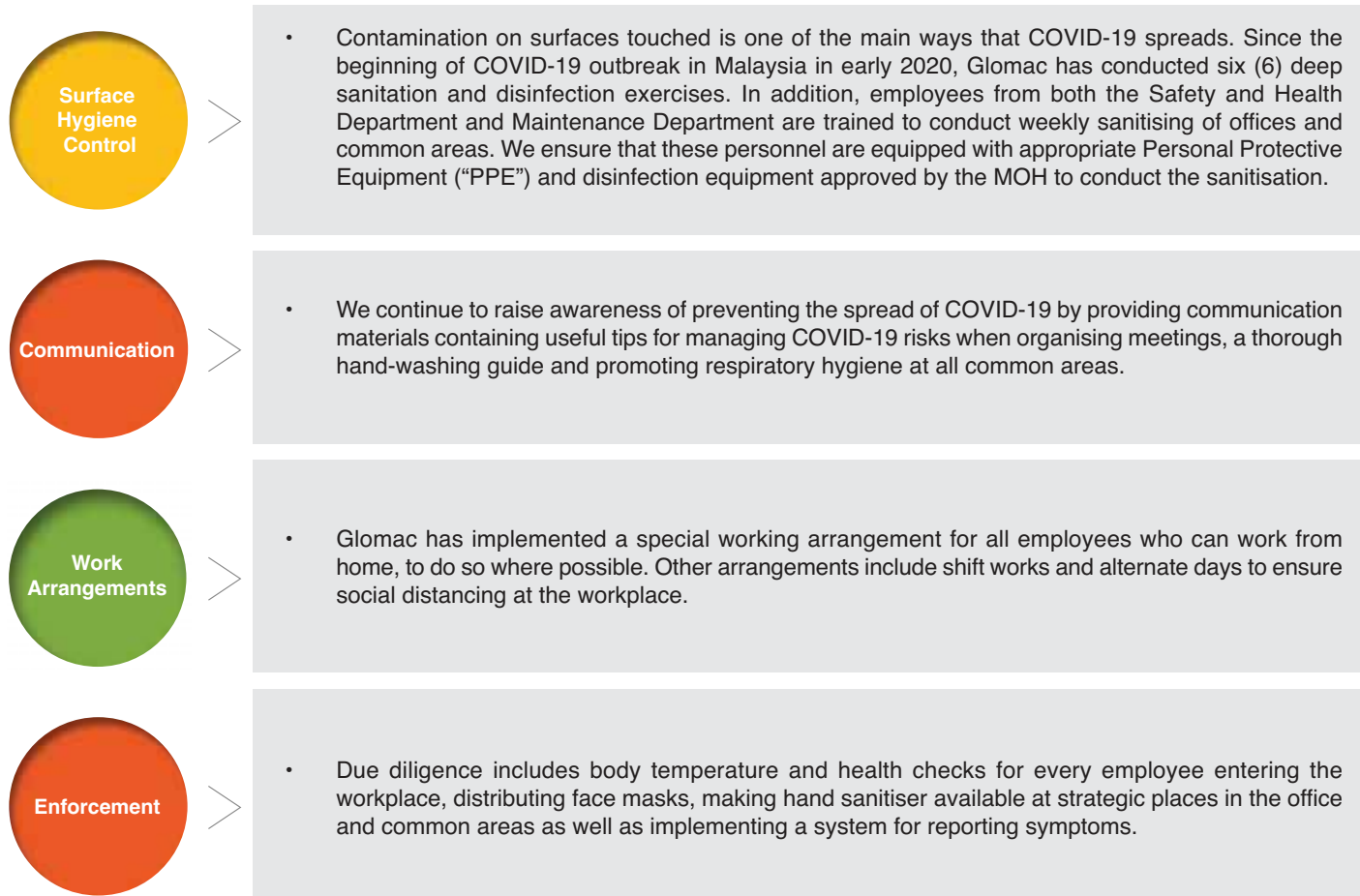
Since the onset of COVID-19, Glomac has been taking measures to safeguard employees' safety. Implementing several proactive steps has helped reduce the risk of exposure and transmission.

Glomac's Covid Task Force was established to lead the Company's response to the fast-spreading coronavirus. The Task Force comprises Senior General Managers, the Head of Property Management, Head of Security and representatives from the Corporate Communications Department, Maintenance and Occupational Safety and Health. The Task Force helped implement Standard Operating Procedures ("SOPs") in line with guidelines issued by the Ministry of Health ("MOH") and the National Security Council ("NSC").

The Task Force also holds regular safety and awareness briefings to remind everyone about the risks and how they can protect themselves during this pandemic. Monthly meetings are held with all employees to explain the changes being implemented to work safely and remind them of their crucial roles in fighting this pandemic.

## SUSTAINABILITY STATEMENT

### Several Proactive Steps to Manage the Risk of Exposure and Reduce COVID-19 Transmission



### OUR POSITIVE IMPACT APPROACH

Glomac positively contributes to the social well-being of local communities at every step of the sustainability journey. This approach to community citizenship nurtures the vitality of neighbourhoods and helps build meaningful relationships with local stakeholders. Creating a positive impact through social initiatives benefits investors, tenants, residents and community interests. This approach is aligned with established international frameworks such as the United Nations' Sustainable Development Goals.

Taking pride in a formalised, metric-focused approach to social impact enables Glomac to deliver measurable change for the towns and neighbourhoods where operations are based.



## SUSTAINABILITY STATEMENT



Contribution to IPD Brickfields



Contribution to Rumah Aman Children's Home



Fabric Bank @ Glo Damansara



### FINANCIAL CONTRIBUTION

#### TO RUMAH AMAN CHILDREN'S HOME

Rumah Aman provides a caring environment for raising orphaned children and helping other families in need. On 20 April 2021, Glomac extended its annual donation to the home to support their education and learning needs. The donation also helped the home prepare for Ramadhan and Hari Raya Aidilfitri.

#### TO LOCAL AUTHORITIES

Glomac extended a donation to IPD Brickfields to support *Surau* activities in conjunction with Ramadhan and Hari Raya Aidilfitri. Hopefully, the Group can continue to provide both financial and social support to local authorities close to its operations.

### CONTROLLING FABRIC POLLUTION

Glomac collaborated with custom apparel expert SaltyCustoms on a Kloth Cares initiative to control fabric wastes around the area of Taman Tun Dr Ismail ("TTDI"), Kuala Lumpur.

Glomac and SaltyCustoms launched a Fabric Bank at Glo Damansara on 30 April 2021. This initiative supports the efforts of Kloth Malaysia Sdn Bhd, a local social entrepreneurship movement focused on keeping fabrics and plastics out of landfills through the circular economy business model.

This was the first of five (5) fabric banks with more planned for Saujana Perdana in Bandar Saujana Utama and other mature developments. This effort is expected to receive tremendous support from the local communities.

The bank accepts almost all fabrics such as shirts, jeans, bedsheets and toys. The collected items are sent to a sorting centre each month where they are reprocessed and redistributed. Glomac is working to place more clothes bins in other township areas in the future.



## SUSTAINABILITY STATEMENT

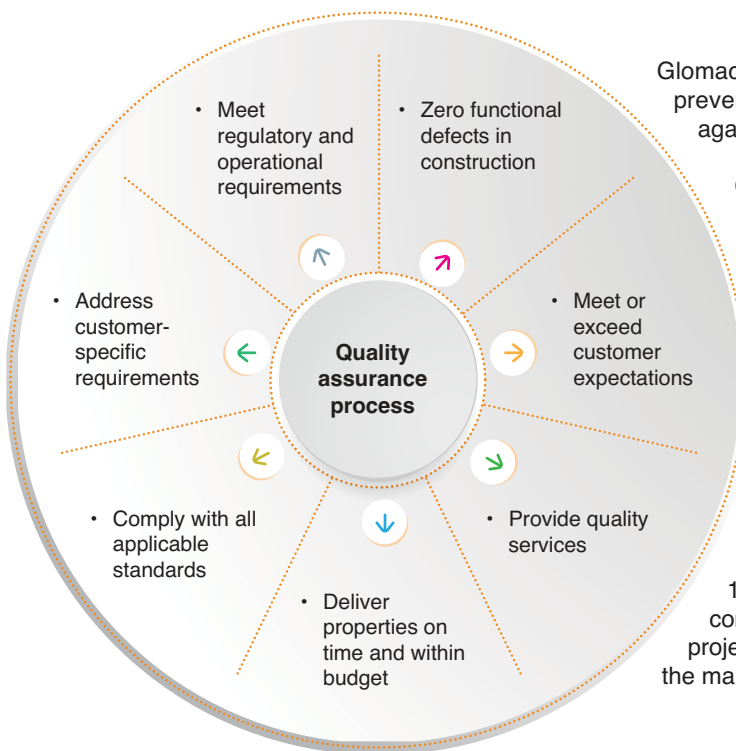
### PRODUCT RESPONSIBILITY

Enhanced economic, environmental and social results that encourage a sustainable way of doing business are delivered through sustained effort and commitment. Glomac aims to transform the construction and property industry into a smart, efficient and environmentally-friendly operation that prioritises safety and comfort. Integrating sustainability into all aspects of operations deliver outstanding service, quality products and a value-for-money place to live and work.

### QUALITY

Quality directly affects the business reputation as a reliable and sustainable developer. Glomac assesses the quality of workmanship of all its properties. Any potential health and safety risks are evaluated for the safety of those who will live and work in these residential and commercial areas.

#### Glomac's Quality Assurance Model



Glomac embodies a holistic risk management system to mitigate and prevent adverse impact. Quality performance is also benchmarked against international standards.

Glomac rigorously observes examples of good practice during the entire development of projects. The Project Quality Plan ("PQP") is discussed and agreed upon with consultants. Contractors and relevant site representatives are required to implement the PQP, which must be approved before the project commences.

Glomac performed an internal QCLASSIC assessment on 21 April 2021. The assessment adopted the Construction Industries Standard (CIS 7:2014) by Construction Industry Development Board ("CIDB") and the assessment achieved an overall score of 78.39%.

In FY2021, the Handing Over Vacant Possession ("HOVP") of 186 Tresna Teruntum units to home owners and buyers was completed. The first keys were handed over on 27 March 2021. The project, which was launched in 2018, was delivered on time despite the many restrictions due to the MCO.

***"All my purchases from Glomac were completed on time and the projects were never abandoned. This time I bought the house for my son, and thankfully it was also completed on time. Hopefully this house will be a memorable Ramadan gift for my son."***

**Tuan Haji Wan Bukhari M. Daud**  
(house buyer)

## SUSTAINABILITY STATEMENT

### MANAGING CUSTOMER RELATIONS AND SATISFACTION

Glomac strives to exceed customer expectations at all times and continues to best serve them. The Defects Liability Period (“DLP”) commences once the Notice of Vacant Possession has been issued. Subsequently, a joint inspection is scheduled with the homebuyer. Following a thorough inspection, defect reports are submitted and contractors are given 14 working days to respond. All rectification works must be undertaken by contractors within 30 days.

Glomac has established a customer feedback management system and grievance mechanism. Feedback, enquiries, complaints and grievances are collected through multiple platforms to accommodate various stakeholder groups. All feedback is verified and channelled to relevant departments for urgent action and prompt resolution. Frequent one-to-one meetings are held with commercial property tenants to discuss operational and other matters.

### INNOVATION IN IMPROVING CUSTOMER EXPERIENCES AND MARKETING COMMUNICATION

The property market remains challenging amidst the ongoing Movement Control Orders. Adapting to the current environment, Glomac initiated a digital marketing campaign including virtual apps and show units to complement conventional sales strategies. Recently, a three-month HappyNest digital campaign was rolled out that rewards buyers with weekly cash vouchers and monthly prize draws.

This campaign enhances the excitement of home-buying, especially during the challenging COVID-19 pandemic. Customers can either choose to personally view show units (by appointment) or experience virtual viewing.

#### Campaign Prizes for Prospect Customers

		
2 x RM200 weekly cash vouchers	Monthly draws to sweep iPad Minis and Dyson V8 vacuums	More than RM10,000 worth of prizes

Glomac also participated in the Home Ownership Campaign (“HOC”), reintroduced by the Government. The Group is also collaborating with the Maybank Islamic HouzKEY home financing solutions to provide more benefits to buyers, offering 100% financing, non-payment during the construction period and competitive rates with the lowest monthly payments.

### COLLABORATION CAMPAIGN

COVID-19 has resulted in global economic challenges. Glo Damansara spearheaded an initiative to minimise the impact of the business downturn by launching the Tenants Collaboration Campaign and Privileges. This two-pronged campaign raises brand awareness and fosters better relationships between Glo Damansara tenants. Glomac also increased the number of visitors to tenants' premises and their revenue through this campaign.



## SUSTAINABILITY STATEMENT

### PASSION AND COMMITMENT TO RESIDENTS' RELATIONSHIPS

Building community-oriented projects is a key focus and a developer plays a significant role in building a strong community spirit. Glomac is empowered to lay the initial foundations of a community through the development design.



Good development goes beyond unique architectural design and a well-constructed building; it is much more than a showcase of industry-leading and innovative design. A sense of community is an intrinsic component of a successful development that gives the residents living in the community a sense of belonging.

Public spaces are one of the common community features in all Glomac's development. Residents living and working in these communities will have access to a wide array of amenities that cater to their lifestyles. Glomac considers the needs of the community to design developments and amenities that will help improve their lives.

### DIGITALISATION IS THE WAY FORWARD

Prior to COVID-19, business and technological forces already forced organisations to manage change and make rapid decisions. The pandemic vastly intensified those needs. Companies of all sizes have been pressured into making their business models fit changing requirements. Glomac was largely

cushioned from this shock due to embracing digital transformation but technology is only one component. An agile backbone of the organisation, people and systems are required that can easily shift gears and adapt to new technology and face the unknown.

Digitalisation is the future of the entire property development industry from construction and marketing to communications and customer engagement. Glomac was able to stay open during the MCO with administrative staff working from home using collaboration tools. Customer-facing personnel engaged with customers using messaging applications, digital engagement and advertising. Property projects also continued to be available for visits in virtual showrooms and online booking.

Glomac has since intensified its digital marketing, digital advertising and social media. Deliverables are being re-examined to ensure they address the needs of the current environment. For example, product design is now internet-ready as part of its requirements.

## SUSTAINABILITY STATEMENT

### Digital Transformation Achievements in FY2021

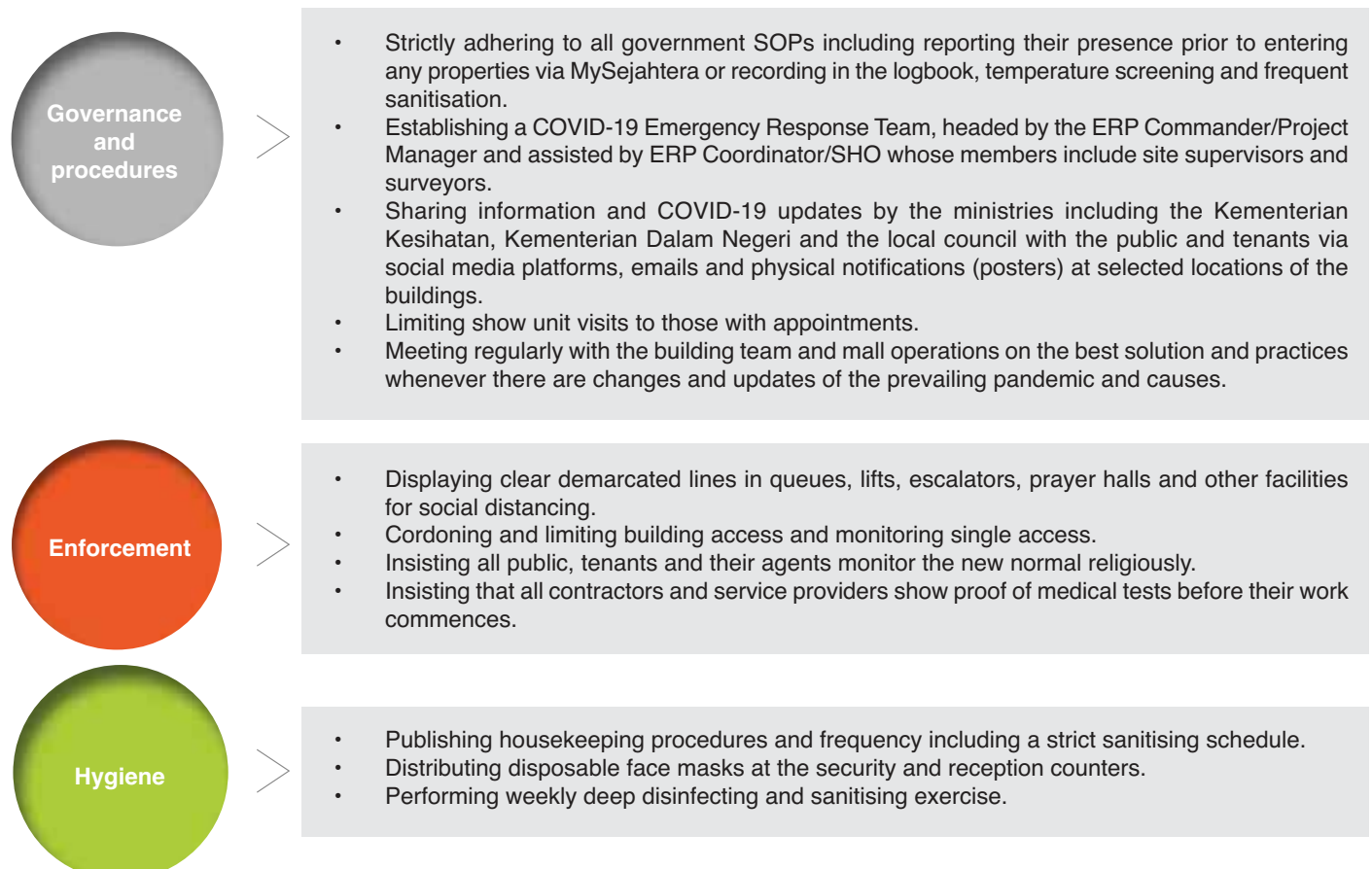


Options to launch interactive online engagement such as an E-sales kit are currently being explored. Glomac is also studying improvement opportunities on the lead management system that must be practised during this new norm such as response time, the sales funnel and understanding customer behaviour. Meanwhile, Glomac continues to expose its people, especially the sales team, to all online and virtual engagement methods.

### SAFETY FIRST IN THE TIME OF COVID-19

The health of employees, visitors, residents and tenants health remains top priority. Glomac has adjusted working methods to help employees endure the pandemic and ensure all at the Group developments are healthy and safe. Glomac will continue to monitor local developments and keep staff, customers and the community safe.

### Glomac's Response to COVID-19



## GROUP EXECUTIVE CHAIRMAN'S STATEMENT KENYATAAN PENGGERUSI EKSEKUTIF KUMPULAN



On behalf of the Board of Directors, I am pleased to present Glomac Berhad's ('Glomac' or the 'Group') Annual Report for the financial year ended 30 April 2021 ('FY2021').

I am heartened to see the Group's projects continuing to receive industry recognition and awards.

In May 2021, Glomac was voted as "Best Developer - People's Choice Award" at the iProperty Development Excellence Award 2021. Plaza@Kelana Jaya, our freehold integrated development was also voted as "Best Mixed Development"

At the Starproperty Awards 2021 - Real Estate Developer which was held in June 2021, Plaza@Kelana Jaya was also accorded with the Starter Home Award - Best Family Centric Development and the Close-to-Home Award - Best Development (With The Widest Selection Of Amenities In Close Proximity) category.

Bagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan Laporan Tahunan Glomac Berhad ('Glomac' atau 'Kumpulan') untuk tahun kewangan yang berakhir pada 30 April 2021 ('TK2021').

Saya gembira melihat projek Kumpulan terus mendapat pengiktirafan dan penghargaan industri.

Pada bulan Mei 2021, Glomac terpilih sebagai "Best Developer - People's Choice Award" di iProperty Development Excellence Award 2021. Plaza@Kelana Jaya, pembangunan bersepadu pegangan bebas kami juga terpilih sebagai "Pembangunan Campuran Terbaik".

Dalam anugerah *StarProperty Awards 2021 - Real Estate Developer* yang diadakan pada bulan Jun 2021 pula, Plaza@Kelana Jaya juga telah dinobatkan sebagai pemenang anugerah Kediaman Pertama - Pembangunan Sentrik-Keluarga Terbaik (*Starter Home Award - Best Family Centric Development*) dan Anugerah Dekat Kediaman - Pembangunan Terbaik (Dengan Pilihan Terbesar untuk Kemudahan Terdekat) (*Close-to-Home Award - Best Development (With The Widest Selection Of Amenities In Close Proximity)*).



## GROUP EXECUTIVE CHAIRMAN'S STATEMENT KENYATAAN PENGURUS EKSEKUTIF KUMPULAN

### Prospects

We are cautious on our near-term prospects given the persisting economic uncertainties and resurgence of the COVID-19 pandemic. Bank Negara's 2021 GDP forecast growth of 6.0% - 7.5% will quite likely be revised lower due to potential economic fallout from the current movement restrictions. Against this worrying backdrop, it is encouraging that the country is accelerating its vaccination programme. Malaysia's COVID-19 vaccination scheme started in February 2021, with the government aiming to have 100% of Malaysian adults vaccinated by October 2021. We remain hopeful as effective vaccination should reduce COVID-19 hospitalisation cases, and we can look forward to achieving herd immunity for our economy to confidently reopen again.

Glomac will maintain its current pace of operations heading into the new financial year, focusing on affordable landed properties in our townships development whilst continuing with the planning & design of niche high-rise developments for launches when economy and market gain pace. In the meantime, we will strive to further improve on our development platform; fine-tuning our sales and marketing strategies and strengthening our financial position. Our development landbank, predominantly located in the Klang Valley, is prime and strategic. We are confident of regaining our momentum when the economic environment improves.

On a Corporate Social Responsibility perspective, Glomac is also doing our part to assist communities badly affected by the pandemic and the nationwide lockdowns. Notable efforts include contributing to more than 8,000 needy households in the Layang-Layang district of Johor and more recently to the Rumah Aman Children's Home. As a socially responsible corporate citizen, we will continue with our support and assistance to such worthy causes and charitable organisations, especially during these challenging times.

### Acknowledgements

Firstly, we wish to extend our heartfelt appreciation and gratitude to the country's healthcare workers and frontliners for your relentless efforts in helping to contain this pandemic and ensuring the smooth rollout of our COVID-19 National Immunisation Programme. In appreciating their efforts, Glomac has mobilised the delivery of food bags to hospitals and district police headquarters across the Klang Valley, Selangor and Johor as a thank you gesture to the noble deeds of our doctors, nurses, healthcare workers and police officers.

### Prospek

Glomac memutuskan untuk berhati-hati terhadap prospek jangka pendek kami memandangkan ketidakpastian ekonomi yang berterusan dan kebangkitan wabak COVID-19. Bank Negara meramalkan pertumbuhan KDNK 2021 sebanyak 6.0% - 7.5% yang kemungkinan akan disemak semula lebih rendah disebabkan oleh potensi kejatuhan ekonomi dari sekatan pergerakan semasa. Dengan latar belakang yang membimbangkan ini, pelan negara untuk mempercepat program vaksinasi amat digalakkan bagi pemaju-pemaju seperti kami. Skim vaksinasi COVID-19 Malaysia dimulakan pada Februari 2021, dengan sasaran kerajaan agar 100% orang dewasa Malaysia divaksinasi menjelang Oktober 2021. Kami tetap berharap bahawa vaksinasi yang berkesan dapat mengurangkan kes-kes rawat inap COVID-19, dan agar Malaysia dapat mencapai imuniti kelompok secepat mungkin supaya ekonomi kita dapat dibuka semula dengan yakin.

Glomac akan mengekalkan rentak operasi semasa menuju tahun kewangan baharu dengan memberi tumpuan kepada hartanah mampu milik dalam pembangunan perbandaran kami sambil meneruskan perancangan & rekabentuk pembangunan bertingkat tinggi untuk pelancaran apabila sektor ekonomi dan pasaran hartanah meningkat. Sementara itu, kami akan berusaha untuk terus meningkatkan lagi platform pembangunan kami; memperbaiki strategi penjualan dan pemasaran kami dan memperkukuhkan kedudukan kewangan kami. Bank hartanah (*landbank*) kami yang kebanyakannya terletak di Lembah Klang, berada di lokasi yang sangat strategik. Kami yakin dapat memperoleh kembali momentum pembangunan apabila persekitaran ekonomi bertambah baik.

Dari perspektif Tanggungjawab Sosial Korporat, Glomac juga telah memainkan peranan membantu komuniti yang terjejas akibat wabak dan penutupan seluruh negara. Antara usaha penting termasuk memberi sumbangan kepada lebih daripada 8,000 rumah tangga yang terjejas di daerah Layang-Layang, Johor, dan baru-baru ini juga sumbangan terhadap Rumah Kanak-kanak Rumah Aman. Sebagai warganegara korporat yang bertanggungjawab secara sosial, kami akan terus memberikan sokongan dan pertolongan kepada organisasi-organisasi kebajikan, terutamanya pada masa-masa yang mencabar ini.

### Penghargaan

Pertama sekali, kami ingin mengucapkan setinggi-tinggi penghargaan dan terima kasih kepada pekerja kesihatan dan barisan hadapan negara di atas usaha yang gigih dalam membantu membendung wabak ini dan memastikan kelancaran Program Imunisasi COVID-19 Nasional. Sebagai menghargai usaha mereka, Glomac telah memberi sumbangan berupa beg makanan ke hospital dan Ibu-ibu Pejabat Polis daerah di serata Lembah Klang, Selangor dan Johor sebagai tanda terima kasih kami terhadap kerja-kerja mulia para doktor, jururawat, pekerja kesihatan dan pegawai polis negara.

## GROUP EXECUTIVE CHAIRMAN'S STATEMENT KENYATAAN PENERUSI EKSEKUTIF KUMPULAN



The Board is recommending the same amount of dividend as per last year to reward our supportive shareholders during current uncertain times, whilst also taking into consideration the need to conserve our liquidity and future capital commitment to sustain growth.

**Lembaga Pengarah mengesyorkan dividen yang sama seperti tahun lepas diberi kepada pemegang-pemegang saham yang telah banyak memberi sokongan kepada kami, dan pada masa yang tidak menentu ini, sementara juga mempertimbangkan keperluan untuk mengekalkan kecairan dan komitmen modal masa depan bagi mengekalkan pertumbuhan.**

The Board of Directors wishes to thank our stakeholders and shareholders for your support in us. It is with your trust and confidence that we will ride through this difficult period and steer Glomac towards sustainable growth. We remain grateful to our management team and all our staff for your hard work and dedication to the Group.

To my fellow directors, I would like to express my personal appreciation to you for your invaluable contribution to the Board. I look forward to your continued support and commitment in further driving value for our stakeholders.

Thank you.

**Tan Sri Dato' Mohamed Mansor Bin Fateh Din**  
Group Executive Chairman

September 2021

Bagi pihak Lembaga Pengarah pula, kami mengucapkan terima kasih kepada pihak berkepentingan dan pemegang saham atas sokongan anda terhadap kami. Dengan kepercayaan dan keyakinan anda, kami akan menempuh masa yang mencabar ini dan menghalakan Glomac ke arah pertumbuhan yang mampan. Kami juga berterima kasih kepada pasukan pengurusan dan semua kakitangan Glomac atas kerja keras dan dedikasi anda kepada Kumpulan.

Kepada rakan-rakan Lembaga Pengarah pula, saya ingin menyatakan penghargaan peribadi ke atas sumbangan anda yang tidak ternilai. Saya mengharapkan sokongan dan komitmen anda yang berterusan dalam meningkatkan nilai bagi semua pihak berkepentingan Glomac.

Terima kasih.

**Tan Sri Dato' Mohamed Mansor Bin Fateh Din**  
Pengerusi Eksekutif Kumpulan

September 2021



# Mekarkan Kehidupan *Anda*

Kediaman Teres  
2 Tingkat  
20' x 60'

Daripada  
**RM498,800**

Pakej Khas\* untuk  
Kakitangan Kerajaan

\*terletak kepada tanah dan esat.



SAUJANA  
KLIA

*Primrose*

Kehijauan seluas 1.3 ekar

Rumah teres dua tingkat

Berkonsep kontemporari

4 bilik tidur 3 bilik mandi

Deposit serendah RM500



## Selamat Pulang ke Saujana KLIA

Suasana aman dan nyaman di Saujana KLIA telah direka untuk kesejahteraan para penduduknya. Disini anda berpeluang untuk menikmati aktiviti-aktiviti riadah bersama yang tersayang dengan kemudahan yang tersedia ada.

Terdapat juga laluan pejalan kaki dan trek jogging dengan lanskap khas. Laluan dan trek tersebut menghubungkan sebuah taman seluas 1.3 ekar yang meliputi taman permainan kanak-kanak dan gelanggang bola keranjang.

- Pembangunan bersepadu 231 ekar
- Terdiri daripada kediaman seperti rumah, kedai dan kawasan kemudahan komuniti.

Seni reka setiap unit Primrose adalah bagi mereka yang inginkan sebuah kediaman yang mengutamakan suasana yang hijau,

Saiz lot:  
20' x 60'

Luas binaan:  
1,540 kps.

4 bilik tidur dan  
3 bilik mandi

Anjung kereta  
tanpa tiang

Tingkap besar untuk peralihan udara  
dan pencahayaan mantap



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Glomac Berhad



glomac\_berhad



Glomac Berhad



[www.glomac.com.my](http://www.glomac.com.my)



Pusat Pemahaman dan Jualan / Sales & Marketing Office:  
Galeri Jualan Saujana KLIA  
No. 1, Jalan Saujana KLIA 1/1, Taman Saujana KLIA,  
43900 Sepang, Selangor, Malaysia.  
T +603 8705 8888

Pemaju / Developer:  
MAGICAL STERLING SDN. BHD. (1216488-D)  
Ibu Pejabat: Tingkat 15, Menara Glomac, Glomac Damansara,  
Jalan Damansara, 60000 Kuala Lumpur, Malaysia.  
T +603 7723 9000 F +603 7729 7900

Pemaju: Magical Sterling Sdn. Bhd. (976288-D). Fasa 4/1 No. Lesen: 13863-13/03-2023/0302 (3). Tempoh Sah: 12/03/2021 hingga: 11/03/2023. Pihak Berkuasa Yang Meluluskan: Majlis Perbandaran Sepang. No. Rujukan Pelan Bangunan: MP.Sepang500-34/A/166. Bebanan Tanah: Dicagar kepada AMBank (M) Berhad. Hak Milik Tanah: Pejalan (99 tahun). Tarikh Habis Tempoh: 30/12/2113. Sekatan Tanah: Tanah tidak boleh dipindahmilik, dipajak atau digadai melainkan dengan kebenaran Pihak Berkuasa Negeri. Jumlah Unit: 123 Unit Rumah Teres 2 Tingkat. Tarikh Jangka Siap: April 2023. Harga Jualan: (Min) RM 758,300.00 hingga (Maks) RM 941,500.00. Bumiputera Diskaun: 3%. IKLAN INI TELAH DILULUSKAN OLEH JABATAN PERUMAHAN NEGARA. Segala maklumat yang terkandung di sini adalah tertakluk kepada pindaan dan tidak boleh dianggap sebagai sebahagian daripada tawaran ataupun kontrak. Pihak pemaju berhak mengubahsuai mana-mana bahagian bangunan sebelum binaan dilaksanakan seperti mana yang dikehendaki oleh pihak berkuasa. Segala gambaran dan lukisan yang terkandung di sini adalah tanggapan pelukis sahaja. Segala ukuran adalah anggaran sahaja.



## AWARDS AND RECOGNITION



No.	Description	Year	Recipient
1	<b>Star Property Awards 2021 - Real Estate Developer</b> The Starter Home Award Honours Award	February 2021  (Public Announcement was held in June 2021)	Plaza@Kelana Jaya
2	<b>Star Property Awards 2021 - Real Estate Developer</b> The Close-to-Home Award Honours Award	February 2021  (Public Announcement was held in June 2021)	Plaza@Kelana Jaya
3	<b>iProperty Development Excellence Awards (iDEA) 2021</b> People's Choice Award	July 2020 (Virtual event was held in May 2021)	Glomac Berhad
4	<b>iProperty Development Excellence Awards (iDEA) 2021</b> Best Mixed Development	July 2020 (Virtual event was held in May 2021)	Plaza@Kelana Jaya
5	<b>Star Property Awards 2020 - Real Estate Developer</b> Best Developer Transit Oriented Development Merit Award	March 2020	121 Residences
6	<b>REHDA Malaysia</b> Patronship of REHDA	November 2019	Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor GMD/CEO
7	<b>iProperty Development Excellence Awards (iDEA) 2019</b> Best Developer People's Choice Award	October 2019	Glomac Berhad
8	<b>Minority Shareholders Watch Group (MSWG) - ASEAN Corporate Governance Awards 2018</b> Most Improved CG Disclosure	July 2019	Glomac Berhad

## AWARDS AND RECOGNITION



No.	Description	Year	Recipient
9	<b>APAC South East Asia Business Awards 2019</b> Best Real Estate Developer Company 2019 - Malaysia	June 2019	Glomac Berhad
10	<b>Property Insight Prestigious Developer Awards 2019</b> Best Affordable Township	May 2019	Saujana Perdana, Sungai Buloh
11	<b>Property Insight Prestigious Developer Award 2019</b> Best Industry Leadership	May 2019	Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor GMD/CEO
12	<b>Des Prix Infinitus Asean Property Awards 2018/2019</b> Innovative Developer Award	March 2019	Glomac Berhad
13	<b>Des Prix Infinitus Asean Property Awards 2018/2019</b> Leadership Excellence Award	March 2019	Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor GMD/CEO
14	<b>Property Insight Prestigious Developer Awards 2018</b> Best Living Lifestyle Development	June 2018	Lakeside Residences, Puchong
15	<b>Property Insight Prestigious Developer Awards 2018</b> Industry Excellence Award	June 2018	Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor GMD/CEO
16	<b>The EdgeProp Malaysia, The Editor's Choice</b> Malaysia's Exemplary Real Estate Industry Leader 2018	May 2018	Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor GMD/CEO

## MANAGEMENT DISCUSSION & ANALYSIS

**Dear Valued Shareholders,**

**Glomac was resilient in a year afflicted by surging COVID-19 infections and business lockdowns. We adopted a more prudent development strategy that produced improved overall results. This is an encouraging performance, affirming the strengths of our operations, the appeal of our product offerings, and the growing recognition of our Glomac brandname synonymous with quality, value and innovation.**

### Financial Performance

FYE 30 Apr (RM m)	2021	2020	% change
Revenue	366.9	245.8	+49%
Gross profit	114.2	89.3	+28%
Pre-tax profit	58.1	20.2	+188%
PATMI	28.9	12.6	+129%
Net EPS (sen)	3.77	1.62	+133%
Gross margin	31.1%	36.3%	
Pre-tax margin	15.8%	8.2%	

Glomac delivered a stronger performance in the financial year under review. Driven mainly by our property development segment, group revenue rose 49% to RM366.9 million from RM245.8 million reported in the previous financial year ended 30 April 2020.

### FY2021 Revenue Contribution

By Region (RM m)	Revenue	(%)
Klang Valley	343.0	93%
Johor	23.9	7%
Total	366.9	100%

Group revenue was mainly derived from the Klang Valley region, where a substantial part of our development activities is concentrated. Key contribution to revenue in the financial year was work progress from our new and ongoing phases at *Saujana Perdana*, *Lakeside Boulevard*, *Saujana Rawang*, *121 Residences* and our award-winning *Plaza@Kelana Jaya*.



## MANAGEMENT DISCUSSION & ANALYSIS



Consequently, we achieved higher profits for the year. Gross profit rose 28% to RM114.2 million, whilst profit before tax jumped 188% to RM58.1 million. This includes a lower fair value loss on investment properties of RM13.0 million compared to a fair value loss of RM24.6 million incurred in the previous financial year.

Net profit attributable to owners rose 129% to RM28.9 million from RM12.6 million previously. Effective tax rate was comparatively higher as the tax expense in the previous financial year included overprovision of tax for prior years.

Glomac's balance sheet remains robust. For the financial year ended 30 April 2021, our current ratio stood at a comfortable 1.52x compared to 1.23x in the previous year's reporting. Total cash, fixed deposits and short-term placements cumulated to RM218.3 million, rising from RM176.5 million. Net gearing improved to 0.25x of shareholders' funds at the end of the same period, compared to 0.28x as at 30 April 2020.

Our healthy financial position allows us to sustain and even accelerate our development activities when the market is more conducive. We have the capital resources to also seek out land acquisition opportunities and further expand on our development landbank for the longer term.

Net assets attributable to ordinary equity holders of the parent amounted to RM1,115.2 million, translating to an improved RM1.45 per share as at end-April 2021, compared to RM1.42 per share a year ago.

### Dividends

The Board of Directors has proposed a final single tier dividend of 1.0 sen per share in respect of the financial year ended 30 April 2021. This translates to a dividend yield of 2.9% based on Glomac's closing share price of RM0.345 as of 30 April 2021. The proposed final single-tier dividend is subject to Glomac shareholders' approval at the upcoming 37<sup>th</sup> Annual General Meeting.

Glomac strives to maintain our uninterrupted dividend track record and to reward our loyal shareholders. We aim to return to a healthier dividend trend when Glomac resumes a more sustainable growth path.

### Property Development

The property market and the overall economy continued to be affected as COVID-19 pandemic shifts into its second year. Glomac made a strategic decision to further scale down on our launches. We concentrated our product offerings on landed residential projects in our established township developments where real demand remains buoyant. For the year, we launched RM195 million worth of new products, compared to RM378 million in FY2020.

## MANAGEMENT DISCUSSION & ANALYSIS

### Historical Trend in New Launches

(RM m)	FY2017	FY2018	FY2019	FY2020	FY2021
<b>New Launches</b>	<b>290</b>	<b>248</b>	<b>540</b>	<b>378</b>	<b>195</b>

Launches in the year comprise of mid-range terrace houses in *Saujana Perdana*. This highly successful residential township is located in Sungai Buloh within our matured neighbourhood of *Bandar Saujana Utama*. Embracing a healthier community living, this thriving *Saujana Perdana* development features a 6-acre park and amenities nearby such as shops, medical centres and places of worship.

From its debut in 2015, we have achieved 92% sales on multiple phases of terrace houses launched at *Saujana Perdana* with a total Gross Development Value ('GDV') of RM687 million. This underscores Glomac's ability to tailor development products to the strong demand in this mid-market residential segment. To further meet the growing needs of our buyers, we improved the layout of our homes to include a work corner and enable WiFi connectivity, thus catering to the new normal of parents working from home. These new features have been very well received by our buyers.

### FY2021 Sales

By Project (RM m)	Sales	(%)
Bandar Saujana Utama*	179	77.4%
Saujana KLIA	2	0.9%
Saujana Rawang	7	3.0%
Saujana Jaya, Johor	4	1.7%
Plaza@Kelana Jaya	8	3.5%
121 Residences	17	7.4%
Others**	14	6.1%
<b>Total</b>	<b>231</b>	<b>100%</b>

\* incl. *Saujana Perdana*

\*\* incl. *Glomac Centro*, *Suria Stonor*, *Cyberjaya 2* & *Glomac Maju*

We achieved new sales of RM231 million in FY2021. The lower sales, compared to RM385 million new sales reported in FY2020, reflects the reduced launched activities in FY2021. Considering that we only launched RM195 million new projects in FY2021 and faced with business lockdowns, we view our sales delivery in FY2021 as commendable.

Substantial portion of our FY2021 new sales was derived from our *Saujana Perdana* township, where we continued to enjoy brisk sales momentum. *Tresna Triandra*, comprising 120 terrace houses launched in July 2020 with GDV of RM62 million, was 97% sold as at the end of our financial year. Similarly, *Mawar Sari*, comprising 120 units terrace houses launched in November 2020 with GDV of RM66 million, was 91% sold. Earlier in February 2021, we launched *Dahlia Sari*, another phase of 120 terrace houses with GDV of RM67 million, was 63% sold as at the financial year end.

Glomac's unbilled sales stood at a healthy RM578 million as at end-April 2021, anchored by ongoing phases at *Saujana Perdana* as well as *Plaza@Kelana Jaya* and *121 Residences*, our two high-rise residential apartments located within bustling precincts in Selangor. We will continue to draw on sales from our two high-rise developments and our FY2022 new launches to replenish our unbilled sales, and secure greater earnings visibility going into this new financial year.

## MANAGEMENT DISCUSSION & ANALYSIS

### Review Of Key Property Projects 2021



**121 Residences** is Glomac's high-rise residential development located in the hub of PJ-Damansara within well-established neighbourhoods such as Bandar Utama, Taman Tun Dr. Ismail, Damansara Utama and Mutiara Damansara. It is surrounded by a variety of amenities, educational institutions and healthcare facilities, including Centrepont Bandar Utama, Bandar Utama Shopping Centre, Glo Damansara, The Curve, KDU College, The British International School of Kuala Lumpur, SMK Bandar Utama Damansara 2, KPJ Damansara Specialist Hospital and Thomas Hospital Kota Damansara.

**121 Residences** is easily accessible via multiple highways including Damansara-Puchong Highway ("LDP"), New Klang Valley Expressway ("NKVE"), SPRINT Highways and New Pantai Expressway ("NPE") as well as public transportation such as Bandar Utama MRT Station and upcoming LRT3 line.

The development comprises of two (2) stylishly designed residential towers offering 834 serviced apartments and SoHo units with built-up ranging from 450 sq ft to 750 sq ft and a total estimated GDV of RM327 million.

The first tower was launched in September 2019, whilst the second tower was subsequently launched in December 2019. As at end-April 2021, **121 Residences** achieved total sales of 68% since launched.

### 121 Residences, PJ-Damansara

01

**Launched:**  
2019

**Launched GDV:**  
RM327 million

**Take-up Rate:**  
68%

**FY2021 sales:**  
RM17 million

**Unbilled sales:**  
RM198 million

## Plaza@ Kelana Jaya, Kelana Jaya

02

**Launched:**  
2018

**Launched GDV:**  
RM347 million

**Take-up Rate:**  
67%

**FY2021 sales:**  
RM8 million

**Unbilled sales:**  
RM148 million

## MANAGEMENT DISCUSSION & ANALYSIS



Sited on a 3.2-acre freehold land adjacent to our *Plaza Kelana Jaya* development and its signature lakeside promenade, *Plaza@Kelana Jaya* is strategically located within bustling Petaling Jaya along the Damansara-Puchong Highway (“LDP”). It also enjoys superb connectivity to the Federal Highway, New Pantai Expressway (“NPE”), New Klang Valley Expressway (“NKVE”) and Lebuhraya Shah Alam (“KESAS”).

This development is surrounded by matured neighbourhoods, with proximity to shopping malls such as Paradigm Mall, Giant Hypermarket, Citta Mall as well as universities, colleges and international and government schools.

*Plaza@Kelana Jaya* is an integrated residential development comprising 696 units of serviced apartments and 16 units of 3-storey shop offices with a total estimated GDV of RM347 million. The serviced apartments come in various designs and layouts, with certain units offering breath-taking golf and lake views, 4-tiered security and a 1.27-acre recreational podium with multi-generation facilities, including a 25-meter infinity swimming pool.

*Plaza@Kelana Jaya* was voted Best Mixed Development at the iProperty Development Excellence Awards 2021. Subsequently at the Starproperty Awards 2021, *Plaza@Kelana Jaya* was also accorded with the Starter Home Award - Best Family Centric Development and the Close-To-Home Award - Best Development with the widest selection of amenities in close proximity.

The project achieved healthy sales since its debut in mid-2018, delivering overall sales of 67% as at end-April 2021.



## MANAGEMENT DISCUSSION & ANALYSIS

### Lakeside Residences, Puchong



**Lakeside Residences** is Glomac's highly successful flagship integrated residential project located in Puchong, Selangor. The 200-acre development has an estimated total GDV of RM4.0 billion and is maturing well with a growing vibrant residential community.

*Lakeside Residences* is strategically located within the proximity to Puchong's thriving commercial hub, with easy access via major highways such as KESAS, LDP, Bukit Jalil Highway and the North South Expressway ("PLUS"). It is also surrounded by established amenities such as Tesco Puchong, IOI Mall, Binary University College, Sunway University, Columbia Asia Medical Centre and many more. Connectivity is further enhanced with the Ampang LRT line extension completed in early 2016.

Previous launches, comprising double storey and 2 ½ storey terrace houses as well as shop offices with a total estimated GDV of RM558 million, were 94% sold as at end-April 2021. Planned new launches in FY2022 comprises of affordable Rumah Selangorku Jenis E (Khas) apartments with a total estimated GDV of RM69.5 million.

03

**Launched:**  
2012

**Total GDV:**  
RM4.0 billion

**Launched GDV:**  
RM558 million

**Take-Up Rate:**  
94%

**FY2021 sales:**  
-

**Unbilled sales:**  
RM5 million

**Saujana KLIA,  
Sepang**

04

**Launched:**  
2015**Total GDV:**  
RM1.44 billion**Launched GDV:**  
RM525 million**Take-Up Rate:**  
100%**FY2021 sales:**  
RM2 million**Unbilled sales:**  
-**MANAGEMENT DISCUSSION  
& ANALYSIS**

The 231-acre *Saujana KLIA* is strategically located in Sepang within close proximity to the Federal Administrative Centre Putrajaya, Cyberjaya, Dengkil as well as Nilai. The project is surrounded by world class amenities including Kuala Lumpur International Airport (KLIA & KLIA 2), Sepang International Circuit, KL International Outlet and several universities, colleges and international schools. It is also highly accessible via major highways including Maju Expressway (“MEX”), Damansara-Puchong Highway (“LDP”) and the North South Expressway Central Link (“ELITE”).

With a total estimated GDV of RM1.44 billion, *Saujana KLIA* is another showcase of Glomac’s ability to provide quality housing at affordable prices. The affordable township comprises residential units with spacious layout and modern contemporary designs enveloped in lush greenery. Existing phases of terrace houses and shop offices with a total GDV of RM525 million were 100% sold as at end-April 2021.

New phases of double-storey terrace houses with a total estimated GDV of RM122 million, are expected for launch in FY2022.



## MANAGEMENT DISCUSSION & ANALYSIS



### Bandar Saujana Utama, Sungai Buloh

05

**Launched:**  
1997

**GDV:**  
RM2.97 billion

**Launched GDV:**  
RM2.32 billion

**Take-Up Rate:**  
97%

**FY2021 sales:**  
RM179 million

**Unbilled sales:**  
RM184 million

Glomac's established *Bandar Saujana Utama* township was launched two (2) decades ago. Located on 1,200 acres in Sungai Buloh the population of this vibrant township has grown to more than 65,000, with mostly young and growing families seeking a healthy environment to live in.

*Bandar Saujana Utama*'s sizeable residential enclave has been planned as a self-contained township, supported by the many commercial hubs within, and surrounded by its own residents' clubhouse, parks, schools and hypermarkets. Connectivity continues to improve with the completion of the KL - Kuala Selangor Expressway and the Sungai Buloh - Kajang MRT line.

Glomac launched the adjacent *Saujana Perdana* to further expand its presence in Sungai Buloh. *Saujana Perdana*, which was accorded the Best Affordable Township award at the Property Insight Prestigious Developer Awards 2019, has a total estimated GDV of RM913 million.

Launches at *Saujana Perdana* have continued to meet with resounding success. More than 1,000 terrace houses have been released through several phases with an estimated GDV of RM687 million, achieving 92% sales as at end-April 2021. Plans are in place to launch additional affordable townhouses in FY2022 with a total estimated GDV of RM44.5 million.

**Saujana Rawang,  
Rawang**

06

**Launched:**  
2006**GDV:**  
RM1.04 billion**Launched GDV:**  
RM752 million**Take-Up Rate:**  
97%**FY2021 sales:**  
RM7 million**Unbilled sales:**  
RM14 million**MANAGEMENT DISCUSSION  
& ANALYSIS**

Residing within a self-contained 345 acres fringed by a pristine forest, *Saujana Rawang* has emerged as a thoughtfully planned, affordable development offering contemporary homes and a commercial hub amidst a tranquil and idyllic themed setting. The RM1.04 billion affordable township is strategically located within the Northern Growth Corridor, just 10 minutes off the Rawang Interchange from the North-South Expressway.

Crowned with striking landscaping that includes recreational lakes, pavilions and meandering walkways, the township, offering a healthy blend of apartments, terrace houses, semi-Ds and zero lot bungalows, is envisioned to provide comfortable and affordable homes for young families looking for a peaceful and verdant community in which to plant their roots.

Launched in 2006, *Saujana Rawang* has become a fast-growing township with a steadily rising population. Product launches comprising residential components and shop offices with a total estimated GDV of RM752 million were 97% sold as at end-April 2021.

## MANAGEMENT DISCUSSION & ANALYSIS



**Saujana Jaya** is an affordable township development, sited on 174 acres in Kulai Johor with a total estimated GDV of RM652 million. Located approximately 29km from Johor Bahru and 8km from Skudai, the township enjoys easy access from the North-South Expressway (PLUS).

It is surrounded by excellent amenities and public facilities such as IOI Mall, Senai International Airport, Johor Premium Outlet, Senai Technology Park and Universiti Teknologi Malaysia. Facilities available at the township would include national and secondary schools, a multipurpose hall, surau, mosque and a community police station.

The initial phase comprising double-storey terrace houses with an estimated GDV of RM40 million achieved sales of 78% as at end-April 2021. Plans are in place to launch second phase of double-storey terrace houses with a total estimated GDV of RM25.5 million in FY2022.

### Saujana Jaya, Kulai Johor

07

**Launched:**  
2018

**GDV:**  
RM652 million

**Launched GDV:**  
RM40 million

**Take-Up Rate:**  
78%

**FY2021 sales:**  
RM4 million

**Unbilled sales:**  
RM11 million



## Sri Saujana, Kota Tinggi, Johor

08

**Launched:**  
1999

**GDV:**  
RM776 million

**Launched GDV:**  
RM598 million

**Take-Up Rate:**  
97%

**FY2021 sales:**  
-

**Unbilled sales:**  
RM18 million

## MANAGEMENT DISCUSSION & ANALYSIS



Sited on 450 acres, *Sri Saujana* is a modern township unveiled back in 1999. This affordable township is strategically located just 10-minute drive from Ulu Tiram and Kota Tinggi, surrounded by amenities such as secondary and religious schools, supermarkets and shops, a multipurpose hall, petrol station, health clinic, surau and mosque. The self-contained township features a 20-acre Recreation Park which serves as the green lung in this township. It offers a wide range of residential and commercial units, catering to different buyers' needs and budget.

*Sri Saujana* enjoys superb access through Jalan Johor Bahru-Kota Tinggi Road to main destinations in Johor Bahru such as Senai International Airport Johor. It also offers a comfortable 30-minute drive to Johor Bahru via the Eastern Dispersal Link Highway ("EDL") and easy access to the North-South Expressway ("PLUS") via the Senai-Desaru Expressway.

Overall launches comprising various residential and commercial components with a total estimated GDV of RM598 million were 97% sold as at end-April 2021.

## MANAGEMENT DISCUSSION & ANALYSIS



**Glomac Damansara** is an integrated freehold commercial hub, comprising a corporate tower, office building, shop offices, a twin serviced apartment towers and a retail mall, called Glo Damansara in a prime Kuala Lumpur address. The development sits on a prime 6.8-acre plot on Jalan Damansara, alongside the Taman Tun Dr. Ismail MRT station with easy access via the Sprint, Damansara-Puchong Expressway (“LDP”), New Klang Valley Expressway (“NKVE”), Penchala Link as well as inter-town roads within Petaling Jaya.

Glo Damansara mall, with a net lettable area of 380,000 sq. ft., positions itself as a premier lifestyle and neighbourhood mall. The mall is connected with a covered link bridge to the Taman Tun Dr Ismail MRT Station which is just a within walking distance. The 6-storey mall has over 200 retail lots with a 4-storey carpark of approximately 800 parking bays.

Homegrown supermarket chain, Jaya Grocer and its in-house café, the Bonjour Garden Café, occupies approximately 23,000 sq. ft. Other key tenants include Restoran Extra Super Tanker, Bank Rakyat, WORQ, Fashion Valet, Cookhouse, Turkish Café Istanbul, SilaRasa Restaurant, Ghost Kitchen (“Coox”) and Glow Resources.

### Glomac Damansara, Kuala Lumpur

09

#### Menara Glomac

*Property, Plant,  
Equipment Component*

**Completed:**  
2012

**Book Value:**  
RM40 million

**Fair Value:**  
RM67 million

#### Glo Damansara

*Investment Properties  
Component*

**Completed:**  
2016

**Book Value:**  
RM285 million

**Fair Value:**  
RM285 million

## MANAGEMENT DISCUSSION & ANALYSIS

### Anticipated or Known Risks

Glomac's core business operations are in property development and construction. Anticipated risks that may have a material impact on our operations, financial performance and capital liquidity would include the overall economic condition, government policies pertaining to the domestic real estate market, domestic interest rate trends and mortgage lending policies of financial institutions, peer competition as well as factors affecting construction costs such as building materials and labour.

Albeit that certain macroeconomic risks may not be fully mitigated, Glomac endeavours to minimise anticipated risks as best as possible. Our strategy to have a diversified property portfolio of landed and high-rise developments in multiple prime locations within the Klang Valley and Johor enables us to cater to different market segments. Glomac continues to build on its brand as a caring and reliable property developer, synonymous with delivering outstanding service, value and quality products to our buyers. We stress on efficiency, innovation and design to further complement our attributes as a developer. This development platform would serve to sustain us at the forefront of the market segments we are in, enabling us to introduce products that meet with current market expectations constantly.

Internally, financial liquidity risks need to be monitored diligently, especially given current challenging market conditions. Glomac has put in place prudent policies and adopting stringent management of our financial condition to mitigate the impact of such financial liquidity risks. Our risk management approach is provided in more detail in the Statement of Risk Management and Internal Control of the Annual Report.



### Prospects and Outlook

The property sector still faces many challenges. COVID-19 infection rate remains stubbornly high, and our economy continues to be in a lockdown. Nonetheless, we take comfort that the country's current vaccination programme would enable us to reach herd immunity and our economic sectors can progressively open. Until then we will keep with our current pace of development activities, focusing on landed mid-market residential products where demand is strong.

### FY2022 Launches

By Project	Project Type	GDV (RM m)
Lakeside Residences	High-rise Residential	69.5
Saujana Perdana	Townhouses	44.5
Saujana Utama 5	Double Storey Terrace	20.5
Saujana KLIA	Double Storey Terrace	122.0
Saujana Jaya, Johor	Double Storey Terrace	25.5
<b>Total</b>		<b>282.0</b>



## MANAGEMENT DISCUSSION & ANALYSIS

In FY2022, we intend to roll out RM282 million worth of new projects, mainly comprising of new phases in our existing residential townships. This includes Rumah Selangorku townhouses at *Saujana Perdana*, as well as terrace houses at *Saujana KLIA* and *Saujana Jaya* in Johor. Amongst the launches will be Rumah Selangorku Jenis E (Khas) apartments at our Lakeside Residences in Puchong. This will be the only high rise residential we have planned for the year.

Teasers (for registrations) for Primrose at Saujana KLIA was rolled out in March 2021, our new phase of 123 double storey terrace houses with an estimated GDV of RM65 million. Response has been favourable, and we will work towards building our sales momentum as the year progresses. This year we will also be making our maiden launch of terrace houses at *Saujana Utama 5*. This development, with a potential total GDV of RM299 million, resides on 62.5 acres neighbouring our established *Bandar Saujana Utama* development at Sungai Buloh. We are excited with this debut and is hopeful that it will be just as well received by our buyers.

### Future GDV

By Product Type (RM m)	GDV	(%)
Landed Residential	1,301	16%
High-rise	5,215	66%
Commercial	1,399	18%
<b>Total</b>	<b>7,915</b>	<b>100%</b>

By Region (RM m)	GDV	(%)
Klang Valley	7,121	90%
Johor	794	10%
<b>Total</b>	<b>7,915</b>	<b>100%</b>

The anticipated recovery in the property sector may well be delayed, but more importantly, we believe we are well positioned to accelerate our launch pipeline when the recovery materialises. Our development landbank, which are mostly within the Klang Valley, commands a potential GDV of RM8 billion. If landbanking opportunity arises, we will also look to further expand our development portfolio, focusing still on the Klang Valley region.

We recognised that we will all have to adapt to a new normal going forward. It is important for us as a developer to embrace digital trend, the lifestyle changes of our buyers and their work-from-home routines. On our marketing front, we have also successfully developed a digital marketing platform that works seamlessly in complementing our conventional marketing strategy. This will remain our two-prong marketing approach in sustaining our sales momentum.

Glo Damansara remains a prime retail asset of Glomac. The mall is currently impacted by lockdowns, but we have been successful in streamlining its operating costs. There has been progress in enhancing its tenancy mix, with a stronger focus on food & beverage outlets. We remain confident that *Glo Damansara* will return to be the vibrant lifestyle neighbourhood mall that was anticipated.

As we enter into this second year of battling with the COVID-19 pandemic, once again I wish to express our support and appreciation to all our frontline doctors, nurses, police and volunteers. Thank you for your immense sacrifice and dedication in managing this pandemic. You have our greatest admiration and respect.

**Datuk Seri Fateh Iskandar bin  
Tan Sri Dato' Mohamed Mansor**  
Group Managing Director/Chief Executive Officer

September 2021

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Corporate Governance Overview Statement (the "Statement") outlines the corporate governance framework of Glomac Berhad ("Glomac" or the "Company") and its subsidiaries (collectively referred to as the "Group"), including a summary of its corporate governance practices with reference to the Malaysian Code on Corporate Governance ("MCCG"), key focus areas and future priorities. Cognisant of the heightened call for transparency in the marketplace, the Board of Directors (the "Board") endeavours to provide stakeholders with forthcoming and detailed disclosure of the Group's corporate governance practices during the financial year under review.

The Statement is made in accordance to paragraph 15.25 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). In preparing this Statement, guidance was derived from Practice Note 9 of the MMLR of Bursa Securities and the Corporate Governance Guide (3rd Edition) published by Bursa Securities. In addition to this, Glomac has taken heed of the observations on disclosure practices as availed by Securities Commission Malaysia in its Corporate Governance Monitor 2020 as well as the expectations set out by Bursa Securities to listed issuers vide its letter.

In line with Glomac's intent to enhance its corporate governance disclosure, this Statement is complemented with a Corporate Governance Report, based on the prescribed format by Bursa Securities which details down the application of each Practice set out in the MCCG. The Corporate Governance Report is made available on Glomac's website at <https://www.glomac.com.my/shareholdersmeeting> together with an announcement of the same on the website of Bursa Securities.

This Statement should also be read in tandem with the other statements in this Annual Report (e.g. Statement on Risk Management and Internal Control, Audit Committee Report and Sustainability Statement) for a more holistic and granular understanding of the Group's corporate governance framework and practices which may be better explained in the context of the respective statements.

### Our Corporate Governance Approach

The Board acknowledges the paramount importance of a healthy corporate governance culture in driving the long-term success and sustainability of Glomac. Premised on the Group's vision, passion and determination to enrich lives through value, quality and service, the Board strives to ensure that high standards of corporate governance practices are embedded throughout the Group. This commitment is in line with the Group's objective of delivering sustainable growth and value creation for its stakeholders.

The Group's overall approach to corporate governance is to:

- Apply good governance practices in conjunction with the Group's value creation process;
- Align values, vision and mission with governance practices; and
- Incorporate economic, social and environmental matters into operations and strategies to enhance the long-term sustainability of the Group.

Given its pivotal role in promoting a healthy corporate culture, the Board periodically reviews and refines the Group's prevailing corporate governance framework and practices to ensure they reflect the evolving expectations of stakeholders, market dynamics and recognised higher order practices whilst simultaneously addressing the needs of the Group.

### Summary of Corporate Governance Practices

In seeking to realise its corporate governance aspirations, Glomac has benchmarked its practices against the relevant promulgations and higher order practices, across the three (3) principles of MCCG, namely Principle A: Board Leadership and Effectiveness, Principle B: Effective Audit and Risk Management and Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders. Glomac has consistently applied all the Practices espoused by the MCCG for the financial year ended 30 April 2021, save for the following:

- Practice 4.2 (Tenure of independent directors);
- Practice 4.5 (Gender diversity policy on the Board and Senior Management);
- Practice 4.6 (Use of independent sources to identify potential candidates in relation to directorships);
- Practice 7.2 (Disclosure on a named basis of top five (5) Senior Management personnel's remuneration);
- Practice 11.2 (Adoption of integrated reporting);

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Amongst the four (4) Step-Ups advocated by the MCCG, the Board has adopted Practices 8.4 and 9.3 as at financial year ended 30 April 2021:

- Practice 8.4 (The Audit Committee to comprise solely of Independent Directors); and
- Practice 9.3 (The Board to establish a Risk Management Committee).

Accordingly, the adoption of Practices 8.4 and 9.3 is voluntary and was undertaken in the enlightened interest of Glomac.

In line with the latitude accorded in the application mechanism of MCCG and the widely held notion that there is no “one-size fits all” modality in applying corporate governance practices, the Group has provided clear and forthcoming explanations for departures from the Practices in the MCCG. In regard to the departed Practices, the Board has provided disclosures on the alternative measures put in place which would to a large extent attain the similar outcomes to that of the Intended Outcomes envisaged by MCCG. The explanations on the departures and supplemented with disclosure on the alternative practices are contained in the Corporate Governance Report.

### **Principle A: Board Leadership and Effectiveness**

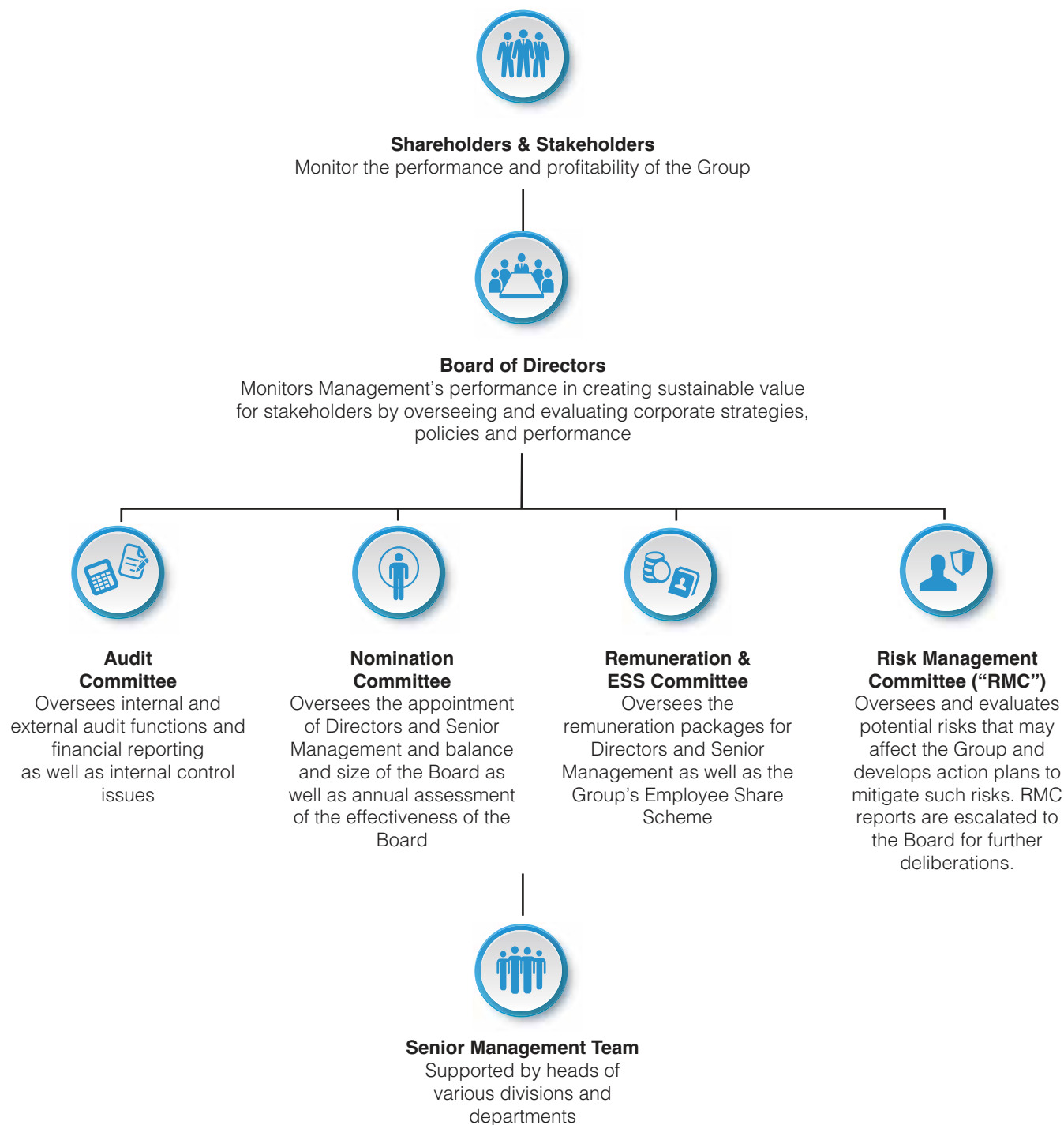
#### **Board Responsibilities**

The Board is accountable to the stakeholders of the Group for the overall performance of the Group. The Board’s primary role is to provide strategic leadership to the Group and ensure that the Group operates within a framework of prudent and effective controls which enables risks to be appropriately identified, assessed and managed. The Board sets the strategic direction for the Group and ensures that the necessary resources are in place for the Group to deliver its objectives and create sustainable value for its stakeholders.

As depicted in Diagram 1 of the ensuing page, the Board has constituted four (4) Board Committees, namely, Audit Committee, Nomination Committee, Remuneration & Employees’ Share Scheme (“ESS”) Committee and Risk Management Committee as at financial year ended 30 April 2021 to assist the Board in overseeing specific responsibility areas. Glomac’s Directors are informed of the activities of the Board Committees by receiving Board Committees meetings minutes, reports and updates from the Chairmen of the respective Committees during the Board meetings.

Guided by the dictum “delegate, but not abdicate” the Board retains collective oversight over the Committees and the authority to make decision. The Board Committees are guided by their respective Terms of References and delegated authority from the Board.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT



**Diagram 1:**  
**Group Governance Structure as at financial year ended**  
**30 April 2021**

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

There is a clear distinction of roles between the Group Executive Chairman (“Chairman”) and Group Managing Director/Chief Executive Officer (“MD/CEO”). Notwithstanding his position as an executive, the Chairman is also responsible for providing leadership to the Board, including ensuring that the Board fulfils its fiduciary obligations. Meanwhile, the Group MD/CEO is primarily responsible for managing the Group’s day-to-day operations and implementing policies, strategies and decisions adopted by the Board. The Chairman and MD/CEO is depicted under **Diagram 2** below:



**Chairman**  
Tan Sri Dato’ Mohamed  
Mansor bin Fateh Din



**Group MD/CEO**  
Datuk Seri Fateh Iskandar bin  
Tan Sri Dato’ Mohamed Mansor

**Diagram 2: Group Executive Chairman and Group Managing Director/Chief Executive Officer**

The Board has formalised a Board Charter (revised and approved by the Board as at 27 November 2018) which serves as a reference and guiding literature for Directors in the discharge of their fiduciary duties. The Board Charter incorporates provisions that provide for the clear demarcation of the respective roles and responsibilities of the Board and Senior Management and includes “Reserved Matters” for the Board.

The matters specifically reserved for the Board’s approval are depicted under **Diagram 3**:



**Diagram 3: Board’s Reserved Matters**

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

In fulfilling its duties and responsibilities as stewards of the Company, the Board maintains a direct line of communication with Senior Management and has unrestricted access to information pertaining to the Group's business affairs. The Board is supported by three (3) suitably qualified Company Secretaries who serve as corporate governance counsels to the Board. The Company Secretaries assist the Board in adhering to the relevant corporate governance legislative promulgations and internal policies and procedures and apprise the Board on the latest statutory and regulatory requirements relating to corporate governance.

During the financial year under review, all Directors have dedicated adequate time and effort to attend Board and Board Committee meetings held to deliberate on matters under their purview. Matters deliberated during the year include strategic planning, significant business and operational issues, significant financial and investment decisions, relevant business policies and procedures, regulatory compliance matters, key performance indicators and significant corporate exercises as well as financial performance of the Group as a whole.

The meeting attendance of Directors during the financial year under review are furnished in **Table 1** below:

Director	Board	Audit Committee	Nomination Committee	Remuneration & ESS Committee	Risk Management Committee
<b>Executive Directors</b>					
Tan Sri Dato' Mohamed Mansor bin Fateh Din (Chairman)	5/5				
Datuk Richard Fong Loong Tuck	5/5				
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	5/5			2/2	
<b>Senior Independent Director</b>					
Dato' Ikhwan Salim bin Dato' Haji Sujak	5/5	5/5	2/2	2/2	2/2
<b>Independent Non-Executive Directors</b>					
Datuk Ali bin Abdul Kadir	5/5	5/5	2/2	2/2	
Shan Choo	5/5	5/5	2/2	2/2	2/2
Datuk Bazlan bin Osman (Appointed on 24 July 2020)	4/4	2/2			2/2

Chairman

Member

**Table 1: Directors' attendance in the Board and Board Committee meetings**

As the Board is the epitome of a good governance culture, it continuously strives to set the "tone at the top" and cascade ethical values and standards across every level of the Group. In this regard, the Board has adopted a Code of Ethics and Conduct (the "Code") which serves as an authoritative document that governs the conduct of Directors and employees of the Group. The Code is communicated to employees via the Employee Handbook. As an additional measure to promote ethical conduct, the Board has formalised Whistleblowing Policy and Procedures to enable stakeholders to escalate legitimate ethical concerns without fear and risk of reprisal.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

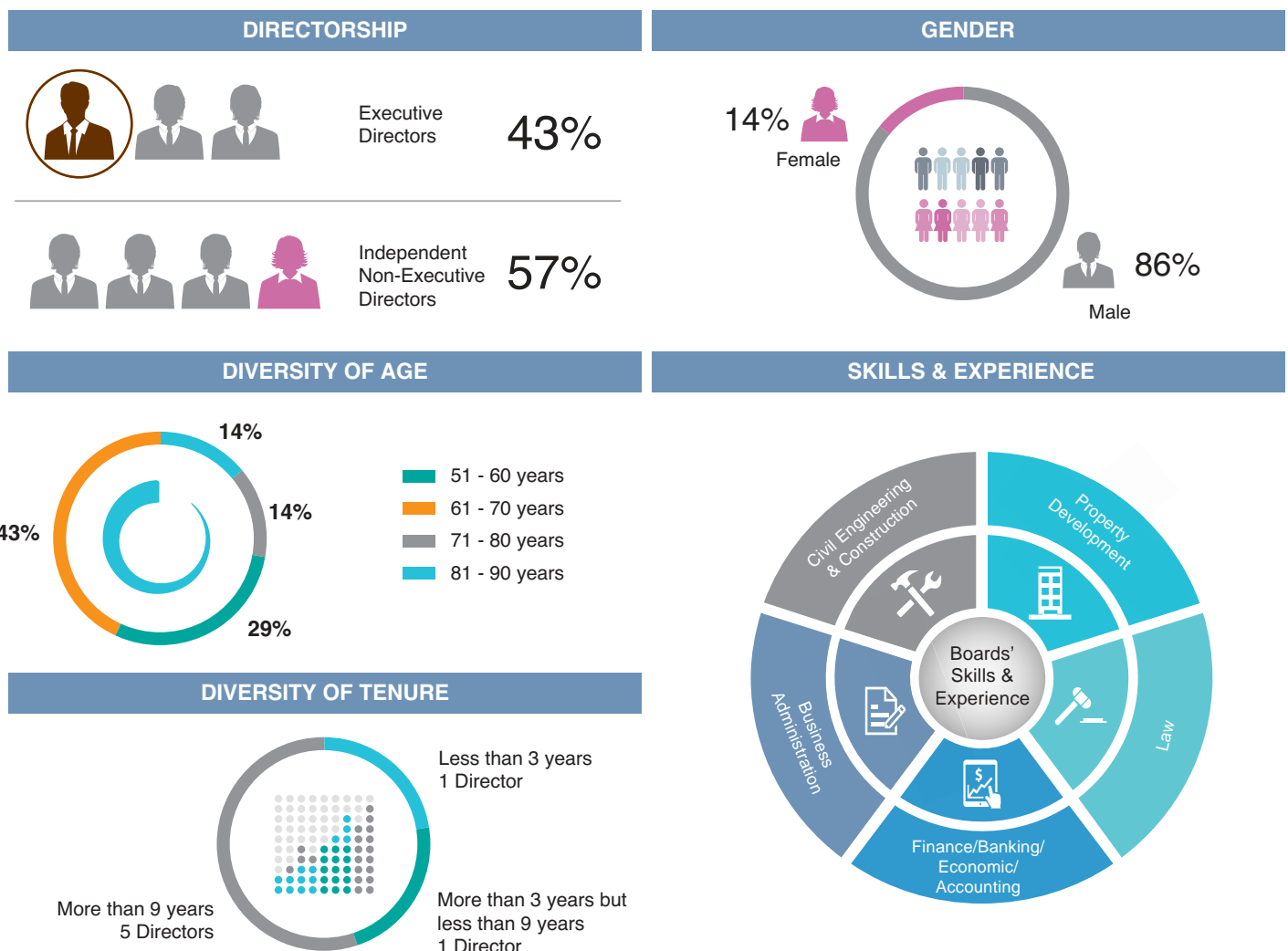
### Board Composition

Presently, the Board comprises three (3) Executive Directors and four (4) Non-Executive Directors and all of whom are Independent Directors. Shan Choo remains as the only female Director on the Board, being appointed on 3 July 2017 as part of the Board's commitment in taking incremental yet concerted steps towards shaping a gender-diverse Board.

In driving the long-term vision of the Group, it is essential for the Board to possess an optimum mix of skills, qualifications and experiences that can support the Group in responding to changing market dynamics, evolving business models and emergence of novel risks. The combination of the skills, experience and expertise of the incumbent Directors allows the Board to apply a breadth and depth of perspectives when deliberating on contentious issues.

In recommending the appointment of potential Directors, the Nomination Committee assesses the candidate's skills, expertise and experience and balances these traits against the existing composition of the Board to determine his or her suitability for the position and overall cultural fit within the Board.

A detailed view of the current Board composition is illustrated in **Diagram 4** below:



**Diagram 4: Board Composition - Directorships, gender, diversity of age, diversity of tenure and skills & experience**

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Board Independence

As at the date of the publication of this Annual Report, 57% of the Board comprises Independent Directors. This exhibits the Board's compliance to paragraph 15.02 of the MMLR of Bursa Securities which calls for the Board to be occupied by at least one-third (1/3) of Independent Directors as well as meeting the prescribed Practice of having at least half of the Board comprises Independent Directors, as stipulated in the MCCG. This allows the Board to deliberate and make decisions objectively and in the best interest of the Group, taking into account diverse perspectives and insights.

The tenures of Glomac's long-standing Independent Directors, Dato' Ikhwan Salim bin Dato' Haji Sujak and Datuk Ali bin Abdul Kadir, have however exceeded the prescribed tenure limit of nine (9) years (as advocated by the MCCG). In order to justify their retention as Independent Directors, the Nomination Committee performed an assessment on the independence of its Independent Directors based on the objective criteria outlined in the MMLR of Bursa Securities as well as the subjective criteria determined by the Board. Upon the Nomination Committee's recommendation, the Board sought the shareholders' approval with regards to the retention of both Dato' Ikhwan Salim bin Dato' Haji Sujak and Datuk Ali bin Abdul Kadir as Independent Directors during the last Annual General Meeting ("AGM") via the single-tier voting process.

The Board does not plan to deploy the use of the two-tier voting process when seeking for shareholders' approval to retain long-standing Independent Directors who have exceeded the prescribed tenure of twelve (12) years in the near future and this is alleviated with the safeguards of having a balanced composition of Independent Directors and well demarcated matters reserved for the Board. The Board currently has not crystallised an outright policy which limits the tenure of its Independent Directors to nine (9) years. Nonetheless, the Board is mindful of the prescribed Practice of the MCCG pertaining to Board independence and assess the situation from time to time by taking into account a swathe of factors. The Board further recognises that tenure of directorship is not an absolute indicator of a Director's independence and objectivity as the spirit, intention, purpose and attitude should also be considered.

Both Dato' Ikhwan Salim bin Dato' Haji Sujak and Datuk Ali bin Abdul Kadir who have exceeded the prescribed tenure yardstick of nine (9) years remain valuable members of the Board as they are able to bring thoughtful insights and impartial judgement to the Group's business affairs and operations. The Board is of the collective view that the Group stands to gain considerable benefits in terms of informed views and challenge process by retaining both Dato' Ikhwan Salim bin Dato' Haji Sujak and Datuk Ali bin Abdul Kadir as Independent Directors.

### Boardroom Diversity

The Board intends to dedicate its efforts to promote diversity in the boardroom and in the Company's top leadership. Appointments to the Board are made via a formal, rigorous and transparent process, taking into account the gender, age, ethnic, skills and experience of the candidates.

### Succession Planning

A seamless succession plan is a crucial component in safeguarding the vitality of the business and retaining the confidence of stakeholders. This is especially imperative for companies in the property and construction sector where the development and execution of business strategy are carried out with a long-term horizon in view. In tandem with the strategic trajectory of the Company, the Board will seek to identify emerging talent and potential successors, from both within and outside of the Company, for the Board and key Senior Management positions (which is driven by the Group MD/CEO). Currently, the Board utilises internal sources such as referrals from Directors and major shareholders as its main approach for candidate identification.

### Nomination Committee

The Nomination Committee comprises three (3) Directors, all of whom are Independent Non-Executive Directors. The Nomination Committee is spear-headed by the Senior Independent Non-Executive Director as specified under Practice 4.7 of the MCCG. The members of the Nomination Committee are shown in **Diagram 5** below:



**Diagram 5: Nomination Committee**

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

For the financial year ended 30 April 2021, the activities carried out by the Nomination Committee were as follows:

- Performed an assessment on the Board, Board Committees and individual Directors;
- Reviewed and recommended the re-election of Directors pursuant to the Company's Constitution;
- Assessed the independence of the Company's Independent Directors;
- Assessed and recommended the continuance of Independent Directors who had exceeded the nine (9)-year tenure limit; and
- Reviewed the training programmes for Directors.

The Board has in place an annual performance evaluation exercise to assess the effectiveness of the Board, Board Committees and individual Directors including Independent Directors. The evaluation exercise serves as a constructive platform for the Board to address areas for improvement in the functioning of the Board and formulate corrective measures where required. During the financial year under review, the assessment was conducted internally under the purview of the Nomination Committee and facilitated by the Company Secretaries. The Board studies the results of the annual performance evaluation and is generally satisfied with the performance and effectiveness of the Board and Board Committees, the size and composition of the Board as well as the mix of skill sets, competency and the independence of its Independent Directors.

### Boardroom Professional Development

During the financial year under review, the Nomination Committee assessed and determined the training needs for individual Directors as prescribed under paragraph 15.08 of the MMLR of Bursa Securities, the Directors are kept abreast of changes in the constantly evolving property development industry as well as regulatory and sustainability developments through trainings and workshops. The list of training programmes in the course of continuing professional development that were attended by the Directors of Glomac during the financial year ended 30 April 2021 is outlined in **Table 2** below:

Attended by	List of training programmes attended	Organiser	Date
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	Bengkel Ministry of Finance ("MOF")/ Kementerian Perumahan dan Kerajaan Tempatan ("KPKT") (On housing)	KPKT	23 March 2021
	SVDP, Tax Audits & Investigations: a dialogue with CEO of Inland Revenue Board ("IRB")	KPMG	8 April 2021
	Increasing Expectations on Reporting and Disclosure	Kuala Lumpur Business Club ("KLBC")	20 April 2021
	Climate and Sustainability Ambitions of our Trading Partners: Keynote address delivered by YB Dato' Sri Mustapa Mohamed, Minister in the Prime Minister's Department (Economy)	KLBC	5 May 2021
	Healthcare Resilience: Malaysia's year into the Pandemic - tried and tested	KLBC (invitation by ISIS Malaysia)	10 May 2021
	Towards Green Recovery in ASEAN Post-Pandemic	ASEAN Business Club ("ABC")	24 May 2021
Dato' Ikhwan Salim bin Dato' Haji Sujak	Virtual In-house Training on "From Integrated Reporting to Integrated Thinking"	Malaysian Institute of Corporate Governance ("MICG")	8 March 2021

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Attended by	List of training programmes attended	Organiser	Date
Datuk Ali bin Abdul Kadir	Enterprise Respond to COVID-19	Citibank	3 June 2020
	Anti-Money Laundering & Counter Terrorism Financing	Citibank	17 September 2020
	Management Conference: i) Competition Law: Application & Compliance ii) Total Rewards; Overview & Perspectives	ENRA Group	13 January 2021
	Training by Group Legal & Group Commercial - Joint Ventures	ENRA Group	17 February 2021
Shan Choo	MFRS 16 Leases Accounting Considerations	Deloitte PLT	17 September 2020
	MASB Engagement Session - IFRS Foundation's Consultation Paper - Sustainability Accounting	MASB	13 November 2020
	LEAP Summit 2020	TM One	19 November 2020
	Deloitte & Sigma Conso Webinar: Digital Finance Transformation	Deloitte PLT	22 November 2020
	SVDP, Tax Audits & Investigations: a dialogue with CEO of IRB	KPMG	8 April 2021
	Digital Revolution - What does the future hold: How to equip your organisation in the ever evolving digital revolution	MICPA	8 April 2021
Datuk Bazlan bin Osman (appointed on 24 July 2020)	FIDE Forum (Webinar): Outthink the competition - Post COVID-19	FIDE	5 May 2020
	Financial Oversight & Assurance Post-COVID-19	Institute of Corporate Directors of Malaysia	30 June 2020
	FIDE Module A - Directors duties and liabilities	FIDE	7 July 2020
	FIDE Module A - Challenges in risk management	FIDE	8 July 2020
	FIDE Module A - The Language of Risk	FIDE	9 July 2020
	ACCA Asia Pacific Thought Leadership Forum	Association of Chartered Certified Accountants	13 August 2020
	ACCA Asia Pacific Sustainability Roundtable - Working Together to Create a Sustainable Economy	Association of Chartered Certified Accountants	26 August 2020

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Attended by	List of training programmes attended	Organiser	Date
Datuk Bazlan bin Osman (appointed on 24 July 2020)	Risk Management Policies and Framework	Malaysian Institute of Corporate Governance	9 September 2020
	UiTM/APMAA Forum - The Role of Management Accountants in Digital Transformation	Universiti Teknologi Mara (UiTM) Malaysia	8 October 2020
	The Quiet Transformation of Corporate Governance	Institute of Corporate Directors Malaysia	3 December 2020
	FIDE Webinar - Rethinking our approach to cyber defence in Financial Institutions	FIDE	11 March 2021
	Shariah Investing Dialogue 2021 Series 2 - Sustainability & Value Based Intermediation (VBI) in Islamic Capital Market	Bursa Malaysia- Association of Shariah Advisors in Islamic Finance	21 April 2021

**Table 2: Directors' Professional Development**

Tan Sri Dato' Mohamed Mansor bin Fateh Din and Datuk Fong Loong Tuck were not able to select any suitable training programmes to attend during the financial year. However, they had continuously kept themselves abreast of the relevant developments in the marketplace through the updates and briefings by the Company Secretary as well as briefings by the Internal Auditors and External Auditors, communications with other Directors, as well as daily work exposures throughout the year.

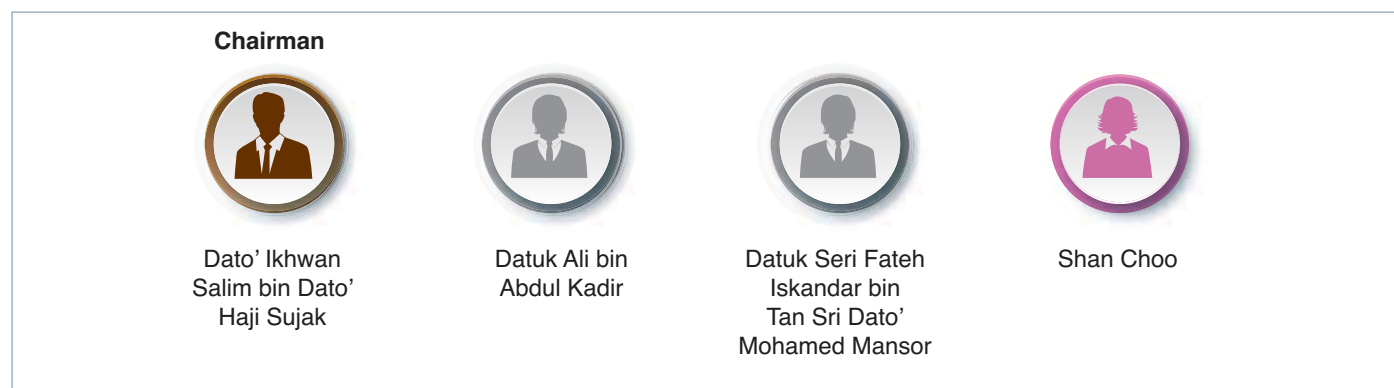
### Board Remuneration

The Board has instituted a set of policies and procedures to govern the remuneration of Directors and Senior Management. The policies and procedures serve as guidelines for the Board in remunerating Directors and Senior Management with a view to attract, retain and motivate talented and high-calibre individuals. The Board has established a Remuneration & ESS Committee to assist the Board in its oversight function on matters pertaining to Remuneration and ESS of Directors and Senior Management.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The said Committee, which is chaired by the Senior Independent Director, comprises a majority of Independent Directors. The members of the Remuneration & ESS Committee are shown in **Diagram 6** below:



**Diagram 6: Remuneration & ESS Committee**

In determining the level and component parts of Directors' remuneration, the Remuneration & ESS Committee takes into consideration the demands, complexities and performance of the Group as well as the time commitment, skills and experience that are required of Directors. The detailed disclosure of Directors' remuneration for the financial year ended 30 April 2021 is shown in **Table 3** below:

### Company Level

Directors	Fees and Allowances RM'000	Salaries RM'000	Bonuses RM'000	Statutory Contribution RM'000	Benefits-in-kind RM'000	Total RM'000
<b>Executive Directors</b>						
Tan Sri Dato' Mohamed Mansor bin Fateh Din	10.0	47.5	-	5.7	32.2	95.4
Datuk Fong Loong Tuck	5.0	45.4	-	5.5	32.2	88.1
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	6.0	45.4	-	9.1	32.2	92.7
<b>Non - Executive Directors</b>						
Dato' Ikhwan Salim bin Dato' Haji Sujak	73.8	-	-	-	-	73.8
Datuk Ali bin Abdul Kadir	74.5	-	-	-	-	74.5
Shan Choo	72.8	-	-	-	-	72.8
Datuk Bazlan bin Osman (Appointed on 24 July 2020)	52.8	-	-	-	-	52.8
<b>Total</b>	<b>294.9</b>	<b>138.3</b>	<b>-</b>	<b>20.3</b>	<b>96.6</b>	<b>550.1</b>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Group Level

Directors	Fees and Allowances RM'000	Salaries RM'000	Bonuses RM'000	Statutory Contribution RM'000	Benefits-in-kind RM'000	Total RM'000
<b>Executive Directors</b>						
Tan Sri Dato' Mohamed Mansor bin Fateh Din	10.0	950.1	100.9	115.7	32.2	1,208.9
Datuk Fong Loong Tuck	5.0	908.8	92.2	112.8	32.2	1,151.0
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	6.0	908.8	92.2	193.0	32.2	1,232.2
<b>Non - Executive Directors</b>						
Dato' Ikhwan Salim bin Dato' Haji Sujak	73.8	-	-	-	-	73.8
Datuk Ali bin Abdul Kadir	74.5	-	-	-	-	74.5
Shan Choo	72.8	-	-	-	-	72.8
Datuk Bazlan bin Osman (Appointed on 24 July 2020)	52.8	-	-	-	-	52.8
<b>Total</b>	<b>294.9</b>	<b>2,767.7</b>	<b>285.3</b>	<b>421.5</b>	<b>96.6</b>	<b>3,866.0</b>

**Table 3: Directors' Remuneration**

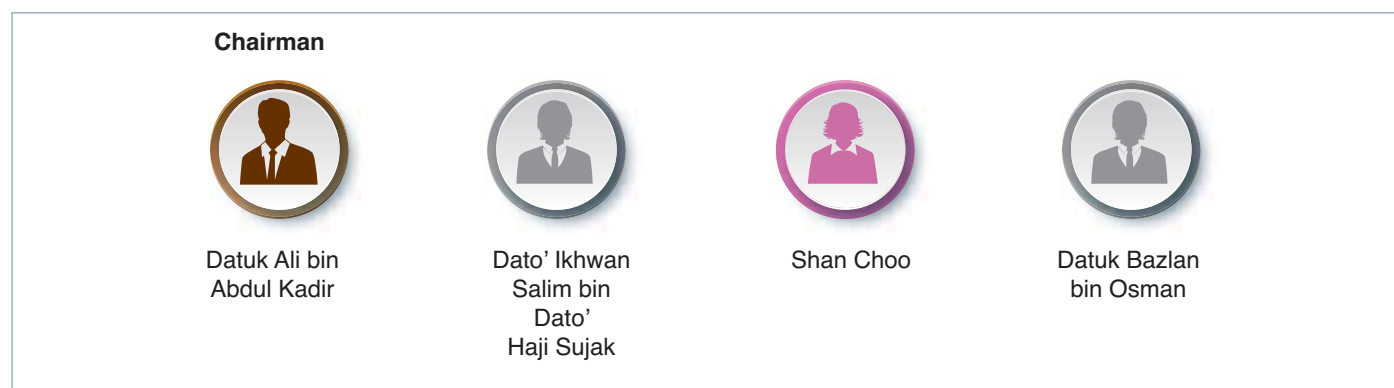
The Board has decided not to disclose the remuneration of key Senior Management personnel on a named basis in order to allay tangible concerns on privacy and that such disclosure may be detrimental to its business interest given the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the property development industry. In addition, the Company is of the view that the interest of the stakeholders will not be prejudiced as a result of the non-disclosure of the Company's key Senior Management personnel who are not Directors of the Company. An internal benchmarking exercise undertaken by the Company reveals that the remuneration of its key Senior Management personnel is within market norms.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Principle B: Effective Audit and Risk Management

#### Audit Committee

Glomac's Audit Committee comprises solely of Independent Directors to provide a robust and impartial oversight on financial reporting, audit and risk management processes. The members of the AC are depicted in **Diagram 7** below:



**Diagram 7: Audit Committee**

The vast experience of the Audit Committee members in the areas of accounting, finance and auditing allows the Audit Committee to collectively possess the requisite financial literacy to have a sound understanding of the financial matters of the Group. The Audit Committee has unrestricted access to both the internal and external auditors, who in turn reports directly to the Audit Committee. The Audit Committee has established formal and transparent arrangements to maintain an appropriate relationship with the external auditors. This includes undertaking an annual assessment to ascertain the suitability, objectivity and independence of the external auditors.

The Audit Committee Report, which provides detailed articulation on the composition of the Audit Committee, its responsibilities and main activities during the financial year ended 30 April 2021, is set out on pages 95 to 98 of the Annual Report.

#### Risk Management and Internal Controls

To ensure a robust risk management and internal controls, the Group has instituted an Enterprise Risk Management ("ERM") Framework that incorporates procedures to identify, assess and monitor operational, financial, compliance and non-financial risks facing the Group.

The Board has delegated the tasks of operationalising and implementing the risk management and internal control framework to the Risk Management Committee ("RMC"). The RMC, which is chaired by an Independent Director, Shan Choo and includes the membership of the Senior Independent Director, Dato' Ikhwan Salim bin Dato' Haji Sujak and Independent Director, Datuk Bazlan bin Osman. The RMC meets periodically to deliberate on the prevailing and emerging risks surrounding the Group. Matters deliberated and any recommendation made during the RMC meetings are escalated and reported to the Board for the Board's decision.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Further information on the Group's risk management and internal control framework is made available in the Statement on Risk Management and Internal Control furnished on pages 86 to 94 of the Annual Report.

### **Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders**

#### **Communication with Stakeholders**

As custodians of Glomac, the Board aims to keep all stakeholders apprised in a timely manner of all material business event. The Board ensures there is an open line of communication with stakeholders through announcements to Bursa Securities, Glomac's website, summaries of key matters discussed at the general meetings and analyst briefing sessions as well as investors' roadshows and conferences.

The Annual Report is made available on Glomac's website and it provides a balanced, comparable and meaningful assessment of the Group's position and prospects as well as comprehensive details about business activities and financial performance for the financial year. Concurrently, the Group also conducts periodic briefing sessions for institutional investors and analysts.

During the financial year under review, two (2) briefing sessions were conducted during second quarter results and fourth quarter results. Media briefings were also conducted after the conclusion of the AGM, while meetings with fund managers were conducted on an ad-hoc basis. The Board is cognisant that a proactive approach towards stakeholder engagement will enhance the ability of stakeholders to make informed investment decisions that are based not only on the Group's retrospective performance but also on its business propositions and future outlook.

The topic of sustainability has gained notable traction amongst industry players and the wider corporate sector. Taking cue from this, the Board has expended efforts in ensuring that the Company meets the reporting expectation with regards to the Group's sustainability activities and performance. During the financial year under review, the Company herein sets out its sustainability disclosures, which is made pursuant to the enumerations in MMLR of Bursa Securities, in the Sustainability Statement which can be found on pages 18 to 49 of this Annual Report.

#### **Conduct of General Meetings**

The AGM serves as the principal avenue for shareholders to engage the Board and Senior Management in a constructive two-way dialogue. Shareholders are encouraged to actively participate during AGMs by raising questions and providing feedbacks to the Board and Senior Management. All other Directors including the respective Chairmen of the Board Committees, were present during the Thirty-Sixth AGM to facilitate shareholder engagement and provide clear and meaningful responses to shareholders' concerns and queries. Feedbacks gathered during the AGM are evaluated and considered for further action by the Board and Senior Management.

The notice of the upcoming AGM, which is scheduled to be held on 27 October 2021, has been made available to shareholders more than twenty-eight (28) days prior to the meeting in order to accord shareholders with sufficient time to review the Group's financial and operational performance as well as the resolutions that are to be tabled during the AGM. The extended notice period is also intended to enable shareholders to make the necessary arrangements to attend the AGM. The upcoming AGM would be a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities.

During the 2020 AGM, in line with the MMLR of Bursa Securities, all resolutions that were tabled for shareholders' approval were decided by poll voting. The results were validated by Commercial Quest Sdn. Bhd., the Independent Scrutineer appointed by Glomac. At the 2020 AGM, which had been conducted virtually, Glomac had leveraged technology to facilitate for the conducting of the remote participation and voting.

#### **Focus Areas**

As market conditions took a battering which resulted in synchronised headwinds in the property industry that continue to linger on, corporate governance becomes ever more omnipresent. Against this backdrop, the Board of Glomac remains focused on the fundamentals of its roles and responsibilities in future-proofing long-term value for stakeholders. Areas which gained heightened prominence from the Board during the financial year ended 30 April 2021 are as follows:

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Business Continuity Plan

In the wake of the debilitating COVID-19 pandemic which has resulted in a movement restriction order and disruption to normal course of business activities, the Board directed the activation of the Group's business continuity plan to enable alternative working modalities, recalibrate arrangements in relation to its projects and facilitate speedy resumption of activities as it has been forced to scale back during the period of interlude. A special purpose business policy on the COVID-19 outbreak was formulated and adopted by the Group to socialise its action plans to key stakeholders.

### Ethical Leadership

Recognising the need for reinforced ethical measures as brought about by the operationalisation of corporate liability provision [vide the Malaysian Anti-Corruption Commission (Amendment) Act 2018] on 1 June 2020, the Board has taken steps to direct the establishment of adequate procedures to prevent the commission of corrupt acts by persons associated to the Group through the institution of an Anti-Bribery Policy. The Anti-Bribery Policy covers salient areas pertaining to corruption and bribery such as gifts, donations and sponsorships. The Anti-Bribery Policy necessitates strict adherence by all parties, extending across its supply chain.

In order to curate heightened awareness on corporate liability, Glomac has engaged an independent professional firm, KPMG Management and Risk Consulting Sdn. Bhd. ("KPMG"), to facilitate the conduct of training and briefing sessions on corporate liability to all Directors and Senior Management of the Group.

### Limits of Authority

Glomac continued to undertake a dynamic recalibration of its Limits of Authority to foster oversight in line with the Company's chain of command whilst simultaneously facilitating business efficiencies. Periodic discussions are held by Glomac's Board, Board Committees and Management team to generate valuable input and establish well-understood boundaries, as to be reflected through the Limits of Authority.

### Corporate Governance Priorities

The Board remains committed to achieving the high standards of corporate governance and integrity. Glomac's governance tenets which operate from the direction of Board and cascaded across Management and other employees is critical in underpinning its ability to deliver long-term value for stakeholders.

The following sets out Glomac's intention in enhancing its governance practices and processes over the short to mid-term:

### Fiscal Controls

Prudent financial supervision is seen as an indispensable imperative for the near-future of the Group given the tepid economy and subdued marketplace. Hence, the Board and Management will be prioritising cost optimisation efforts such as rationalising operating expenses and inefficient administrative outlays. The cost optimisation efforts aims to strengthen the fiscal position of the Group in tandem with ongoing efforts to improve its mall occupancy and sales of property units.

A focused benchmarking involving the review of standard operating procedures on cost inefficiencies will be deployed to identify the key cost saving areas.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Human Capital

The Group recognises the adage that “a chain is as strong as its weakest link” and therefore, human capital is biggest driver of its governance and performance. In the near future, talent reviews will be conducted across the Group with a view of identifying top talents and determining ways to retain them either through competitive compensation, development opportunities and career growth.

The Board acknowledges that succession planning is critical for the continuity of the Group’s business operations in a seamless manner. Successors for key Management positions will be identified and the Board will continue to ensure that succession planning is a priority for positions that have been earmarked as critical.

### Digitalisation

In response to COVID-19 and the restrictions that followed in its wake, businesses have accelerated the adoption of technology. The Group recognises the importance of focusing on leveraging technology and digital to recover and thrive in the new normal. To support this demand, there needs to be significant enhancement to the Group’s existing digital and communication infrastructure.

A continuous effort will be taken to identify areas for technology and digital investment and enhancement, which covers the entire Group’s process, communication infrastructure and projects.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (the “Board”) of Glomac Berhad (“Glomac” or the “Company”) is highly committed to maintain a sound system of risk management and internal control in the Company and its subsidiaries (collectively referred to as the “Group”). The Board is pleased to provide the following Statement on Risk Management and Internal Control (the “Statement”), which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 30 April 2021.

This Statement is prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) which calls for the annual report to incorporate a “statement about the state of risk management and internal control of the listed issuer as a group” and Practice 9.2 of the Malaysian Code on Corporate Governance (“MCCG”) which stipulates that “the board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework”. In preparing this Statement, the Board has taken into consideration the enumerations encapsulated in the “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers” (the “Guidelines”), a publication endorsed by Bursa Securities pursuant to paragraph 15.26(b) of the MMLR of Bursa Securities.

This Statement however does not cover joint ventures whereby risk management and internal controls are overseen by the respective governing bodies.

### Responsibility and Accountability

#### Board

In order to safeguard shareholders’ investments and other stakeholders’ interests, the Board places priority in maintaining a sound system of internal controls as well as properly identifying and managing risks reflecting the Group’s operations.

Accordingly, the Board affirms its overall responsibility for the Group’s system of risk management and internal controls which covers financial, operational, compliance and other non-financial risks along with the relevant controls designed to manage the said risks. Comprising solely of Independent Non-Executive Directors, the Audit Committee (“AC”) has been entrusted to assist the Board in evaluating the adequacy and effectiveness of the Group’s system of risk management and internal controls. Further, the Board had on 24 July 2020, established Risk Management Committee (“RMC”), which consists of three (3) AC members, to assist the Board in overseeing the Company’s risk management framework and policies. The RMC reports directly to the Board.

Given the nature of any internal controls and risk management systems where limitations are inherent, rather than eliminating the risk of failure, the system is designed to manage financial and non-financial risks within tolerable limits to achieve the Group’s business objectives. Therefore, the system can only provide reasonable, but not absolute, assurance against any material misstatements, financial losses, defalcations or fraud.

#### Management

The Management is responsible for implementing the processes of identifying, evaluating, monitoring and reporting of risks and the effectiveness of internal control systems, taking appropriate and timely corrective actions as required. A Management Committee, namely, Management RMC (“MRMC”), which consists of Key Management personnel and chaired by the Chief Operating Officer, Mr Ong Shaw Ching has been established to assist the RMC by overseeing the operationalisation of the risk management and internal control framework. The Management, through MRMC, is entrusted with the responsibility of implementing and maintaining the risk management and internal control system by:

- communicating the Board’s vision, strategy, policy, responsibilities and reporting lines to personnel across the Group with the aim of engendering a healthy risk culture;
- identifying and communicating to the RMC and Board, critical risks that the Group faces and Management’s action plans to manage the risks;
- performing risk oversight activities and reviewing the risk profile of the Group;
- aggregating the Group’s risk position and performing quarterly reporting to the RMC and Board on the risk situation and status;
- monitoring the risk measures of the Group; and
- providing guidance to the business divisions on the Group’s risk appetite and capacity, and other criteria which, when exceeded, trigger an obligation to report upwards to the RMC and Board.

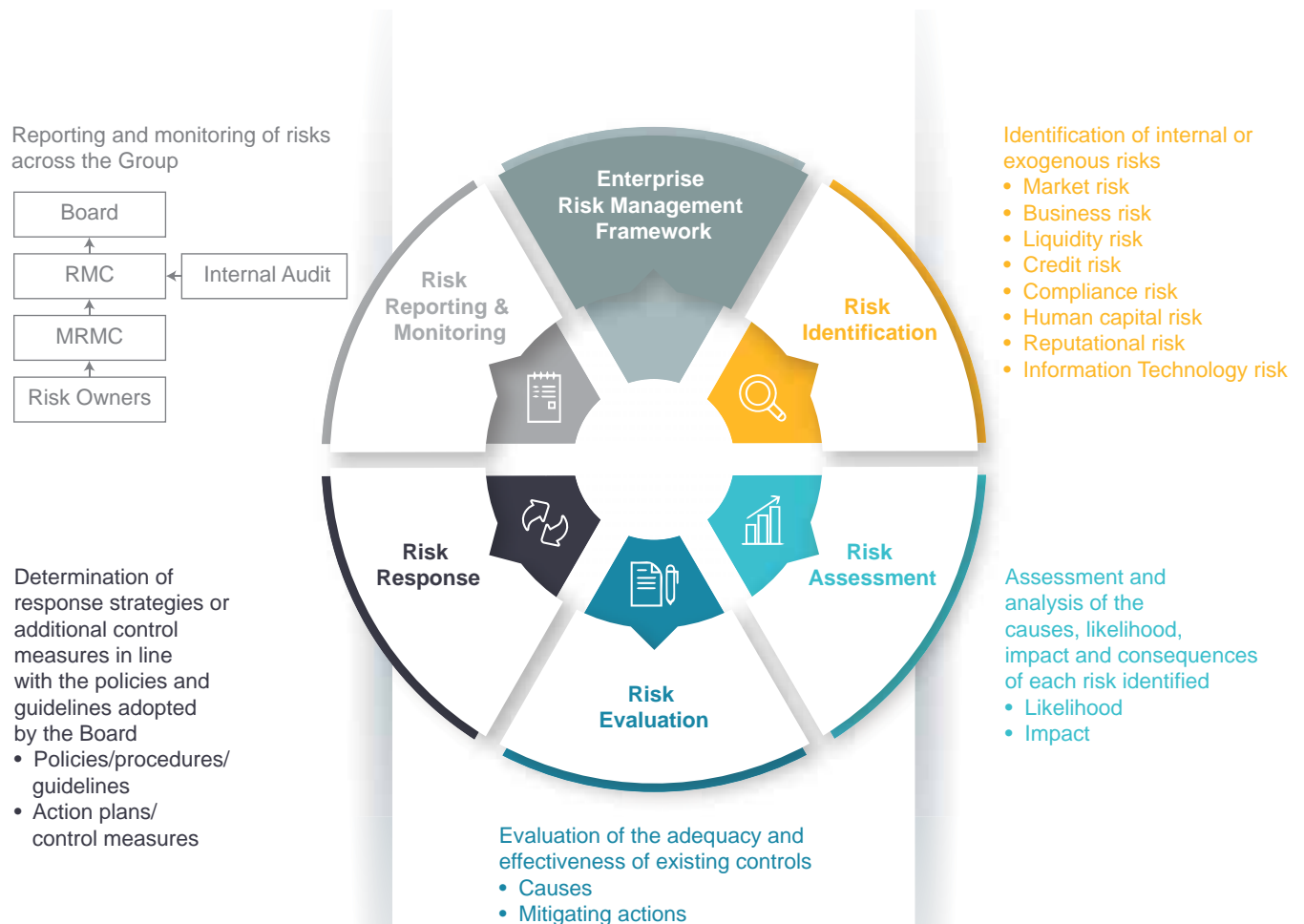
# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The MRMC and the lead representative from the internal audit service provider are present by invitation during the meetings of the RMC to provide input from the perspective of control mechanisms.

Since May 2020, the MRMC met four (4) times to review the changes in risk profile, identify significant and nuanced risk factors (e.g. legal and reputational risks) and deliberate on the actions plans to mitigate the risks.

## Risk Management

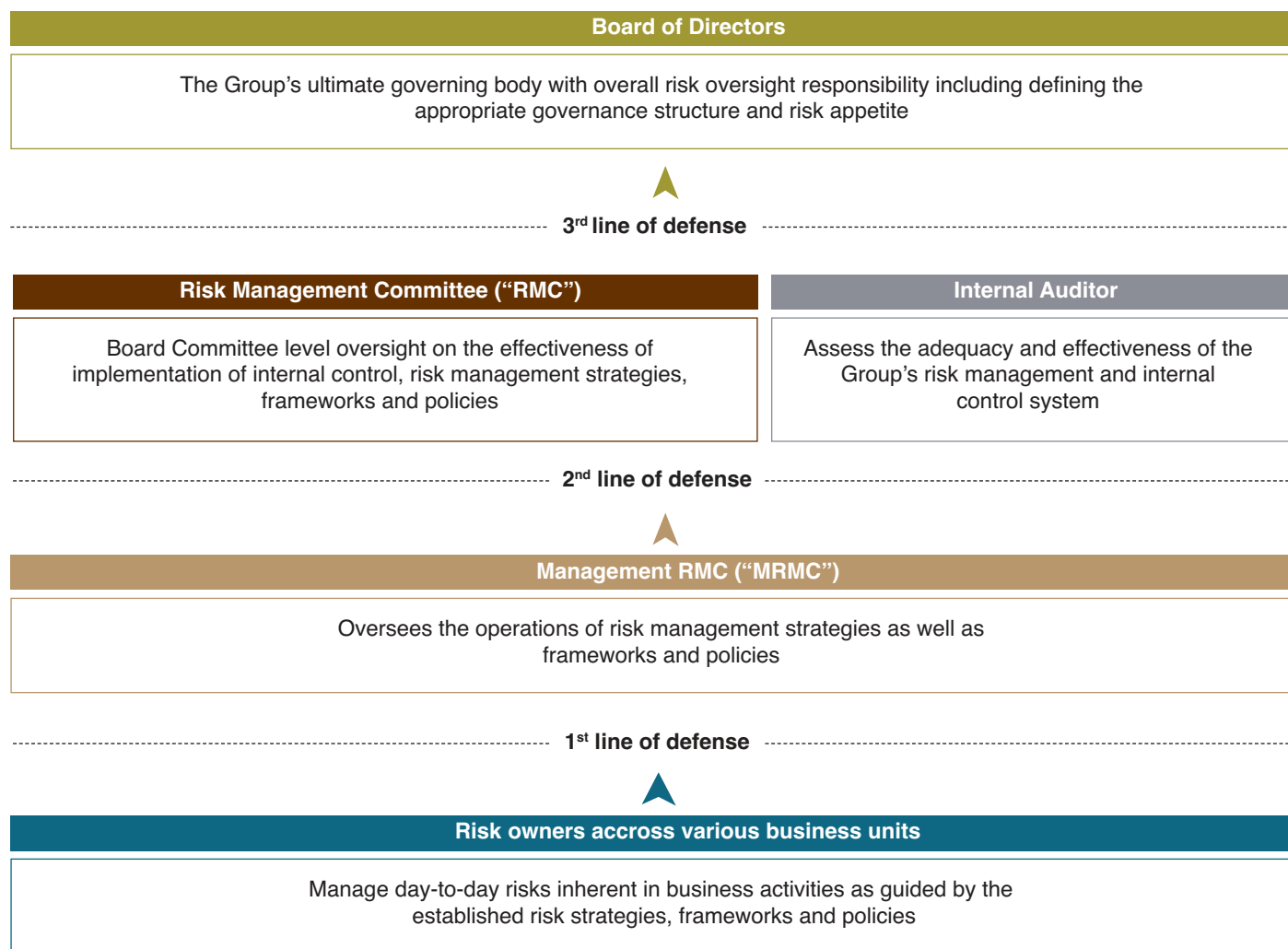
The Board firmly believes that risk management is critical to the Group's continued business sustainability and the accretion of value creation. Accordingly, the Board has formalised a methodical Enterprise Risk Management ("ERM") Framework to guide the delicate balance of risks and rewards in business decision making. **Diagram 1** below illustrates the Group's ERM Framework:



**Diagram 1:**  
**Enterprise Risk Management Framework**

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

In respect of risk management, an appropriate organisation structure with clear reporting lines and defined lines of responsibilities from various business units up to the Board level is defined in **Diagram 2** below:



**Diagram 2: Risk Management Governance Structure**

During the financial year under review, the results of risk updates were presented by the relevant process owners at the MRMC meetings. The significant risk issues were further deliberated at the RMC and/or Board meeting on a quarterly basis. The risk profile of the Group was prioritised and addressed through the annual risk-based internal audit plan for the conduct of internal audit assessments.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### Significant and High Risk Factors

Glomac's significant and high risks identified for the financial year under review and the attendant risk management approaches are outlined as follows:

Risk category	Nature of risks	Description	Risk management approach
Strategic risk	Ineffective sales and marketing plans	Ineffective sales and marketing plans can lead to slow take-ups rates, pull back of launches and high balance stock. This may result in erosion of project cash flows and company profitability.	The Group recognises that a dynamic marketing encompassing changing consumer sentiment, is critical for business sustainability. The Group has leveraged on an online advertising platform and implemented a social media engagement programme to improve its visibility via alternative media.
Strategic risk	Softening demand of properties	The uncertainty in the economic and market conditions has adversely affected the commercial and residential properties of the Group. The COVID-19 pandemic has resulted in a weak property market.	In order to cushion the impact of softening market demand, the Group has developed mitigation actions, with a focus on providing incentives to the buyers and strengthening its media presence.
Strategic risk	Business continuity management	The severity and continuity of the global pandemic would have significant implications for the sustainability of the daily activities and corporate responsibilities of the Group.	The Group has put in place a Business Continuity Plan ("BCP") that focuses on the wellbeing of the employees, information technology infrastructure for remote working, alternate/back-up offices and internal training.
Operational risk	Cyber security	The failure or weakness of information technology system could result in financial loss, disruption or damage to the reputation/operation and function of the company.	Active Directory Server and Exchange Service has been upgraded to Microsoft Office 365, with full troubleshooting support from Microsoft. Additionally, programmes have been put in place to track the documents accessed by the employees. During the financial year under review, there was no detection of hacking or unusual activity.
Operational risk	Poor workmanship quality	The poor quality of workmanship may be affected by inferior materials used by contractors, inadequate supervision by consultants/project personnel and poor project management. Such risk could result in additional cost and time incurred for rectification as well as negative press coverage.	Recognising the deleterious effects of poor workmanship quality, the Group has put in place an independent quality assessment. It has also strengthened its project management capabilities. A defect tracking system has been implemented to provide data on the improvement areas. Additionally, it is mandatory that contractors attend QClassic Training Programs with a minimum score of 75.
Operational risk	Low occupancy rate of mall	Macroeconomic uncertainties, exacerbated by COVID-19 pandemic, intense competitive lease rates and exit of an anchor tenant are underpinning low occupancy rates in the mall.	Premised on the need to revitalise the mall and secure more tenants, the Group has undertaken more crowd pulling fairs, events and activities so as to promote visibility and increase footfalls. The Group will also improve its attentiveness towards tenants' suggestions and concerns. Further measures have been put in place to limit the spread of COVID-19 such as temperature screening, customer registration, floor markings for social distancing and regular sanitation of the mall.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## Internal Control Framework

Mindful that a sound system of internal controls reduces the risks that could impede achieving the Group's goals and strategic objectives, the Risk Management Committee ("RMC"), Audit Committee ("AC") and the Board regularly reviews the adequacy and operating effectiveness of the Group's internal controls. The salient elements of the Group's internal control framework are listed below:

### 1 Organisation Structure

The Group has in place an organisational structure with clearly demarcated lines of responsibilities and segregated reporting lines to the Board and Board Committees to ensure operational efficiency and independent stewardship.

### 2 Board Charter

A Board Charter is established to ensure that all Board members acting collectively on behalf of the Company are aware of their duties and responsibilities as Board members with an emphasis of applying high standards of corporate governance throughout the Group in safeguarding the interest of all stakeholders as well as enhancing shareholders' value and financial performance of the Group.

### 3 Board Committees

The Board has four (4) Board Committees:

- **Audit Committee ("AC")**  
The primary function of the AC is to review quarterly and annual financial statements before submission to the Board, external and internal audit plans, systems of internal controls and related party transactions as well as other responsibilities as may be agreed to by the AC and the Board. Further details of the AC are outlined in the Terms of Reference available on Glomac's website.
- **Nomination Committee ("NC")**  
The NC is established to assist in identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise, making recommendations to the Board on the Directors to fill seats of Board Committees, assessing annually the effectiveness of the Board and the independence of individual Directors. Further details of the NC are outlined in the Terms of Reference available on Glomac's website.
- **Remuneration & Employee Shares Scheme ("ESS") Committee**  
The Remuneration & ESS Committee's primary duties include reviewing the annual remuneration package of each Individual Director, recommending to the Board the remuneration packages of the Directors and performing functions as requested by the Board for the purpose of administering the Group's Employee Share Scheme. Further details of the Remuneration and ESS Committee are outlined in the Terms of Reference available on Glomac's website.
- **Risk Management Committee ("RMC")**  
The RMC is established to assist the Board in identifying, assessing and monitoring key business risks and recommending the risk management policies and strategies for the Company. Further details of the RMC are outlined in the Terms of Reference available on Glomac's website.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## 4 Integrity and ethical values

The Board acknowledges that tone at the top is a prerequisite for an ethical corporate culture that shapes the Company's values and forms the bedrock for sustainable growth of the business. The Board is cognisant that ethical leadership has been made even more imperative with the operationalisation of corporate liability provision [vide the Malaysian Anti-Corruption Commission (Amendment) Act 2018] on 1 June 2020 which places the onus on Directors and Management to proactively avert corrupt practices through the establishment of adequate procedures and exercise of due diligence.

Taking into account of the reform measure introduced by the corporate liability provision as well as the accompanying Guidelines on Adequate Procedures as released by National Centre for Governance, Integrity and Anti-Corruption, the Group will continue to reinforce its ethical framework which is currently composed of the following key components:

- **Code of Conduct (the "Code")**  
The Code is a vital and an integral part of Glomac's governance framework as it defines the core principles and ethical standards in conducting business and engagement with all stakeholders besides reinforcing the need for compliance with relevant laws and regulations. All employees of the Group are called upon to adhere to the Code in guiding them to observe high standards of personal and corporate integrity in their dealings with internal and external stakeholders. In addition, the Group has an Employee Handbook that guides the Group's employees in their day-to-day conduct, conducting themselves with integrity and objectivity and not be placed in a position of conflict of interest.
- **Whistleblowing Policy and Procedures**  
The Group has put in place Whistleblowing Policy and Procedures that enable individuals to raise genuine concerns to designated recipients within the Group on potential breaches of business conduct, non-compliance with legal and regulatory requirements as well as other malpractices without fear of retaliation. Avenues are also available for stakeholders to escalate bona fide concerns directly to the Chairman of AC, especially if the report pertains to a member of Glomac's Management team. The Whistleblowing Policy and Procedures document is made available on Glomac's website.
- **Anti-Bribery and Corruption Policy**  
The Board has taken steps to direct the establishment of adequate procedures to prevent the commission of corrupt acts by persons associated to the Group through the institution of the Anti-Bribery and Corruption Policy ("the Policy"). The Policy, amongst others, covers areas pertaining to gifts, donations and sponsorships; support letters; facilitation payments; conflict of interest; and sanctions for non-compliance. The Policy is premised on a supply-chain wide perspective covering dealings with third parties such as agents, suppliers and vendors, contractors, sub-contractors and distributors. All employees are required to declare that they have read, understood and will abide by the Policy via the Staff Declaration Form.

In order to raise awareness on corporate liability, Glomac has engaged an independent professional firm, KPMG Management and Risk Consulting Sdn Bhd ("KPMG"), to facilitate the conduct of training and briefing sessions on corporate liability to all Directors and Senior Management of Glomac.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### 5 Limits of Authority (“LOA”)

Clearly defined and documented lines and limits of authority, responsibility and accountability have been established through the relevant terms of references, organisational structures and appropriate authority limits, including matters requiring the Board's approval. The corporate structure further enhances the ability of each subsidiary or division, as the case may be, to focus on its assigned core or support functions within the Group. In designing and implementing these policies, structures and systems, the Group is guided by the dictum that no single individual should be accorded with unfettered powers.

### 6 Planning, monitoring and reporting

The following internal control processes have been deployed by the Group:

- **Strategic Business Planning Processes**  
Appropriate business plans are established in which the Group's business objectives, strategies and targets are articulated. Business planning and budgeting are undertaken annually to establish plans and targets against which performance is monitored on an ongoing basis;
- **ISO 9001:2015 Accreditation**  
The Construction Division of the Group has been accorded with full ISO 9001:2015 accreditation, i.e. an international standard that specifies requirements for a quality management system. This underscores the Group's drive to consistently improve the strength of its internal control system;
- **Approved Annual Internal Audit Plan**  
During the year under review, a risk-based Internal Audit plan covering areas such as project management and human resource was reviewed and approved by the AC;
- **Documented Policies and Procedures**  
Internal policies and procedures, which are set out in a series of clearly documented standard operating manuals covering a majority of areas within the Group, are maintained and reviewed as considered necessary;
- **Performance Monitoring and Reporting**  
The Group's Management team monitors and reviews financial and operational results, including monitoring and reporting of performance against the operating plans and annual budgets. The Management team formulates and communicates action plans to address areas of concern. Separate monthly operational reports are disseminated to the Group's Management Team members, with periodical meetings organised with heads of department and core business managers. The Group Managing Director/Chief Executive Officer (“MD/CEO”) reports to the AC and the Board of Directors on a quarterly basis on significant changes in the business and external environment in which the Company operates;

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- **Financial Performance Review**

The preparation of quarterly and annual results and the state of affairs of the Group are reviewed and approved by the Board before a release of the same to the stakeholders and regulators whilst the full year financial statements are audited by the external auditor before their issuance to regulators and stakeholders;

- **Quality Control**

The Group takes continuous efforts in maintaining the quality of its products and services. Accordingly, the Group has processes to enable timely adherence to safety and health regulations, environmental requirements and relevant legislations affecting the Group's operations;

- **Coverage and Safeguarding of Major Assets**

Sufficient insurance coverage is in place to enable major assets to be adequately covered against mishaps, calamities and thefts that may result in material losses to the Group. The insurance coverage is reviewed at regular intervals to ensure its adequacy vis-à-vis the Group's risk appetite. At the same time, physical security measures are taken to safeguard these major assets. Information technology-based assets (software and hardware) are upgraded from time to time to mitigate the possibility of security breaches; and

- **Commitment to Capacity Building**

The Group, being in a competitive industry, recognises the importance of sustainable investment in improving the skills and competencies of its Management and other employees. This is achieved through facilitating various training programmes, seminars, workshops and continuous learning initiatives. Investments are also channeled for information technology infrastructure with a view of facilitating the impetus towards digitalisation.

This internal control framework has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report of the Company.

### Internal Audit Function

The Group outsourced its internal audit function to an independent professional firm, KPMG Management and Risk Consulting Sdn. Bhd. ("KPMG") to assess the adequacy and integrity of the Group's internal control systems. The internal audit function reports directly and provides assurance to the AC through the execution of internal audit work based on a risk-based internal audit plan approved by the AC before commencement of work. In carrying out its activities, the internal audit function has unrestricted access to the relevant records, personnel and physical properties of the Group. The internal audit work is carried out based on KPMG's Internal Audit Methodology ("KIAM"), which is closely aligned with the International Professional Practices Framework ("IPPF") of the Institute of Internal Auditors, of which final communication of internal audit plan, processes and results of the internal audit assessment are supported by sufficient, reliable and relevant information which signifies a satisfactory conclusion of the internal audit work.

For the financial year ended 30 April 2021, the internal audit function assessed the adequacy and operating effectiveness of internal controls deployed by Management for the following key business processes, covering Project Management and Human Resources. Below are the key risks that were rated as "High":

Business Process	Key Risks
Project Management	<ul style="list-style-type: none"> <li>• Enhancement to monitoring process of COVID-19 related requirements at project site</li> </ul>
Sales and Marketing	<ul style="list-style-type: none"> <li>• Compliance to provisions of the Housing Development Regulations on advertisement</li> <li>• Improvement to property unit booking and cancellation process</li> </ul>

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The internal audit engagement by KPMG is headed by an Executive Director, namely, Mr. Khaidzir Shahari. He is a professional member of the Institute of Internal Auditors, Malaysia and a Chartered Accountant (Malaysian Institute of Accountants). Mr. Khaidzir has accumulated over 24 years of experience in a wide range of governance advisory, risk management and internal audit work. The internal audit work was carried out with four (4) personnel being deployed. All the personnel deployed by KPMG are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of the work. During the financial year ended 30 April 2021, the total cost incurred for internal audit activities amounted to RM75,000 (2020: RM75,000), excluding ancillary expenses and taxes.

Following the completion of its work, the internal audit function reported directly to the AC on improvement measures pertaining to internal controls, including a follow-up on the status of Management's implementation of recommendations raised in previous reports. Internal audit reports were submitted to the AC, which reviewed the observations with Management, including Management's action plans to address the concerns raised. To illustrate further, it is worth highlighting that the recommendations raised by the internal audit function over the preceding five (5) years have been substantially implemented by Management (i.e. implementation rate of 50%). In addition, the external auditor's Management Letters and Management's responses to the control recommendations on deficiencies noted during financial audits provided added assurance that control procedures on matters of finance and financial reporting were in place and were being followed.

### Review by the External Auditor

In accordance to paragraph 15.23 of the MMLR of Bursa Securities, the external auditor, Deloitte PLT has reviewed this Statement for inclusion in this Annual Report of the Company for the financial year ended 30 April 2021.

The review of this Statement by the external auditors was performed in accordance with the scope set out in Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report ("AAPG 3"), issued by the Malaysian Institute of Accountants.

The external auditor reported that nothing has come to their attention that caused them to believe that the Statement intended to be included in the Annual Report of the Company was not prepared, in all material respects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Guidelines, nor was it factually inaccurate.

### Commentary on the Adequacy and Effectiveness of the Group's Risk Management and Internal Control System

For the financial year under review and up to the date of this Statement for inclusion in this Annual Report, the Board is of the view that the Group's risk management and internal control system is adequate and effective to safeguard the interests of stakeholders and the Group's assets. There were no material weaknesses or deficiencies in the system of internal controls that have directly resulted in any material loss to the Group.

The Group MD/CEO and the Chief Operating Officer, who also heads the Finance function, have also provided documented assurance to the Board that the Group's risk management and internal control system, in all material aspects, are operating adequately and effectively based on the risk management and internal control framework of the Group.

This Statement is made in accordance with the resolution of the Board of Directors dated 7 September 2021.



## AUDIT COMMITTEE REPORT

The Audit Committee ("AC") with delegated oversight responsibilities assists the Board in ensuring that the paramount interest of the shareholders and other stakeholders of the Company and its subsidiaries ("Group") are well protected.

### (A) Composition

The AC of the Company consists of four (4) members, all of whom are Independent Non-Executive Directors. The AC comprises the following members:

Directors	Designation
Datuk Ali bin Abdul Kadir	Chairman/ Independent Non-Executive Director
Dato' Ikhwan Salim bin Dato' Haji Sujak	Member/ Senior Independent Non-Executive Director
Shan Choo	Member/ Independent Non-Executive Director
Datuk Bazlan bin Osman	Member/ Independent Non-Executive Director

The Chairman of the AC, Datuk Ali bin Abdul Kadir, is a Fellow of the Institute of Chartered Accountants in England and Wales as well as a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants which fulfils the requirement under Paragraph 15.09(1)(c) of the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The composition of the AC is in compliance with Paragraphs 15.09 and 15.10 of the Main LR of Bursa Securities and the Malaysian Code on Corporate Governance ("MCCG") where all four (4) AC members are Independent Non-Executive Directors. None of the Independent Non-Executive Directors had appointed Alternate Directors.

All members of the AC are financially literate and are able to analyse and interpret financial statements in order to effectively discharge their duties and responsibilities as members of the AC.

### (B) Terms of Reference

The principal objective of the AC is to assist the Board of Directors ("Board") in discharging its fiduciary responsibilities relating to financial reporting process and internal control of the Group.

The functions of the AC is as set out in the Terms of Reference of the AC which can be found on the Company's website at <https://www.glomac.com.my>.

## AUDIT COMMITTEE REPORT

### (C) Meetings and Attendance

The AC held a total of five (5) meetings during the financial year ended 30 April 2021. The Group Managing Director/ Chief Executive Officer, Chief Operating Officer, department heads and representatives of the External Auditors and Internal Auditors attend the AC meetings as and when invited, in order to facilitate direct communications in respect on matters of significant concern of interest.

The details of the attendance of the AC members are as follows:

Name of Audit Committee Member	Total meetings attended
Datuk Ali bin Abdul Kadir	5/5
Dato' Ikhwan Salim bin Dato' Haji Sujak	5/5
Shan Choo	5/5
Datuk Bazlan bin Osman (Appointed on 23 September 2020)	2/2

The lead audit partner of the External Auditors responsible for the Group had attended three (3) AC meetings held during the financial year ended 30 April 2021.

The External Auditors were encouraged to raise to the AC on any matters they considered important to bring to the AC's attention. The Chairman of the AC also sought information on the communication flow between the External Auditors and Management which is necessary to allow unrestricted access to information for the External Auditors to effectively perform their duties.

The Company Secretaries shall be the secretaries of the AC and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to the AC members prior to each meeting.

The Company Secretaries shall also be responsible for keeping the minutes of meetings of the AC and circulating them to the AC members and to the other members of the Board. The Chairman of the AC shall report key issues discussed at each meeting to the Board.

### (D) Summary of Work

During the financial year ended 30 April 2021, the AC had worked closely with the External Auditors, Internal Auditors and Management to monitor, oversee, review and evaluate the effectiveness and adequacy of the Group's risk management and internal control, financial management and reporting.

The AC had in the discharge of its duties during the financial year ended 30 April 2021, carried out the following:

#### 1. Risk Management and Internal Controls

- Before the establishment of the Risk Management Committee by the Board on 24 July 2020, two (2) AC members had been appointed as representatives to attend and observe the hybrid Board-Management Risk Management Committee meetings to review the Risk Management Report on the risk profile of the Group and the adequacy and integrity of internal control systems to manage these risks.
- Reviewed and recommended the adequacy and effectiveness of internal control system.
- Reviewed and recommended the AC Report and Statement on Risk Management and Internal Control for disclosure in the Company's annual report for the Board's approval.

# AUDIT COMMITTEE REPORT

## 2. Financial Reporting

- Reviewed the draft audited financial statements for the financial year ended 30 April 2021 and recommended the same for the Board's approval.
- Reviewed the unaudited quarterly financial results announcements of the Company and of the Group prior to the Board's approval with particular focus on:
  - compliance with financial reporting standards in Malaysia and provisions of the Companies Act 2016; and
  - the Group's accounting policies and practice.

## 3. Internal Audit

- Reviewed the significant issues and concerns arising from the audit.
- Reviewed and accessed the internal auditors' findings and Management's responses thereto and thereafter, making the necessary recommendations or changes to the Board.
- Assessed the adequacy of scope, functions, competency and resources of the Internal Audit ("IA") function.
- Considered the proposed IA plan for the financial year ending 30 April 2022 and 30 April 2023 respectively.
- Considered and recommended to the Board for approval on the audit fees payable to the internal auditors.

## 4. External Audit

- Reviewed the external audit terms of engagement, proposed audit remuneration and audit plan of the Company and of the Group for the financial year ended 30 April 2021.
- Reviewed the Audit Planning Memorandum for the financial year ended 30 April 2021.
- Considered the feedback regarding problems and reservations arising from the interim and final audits.
- Assessed and be satisfied with the written independent assurance given by the External Auditors.
- Reviewed the effectiveness, suitability and independence of the External Auditor vide a formalised "External Auditors Evaluation" form.
- Discussed and reviewed with the External Auditors, the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board.
- Considered and recommended to the Board for approval the audit fees payable to the external auditors.

## 5. Review of Recurrent Related Party Transactions/Related Party Transactions

- Reviewed the recurrent related party transactions of a revenue or trading nature ("RRPT") entered into by the Company and the Group on a quarterly basis.
- Reviewed the thresholds of the RRPTs to ensure compliance with the Main LR of Bursa Securities.
- Reviewed the draft proposal to seek shareholders' mandate for the Company and the Group to enter into RRPTs.

## 6. Others

- Reviewed and confirmed the minutes of the AC meetings.
- Received an overview of the Group's projects.
- Reviewed and considered the quantum, timing and cash flow of dividend payment, and recommended the same to the Board and shareholders for approval.
- Received and noted on the impact of changes to laws and regulations impacting the Group's business operations, including the Companies Act 2016, MCGG and Main LR of Bursa Securities.

The Board is satisfied that the AC has carried out their responsibilities and duties in accordance with the Terms of Reference of AC.

## AUDIT COMMITTEE REPORT

### **(E) Internal Audit Function and Activities**

The IA function is considered an integral part of the assurance framework within the Group. IA function plays an intermediary role in that it assists in the discharge of the oversight function which is delegated by the Board to the AC. It serves as a mean of obtaining sufficient assurance of regular review and/or appraisal of the adequacy and effectiveness of the system of internal controls from the perspective of governance, risks and control.

The Group outsources its IA function to KPMG Management & Risk Consulting Sdn. Bhd. ("KPMG"), which has adequate resources and appropriate standing to undertake its work independently and objectively to provide reasonable assurance to the AC regarding the adequacy and effectiveness of risk management, internal control and governance systems.

The personnel conducting and carrying out the IA function are free from any relationship or conflict of interest or undue influence of others which could impair their independence. KPMG reports directly to the AC.

The total cost incurred for the IA function of the Group in respect of the financial year ended 30 April 2021 amounted to RM75,000.

The summary of the works undertaken by the internal auditors during the period under review may be referred to the Statement on Risk Management & Internal Control on pages 86 to 94 of the Annual Report.

This Report is made in accordance with a resolution passed at the meeting of AC held on 7 September 2021.

# FINANCIAL STATEMENTS

Report of the Directors	100
Independent Auditors' Report	107
Statements of Profit or Loss and Other Comprehensive Income	112
Statements of Financial Position	113
Statements of Changes in Equity	115
Statements of Cash Flows	117
Notes to the Financial Statements	120
Statement by Directors	206
Declaration by the Officer primarily responsible for the financial management of the Company	207





## REPORT OF THE DIRECTORS

The Directors of **GLOMAC BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2021.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are property development and investment holding.

The principal activities of the subsidiary and associated companies are disclosed in Note 42 to the financial statements.

### RESULTS

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

	The Group RM	The Company RM
Profit before tax	58,121,695	18,371,986
Income tax expense	(25,639,172)	(4,349,498)
Profit for the financial year	32,482,523	14,022,488
Profit attributable to:		
Owners of the Company	28,947,550	14,022,488
Non-controlling interests	3,534,973	-
	32,482,523	14,022,488

In the opinion of the Directors, the results of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature, except for the fair value loss on investment properties of RM12,996,336 of the Group and the impairment loss on investment in subsidiary companies of RM19,100,000 of the Company.

### DIVIDENDS

The amounts of dividends paid or declared by the Company since the end of the previous financial year were as follows:

	RM
In respect of the financial year ended 30 April 2020 as reported in the Report of the Directors of that year:	
Final single-tier dividend of RM0.01 per share on 766,340,045 ordinary shares, paid on 28 December 2020	7,663,400

The Directors propose a final single-tier dividend of RM0.01 per share on 767,889,070 ordinary shares, totalling approximately RM7,678,891 in respect of the current financial year. This dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, and has not been included as a liability in the financial statements. Upon approval by the shareholders, the proposed dividend for the financial year 2021 will be paid on 28 December 2021 to all outstanding ordinary shares in issue. The cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 April 2022.

# REPORT OF THE DIRECTORS

## RESERVES AND PROVISIONS

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

## ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

## SHARE OPTIONS

The Employees' Share Scheme ("ESS") of the Company is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 24 October 2013. The ESS was implemented on 31 March 2014 and will be in force for a maximum period of 7 years from the effective date.

The ESS comprises 2 schemes, i.e. Employees' Share Option Scheme ("ESOS") and performance-based Restricted Shares Grant ("RSG").

The salient features of the ESS are disclosed in Note 38 to the financial statements.

Movements in the Company's ESOS during the financial year are as follows:

Number of options to subscribe for ordinary shares							Exercise price per share <sup>(i)</sup> (RM)
Grant date	Balance at 1.5.2020	Granted	Exercised	Cancelled	Lapsed	Balance at 30.4.2021	
4.1.2016	6,188,600	-	-	(127,600)	(6,061,000)	-	0.72

<sup>(i)</sup> ESOS exercise price per share after modification

Movements in the Company's RSG during the financial year are as follows:

Number of grants in respect of ordinary shares					
Grant date	Balance at 1.5.2020	Granted	Exercised	Cancelled	Balance at 30.4.2021
3.1.2017	3,568,400	-	-	(3,568,400)	-

## REPORT OF THE DIRECTORS

### TREASURY SHARES

During the financial year, the Company purchased 5,969,200 units of its own shares through purchases on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of the shares was RM1,773,946 and it has been deducted from equity. The share transactions were financed by internally generated funds and the average price paid for the shares was RM0.30 per share. The repurchased shares are held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016.

As at 30 April 2021, the Company held a total of 32,023,200 ordinary shares as treasury shares out of its issued and paid-up share capital of 800,089,370 ordinary shares. Such treasury shares are held at carrying amount of RM14,292,249. Further details are disclosed in Note 29 to the financial statements.

### RESTRICTED SHARES GRANT RESERVE

As at 30 April 2021, the Company has repurchased a total of 14,993,000 of its issued ordinary shares from the open market at an average price of RM0.90 per share. These shares are being held in trust by the Company and recorded as RSG reserve for the purpose of granting restricted shares to eligible employees in future. The first, second and third tranches of RSG under ESS scheme totalling 12,746,250 shares have been vested and awarded to a selected group of eligible employees. A total of 224,675 shares are being granted under bonus issue during the financial year ended 30 April 2018.

On 24 February 2021, the Remuneration and Employees' Share Scheme Committee decided to cancel the vesting of Fourth Tranche of the RSG. The Company has disposed 2,294,325 shares to open market at an average price of RM0.37 per share upon the expiration on 31 March 2021.

The balance shares held in trust by the Company as at 30 April 2021 is amounted to 177,100 shares. Further details are disclosed in Note 29 to the financial statements.

### OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:

- (a) 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 had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

- (a) which would render the amount of written off as bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (c) 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; or
- (d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

## REPORT OF THE DIRECTORS

### OTHER STATUTORY INFORMATION (CONT'D)

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

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, 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 operations of the Group and of the Company for the financial year in which this report is made.

### DIRECTORS

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

Tan Sri Dato' Mohamed Mansor bin Fateh Din  
 Datuk Fong Loong Tuck  
 Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor  
 Dato' Ikhwan Salim bin Dato' Haji Sujak  
 Datuk Ali bin Abdul Kadir  
 Choo Shan  
 Datuk Bazlan bin Osman (appointed on 24 July 2020)

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

Tan Sri Dato' Mohamed Mansor bin Fateh Din  
 Datuk Fong Loong Tuck  
 Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor  
 Carrie Fong Kah Wai (Alternate director to Datuk Fong Loong Tuck)  
 Dato' Choong Moh Kheng  
 Fara Eliza binti Tan Sri Dato' Mohamed Mansor  
 (Alternate director to Tan Sri Dato' Mohamed Mansor bin Fateh Din)  
 Hiew Chee Peng  
 Ishaque Noor  
 Koh Tse Ming  
 Kwok Khuen Phun  
 Mohd Yasin Loh bin Abdullah  
 Sheikh Salem Mohammed S Alqassemi

# REPORT OF THE DIRECTORS

## DIRECTORS' INTERESTS

The shareholdings in the Company and in related companies of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016, are as follows:

### Shares in the Company:

	Number of ordinary shares			
	Balance as at 1.5.2020	Bought	Sold	Balance as at 30.4.2021
Registered in the name of Directors				
Tan Sri Dato' Mohamed Mansor bin Fateh Din	161,283,317	-	-	161,283,317
Datuk Fong Loong Tuck	130,874,805	-	-	130,874,805
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	146,930,800	-	-	146,930,800
Dato' Ikhwan Salim bin Dato' Haji Sujak	22,880	-	-	22,880
Datuk Ali bin Abdul Kadir	2,013,000	-	-	2,013,000

### Options pursuant to the ESOS of the Company:

	Number of options over ordinary shares				
	Balance as at 1.5.2020	Granted	Exercised	Lapsed	Balance as at 30.4.2021
Registered in the name of Directors					
Tan Sri Dato' Mohamed Mansor bin Fateh Din	366,300	-	-	(366,300)	-
Datuk Fong Loong Tuck	366,300	-	-	(366,300)	-
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	473,000	-	-	(473,000)	-

### Shares grant pursuant to the RSG of the Company:

	Number of grants in respect of ordinary shares				
	Balance as at 1.5.2020	Granted	Cancelled	Vested	Balance as at 30.4.2021
Registered in the name of Directors					
Tan Sri Dato' Mohamed Mansor bin Fateh Din	519,200	-	(519,200)	-	-
Datuk Fong Loong Tuck	519,200	-	(519,200)	-	-
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	669,900	-	(669,900)	-	-

## REPORT OF THE DIRECTORS

### DIRECTORS' INTERESTS (CONT'D)

#### Shares in the subsidiary companies:

	Number of ordinary shares			
	Balance as at 1.5.2020	Bought	Sold	Balance as at 30.4.2021
<b><u>Shares in Glomac Bina Sdn. Bhd.</u></b>				
<b>Registered in the name of Director</b>				
Tan Sri Dato’ Mohamed Mansor bin Fateh Din	1,092,000	-	-	1,092,000
<b><u>Shares in FDA Sdn. Bhd.</u></b>				
<b>Registered in the name of Director</b>				
Datuk Seri Fateh Iskandar bin Tan Sri Dato’ Mohamed Mansor	75,000	-	-	75,000

By virtue of their interests in the ordinary shares of the Company, Tan Sri Dato' Mohamed Mansor bin Fateh Din and Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor are deemed to have an interest in the shares of all the subsidiary companies of the Company to the extent the Company has an interest.

Other than disclosed above, none of the other Directors in office at the end of the financial year held shares or had any beneficial interest in the shares of the Company or its related companies during and at the end of the financial year.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive any benefit (other than those disclosed as Directors' remuneration in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than any benefit which may be deemed to have arisen by virtue of the transactions as disclosed in Note 37 to the financial statements.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate except for the options and shares granted to certain Directors pursuant to the Company's Employees' Share Scheme as disclosed under "Directors' Interests".

### INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains Directors' liability insurance for purposes of Section 289 of the Companies Act 2016 throughout the year, which provides appropriate insurance cover for the Directors of the Company. The amount of insurance premium paid during the financial year amounted to RM18,028.

There were no other indemnity provisions made on behalf of any other officers or auditors of the Company.



## REPORT OF THE DIRECTORS

### AUDITORS' REMUNERATION

The auditors' remuneration for the financial year ended 30 April 2021 is as disclosed in Note 9(a) to the financial statements.

### AUDITORS

The auditors, Deloitte PLT, have indicated their willingness to continue in office.

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

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**TAN SRI DATO' MOHAMED MANSOR BIN FATEH DIN**

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**DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR**

Kuala Lumpur  
7 September 2021

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GLOMAC BERHAD (Incorporated in Malaysia)

## Report on Audit of the Financial Statements

### Opinion

We have audited the financial statements of **GLOMAC BERHAD**, which comprise the statements of financial position as at 30 April 2021 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 112 to 205.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2021, 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 opinion.

#### *Independence and Other Ethical Responsibilities*

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

### 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. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters in the audit of the separate financial statement of the Company to communicate in our auditors' report.

#### **Revenue recognition on property development**

##### Key audit matter

Revenue from property development during the year as disclosed in Note 5 to the financial statements amounted to RM320 million, which represented 87% of the Group's revenue.

The Group recognises revenue from property development using the cost-based input method, which is measured on the basis of the Group's efforts or inputs to the property development costs incurred as at 30 April 2021 relative to the total expected property development costs.

Budgets for property development costs are reviewed and revised periodically as work progresses and as variation orders are approved.

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GLOMAC BERHAD (Incorporated in Malaysia)

In determining the total expected property development costs, significant management estimates and judgements are involved, which include relying on the opinion or service of experts, past experiences and continuous monitoring of the budgeting process.

These management estimates and judgements affect the cost-based input method computations and the corresponding amount of revenue and profit recognised during the year, as well as assessing the recoverability of the property development projects.

### Our audit response

We have reviewed the terms and conditions of significant sales transactions to ensure that revenue is recognised in accordance with the Group's accounting policy and the requirements of MFRS 15 *Revenue from Contracts with Customers*.

We have obtained an understanding of the relevant controls put in place by the Group in respect of revenue recognition for property development projects and performed procedures to evaluate the design and implementation and operating effectiveness of such controls.

We have assessed the reasonableness of management-prepared budgets for property development costs and challenged management assumptions used in the preparation of the respective budgets. We have also performed a retrospective review to establish the reliability of management-prepared budgets and considered the implications of any changes in assumptions used in the budgets.

We have assessed the property development costs from property development projects are properly recognised based on the cost-based input method by vouching to supporting evidence such as contractors' progress claims and suppliers' invoices to ascertain the actual property development costs incurred and the proportion of the property development units sold attributable to the percentage of development work performed during the year where the outcome of the projects can be reliably estimated. We have also performed site visits for individually significant on-going projects to arrive at an overall assessment as to whether the progress towards satisfaction of performance obligation determined on a cost-to-cost basis was reasonable.

We have assessed the revenue from property development projects are properly recognised by checking the mathematical accuracy of the revenue and profit recognised based on the cost-based input method.

### **Fair value of investment properties**

#### Key audit matter

As at 30 April 2021, the investment property portfolio of the Group carried at fair value of RM343 million, mainly consisted of a retail mall valued at RM285 million which is based on independent external valuation.

The valuation process involves significant judgement in determining the appropriate valuation method to be used and the estimates used in the underlying assumptions applied. The valuation is sensitive to the key assumptions applied and significant various unobservable inputs are disclosed in Note 16 to the financial statements.

### Our audit response

We have understood the management process for determination of fair value of investment properties and evaluated the design and implementation of the relevant controls.

We have performed site visits to verify the existence and conditions of the investment properties.

We have assessed the appropriateness of the external valuer's scope of work and evaluated the independence and competency of the external valuer.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GLOMAC BERHAD (Incorporated in Malaysia)

We have held discussions with the external valuer to develop an understanding of the valuation method and assumptions used in performing the valuation. We have involved our internal valuation specialists to assist us in assessing the appropriateness of the valuation method and assumptions used. We have challenged the basis of the assumptions used, which included verifying the property related input data applied by the external valuer.

We have also assessed the adequacy and appropriateness of the related disclosures in the financial statements.

## **Net realisable value of completed property units**

### **Key audit matter**

As at 30 April 2021, the carrying amount of the completed property units of the Group, which are stated at the lower of cost and net realisable value, amounted to RM108 million and represented 14% of the Group's total current assets, as disclosed in Note 22 to the financial statements. Management applies significant judgement in determining the net realisable value of the completed property units based on recent sales transactions of similar properties or comparable properties in similar or nearby locations, net of estimated cost necessary to complete the sale.

### **Our audit response**

We have understood the management process for determination of the net realisable value and evaluated the design and implementation of the relevant controls.

We have tested management's assessment of net realisable value by comparing it to recent transacted prices of similar or comparable completed property units and taking into consideration the estimated selling costs and current market sentiments.

We have also physically sighted to the selected samples of the completed property units, focusing on long-aged property units, to ascertain if any write-down was warranted due to physical damage and deterioration of the units.

## **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 information included in the annual report of the Group, 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.

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GLOMAC BERHAD (Incorporated in Malaysia)

### Responsibilities of the Directors for the Financial Statements

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

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

### Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- 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.

## **INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF GLOMAC BERHAD (Incorporated in Malaysia)

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are as disclosed in Note 42 to the financial statements.

### **Other Matter**

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

**DELOITTE PLT (LLP0010145-LCA)**  
**Chartered Accountants (AF 0080)**

**LAI CAN YIEW**  
**Partner - 02179/11/2022 J**  
**Chartered Accountant**

7 September 2021



# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Note	The Group		The Company	
		2021	2020	2021	2020
		RM	RM	RM	RM
Revenue	5	366,905,104	245,814,499	33,254,501	18,809,477
Cost of sales	6	(252,696,816)	(156,491,768)	(249,790)	-
Gross profit		114,208,288	89,322,731	33,004,711	18,809,477
Finance income	7	3,653,198	4,733,783	23,412,844	35,031,681
Other operating income		3,997,887	3,733,084	897,002	972,336
Share of losses of associated companies	18	(450,581)	(531,467)	-	-
Marketing expenses		(6,336,743)	(5,946,514)	(347,058)	-
Administrative expenses		(19,327,321)	(20,211,285)	(2,498,479)	(2,838,310)
Other operating expenses		(8,208,127)	(5,675,760)	(512,747)	(25,492)
Fair value loss on investment properties	16	(12,996,336)	(24,619,620)	-	-
Impairment loss on investment in subsidiary companies	17	-	-	(19,100,000)	(12,570,089)
Finance costs	8	(16,418,570)	(20,628,646)	(16,484,287)	(19,291,676)
<b>Profit before tax</b>	9	58,121,695	20,176,306	18,371,986	20,087,927
Income tax expense	10	(25,639,172)	(2,778,926)	(4,349,498)	(3,344,420)
<b>Profit for the financial year</b>		32,482,523	17,397,380	14,022,488	16,743,507
<b>Other comprehensive loss:</b>					
Item that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		140,603	(84,572)	-	-
<b>Total comprehensive income for the financial year</b>		32,623,126	17,312,808	14,022,488	16,743,507
<b>Profit attributable to:</b>					
Owners of the Company		28,947,550	12,597,141	14,022,488	16,743,507
Non-controlling interests		3,534,973	4,800,239	-	-
		32,482,523	17,397,380	14,022,488	16,743,507
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		29,088,153	12,512,569	14,022,488	16,743,507
Non-controlling interests		3,534,973	4,800,239	-	-
		32,623,126	17,312,808	14,022,488	16,743,507
Basic earnings per share (sen)	11	3.77	1.62		

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

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2021

	Note	The Group		The Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>ASSETS</b>					
<b>Non-current Assets</b>					
Property, plant and equipment	13	42,506,752	44,674,105	73,615	63,233
Right-of-use assets	14	5,169,854	8,841,920	2,317,400	3,056,753
Prepaid lease payments on leasehold land	15	40,451	44,497	-	-
Investment properties	16	343,498,237	354,249,096	-	-
Inventories	22	702,647,599	760,315,576	-	-
Subsidiary companies	17	-	-	703,286,867	530,636,975
Associated companies	18	27,355,783	28,095,114	-	-
Other investments	19	4,000,000	4,000,000	-	-
Goodwill on consolidation	20	395,165	395,165	-	-
Deferred tax assets	21	61,320,269	59,208,230	530,322	1,138,952
<b>Total Non-current Assets</b>		<b>1,186,934,110</b>	<b>1,259,823,703</b>	<b>706,208,204</b>	<b>534,895,913</b>
<b>Current Assets</b>					
Inventories	22	258,601,611	227,400,001	867,762	1,100,299
Contract assets	23	127,256,549	78,668,684	-	-
Contract costs	24	8,105,945	10,582,173	-	-
Trade receivables	25	94,684,709	90,140,416	-	-
Other receivables	26	33,208,300	30,360,728	3,017,698	6,054,125
Tax recoverable		20,533,109	22,321,334	1,494,615	871,365
Amount due from subsidiary companies	27	-	-	436,627,097	646,902,931
Deposits, cash and bank balances	28	218,267,731	176,450,722	26,905,056	18,617,957
<b>Total Current Assets</b>		<b>760,657,954</b>	<b>635,924,058</b>	<b>468,912,228</b>	<b>673,546,677</b>
<b>TOTAL ASSETS</b>		<b>1,947,592,064</b>	<b>1,895,747,761</b>	<b>1,175,120,432</b>	<b>1,208,442,590</b>

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2021

	Note	The Group		The Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and Reserves</b>					
Issued capital	29	418,631,554	418,631,554	418,631,554	418,631,554
Capital reserve	29	300,000	300,000	-	-
Equity-settled employee benefits reserve	29	-	3,508,221	-	3,508,221
Foreign currency translation reserve		770,976	630,373	-	-
Treasury shares	29	(14,292,249)	(12,518,303)	(14,292,249)	(12,518,303)
Restricted shares grant reserve	29	-	(1,387,207)	-	(1,387,207)
Retained earnings	30	709,838,864	685,602,873	387,068,332	379,186,946
Equity attributable to owners of the Company		1,115,249,145	1,094,767,511	791,407,637	787,421,211
Non-controlling interests		42,102,577	38,912,604	-	-
<b>Total Equity</b>		<b>1,157,351,722</b>	<b>1,133,680,115</b>	<b>791,407,637</b>	<b>787,421,211</b>
<b>Non-current Liabilities</b>					
Borrowings	31	287,057,641	240,195,705	105,364,952	111,307,390
Lease liabilities	14	1,942,288	5,147,734	1,709,145	2,439,253
Deferred tax liabilities	21	1,226,229	1,164,725	-	-
Contract liabilities	23	635,018	251,678	-	-
<b>Total Non-current Liabilities</b>		<b>290,861,176</b>	<b>246,759,842</b>	<b>107,074,097</b>	<b>113,746,643</b>
<b>Current Liabilities</b>					
Trade payables	32	106,914,297	94,918,769	-	-
Other payables and accrued expenses	33	70,571,022	53,717,201	1,948,378	2,158,365
Provisions	33	97,171,513	93,549,395	-	-
Contract liabilities	23	4,941,938	16,089,645	-	-
Amount due to subsidiary companies	27	-	-	90,635,754	114,484,855
Borrowings	31	212,211,243	244,338,474	183,324,457	189,935,004
Lease liabilities	14	3,451,417	3,893,011	730,109	696,512
Tax liabilities		4,117,736	8,801,309	-	-
<b>Total Current Liabilities</b>		<b>499,379,166</b>	<b>515,307,804</b>	<b>276,638,698</b>	<b>307,274,736</b>
<b>Total Liabilities</b>		<b>790,240,342</b>	<b>762,067,646</b>	<b>383,712,795</b>	<b>421,021,379</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,947,592,064</b>	<b>1,895,747,761</b>	<b>1,175,120,432</b>	<b>1,208,442,590</b>

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

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Non-distributable reserves						Distributable reserve	Attributable to owners of the Company RM	Non-controlling interest RM	Total equity RM
	Issued capital RM	Capital reserve RM	Equity-settled employee benefits reserve RM	Foreign currency translation reserve RM	Treasury shares RM	Restricted shares grant reserve RM	Retained earnings RM			
<b>The Group</b>										
<b>As at 1 May 2019</b>	418,631,554	300,000	4,685,666	714,945	(10,412,458)	(1,387,207)	678,215,102	1,090,747,602	34,112,365	1,124,859,967
Profit for the financial year	-	-	-	-	-	-	12,597,141	12,597,141	4,800,239	17,397,380
Other comprehensive loss for the financial year	-	-	-	(84,572)	-	-	-	(84,572)	-	(84,572)
Total comprehensive (loss)/ income for the financial year	-	-	-	(84,572)	-	-	12,597,141	12,512,569	4,800,239	17,312,808
Dividend to owners of the Company (Note 12)	-	-	-	-	-	-	(6,209,173)	(6,209,173)	-	(6,209,173)
Effect of expiration of ESOS (Note 29)	-	-	(999,803)	-	-	-	999,803	-	-	-
Reversal of share-based payments (Note 29)	-	-	(177,642)	-	-	-	-	(177,642)	-	(177,642)
Repurchase of treasury shares (Note 29)	-	-	-	-	(2,105,845)	-	-	(2,105,845)	-	(2,105,845)
<b>As at 30 April 2020</b>	418,631,554	300,000	3,508,221	630,373	(12,518,303)	(1,387,207)	685,602,873	1,094,767,511	38,912,604	1,133,680,115
	Non-distributable reserves						Distributable reserve	Attributable to owners of the Company RM	Non-controlling interest RM	Total equity RM
	Issued capital RM	Capital reserve RM	Equity-settled employee benefits reserve RM	Foreign currency translation reserve RM	Treasury shares RM	Restricted shares grant reserve RM	Retained earnings RM			
<b>The Group</b>										
<b>As at 1 May 2020</b>	418,631,554	300,000	3,508,221	630,373	(12,518,303)	(1,387,207)	685,602,873	1,094,767,511	38,912,604	1,133,680,115
Profit for the financial year	-	-	-	-	-	-	28,947,550	28,947,550	3,534,973	32,482,523
Other comprehensive gain for the financial year	-	-	-	140,603	-	-	-	140,603	-	140,603
Total comprehensive income for the financial year	-	-	-	140,603	-	-	28,947,550	29,088,153	3,534,973	32,623,126
Dividend to non-controlling shareholders of subsidiary companies	-	-	-	-	-	-	-	-	(345,000)	(345,000)
Dividend to owners of the Company (Note 12)	-	-	-	-	-	-	(7,663,400)	(7,663,400)	-	(7,663,400)
Effect of cancellation of RSG (Note 29)	-	-	(2,183,861)	-	-	-	2,183,861	-	-	-
Effect of expiration of ESOS (Note 29)	-	-	(1,297,054)	-	-	-	1,297,054	-	-	-
Reversal of share-based payments (Note 29)	-	-	(27,306)	-	-	-	-	(27,306)	-	(27,306)
Repurchase of treasury shares (Note 29)	-	-	-	-	(1,773,946)	-	-	(1,773,946)	-	(1,773,946)
Disposal of RSG shares (Note 29)	-	-	-	-	-	1,387,207	(529,074)	858,133	-	858,133
<b>As at 30 April 2021</b>	418,631,554	300,000	-	770,976	(14,292,249)	-	709,838,864	1,115,249,145	42,102,577	1,157,351,722

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Non-distributable reserves				Distributable reserve	Total RM
	Issued capital RM	Equity-settled employee benefits reserve RM	Treasury shares RM	Restricted shares grant reserve RM	Retained earnings RM	
<b>The Company</b>						
<b>As at 1 May 2019</b>	418,631,554	4,685,666	(10,412,458)	(1,387,207)	368,127,749	779,645,304
Total comprehensive income for the financial year	-	-	-	-	16,743,507	16,743,507
Dividends (Note 12)	-	-	-	-	(6,209,173)	(6,209,173)
Effect of expiration of ESOS (Note 29)	-	(999,803)	-	-	524,863	(474,940)
Reversal of share-based payments (Note 29)	-	(177,642)	-	-	-	(177,642)
Repurchase of treasury shares (Note 29)	-	-	(2,105,845)	-	-	(2,105,845)
<b>As at 30 April 2020</b>	418,631,554	3,508,221	(12,518,303)	(1,387,207)	379,186,946	787,421,211
<b>As at 1 May 2020</b>	418,631,554	3,508,221	(12,518,303)	(1,387,207)	379,186,946	787,421,211
Total comprehensive income for the financial year	-	-	-	-	14,022,488	14,022,488
Dividends (Note 12)	-	-	-	-	(7,663,400)	(7,663,400)
Effect of cancellation of RSG (Note 29)	-	(2,183,861)	-	-	1,416,413	(767,448)
Effect of expiration of ESOS (Note 29)	-	(1,297,054)	-	-	634,959	(662,095)
Reversal of share-based payments (Note 29)	-	(27,306)	-	-	-	(27,306)
Repurchase of treasury shares (Note 29)	-	-	(1,773,946)	-	-	(1,773,946)
Disposal of RSG shares (Note 29)	-	-	-	1,387,207	(529,074)	858,133
<b>As at 30 April 2021</b>	418,631,554	-	(14,292,249)	-	387,068,332	791,407,637

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

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Note	The Group		The Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>CASH FLOWS FROM/(USED IN)</b>					
<b>OPERATING ACTIVITIES</b>					
Profit before tax		58,121,695	20,176,306	18,371,986	20,087,927
Adjustments for:					
Fair value loss on investment properties		12,996,336	24,619,620	-	-
Finance costs		16,418,570	20,628,646	16,484,287	19,291,676
Depreciation of right-of-use assets		3,991,358	4,230,684	739,353	740,193
Depreciation of property, plant and equipment		2,709,853	3,071,335	29,916	52,128
Share of losses of associated companies		450,581	531,467	-	-
Provision for liquidated ascertained damages to purchasers		3,839,020	268,031	-	-
Bad debts written off		227,067	120,594	-	-
Impairment losses on other receivables		26,865	100,000	26,865	-
Inventories written off		-	25,203	-	-
Amortisation of prepaid lease payments on leasehold land		4,046	4,045	-	-
Property, plant and equipment written off		2,538	-	-	-
Loss on disposal of property, plant and equipment		6,502	-	-	-
Impairment loss on investment in subsidiary companies		-	-	19,100,000	12,570,089
Dividend income		-	-	(32,603,500)	(18,809,477)
Reversal of impairment losses on receivables no longer required		-	(151,091)	-	-
Reversal of share-based payments		(27,306)	(177,642)	-	-
Finance income		(3,653,198)	(4,733,783)	(23,412,844)	(35,031,681)
Operating Profit/(Loss) Before Working Capital Changes		95,113,927	68,713,415	(1,263,937)	(1,099,145)
(Increase)/Decrease in:					
Inventories - land held for property development		(25,139,322)	(41,845,625)	-	-
Inventories - property development costs		33,375,430	41,684,533	-	-
Inventories - completed units		18,229,365	9,398,086	232,537	-
Inventories - food and beverages		894	(894)	-	-
Contract assets		(48,587,865)	(8,025,724)	-	-
Contract costs		2,476,228	(4,722,120)	-	-
Receivables		(7,707,260)	31,531,399	1,552,714	(261,313)
Amount due from/to subsidiary companies		-	-	151,913,974	(9,468,231)
Increase/(Decrease) in:					
Payables		30,383,088	(13,743,113)	(82,172)	(692,916)
Contract liabilities		(12,083,387)	9,748,776	-	-
Cash Generated From/(Used In) Operations		86,061,098	92,738,733	152,353,116	(11,521,605)
Income tax paid		(34,789,399)	(33,671,008)	(4,364,118)	(5,150,520)
Income tax refund received		4,204,344	18,885,857	-	-
Finance costs paid		(16,146,890)	(25,947,011)	(12,425,710)	(15,493,730)
Net Cash From/(Used In) Operating Activities		39,329,153	52,006,571	135,563,288	(32,165,855)



# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Note	The Group		The Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>CASH FLOWS (USED IN)/ FROM INVESTING ACTIVITIES</b>					
Placement of deposits with maturity in excess of 90 days and deposits pledged		(1,375,326)	(1,442,117)	-	-
Interest received		1,082,518	5,999,452	606,394	187,486
Dividend received from investment in associated companies		288,750	577,500	-	-
Proceeds from disposal of property, plant and equipment		106,412	-	-	-
Dividends received from subsidiary companies		-	-	27,270,000	18,809,477
Additional investment in an existing subsidiary company		-	-	(191,749,892)	-
Purchase of property, plant and equipment		(657,952)	(319,654)	(40,298)	(26,309)
Advances to subsidiary companies		-	-	(72,337,002)	(45,314,020)
Repayment of advances from subsidiary companies		-	-	140,967,246	82,766,164
Net Cash (Used In)/From Investing Activities		(555,598)	4,815,181	(95,283,552)	56,422,798
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>					
Proceeds from drawdown of term loans and bridging loans		122,472,992	51,649,279	-	9,952,137
Proceeds from disposal of RSG shares		858,133	-	858,133	-
Repayment of term loans and bridging loans		(100,352,744)	(69,622,668)	(18,927,985)	(19,109,743)
(Repayment)/Drawdown of revolving credits		(7,404,159)	(5,599,413)	6,375,000	11,500,000
Drawdown/(Repayment) of hire-purchase and finance lease liabilities		18,616	(424,869)	-	-
Payment of lease liabilities		(4,282,967)	(4,031,859)	(843,365)	(661,181)
Advances from subsidiary companies		-	-	5,014,100	19,458,000
Repayment of advances to subsidiary companies		-	-	(15,031,174)	(21,938,283)
Dividends paid		(7,663,400)	(6,209,173)	(7,663,400)	(6,209,173)
Dividends paid to non-controlling shareholders of subsidiary companies		(345,000)	-	-	-
Repurchase of treasury shares		(1,773,946)	(2,105,845)	(1,773,946)	(2,105,845)
Net Cash From/(Used In) Financing Activities		1,527,525	(36,344,548)	(31,992,637)	(9,114,088)

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Note	The Group		The Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		40,301,080	20,477,204	8,287,099	15,142,855
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>		153,663,194	133,270,562	18,617,957	3,475,102
Effect of currency translation		140,603	(84,572)	-	-
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	28	194,104,877	153,663,194	26,905,056	18,617,957

(a) Cash outflow for leases as a lessee

	Note	The Group		The Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>Included in net cash from operating activities:</b>					
Payment relating to short-term leases	14	38,960	275,805	38,960	23,360
Payment relating to leases of low-value assets	14	3,899	342	299	342
Payment relating to variable lease payments not included in the measurement of lease liabilities	14	871,626	1,466,767	-	-
Interest expense on lease liabilities	14	316,636	498,510	146,854	183,235
<b>Included in net cash from financing activities:</b>					
Payment of lease liabilities		4,282,967	4,031,859	843,365	661,181
<b>Total cash outflow for leases</b>		5,514,088	6,273,283	1,029,478	868,118

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 1. GENERAL INFORMATION

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 Company is principally involved in property development and investment holding. The principal activities of the subsidiary and associated companies are disclosed in Note 42 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

The registered office and principal place of business of the Company is located at Level 15, Menara Glomac, Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur.

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors dated 7 September 2021.

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as disclosed in the significant accounting policies in Note 3.

The financial statements are presented in Ringgit Malaysia ("RM") unless otherwise stated.

### Adoption of amended Malaysian Financial Reporting Standards

In the current financial year, the Group and the Company adopted all the amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to its operations and effective for annual financial periods beginning on or after 1 May 2020.

Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform
Amendment to MFRS 101	Classification of Liabilities as Current or Non-current-Deferral of Effective Date
Amendments to MFRS 101 and MFRS 108	Definition of Material
MFRSs	Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of these amendments to MFRSs did not result in significant changes in the accounting policies of the Group and the Company, and has no significant effect on the financial performance or position of the Group and the Company.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

### Standards and Amendments in issue but not yet effective

The new MFRSs and amendments to MFRSs which are in issue but not yet effective and not early adopted by the Group and the Company are listed below:

MFRS 17 and Amendments to MFRS 17	Insurance Contracts <sup>4</sup>
Amendments to MFRS 3	Reference to the Conceptual Framework <sup>3</sup>
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2 <sup>1</sup>
Amendments to MFRS 16	COVID-19 Related Rent Concessions beyond 30 June 2021 <sup>2</sup>
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>5</sup>
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current <sup>4</sup>
Amendments to MFRS 101	Disclosure of Accounting Policies <sup>4</sup>
Amendments to MFRS 108	Definition of Accounting Estimates <sup>4</sup>
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>4</sup>
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use <sup>3</sup>
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract <sup>3</sup>
Amendment to MFRSs	Annual Improvements to MFRS Standards 2018 - 2020 <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

<sup>2</sup> Effective for annual periods beginning on or after 1 April 2021, with earlier application permitted.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.

<sup>5</sup> Effective date deferred to a date to be determined and announced, with earlier application permitted.

The abovementioned new MFRSs and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and the Directors anticipate that the adoption of these MFRSs and amendments to MFRS will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

### IFRIC Agenda Decision on IAS 23 *Borrowing Costs*

The IFRS Interpretations Committee ("IFRIC") received a submission about the capitalisation of borrowing costs in relation to the construction of a residential multi-unit real estate development.

Based on the fact pattern described in the submission, the request asked whether the entity has a qualifying asset as defined in IAS 23 *Borrowing Costs* ("IAS 23") and, therefore, capitalises any directly attributable costs.

The IFRIC concluded in March 2019 that, in the fact pattern described in the request:

- (i) Any receivable and contract asset that the entity recognises is not a qualifying asset.
- (ii) Any inventory (work-in-progress) for unsold units under construction that the entity recognises is also not a qualifying asset because the unsold units are ready for its intended use or sale.

On 20 March 2019, the Malaysian Accounting Standards Board ("MASB") announced 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.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

### IFRIC Agenda Decision on IAS 23 Borrowing Costs (Cont'd)

The MASB observed that non-private entities in the real estate industry might need to change their accounting policy as a result of the Agenda Decision on IAS 23. Therefore, based on guidance given by MASB above, the Directors of the Group and of the Company will adopt the change in accounting policy on financial year ending 30 April 2022. The Group is currently assessing the impact of the adoption of Agenda Decision of IAS 23. As of the date of authorization for issue of these financial statements, including accounting policy decisions have not been finalized. Thus, the impact of adopting the Agenda Decision of IAS 23 cannot be determined and estimated reliably until the process is complete.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### **Basis of Accounting**

The assets and liabilities carried at fair value are categorised into different levels of fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

### **(a) Revenue Recognition**

#### **(i) Revenue from property development**

Revenue is recognised when a performance obligation in a contract with a customer is satisfied, i.e. when the “control” of the goods or services underlying the particular performance obligation is transferred to a customer.

A performance obligation is a promise to transfer distinct goods or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group’s customary business practices.

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties such as sales taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, liquidated ascertained damages (“LAD”) payment or other similar items, the Group estimates the amount of consideration to which it will be entitled based on the expected value or the most likely outcome. If the contract with customer contains more than one performance obligation, the amount of consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

Revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (a) Revenue Recognition (Cont'd)

##### (i) Revenue from property development (Cont'd)

The control of the promised goods or services may be transferred over time or at a point in time. The control over the goods or services is transferred over time and revenue is recognised over time if:

- (a) the customer simultaneously receives and consumes the benefits provided as the Group performs;
- (b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Revenue for a performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

The Group recognises revenue from property development over time if it creates an asset with no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of the performance obligation, based on cost-based input method is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation (e.g. by reference to the property development costs incurred to date as a percentage of the estimated total costs of development of the contract).

Revenue from sales of completed property units and vacant land is recognised at a point in time, when the control of the properties have 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 asset sold.

When property development revenue recognised in profit or loss exceeds billings to purchasers, the balance is shown as contract assets. When billings to purchasers exceed property development revenue recognised in profit or loss, the balance is shown as contract liabilities.

There is not considered to be a significant financing component in property development contracts with customers as the period between the recognition of revenue and the milestone payments is less than one year.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (a) Revenue Recognition (Cont'd)

##### (ii) Revenue from construction contracts

The fair value of revenue, which is based on the fixed price under the agreement have been allocated based on relative stand-alone selling price of the considerations for each of the separate performance obligations.

Revenue from construction contracts 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.

Control of the asset is transferred over time as the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period by reference to the progress towards complete satisfaction of that performance obligation. The Group recognises revenue over time by using the cost-based input method, based on the physical proportion that contract costs incurred for work performed to date bears to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately as provision for foreseeable loss.

When costs incurred on construction contracts plus recognised profits (less recognised losses) exceed progress billings to contract customers, the balance is shown as contract assets. When billings to contract customers exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as contract liabilities.

##### (iii) Property management fee

Property management fees are recognised over time when such services are rendered.

##### (iv) Other goods and services

Revenue from other goods and services representing multiple promises included in the contracts with purchasers on sale of properties, which is therefore accounted as separate performance obligations. Transaction price is being allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

Revenue for rendering of services is recognised on a straight line basis over the tenure of the service period of which the customer consumes the benefit.

Revenue for sale of goods is recognised at a point in time when the goods are delivered or control transferred to the customer.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (a) Revenue Recognition (Cont'd)

##### (v) Sale of food and beverages

Revenue from sale of food and beverage is recognised at a point in time when the food and beverage are served to the customer and upon its payment.

##### (vi) Dividend income

Dividend income is recognised when the right to receive payment is established.

##### (vii) Rental income

Rental income is recognised over the tenure of the rental period of properties.

#### (b) Interest Income

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### (c) Employee Benefits

##### (i) Short-term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences and short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

##### (ii) Defined contribution plan

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"), a statutory defined contribution plan for all their eligible employees based on certain prescribed rates of the employees' salaries. Such contributions are recognised as an expense in profit or loss as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

##### (iii) Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The employee share option reserve is transferred to retained earnings upon expiry of the share option.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (d) Foreign Currency

##### (i) Presentation and functional currency

Items included in the financial statements of each of the individual entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

##### (ii) Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was measured. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange differences arising therefrom and on settlement are recognised in profit or loss.

##### (iii) Translation of foreign currency financial statements

For consolidation purpose, the assets and liabilities of the Group's foreign operations are translated into the Group's presentation currency using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates prevailing on the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Intercompany loans where settlement is neither planned nor likely to occur in the foreseeable future, are treated as part of the parent's net investment. Translation differences arising therefrom are recognised in other comprehensive income and reclassified from equity to profit or loss upon disposal of the relevant entity.

On the disposal of a foreign operation, all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified from equity to profit or loss on disposal. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but not being reclassified to profit or loss.

#### (e) Income Taxes

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

Deferred tax is recognised on temporary differences as of the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences while deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (e) Income Taxes (Cont'd)

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Directors of the Group reviewed the Group's investment properties and concluded that they are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Therefore, the Directors have determined that the 'sale' presumption set out in the MFRS 112 *Income Taxes* is not rebutted. As a result, the Group has recognised deferred taxes on changes in fair value of the investment properties based on the expected rate that would apply on disposal of the investment properties.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle their current tax assets and liabilities on a net basis.

#### (f) Subsidiary Companies and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiary companies. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses 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 listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### Basis of Accounting (Cont'd)

##### (f) Subsidiary Companies and Basis of Consolidation (Cont'd)

Consolidation of a subsidiary company begins when the Company obtains control over the subsidiary company and ceases when the Company loses control of the subsidiary company. Specifically, income and expenses of a subsidiary company acquired or disposed of during the financial year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary company.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiary companies are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

Where the Group loses control of a subsidiary company, the profit 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 company and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary company are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of a financial asset in accordance with MFRS 9 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

##### (g) Business Combinations

Acquisitions of subsidiary companies and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant MFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (g) Business Combinations (Cont'd)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under MFRS 3 *Business Combinations* are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with MFRS 112 *Income Taxes* and MFRS 119 *Employee Benefits*, respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with MFRS 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items of which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

#### (h) Investments in Subsidiary Companies

Investments in unquoted shares of subsidiary companies, which are eliminated on consolidation, are stated at cost less any accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

#### (i) Investments in Associated Companies

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

The results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### Basis of Accounting (Cont'd)

##### (i) Investments in Associated Companies (Cont'd)

When necessary, the entire carrying amount of the investment in an associate (including goodwill) is tested for impairment in accordance with MFRS 136 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the net investment. Any reversal of that impairment loss is recognised in accordance with MFRS 136 *Impairment of Assets* to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with MFRS 9 *Financial Instruments*. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of the Group's interest in the associate that are not related to the Group.

##### (j) Goodwill

Goodwill arising on the acquisition of subsidiary company represents the excess of cost of the acquisition over the Group's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities, and is initially recognised as an asset at cost and subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary company, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (k) Impairment of Non-Financial Assets Excluding Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### (l) Property, Plant and Equipment

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

Depreciation of property, plant and equipment is computed on a straight-line basis to write off the cost of the property, plant and equipment over their estimated useful lives.

The principal annual rates used are as follows:

Building and improvements	5 years to 30 years
Furniture and fittings	10% - 20%
Office equipment	10% - 30%
Computers	15% - 33 1/3%
Motor vehicles	20% - 33%
Plant and machinery	15% - 20%

At the end of each reporting period, the residual values, useful lives and depreciation method of the property, plant and equipment are reviewed, and the effects of any changes are recognised prospectively.

Gain or loss arising on the disposal or retirement of an asset is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### Basis of Accounting (Cont'd)

##### (m) Leases

##### (i) Definition of a lease

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

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physical distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
- The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group and the Company allocate the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group and the Company is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single-lease component.

##### (ii) Recognition and initial measurement

##### (a) As a lessee

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined, incremental borrowing rate. Generally, the Group and the Company use the incremental borrowing rate as the discount rate. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar term, security and conditions.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (m) Leases (Cont'd)

##### (ii) Recognition and initial measurement (Cont'd)

##### (a) As a lessee (Cont'd)

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments less any incentives receivable.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee.
- The exercise price under a purchase option that the Group and the Company are reasonably certain to exercise; and
- Penalties for early termination of a lease unless the Group and the Company are reasonably certain not to terminate early.

The Group and the Company exclude variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

##### (b) As a lessor

When the Group and the Company act as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group and the Company make an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset to the lessee, and also consider indicators such as whether the lease is for the major part of the economic life of the asset. If this is the case, the lease is a finance lease; if not, then it is an operating lease.

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (m) Leases (Cont'd)

##### (iii) Subsequent measurement

##### (a) As a lessee

The right-of-use assets are subsequently measured at cost, less accumulated depreciation and impairment loss (if any) in accordance with MFRS 136 *Impairment of Assets* as described in Note 3(k). The right-of-use assets are generally depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets are adjusted for certain remeasurement of the lease liabilities.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or change in expected payment under guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modifications is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

##### (b) As a lessor

The Group and the Company recognise lease payment received or receivable under operating leases as income on a straight-line basis over the lease term.

##### (iv) Determination of lease term

In determining the lease term upon the lease commencement, the Group and the Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group and the Company reassess the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and the Company which affects whether the Group and the Company are reasonably certain to exercise an option not previously included in the determination of the lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (n) Investment Properties

##### Investment properties carried at fair value

Investment properties are properties which are owned to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at cost and subsequently at fair value with any changes in fair value are recognised in profit or loss for the period in which they arise.

Cost includes expenditure that is directly attributable to the acquisition of the investment property.

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 complete, the Group measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is complete (whichever is earlier).

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

##### Reclassification to/from investment property

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised in other comprehensive income and accumulated in equity as revaluation reserve. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventories, its fair value at the date of change in use becomes its deemed cost for subsequent accounting.

##### Determination of fair value

Fair value of investment properties are determined based on valuation carried out by an external, independent valuation firm, having appropriate recognised professional qualifications and recent experience in the location and category of properties being valued or, based on past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the Directors' best estimates.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (o) Inventories

##### (i) Land held for property development

Land held for property development consists of land on which no significant development has been undertaken or where development activities are not expected to be completed within the normal operating cycle, and costs attributable to the development activities which are held for future development. Such land is classified as non-current asset and is stated at lower of cost and net realisable value.

Land held for property development is classified as property development cost under current assets when significant development work has been undertaken and is expected to be completed within the normal operating cycle.

##### (ii) Property development costs

Property development costs are stated at the lower of cost and net realisable value. The property development cost is subsequently recognised as an expense in profit or loss when the control of the inventory is transferred to the customer.

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

##### (iii) Completed property units and vacant land for sale

Completed property units and vacant land for sale are valued at the lower of cost (determined on the specific identification basis) and net realisable value.

##### (iv) Food and beverages

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis. Cost represents cost of food, beverages and materials purchased.

Net realisable value is the estimated selling price in the ordinary course of business, less costs to completion and selling expenses.

#### (p) Borrowing Costs

Interest incurred on borrowings related to property development activities or construction of assets are capitalised as part of the cost of the asset during the period of time required to complete and prepare the asset for its intended use. Capitalisation of borrowing costs ceases when the assets are ready for their intended use or sale.

All other borrowing costs are recognised as finance costs in profit or loss in the period in which they are incurred.

#### (q) Property, Plant and Equipment Under Hire-Purchase Arrangements

Property, plant and equipment acquired under hire-purchase arrangements are recognised in the financial statements and the corresponding obligations treated as liabilities. Finance charges are allocated to profit or loss to give a constant periodic rate of interest on the remaining hire-purchase liabilities.

#### (r) Prepaid Lease Payments on Leasehold Land

The upfront payments for right to use the leasehold land over a predetermined period are accounted for as prepaid lease payments that are stated at cost less accumulated amortisation, are amortised over the lease term on a straight line basis, except for leasehold land classified as investment property.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (s) Contract Assets and Contract Liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of cumulative revenue earned over the billings to-date.

Where there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the cumulative revenue earned. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

#### (t) Contract Costs

The Group recognise the incremental costs of obtaining a contract with a customer, which are expected to be recovered, as an asset. The incremental costs of obtaining a contract are costs incur to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in profit and loss when the carrying amount of the contract cost asset exceeds the expected revenue less expected costs that will be incurred.

#### (u) Trade and Other Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group and of the Company. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are initially recognised at fair value. The Group and the Company hold the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(aa)(iii).

#### (v) Provisions

Provisions are made when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (w) Repurchase of Own Shares

Shares bought back held as treasury shares are accounted for on the cost method and presented as a deduction from equity. Should such shares be cancelled, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves as appropriate. When such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental external cost and the deferred tax effects, is recognised in equity.

#### (x) Cash and Cash Equivalents

The Group and the Company adopt the indirect method in the preparation of statements of cash flows.

For the purposes of the statements of cash flows, cash and cash equivalents include cash on hand and at bank and short-term highly liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash, which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

#### (y) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

#### (z) Segment Reporting

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

#### (aa) Financial Instruments

Financial instruments are contracts that give rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (aa) Financial Instruments (Cont'd)

##### (i) Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the Group and the Company become a party to the contractual provisions of the instruments.

At initial recognition, the Group and the Company measure a financial asset (unless it is a trade receivable without significant financing component) or a financial liability at its fair value plus or minus, in the case of a financial instrument not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance. Transaction costs of financial assets at FVTPL are recognised immediately in profit or loss.

Trade receivables without a significant financing component are initially measured at transaction price in accordance with MFRS 15 *Revenue from Contract with Customers*.

Regular way of purchase or sale of a financial asset is recognised on the trade date, the date on which the Group and the Company commit to purchase or sell an asset.

##### (ii) Classification and Subsequent Measurement

##### Financial Assets

The Group and the Company classify its financial assets in the following measurement categories:

- (a) those to be measured at fair value either through other comprehensive income ("FVTOCI") or through profit or loss ("FVTPL"); and
- (b) those to be measured at amortised cost.

The classification depends on the Group's and the Company's business model for managing the financial assets and its contractual cash flow characteristics.

For assets measured at fair value, gain and losses will be recorded in either profit or loss or other comprehensive income ("OCI").

The Group and the Company reclassify debt instruments when and only when its business model for managing those assets changes.

##### (a) **Financial assets at amortised cost**

Financial assets that are held for collection of contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding are classified as financial assets at amortised cost. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method, less accumulated impairment.

Interest income from these financial assets is calculated using the effective interest rate method and is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. For credit-impaired financial assets the effective interest rate shall be applied to the amortised cost of the financial asset in subsequent reporting periods.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (aa) Financial Instruments (Cont'd)

##### (ii) Classification and Subsequent Measurement (Cont'd)

##### Financial Assets (Cont'd)

##### (b) Financial assets at fair value through other comprehensive income ("FVTOCI")

This category comprises investment in equity instruments which are not held for trading, and the Group and the Company irrevocably elect to present subsequent changes in fair value of the investments in OCI. The election is made on an investment-by-investment basis, of which the Group and the Company consider this classification to be more relevant for those strategic investments which are not held for trading purposes. On derecognition, gains and losses accumulated in OCI are not reclassified to profit or loss.

Dividend income from these investments is recognised in profit or loss when the right to receive payment of the dividend is established.

The Group and the Company subsequently measured all investments in equity instruments at fair value.

##### (c) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Fair value changes are recognised in profit or loss in the period in which it arises.

##### (iii) Impairment of financial assets and contract assets

An impairment loss is recognised in profit or loss based on expected credit losses ("ECL") at the end of each reporting period. ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the end of reporting period.

Reversal of impairment loss to profit or loss, if any, is restricted to not exceeding what the amortised cost would have been had the impairment not been recognised previously.

The Group and the Company apply the simplified approach to measure the impairment of trade receivables, contract assets and lease receivables at lifetime ECL. The ECL are estimated based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where appropriate.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables. The Group and the Company have therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (aa) Financial Instruments (Cont'd)

##### (iii) Impairment of financial assets and contract assets (Cont'd)

For other financial assets such as other receivables and amount due from intercompany, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the impairment losses for that financial instrument at an amount equal to 12-month ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group and the Company consider reasonable and supportable information that is relevant and available without due cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

At the end of each reporting period, the Group and the Company assess whether the financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred, such as debtor who have defaulted on payment, or are in significant financial difficulties, or it is becoming probable that the borrower will enter bankruptcy.

These assets are written off when there is no reasonable expectation of recovery, with case-by-case assessment performed based on indicators such as insolvency or demise. Subsequent recoveries of amounts previously written off are recognised in profit or loss as bad debts recovered.

Deposits and bank balances of the Group and the Company are placed with reputable financial institution with high credit ratings and no history of default. Hence, the Group and the Company do not expect any losses from default or non-performance by the counterparties.

##### (iv) Derecognition of financial assets

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the consideration received and receivable is recognised in profit or loss, except for the derecognition of an investment in equity instruments measured at FVTOCI, the cumulative gain or loss is transferred within equity, not recognised in profit or loss.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (aa) Financial Instruments (Cont'd)

##### Financial liabilities and equity instruments issued by the Group and the Company

##### (i) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

##### (ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs. Ordinary shares are equity instruments.

Dividends on ordinary shares are recognised in equity in the period in which they are declared.

##### (iii) Financial liabilities

Financial liabilities of the Group and the Company are classified as 'financial liabilities measured at amortised cost'.

##### (a) Financial liabilities measured at amortised cost

The Group's and the Company's financial liabilities measured at amortised cost, including trade payables, other payables and accrued expenses, amount due to subsidiary companies, lease liabilities, hire-purchase and finance lease liabilities and borrowings, are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

##### (b) Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability recognised and the consideration paid or payable is recognised in profit or loss.

##### (c) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Basis of Accounting (Cont'd)

#### (aa) Financial Instruments (Cont'd)

#### Financial liabilities and equity instruments issued by the Group and the Company (Cont'd)

#### (iii) Financial liabilities (Cont'd)

##### (c) Financial guarantee contracts (Cont'd)

Financial guarantee contract liabilities are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the impairment loss determined in accordance with MFRS 9 *Financial Instruments*; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

### (a) Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 3 above, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements except as discussed below:

#### (i) **Classification between Investment Properties and Property, Plant and Equipment**

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion is held for own use for administrative purposes.

If these portions were to 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 own use 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 an investment property.

#### (ii) **Extension or Termination Options and Incremental Borrowing Rates in Relation to Leases**

Upon lease commencement, the Group and the Company apply significant judgement on the assessment of whether it is reasonably certain to exercise an extension option, or not to exercise a termination option. The Group and the Company consider all facts and circumstances, including the past practice, to determine the lease term.

The Group and the Company also apply judgement and assumptions in determining the incremental borrowing rates of the respective leases. The closest available borrowing rates are being first determined by referring to the lessee's incremental borrowing rates obtained from the financial institutions or vendors of the leased equipment before using significant judgement to determine the adjustment required to reflect the term, security, value or economic environment of the respective leases.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

#### (b) Key sources of estimation uncertainty

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

##### (i) Revenue Recognition on Property Development

Revenue is recognised as and when the control of the asset is transferred to the customers 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 contract terms and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, the Group recognises property development revenue in profit or loss over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation, based on cost-based input method, is measured on the basis of the Group's efforts or inputs to the property development incurred to date relative to the total expected property development. Estimated losses are recognised in full when determined. Property development and contract revenue and expenses estimates are reviewed and revised periodically as work progresses and as variation orders are approved.

Significant judgement is required in determining the total expected property development, which includes relying on the opinion or service of experts, past experience and continuous monitoring of the budgeting process. These management estimates and judgements affect the cost-based input method computations and the amount of revenue and profit recognised during the year, as well as assessing the recoverability of the property development projects.

If the Group is unable to make reasonably dependable estimates, the Group would not recognise any profit before a contract is completed, but would recognise a loss as soon as the loss becomes evident.

Adjustments based on the progress towards satisfaction of performance obligations are reflected in property development and contract revenue in the reporting period. To the extent that these adjustments result in a reduction or elimination of previously reported property development and contract revenue and costs, the Group recognises a charge or credit against current earnings and amounts in prior periods, if any, are not restated.

Note 3(a) describes the Group's policy to recognise revenue from sales of properties by reference to the progress towards satisfaction of performance obligations. Property development revenue is recognised in respect of all development units that have been sold.

Some portions of the Group's revenue are billed under fixed price contracts. Variation orders are commonly billed to customers in the normal course of business and these are recognised to the extent they have been agreed with the customers and can be reasonably estimated.

Any anticipated loss on a property development project is recognised immediately as a foreseeable loss expense. As at 30 April 2021, the amount of provision for foreseeable losses are disclosed in Note 22(a) and Note 22(b).

Any estimated amount of shortfall relating to affordable housing obligations is recognised as a provision. As at 30 April 2021, the provision for affordable housing obligations is disclosed in Note 33.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

### (b) Key sources of estimation uncertainty (Cont'd)

#### (ii) Deferred Tax Assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profits will be available against which these losses and capital allowances can be utilised. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are included in Note 21.

#### (iii) Fair Value of Investment Properties

The Group determines the fair value of investment properties based on valuation carried out by independent professional valuers or, based on available past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the Directors' best estimates. The carrying amount of investment properties is disclosed in Note 16.

#### (iv) Impairment of Goodwill

The Group tests goodwill for impairment annually in accordance with its accounting policy. More regular reviews are performed if events indicate that this is necessary.

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the end of the reporting period is disclosed in Note 20.

#### (v) Impairment of Non-Financial Assets

The Group and the Company review the carrying amount of its non-financial assets, which include property, plant and equipment, right-of-use assets, investments in associated companies, other investments classified as amortised cost, contract assets, contract costs and the Company's investment in subsidiary companies, to determine whether there is an indication that those assets have suffered an impairment loss. When there is an indication that the carrying amount of an asset may be impaired, the asset's recoverable amount, being the higher of its fair value less cost to sell and its value-in-use ("VIU"), will be assessed. The assessment of the recoverable amounts involves a number of methodologies. The impairment loss on investment in subsidiary companies and other investments are disclosed in Note 17 and Note 19, respectively.

#### (vi) Net Realisable Value of Inventories

Inventories are stated at the lower of cost and net realisable value. The Group determines net realisable value based on the estimated selling price by reference to valuation performed by independent valuer, or recent sales transactions of similar properties or comparable properties in similar or nearby locations net of estimated cost necessary to complete the sale. The estimation of the selling price in particular is subject to significant inherent uncertainties, in particular the property market. Possible changes in these estimates could result in revisions to the valuation of inventories. Details are disclosed in Note 22.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

#### (b) Key sources of estimation uncertainty (Cont'd)

##### (vii) Provision for Impairment Loss on Receivables

The Group makes provision for impairment loss for financial assets at amortised cost based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying value of the receivables and impairment loss in the period in which such estimate has been changed. Details are disclosed in Note 25 and Note 26.

##### (viii) Provision for Release of Bumiputra Quota

Provision for release of bumiputra quota is recognised for expected bumiputra quota penalties to be imposed by local authorities. Significant judgement is required in determining the amount of provision to be made. The Group evaluates the amount of provision required based on past experience and industry norm. As at 30 April 2021, the amount of provision for release of bumiputra quota is disclosed in Note 33.

##### (ix) Provision for Liquidated Ascertained Damages ("LAD")

Provision for LAD is recognised for expected LAD claims based on the terms of the applicable sale and purchase agreements. Significant judgement is required in determining the amount of provision for LAD to be made and in assessing LAD recoverable from the main contractors. The Group evaluates the amount of provision required based on management's best estimate of the anticipated completion date of the project, past experience and the industry norm. As at 30 April 2021, the amount of provision made for LAD payable to purchasers is accounted for in deriving the carrying amount of contract asset or contract liability and provisions as disclosed in Note 23 and Note 33, respectively.

##### (x) Material Litigation

The Group and the Company assess the probable outcome of material litigation, which is contingent upon future event beyond the control of the Group and the Company, based on available facts and circumstances and in consultation with its legal counsel. Details of material litigation are disclosed in Note 43.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 5. REVENUE

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Revenue from contract with customers:</b>				
Property development	320,116,060	206,371,109	-	-
Sale of completed properties	26,357,678	10,940,848	651,001	-
Rendering of other services	-	4,386	-	-
Total revenue from property development activities (Note 23)	346,473,738	217,316,343	651,001	-
Property management fee	1,818,460	2,490,461	-	-
Sale of food and beverages	136,874	266,703	-	-
	348,429,072	220,073,507	651,001	-
<b>Revenue from other sources:</b>				
Rental income	18,476,032	25,740,992	-	-
Dividends from subsidiary companies (Note 27)	-	-	32,603,500	18,809,477
	18,476,032	25,740,992	32,603,500	18,809,477
	366,905,104	245,814,499	33,254,501	18,809,477
<b>Timing of revenue recognition</b>				
Revenue from contract with customers:				
- At a point in time	26,494,552	11,207,551	651,001	-
- Over time	321,934,520	208,865,956	-	-
	348,429,072	220,073,507	651,001	-

The Group's and the Company's revenue is derived in Malaysia.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 6. COST OF SALES

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Property development costs [Note 22(b)]	216,747,354	129,280,383	-	-
Costs of completed units sold [Note 22(c)]	18,229,365	9,398,086	232,537	-
Rental and related costs	7,756,428	9,382,704	-	-
Depreciation of right-of-use assets (Note 14)	3,632,714	3,860,094	-	-
Costs to obtain contracts (Note 24)	5,393,336	2,602,205	17,253	-
Expenses relating to variable lease payments not included in the measurement of lease liabilities (Note 14)	871,626	1,466,767	-	-
Expenses relating to short-term leases (Note 14)	-	252,445	-	-
Food and beverages	65,993	152,233	-	-
Other direct costs	-	71,648	-	-
Inventories written off [Note 22(c)]	-	25,203	-	-
	252,696,816	156,491,768	249,790	-

## 7. FINANCE INCOME

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Interest income from:				
Deposits with licensed financial institutions	1,932,081	2,356,253	606,394	186,892
Housing development accounts	757,596	1,623,336	-	-
Overdue balances of house purchasers	576,855	247,736	-	-
Amount due from subsidiary companies (Note 27)	-	-	22,806,450	34,844,789
Accretion of interest on trade payables	386,666	506,458	-	-
	3,653,198	4,733,783	23,412,844	35,031,681

The following is an analysis of finance income on financial assets and financial liabilities by category.

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Financial assets measured at amortised cost (including deposits, cash and bank balances)	3,266,532	4,227,325	23,412,844	35,031,681
Financial liabilities measured at amortised cost	386,666	506,458	-	-
	3,653,198	4,733,783	23,412,844	35,031,681

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 8. FINANCE COSTS

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Interest expense on:				
Revolving credits	11,966,122	13,605,096	11,558,367	12,691,093
Term loans and bridging loans	9,460,682	10,884,055	996,122	1,806,473
Lease liabilities (Note 14)	316,636	498,510	146,854	183,235
Other payables	564,624	78,846	-	-
Hire-purchase and finance lease liabilities	21,393	40,004	-	-
Amount due to subsidiary companies (Note 27)	-	-	3,782,944	4,610,875
Unwinding of discount on trade payables	11,139	323,695	-	-
	22,340,596	25,430,206	16,484,287	19,291,676
Less: Finance charges capitalised in:				
Property development costs [Note 22(b)]	(3,454,267)	(1,579,714)	-	-
Land held for property development [Note 22(a)]	(2,467,759)	(3,221,846)	-	-
	16,418,570	20,628,646	16,484,287	19,291,676

## 9. PROFIT BEFORE TAX

(a) Profit before tax has been arrived at after charging/(crediting):

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Depreciation of property, plant and equipment (Note 13)	2,709,853	3,071,335	29,916	52,128
Auditors' remuneration:				
Statutory audit				
Current	553,000	535,000	102,000	100,000
Under provision in prior years	-	4,100	-	-
Other services	40,000	39,000	6,000	6,000
Depreciation of right-of-use assets (Note 14)	358,644	370,590	739,353	740,193
Bad debts written off	227,067	120,594	-	-
Remuneration of other professional services rendered by affiliates of auditors	136,200	118,200	18,000	18,000
Impairment losses on other receivables (Note 26)	26,865	100,000	26,865	-
Expenses relating to short-term leases (Note 14)	38,960	23,360	38,960	23,360
Amortisation of prepaid lease payments on leasehold land (Note 15)	4,046	4,045	-	-
Expenses relating to leases of low-value assets (Note 14)	3,899	342	299	342
Property, plant and equipment written off	2,538	-	-	-
Loss on disposal of property, plant and equipment	6,502	-	-	-
Net realised foreign exchange gain	-	(44,852)	-	(44,852)
Reversal of impairment losses on trade receivables no longer required (Note 25)	-	(151,091)	-	-
Reversal of share-based payments (Note 29)	(27,306)	(177,642)	-	-
Rental income	(307,372)	(467,546)	(69,245)	(79,822)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 9. PROFIT BEFORE TAX (CONT'D)

### (b) Staff costs

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Wages, salaries and bonuses	15,958,786	16,360,410	338,044	366,635
Defined contribution plan	2,018,756	1,988,278	40,624	43,745
Social security contributions	197,639	194,458	2,724	2,647
Others	501,276	535,346	11,264	17,640
	18,676,457	19,078,492	392,656	430,667
Less: Amount capitalised in:				
Property development costs [Note 22(b)]	(3,201,851)	(2,878,488)	-	-
Land held for property development [Note 22(a)]	(271,730)	(204,537)	-	-
	15,202,876	15,995,467	392,656	430,667

### (c) Directors' remuneration

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<i>Directors of the Company</i>				
Executive:				
Salaries	2,767,763	3,256,199	138,388	162,810
Other emoluments	306,320	194,000	21,000	21,000
Defined contribution plan	421,402	485,321	20,251	23,814
Benefits-in-kind	96,600	96,600	96,600	96,600
	3,592,085	4,032,120	276,239	304,224
Non-Executive:				
Fees	226,290	180,000	226,290	180,000
Other emoluments	47,500	39,500	47,500	39,500
Total	3,865,875	4,251,620	550,029	523,724
<i>Directors of the subsidiary companies</i>				
Salaries	537,252	528,676	-	-
Other emoluments	281,511	319,559	-	-
Defined contribution plan	62,190	65,383	-	-
	880,953	913,618	-	-
Total	4,746,828	5,165,238	550,029	523,724

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 9. PROFIT BEFORE TAX (CONT'D)

### (c) Directors' remuneration (Cont'd)

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Analysis excluding benefits-in-kind:				
Total executive directors' remuneration	3,495,485	3,935,520	179,639	207,624
Total non-executive directors' remuneration	273,790	219,500	273,790	219,500
Total directors' remuneration for directors of the subsidiary companies	880,953	913,618	-	-
	4,650,228	5,068,638	453,429	427,124
Less: Amount capitalised in:				
Property development costs [Note 22(b)]	(2,264,727)	(2,510,838)	-	-
Land held for property development [Note 22(a)]	(192,297)	(178,413)	-	-
	2,193,204	2,379,387	453,429	427,124

## 10. INCOME TAX EXPENSE

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Income tax:				
Current	28,211,583	34,685,513	3,700,000	4,940,771
(Over)/Underprovision in prior years	(521,876)	(7,982,975)	40,868	(1,518,346)
	27,689,707	26,702,538	3,740,868	3,422,425
Deferred tax (Note 21):				
Current	(2,763,438)	(19,145,717)	115,844	(203,971)
Over/(Under) provision in prior years	712,903	(4,777,895)	492,786	125,966
	(2,050,535)	(23,923,612)	608,630	(78,005)
	25,639,172	2,778,926	4,349,498	3,344,420

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 10. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Profit before tax	58,121,695	20,176,306	18,371,986	20,087,927
Add: Share of losses of associated companies	450,581	531,467	-	-
	58,572,276	20,707,773	18,371,986	20,087,927
Taxation at Malaysian statutory tax rate of 24% (2020: 24%)	14,057,346	4,969,866	4,409,277	4,821,102
Effect of different tax rate in foreign jurisdiction	-	(77,263)	-	(77,263)
Tax effects of income not subject to tax	(546,064)	(579,805)	(7,906,859)	(4,440,546)
Effect of group tax relief	-	-	-	(1,041,600)
Tax effects of expenses not deductible for tax purposes	6,090,411	4,108,653	7,313,426	5,475,107
Deferred tax assets recognised at different tax rate	(68,600)	186,237	-	-
Deferred tax assets not recognised	5,915,052	6,932,108	-	-
(Over)/Underprovision of income tax expense in prior years	(521,876)	(7,982,975)	40,868	(1,518,346)
Over/(Under) provision of deferred tax in prior years	712,903	(4,777,895)	492,786	125,966
Tax expense for the financial year	25,639,172	2,778,926	4,349,498	3,344,420

In financial year ended 30 April 2020, the Company has utilised group tax relief surrendered by a wholly-owned subsidiary of the Company amounted to RM4,202,783 and RM7,899,440 for years of assessment 2020 and 2019 respectively. This has resulted in recognition of overprovision of income tax expenses in prior year of RM1,895,865.

## 11. EARNINGS PER SHARE

### Basic

Basic earnings per ordinary share of the Group is calculated by dividing the profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:

	The Group	
	2021	2020
Profit attributable to owners of the Company (RM)	28,947,550	12,597,141
Weighted average number of ordinary shares used for the purposes of basic earnings per share*	767,957,365	775,872,363
Basic earnings per share (sen)	3.77	1.62

\* The weighted average number of shares takes into account the weighted average effect of changes in ordinary shares transactions and net of treasury shares and restricted shares.

### Diluted

The basic and diluted earnings per share are the same as the Group has no dilutive potential ordinary shares.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 12. DIVIDENDS

The Group and the Company	Amount		Net Dividends per Ordinary Share	
	2021 RM	2020 RM	2021 Sen	2020 Sen
In respect of financial year ended 30 April 2019:				
- Final single-tier dividend of RM0.008 per share on 776,146,845 ordinary shares, paid on 27 December 2019	-	6,209,173	-	0.8
In respect of financial year ended 30 April 2020:				
- Final single-tier dividend of RM0.01 per share on 766,340,045 ordinary shares, paid on 28 December 2020	7,663,400	-	1.0	-
	7,663,400	6,209,173	1.0	0.8

The Directors propose a final single-tier dividend of RM0.01 per share on 767,889,070 ordinary shares, totalling approximately RM7,678,891 in respect of the current financial year. This dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, and has not been included as a liability in the financial statements. Upon approval by the shareholders, the proposed dividend for the financial year 2021 will be paid on 28 December 2021 to all outstanding ordinary shares in issue. The cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 April 2022.

## 13. PROPERTY, PLANT AND EQUIPMENT

The Group	Building and improvements RM	Furniture and fittings RM	Office equipment RM	Computers RM	Motor vehicles RM	Plant and machinery RM	Total RM
<b>Cost</b>							
As at 1 May 2019	65,011,323	3,675,971	2,972,224	2,409,431	4,874,869	4,311,963	83,255,781
Additions	-	112,358	160,073	43,223	-	4,000	319,654
Reclassification	-	(283,003)	283,003	-	-	-	-
As at 30 April 2020/ 1 May 2020	65,011,323	3,505,326	3,415,300	2,452,654	4,874,869	4,315,963	83,575,435
Additions	230,702	4,800	6,042	85,708	14,400	316,300	657,952
Disposals	-	(114,581)	(338,052)	(3,100)	(195,239)	-	(650,972)
Write off	-	-	-	(3,500)	-	-	(3,500)
As at 30 April 2021	65,242,025	3,395,545	3,083,290	2,531,762	4,694,030	4,632,263	83,578,915



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	Building and improvements RM	Furniture and fittings RM	Office equipment RM	Computers RM	Motor vehicles RM	Plant and machinery RM	Total RM
<b>Accumulated Depreciation</b>							
As at 1 May 2019	17,882,304	2,763,976	2,369,191	2,223,270	4,432,131	3,767,120	33,437,992
Charge for the year [Note 9(a)]	2,013,813	157,528	215,532	96,774	337,481	250,207	3,071,335
Reclassification	-	(252,189)	252,189	-	-	-	-
As at 30 April 2020/ 1 May 2020	19,896,117	2,669,315	2,836,912	2,320,044	4,769,612	4,017,327	36,509,327
Charge for the year [Note 9(a)]	2,020,373	135,320	191,596	66,960	67,339	228,265	2,709,853
Disposals	-	(68,831)	(271,161)	(2,829)	(195,237)	-	(538,058)
Write off	-	-	-	(962)	-	-	(962)
As at 30 April 2021	21,916,490	2,735,804	2,757,347	2,383,213	4,641,714	4,245,592	38,680,160
<b>Accumulated Impairment Loss</b>							
As at 1 May 2019/ 30 April 2020/ 1 May 2020/ 30 April 2021	2,392,003	-	-	-	-	-	2,392,003
<b>Net Carrying Amount</b>							
As at 30 April 2020	42,723,203	836,011	578,388	132,610	105,257	298,636	44,674,105
As at 30 April 2021	40,933,532	659,741	325,943	148,549	52,316	386,671	42,506,752

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Company	Building and improvements RM	Furniture and fittings RM	Office equipment RM	Computers RM	Motor vehicles RM	Total RM
<b>Cost</b>						
As at 1 May 2019	1,713,301	450,878	222,757	595,371	1,826,984	4,809,291
Additions	-	1,300	6,249	18,760	-	26,309
As at 30 April 2020/1 May 2020	1,713,301	452,178	229,006	614,131	1,826,984	4,835,600
Additions	-	-	-	40,298	-	40,298
As at 30 April 2021	1,713,301	452,178	229,006	654,429	1,826,984	4,875,898
<b>Accumulated Depreciation</b>						
As at 1 May 2019	1,711,073	450,692	208,910	522,584	1,826,980	4,720,239
Charge for the year [Note 9(a)]	1,591	130	5,343	45,064	-	52,128
As at 30 April 2020/1 May 2020	1,712,664	450,822	214,253	567,648	1,826,980	4,772,367
Charge for the year [Note 9(a)]	524	194	4,752	24,446	-	29,916
As at 30 April 2021	1,713,188	451,016	219,005	592,094	1,826,980	4,802,283
<b>Net Carrying Amount</b>						
As at 30 April 2020	637	1,356	14,753	46,483	4	63,233
As at 30 April 2021	113	1,162	10,001	62,335	4	73,615

At the end of the reporting period, property, plant and equipment of the Group and of the Company with net carrying amount of RM246,169 and RM4 (2020: RM180,239 and RM4) respectively were acquired under hire-purchase and lease arrangements.

Building and improvements of the Group with a net carrying amount of RM40,115,048 (2020: RM42,028,306) have been pledged as security for banking facilities granted to the Group as disclosed in Note 31.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

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

The Group	Properties RM	Equipment RM	Total RM
<b>Carrying Amount</b>			
As at 1 May 2019, following the adoption of MFRS 16	9,032,689	200,607	9,233,296
Lease modification	3,597,555	-	3,597,555
Additions	199,972	41,781	241,753
Depreciation	(4,149,010)	(81,674)	(4,230,684)
As at 30 April 2020/1 May 2020	8,681,206	160,714	8,841,920
Lease modification	(115,160)	(19,851)	(135,011)
Additions	381,818	72,485	454,303
Depreciation	(3,916,075)	(75,283)	(3,991,358)
As at 30 April 2021	5,031,789	138,065	5,169,854

The Company	Properties RM	Equipment RM	Total RM
<b>Carrying Amount</b>			
As at 1 May 2019, following the adoption of MFRS 16	3,754,433	42,513	3,796,946
Depreciation	(726,664)	(13,529)	(740,193)
As at 30 April 2020/1 May 2020	3,027,769	28,984	3,056,753
Depreciation	(726,664)	(12,689)	(739,353)
As at 30 April 2021	2,301,105	16,295	2,317,400

### (b) Lease liabilities

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Analysed as follows:				
Non-current	1,942,288	5,147,734	1,709,145	2,439,253
Current	3,451,417	3,893,011	730,109	696,512
	5,393,705	9,040,745	2,439,254	3,135,765

The maturity analysis of the lease liabilities at the reporting date is disclosed in Note 41(v).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

The statements of profit or loss and other comprehensive income included the following amounts relating to leases:

	Note	The Group		The Company	
		2021 RM	2020 RM	2021 RM	2020 RM
Depreciation of right-of-use assets included in:					
(i) Cost of sales	6	3,632,714	3,860,094	-	-
(ii) Administrative expenses	9(a)	358,644	370,590	739,353	740,193
		3,991,358	4,230,684	739,353	740,193
Expenses relating to short-term leases included in:					
(i) Cost of sales	6	-	252,445	-	-
(ii) Administrative expenses	9(a)	38,960	23,360	38,960	23,360
		38,960	275,805	38,960	23,360
Expenses relating to leases of low-value assets included in administrative expenses	9(a)	3,899	342	299	342
Expenses relating to variable lease payments not included in the measurement of lease liabilities included in cost of sales	6	871,626	1,466,767	-	-
Interest expense on lease liabilities	8	316,636	498,510	146,854	183,235

The Group's leases mainly comprise car park rental contracts entered into by a subsidiary company with third parties for the operation of car park management, in addition to the rental of equipment by other subsidiaries. The Company's leases mainly comprise rental contracts for office rental and office equipment.

Lease contracts of the Group and the Company are typically entered into for a fixed period, with extension options exercisable by the Group and the Company to optimise operational flexibility. Lease terms are negotiated on an individual basis.

The lease agreements do not impose any covenants. However, leased assets may or may not be used as security for borrowing purposes.

The financial effect of revising lease payments and lease terms to reflect the effect of exercising extension options was (decrease)/increase in lease liabilities and right-of-use assets of (RM135,011) (2020: RM3,597,555).

Some of the leases of car park by one of the Group's subsidiary companies contain variable lease payments that are based on the sales generated from that leased asset.

The Group and the Company have elected not to recognise right-of-use assets and leases liabilities for short-term leases and leases of low-value assets. The Group and the Company have leases of certain office equipment (i.e. water dispensers) that are considered as low-value assets.

The Group as lessee has elected for early application of the practical expedient in paragraph 46A of MFRS 16 and not to assess whether a rent concession, occurring as a direct consequence of the COVID-19 pandemic, is a lease modification. The reduction in lease payments of RM289,106 (2020: RM222,468) has been recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 15. PREPAID LEASE PAYMENTS ON LEASEHOLD LAND

	Leasehold Land Unexpired period less than 30 years RM
<b>The Group</b>	
<b>Cost</b>	
As at 1 May 2019/30 April 2020/1 May 2020/30 April 2021	121,353
<b>Accumulated Amortisation</b>	
As at 1 May 2019	72,811
Amortisation for the year [Note 9(a)]	4,045
As at 30 April 2020/1 May 2020	76,856
Amortisation for the year [Note 9(a)]	4,046
As at 30 April 2021	80,902
<b>Net Book Value</b>	
As at 30 April 2020	44,497
As at 30 April 2021	40,451

## 16. INVESTMENT PROPERTIES

The Group	Freehold land and buildings RM	Leasehold land and buildings RM	Subtotal RM	Freehold land and buildings under construction RM	Total RM
<b>At fair value:</b>					
As at 1 May 2019	369,428,556	6,046,762	375,475,318	-	375,475,318
Changes in fair value of investment properties	(23,195,620)	(1,424,000)	(24,619,620)	-	(24,619,620)
Transfer from inventories [Note 22(a)]	-	-	-	3,393,398	3,393,398
As at 30 April 2020/1 May 2020	346,232,936	4,622,762	350,855,698	3,393,398	354,249,096
Additions	-	-	-	2,245,477	2,245,477
Changes in fair value of investment properties	(13,486,336)	490,000	(12,996,336)	-	(12,996,336)
As at 30 April 2021	332,746,600	5,112,762	337,859,362	5,638,875	343,498,237

Investment properties of the Group are leased, or held to be leased, to third parties under operating leases with rentals receivables on a monthly basis.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 16. INVESTMENT PROPERTIES (CONT'D)

During the prior financial year ended 30 April 2020, the Group transferred a portion of development cost capitalised on a piece of freehold land, with carrying value of RM3,393,398, from land held for property development to investment properties under construction. The fair value of the said investment property under construction is not reliably determinable and hence being measured at cost, until either its fair value becomes reliably determinable or construction is complete (whichever is earlier).

Total property rental income earned by the Group from its investment properties, of which are leased out under operating leases, amounted to RM8,782,307 (2020: RM12,532,665).

Direct operating expenses arising from the investment properties that generated rental income during the current year amounted to RM6,665,768 (2020: RM8,109,062), whereas the direct operating expenses arising from investment property that did not generate rental income amounted to RM245,604 (2020: RM225,100).

Investment properties amounting to RM303,098,415 (2020: RM311,028,378) have been pledged as securities for banking facilities granted to the Group and the Company as mentioned in Note 31.

The operating lease payments to be received are as follows:

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Less than one year	6,012,051	6,914,832
One to two years	6,282,400	3,417,675
Two to three years	6,486,334	1,161,974
<b>Total undiscounted lease payments</b>	<b>18,780,785</b>	<b>11,494,481</b>

### **Fair value information**

The fair value of the Group's investment properties as at 30 April 2021 and 30 April 2020 have been arrived at on the basis of the Directors' best estimates, by reference to valuations performed by an independent valuer and market evidence of transacted prices for the same or similar properties. Based on this, the Directors are of the opinion that the carrying amount of the investment properties of the Group approximates their fair value.

### **Retail mall**

The fair value of the retail mall as at 30 April 2021 and 30 April 2020 has been arrived at on the basis of a valuation carried out by an independent valuer.

### **Other investment properties**

The fair value of the other investment properties of the Group as at 30 April 2021 and 30 April 2020 have been arrived at based on available past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the Directors' best estimates or on the basis of a valuation carried out by an independent valuer.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 16. INVESTMENT PROPERTIES (CONT'D)

### *Fair value hierarchy*

Details of the Group's investment properties and information about the fair value hierarchy as at 30 April 2021 and 30 April 2020 are as follows:

Located in Malaysia:	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>30 April 2021</b>				
Retail mall	-	-	285,000,000	285,000,000
Commercial property units and car parks	-	21,057,762	10,128,600	31,186,362
Residential property units	-	21,673,000	-	21,673,000
	-	42,730,762	295,128,600	337,859,362
<b>30 April 2020</b>				
Retail mall	-	-	295,000,000	295,000,000
Commercial property units and car parks	-	20,437,978	11,471,240	31,909,218
Residential property units	-	23,946,480	-	23,946,480
	-	44,384,458	306,471,240	350,855,698

There was no transfer between Level 1 and 2 during the financial year.

Qualitative information about fair value measurement of the investment properties using significant unobservable inputs (Level 3) as at 30 April 2021 and 30 April 2020:

Properties	Valuation Technique	Significant Unobservable Inputs	Range	Inter-relationship
<b>30 April 2021</b>				
Retail mall	Investment method of valuation	Estimated rental rates	RM5.70 psf	Higher estimated rental, higher fair value
		Outgoings	RM1.50 psf	Higher estimated outgoings, lower fair value
		Allowance for void	10%	Higher range of inputs, lower fair value
		Capitalisation/ Reversion rate	5.00% to 6.50%	Higher range of inputs, lower fair value

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 16. INVESTMENT PROPERTIES (CONT'D)

Properties	Valuation Technique	Significant Unobservable Inputs	Range	Inter-relationship
30 April 2021				
Car parks	Investment method of valuation	Estimated rental rates	RM150 per bay	Higher estimated rental, higher fair value
		Outgoings	5%	Higher estimated outgoings, lower fair value
		Allowance for void	10%	Higher range of inputs, lower fair value
		Capitalisation rate	5%	Higher range of inputs, lower fair value
30 April 2020				
Retail mall	Investment method of valuation	Estimated rental rates	RM5.80 psf	Higher estimated rental, higher fair value
		Outgoings	RM1.50 psf	Higher estimated outgoings, lower fair value
		Allowance for void	10%	Higher range of inputs, lower fair value
		Capitalisation/ Reversion rate	6.00% to 6.50%	Higher range of inputs, lower fair value
Car parks	Investment method of valuation	Estimated rental rates	RM170 per bay	Higher estimated rental, higher fair value
		Outgoings	5%	Higher estimated outgoings, lower fair value
		Allowance for void	10%	Higher range of inputs, lower fair value
		Capitalisation rate	5%	Higher range of inputs, lower fair value

## 17. SUBSIDIARY COMPANIES

	The Company	
	2021 RM	2020 RM
Unquoted shares, at cost	737,729,693	545,979,801
Less: Accumulated impairment losses	(34,442,826)	(15,342,826)
	703,286,867	530,636,975

Details of the subsidiary companies are set out in Note 42.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 17. SUBSIDIARY COMPANIES (CONT'D)

Details of non-wholly owned subsidiary companies that have material non-controlling interests to the Group are as follows:

Name of subsidiary companies	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by non-controlling interests		Profit/(Loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2021	2020	2021 RM	2020 RM	2021 RM	2020 RM
Glomac Bina Sdn. Bhd.	Malaysia	49%	49%	3,760,884	2,316,807	22,586,469	18,825,585
Glomac Al-Batha Mutiara Sdn. Bhd.	Malaysia	49%	49%	(4,696)	2,179,031	2,443,852	2,448,548
Glomac Al-Batha Sdn. Bhd.	Malaysia	49%	49%	(18,129)	(2,398)	5,061,088	5,079,217
Glomac Power Sdn. Bhd.	Malaysia	14.3%	14.3%	(61,111)	(63,738)	4,171,084	4,577,541

### Movement of impairment loss on investment in subsidiary companies:

	The Company	
	2021 RM	2020 RM
At beginning of year	15,342,826	2,772,737
Impairment loss recognised during the year	19,100,000	12,570,089
At end of year	34,442,826	15,342,826

The Company conducted a review of the recoverable amount of its investment in subsidiary companies of which cost of investment exceeded its share of net assets in the subsidiary companies at the reporting dates in which the events and circumstances arose had led to the recognition or reversal of the impairment loss.

During the financial year, an impairment loss of RM19,100,000 was written down on one of the investments of their recoverable amounts, and was recognised in the Company's statement of profit of loss and other comprehensive income. The recoverable amount was determined based on their fair value less cost to sell approach using the adjusted net asset attributable to ordinary shareholders at the end of the financial year.

In prior year, the Company assessed the recoverability of its investment in Glo Damansara Sdn. Bhd. The recoverable amount of the asset was based on a value-in-use calculation using cash flow projections and an appropriate discount rate reflecting time value of money and risk associated with the asset. The discount rate was 3.75%. As a result, the Company recognised an impairment loss of RM10,000,000.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 17. SUBSIDIARY COMPANIES (CONT'D)

Summarised financial information in respect of each of the Group's subsidiary companies that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	2021 RM	2020 RM
<b>Glomac Bina Sdn. Bhd.</b>		
<b>Statement of financial position</b>		
Current assets	56,602,619	61,362,086
Non-current assets	20,742,650	9,641,860
Current liabilities	(31,250,434)	(32,584,384)
Equity attributable to owners of the Company	(23,508,366)	(19,593,977)
Non-controlling interests	(22,586,469)	(18,825,585)
<hr/>		
<b>Glomac Bina Sdn. Bhd.</b>		
<b>Statement of profit or loss and other comprehensive income</b>		
Revenue	64,738,987	37,153,372
<hr/>		
Profit/Total comprehensive income for the financial year	7,675,273	4,728,177
<hr/>		
Profit/Total comprehensive income attributable to:		
Owners of the Company	3,914,389	2,411,370
Non-controlling interests	3,760,884	2,316,807
	7,675,273	4,728,177
<hr/>		
<b>Statement of cash flows</b>		
Net cash (outflow)/inflow from operating activities	(413,551)	12,739,127
Net cash (outflow)/inflow from investing activities	(246,928)	385,585
Net cash outflow from financing activities	(1,259)	(545,987)
Net cash (outflow)/inflow	(661,738)	12,578,725
<hr/>		

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 17. SUBSIDIARY COMPANIES (CONT'D)

Summarised financial information in respect of each of the Group's subsidiary companies that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. (Cont'd)

	2021 RM	2020 RM
<b>Glomac Al-Batha Mutiara Sdn. Bhd.</b>		
<b>Statement of financial position</b>		
Current assets	6,582,452	6,973,467
Current liabilities	(1,594,999)	(1,976,431)
Equity attributable to owners of the Company	(2,543,601)	(2,548,488)
Non-controlling interests	(2,443,852)	(2,448,548)
<b>Statement of profit or loss and other comprehensive income</b>		
Revenue	-	-
(Loss)/Profit/Total comprehensive (loss)/income for the financial year	(9,583)	4,447,003
(Loss)/Profit/Total comprehensive (loss)/income attributable to:		
Owners of the Company	(4,887)	2,267,972
Non-controlling interests	(4,696)	2,179,031
	(9,583)	4,447,003
<b>Statement of cash flows</b>		
Net cash (outflow)/ inflow from operating activities	(434,070)	8,407,293
Net cash inflow from investing activities	16,775	108,541
Net cash outflow from financing activities	(1,213)	(10,199,990)
Net cash outflow	(418,508)	(1,684,156)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 17. SUBSIDIARY COMPANIES (CONT'D)

Summarised financial information in respect of each of the Group's subsidiary companies that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. (Cont'd)

	2021 RM	2020 RM
<b>Glomac Al-Batha Sdn. Bhd.</b>		
<b>Statement of financial position</b>		
Current assets	2,772,000	13,970,923
Non-current assets	137,193,764	5,470,977
Current liabilities	(40,727,776)	(9,076,150)
Non-current liabilities	(88,900,000)	-
Equity attributable to owners of the Company	(5,276,899)	(5,286,532)
Non-controlling interests	(5,061,089)	(5,079,218)
<b>Statement of profit or loss and other comprehensive income</b>		
Revenue	-	-
Loss/Total comprehensive loss for the financial year	(36,997)	(4,894)
Loss/Total comprehensive loss attributable to:		
Owners of the Company	(18,868)	(2,496)
Non-controlling interests	(18,129)	(2,398)
	(36,997)	(4,894)
<b>Statement of cash flows</b>		
Net cash outflow from operating activities	(118,922,619)	(18,014,049)
Net cash inflow from investing activities	-	10,228,718
Net cash inflow from financing activities	120,388,510	8,861,966
Net cash inflow	1,465,891	1,076,635



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 17. SUBSIDIARY COMPANIES (CONT'D)

Summarised financial information in respect of each of the Group's subsidiary companies that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. (Cont'd)

	2021 RM	2020 RM
<b>Glomac Power Sdn. Bhd.</b>		
<b><i>Statement of financial position</i></b>		
Current assets	1,816,630	3,921,465
Non-current assets	27,355,783	28,095,114
Current liabilities	(3,991)	(5,804)
Equity attributable to owners of the Company	(24,997,338)	(27,433,234)
Non-controlling interests	(4,171,084)	(4,577,541)
<b><i>Statement of profit or loss and other comprehensive income</i></b>		
Revenue	-	-
Loss/Total comprehensive loss for the financial year	(427,353)	(445,720)
Loss/Total comprehensive loss attributable to:		
Owners of the Company	(366,242)	(381,982)
Non-controlling interests	(61,111)	(63,738)
	(427,353)	(445,720)
<b><i>Statement of cash flows</i></b>		
Dividends paid to non-controlling interests	(345,345)	-
Net cash inflow from operating activities	22,842	652,044
Net cash inflow from investing activities	288,750	577,500
Net cash inflow from financing activities	493,654	8,217
Net cash inflow	459,901	1,237,761

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 18. ASSOCIATED COMPANIES

	<b>The Group</b>	
	<b>2021 RM</b>	<b>2020 RM</b>
Unquoted shares, at cost	2,310,000	2,310,000
Share of post-acquisition reserves	25,045,783	25,785,114
	27,355,783	28,095,114

Summarised financial information in respect of each of the Group's material associated companies is set out below. The summarised financial information below represents amounts in the associated companies' financial statements prepared in accordance with MFRSs.

	<b>2021 RM</b>	<b>2020 RM</b>
<b>PPC Glomac Sdn. Bhd. and its subsidiary company, Irama Teguh Sdn. Bhd.</b>		
<b><i>Statement of financial position</i></b>		
Current assets	29,479,970	38,502,357
Non-current assets	56,516,264	53,567,049
Current liabilities	(7,836,855)	(11,797,653)
Net assets	78,159,379	80,271,753
<b><i>Statement of profit or loss and other comprehensive income</i></b>		
Revenue	3,914,631	4,724,780
Loss/Total comprehensive loss for the financial year	(1,287,373)	(1,518,477)
Dividend received from the associated company during the financial year	288,750	577,500
	<b>The Group</b>	
	<b>2021 RM</b>	<b>2020 RM</b>
Share of losses of associated companies	(450,581)	(531,467)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 18. ASSOCIATED COMPANIES (CONT'D)

Reconciliation of the above summarised financial information to the carrying amount of the interest in PPC Glomac Sdn. Bhd. and its subsidiary company as recognised in the consolidated financial statements:

	2021 RM	2020 RM
Net assets of the associated company	78,159,379	80,271,753
Proportion of the Group's ownership interest in PPC Glomac Sdn. Bhd. and its subsidiary	35%	35%
Carrying amount of the Group's interest in PPC Glomac Sdn. Bhd. and its subsidiary	27,355,783	28,095,114

Details of the associated companies are set out in Note 42.

## 19. OTHER INVESTMENTS

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<u>Fair value through other comprehensive income</u>				
Unquoted shares	4,000,000	4,000,000	-	-
<u>Amortised cost</u>				
Unquoted subordinated bonds	10,300,000	10,300,000	10,300,000	10,300,000
Less: Impairment loss	(10,300,000)	(10,300,000)	(10,300,000)	(10,300,000)
	-	-	-	-
	4,000,000	4,000,000	-	-

## 20. GOODWILL ON CONSOLIDATION

	The Group	
	2021 RM	2020 RM
<b>Cost</b>		
At beginning and end of year	1,032,918	1,032,918
<b>Accumulated impairment losses</b>		
At beginning and end of year	(637,753)	(637,753)
<b>Carrying amount</b>		
At beginning and end of year	395,165	395,165

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 20. GOODWILL ON CONSOLIDATION (CONT'D)

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating unit ("CGU") that is expected to benefit from that business combination. Before recognition of any impairment losses, the carrying amount of goodwill had been allocated to the following business segment as independent CGU:

	<b>The Group</b>	
	<b>2021 RM</b>	<b>2020 RM</b>
Property development division	395,165	395,165

The Group assesses goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the CGU is determined from value-in-use calculation which uses cash flow projections derived from the most recent financial budgets approved by management covering a three-year period, and an estimated discount rate of 4.15% (2020: 5.33%) per annum.

There is no reasonably possible change in any of the key assumptions used that would cause the carrying amount of the CGU to materially exceed the recoverable amounts.

At the end of the reporting period, the Group assessed the recoverable amount of goodwill, and determined that no further impairment of goodwill associated with property development division is required. Management expects future cash flows will be generated from this CGU.

## 21. DEFERRED TAX ASSETS/(LIABILITIES)

	<b>The Group</b>		<b>The Company</b>	
	<b>2021 RM</b>	<b>2020 RM</b>	<b>2021 RM</b>	<b>2020 RM</b>
At beginning of year	58,043,505	34,119,893	1,138,952	1,060,947
Recognised in profit or loss (Note 10):				
Property, plant and equipment	(21,921)	73,453	(26,150)	(27,865)
Right-of-use assets and lease liabilities	15,923	116,534	10,282	18,964
Investment properties	1,422,857	2,535,020	-	-
Property development costs	4,760,695	(340,868)	-	-
Other payables and accrued expenses	25,882	1,975,992	-	-
Gain on disposal of development land and completed units	(100,523)	17,093,109	(100,433)	100,433
Unused tax losses	(3,497,276)	2,617,153	-	-
Unabsorbed capital allowances	2,810	(16,617)	-	-
Amount due to a subsidiary company	-	-	-	112,440
Others	(557,912)	(130,164)	(492,329)	(125,967)
	2,050,535	23,923,612	(608,630)	78,005
At end of year	60,094,040	58,043,505	530,322	1,138,952

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 21. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Certain deferred tax assets and deferred tax liabilities have been offset in accordance with the Group's accounting policy. The following is an analysis of the deferred tax balances (after offset) for statements of financial position purposes:

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Deferred tax assets	61,320,269	59,208,230	530,322	1,138,952
Deferred tax liabilities	(1,226,229)	(1,164,725)	-	-
	60,094,040	58,043,505	530,322	1,138,952
<b>Deferred tax liabilities (before offsetting)</b>				
Temporary differences arising from:				
Property, plant and equipment	(99,260)	(112,758)	(3,487)	-
Property development costs	(1,219,698)	(1,143,416)	-	-
Investment properties	-	(1,422,857)	-	-
	(1,318,958)	(2,679,031)	(3,487)	-
Offsetting	92,729	1,514,306	-	-
<b>Deferred tax liabilities (after offsetting)</b>	(1,226,229)	(1,164,725)	(3,487)	-
<b>Deferred tax assets (before offsetting)</b>				
Temporary differences arising from:				
Property development costs	39,881,370	35,044,393	-	-
Right-of-use assets and lease liabilities	132,457	116,534	29,246	18,964
Property, plant and equipment	37,490	72,909	-	22,663
Gain on disposal of development land and completed units	16,992,586	17,093,109	-	100,433
Other payables and accrued expenses	2,001,874	1,975,992	-	-
Amount due from subsidiary companies	-	-	504,563	504,563
Others	19,644	577,556	-	492,329
Unused tax losses	2,312,484	5,809,760	-	-
Unabsorbed capital allowances	35,093	32,283	-	-
	61,412,998	60,722,536	533,809	1,138,952
Offsetting	(92,729)	(1,514,306)	(3,487)	-
<b>Deferred tax assets (after offsetting)</b>	61,320,269	59,208,230	530,322	1,138,952

As mentioned in Note 3(e), the tax effects of all taxable temporary differences are recognised. Where deductible temporary differences, unused tax losses and unused tax credits would give rise to net deferred tax asset, the tax effects are generally recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences, unused tax losses and unused tax credits can be utilised.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 21. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

As at 30 April 2021, the estimated amount of deductible temporary differences, unused tax losses and unabsorbed capital allowances pertaining to certain subsidiary companies, for which no deferred tax assets have been recognised in the financial statements due to uncertainty of their realisation, is as follows:

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Temporary differences arising from:		
Investment properties	30,698,929	28,224,138
Property development costs	8,455,047	7,706,164
Other payables, accrued expenses and provision	-	2,294,406
Unused tax losses	83,030,163	67,050,517
Unabsorbed capital allowances	46,687,573	39,177,505
Trade receivables	227,067	-
	169,098,779	144,452,730

The comparative information presented above has been restated to conform with the actual income tax computation submitted to tax authorities. The unabsorbed capital allowances are available indefinitely for offset against future taxable profits of the respective subsidiary companies in the Group.

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, the Group's unutilised tax losses will be imposed with a time limit of utilisation. Effective from year of assessment 2018, unutilised tax losses in a year of assessment can only be carried forward for a maximum period of 7 consecutive years of assessment.

Expiry date of the Group's tax losses, which deferred tax assets have been recognised, is summarised below:

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Year of assessment 2025	-	4,855,542
Year of assessment 2026	2,995,637	14,595,016
Year of assessment 2027	1,553,300	4,756,775
Year of assessment 2028	5,086,413	-
	9,635,350	24,207,333

Expiry date of the Group's tax losses, which no deferred tax assets have been recognised, is summarised below:

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
Year of assessment 2025	49,164,137	52,472,546
Year of assessment 2026	11,320,173	8,274,714
Year of assessment 2027	6,426,088	6,303,257
Year of assessment 2028	16,119,765	-
	83,030,163	67,050,517

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 22. INVENTORIES

	Note	The Group		The Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<u>Non-current</u>					
Land held for property development	(a)	702,647,599	760,315,576	-	-
<u>Current</u>					
Property development costs	(b)	150,752,014	101,320,145	-	-
Completed units	(c)	107,849,597	126,078,962	867,762	1,100,299
Food and beverages		-	894	-	-
		258,601,611	227,400,001	867,762	1,100,299
Total inventories		961,249,210	987,715,577	867,762	1,100,299

### (a) Land Held for Property Development

	The Group	
	2021 RM	2020 RM
At beginning of year:		
Freehold land - at cost	18,185,042	18,185,042
Leasehold land - at cost	276,116,001	297,612,259
Development expenditure	466,014,533	469,110,357
	760,315,576	784,907,658
Reclassification:		
Leasehold land - at cost	5,309,300	(4,949,085)
Development expenditure	(5,309,300)	4,949,085
	-	-
Additions:		
Leasehold land - at cost	-	5,422,734
Development expenditure	31,544,318	39,644,737
	31,544,318	45,067,471
Disposal:		
Freehold land - at cost	(1,373,901)	-
Development expenditure	(5,031,095)	-
	(6,404,996)	-



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 22. INVENTORIES (CONT'D)

### (a) Land Held for Property Development (Cont'd)

	The Group	
	2021 RM	2020 RM
Transfer to property development costs [Note 22(b)]:		
Leasehold land - at cost	(25,336,316)	(21,969,907)
Development expenditure	(57,470,983)	(37,426,018)
	(82,807,299)	(59,395,925)
Transfer from property development costs [Note 22(b)]:		
Provision for foreseeable losses	-	(6,870,230)
Transfer to investment properties (Note 16)	-	(3,393,398)
At end of year	702,647,599	760,315,576
Comprising:		
Freehold land - at cost	16,811,141	18,185,042
Leasehold land - at cost	301,349,866	276,116,001
Development expenditure	384,486,592	466,014,533
	702,647,599	760,315,576

Current year charges to development expenditure include the following:

	The Group	
	2021 RM	2020 RM
Finance costs (Note 8)	2,467,759	3,221,846
Staff costs [Note 9(b)]	271,730	204,537
Directors' remuneration [Note 9(c)]	192,297	178,413

Land held for property development of certain subsidiary companies has been pledged for banking facilities granted to the Group as disclosed in Note 22(b) and Note 31.

In accordance with the Joint Venture Agreement ("JVA") with Permodalan Negeri Selangor Berhad ("PNSB"), Glomac Rawang Sdn. Bhd., a wholly-owned subsidiary company, is obliged to pay PNSB entitlement the higher of either RM41,400,000 (2020: RM41,400,000) or a sum equal to 30% of the gross profit before tax (as defined in the JVA) to be generated by the development of the parcel of land belonging to PNSB progressively. As at 30 April 2021 and 30 April 2020, a total entitlement of RM41,400,000 has been fully paid and included in the land held for property development and property development costs.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 22. INVENTORIES (CONT'D)

### (a) Land Held for Property Development (Cont'd)

On 22 November 2019, Glomac Alliance Sdn. Bhd., a wholly-owned subsidiary of Glomac Berhad ("Glomac"), entered into a Sale and Purchase Agreement with Glomac Al Batha Sdn. Bhd. ("GABSB"), a 51%-owned subsidiary of Glomac Berhad, for the disposal of vacant land held under Individual Title H.S.(D) 319254 PT 2914, Pekan Desa Puchong, District of Petaling, State of Selangor measuring approximately 6.213 hectares in area for a total cash consideration of RM127,042,740. The land is purchased by GABSB with the intention for future mixed development. The said transaction was completed during the current financial year.

### (b) Property Development Costs

	The Group	
	2021 RM	2020 RM
At beginning of year:		
Freehold land - at cost	47,388,445	47,388,445
Leasehold land - at cost	409,533,972	387,743,471
Development expenditure	1,345,907,862	1,796,181,956
	1,802,830,279	2,231,313,872
Costs incurred during the year:		
Freehold land - at cost	315,000	-
Leasehold land - at cost	806,554	154,130
Development expenditure	182,244,478	88,854,327
	183,366,032	89,008,457
Transfer from land held for property development [Note 22(a)]:		
Leasehold land - at cost	25,336,316	21,969,907
Development expenditure	57,470,983	37,426,018
	82,807,299	59,395,925
Transfer to completed units [Note 22(c)]	-	(2,751,785)
Closed out due to completion of projects	-	(574,136,190)
Provision for foreseeable losses:		
At beginning of year	(12,261,242)	(19,298,579)
Transfer to land held for property development [Note 22(a)]	-	6,870,230
Provision realised during the year	5,892	167,107
At end of year	(12,255,350)	(12,261,242)
Costs recognised as an expense in profit or loss:		
Previous year	(1,689,248,892)	(2,134,104,699)
Current year (Note 6)	(216,747,354)	(129,280,383)
Closed out due to completion of projects	-	574,136,190
Cumulative costs at end of year	(1,905,996,246)	(1,689,248,892)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 22. INVENTORIES (CONT'D)

### (b) Property Development Costs (Cont'd)

	The Group	
	2021 RM	2020 RM
At end of year	150,752,014	101,320,145
Comprising:		
Freehold land - at cost	8,185,402	8,411,347
Leasehold land - at cost	87,394,473	55,673,713
Development expenditure	55,172,139	37,235,085
	150,752,014	101,320,145

Current year charges to development expenditure include the following:

	The Group	
	2021 RM	2020 RM
Finance costs (Note 8)	3,454,267	1,579,714
Staff costs [Note 9(b)]	3,201,851	2,878,488
Directors' remuneration [Note 9(c)]	2,264,727	2,510,838

Land held for property development and property development costs of certain subsidiary companies amounting to RM747,485,863 (2020: RM794,097,523) are charged for banking facilities granted to the Group as disclosed in Note 31.

### (c) Completed units

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
At beginning of year	126,078,962	132,750,466	1,100,299	1,100,299
Transfer from property development costs [Note 22(b)]:				
Cost of completed units	-	2,751,785	-	-
Inventories written off (Note 6)	-	(25,203)	-	-
Completed units sold (Note 6)	(18,229,365)	(9,398,086)	(232,537)	-
At end of year	107,849,597	126,078,962	867,762	1,100,299

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 23. CONTRACT ASSETS/(LIABILITIES)

	The Group	
	2021 RM	2020 RM
<b><u>Contract assets</u></b>		
<b>Current</b>		
Property development contracts	127,256,549	78,668,684
<b><u>Contract liabilities</u></b>		
<b>Non-current</b>		
Deferred revenue	635,018	251,678
<b>Current</b>		
Property development contracts	4,941,938	16,089,645
Total contract liabilities	5,576,956	16,341,323
Represented by:		
Contract assets	127,256,549	78,668,684
Contract liabilities	(5,576,956)	(16,341,323)
	121,679,593	62,327,361
	The Group	
	2021 RM	2020 RM
	Note	
At beginning of year	62,327,361	64,318,444
Revenue recognised during the year (Note 5)	346,473,738	217,316,343
Progress billings during the year	(294,391,747)	(223,736,663)
(Provision)/Net payment for liquidated ascertained damages ("LAD") payable to purchasers	(a) (1,185,162)	1,697,809
Amortisation for consideration payable to customers	8,455,403	2,731,428
At end of year	121,679,593	62,327,361
Revenue recognised that was included in the contract liabilities balance at beginning of year	2,591,583	4,386

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 23. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

### (a) Provision for LAD payable to purchasers

Provision for LAD is recognised for expected LAD claims based on the terms of the applicable sale and purchase agreements. Movement of the provision for LAD is as follows:

	The Group	
	2021 RM	2020 RM
At beginning of year	208,158	1,905,967
Provision made during the year	1,319,020	268,031
Payments made during the year	(133,858)	(1,965,840)
	1,185,162	(1,697,809)
At end of year	1,393,320	208,158

The transaction price allocated to the performance obligations that are unsatisfied (or partially satisfied) as at 30 April 2021 is RM361,871,155 (2020: RM486,717,088), where the Group expects to recognise it as revenue over the next 4 years (2020: 4 years).

The Company does not have any unsatisfied performance obligation as at 30 April 2021 and 30 April 2020.

There was no impairment losses recognised on contract assets in the reporting period.

## 24. CONTRACT COSTS

	The Group	
	2021 RM	2020 RM
Costs to obtain contracts	8,105,945	10,582,173

Costs to obtain contracts relate to incremental salesperson and agent commission for obtaining property sales contracts which are expected to be recovered. These costs are subsequently expensed off as cost of sales by reference to the performance completed to date, consistent with the revenue recognition pattern.

During the financial year, total costs to obtain contracts recognised by the Group and the Company as cost of sales in profit or loss amounting to RM5,393,336 (2020: RM2,602,205) and RM17,253 (2020: RMNil) respectively.

There was no impairment loss in relation to the costs capitalised.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 25. TRADE RECEIVABLES

	The Group	
	2021 RM	2020 RM
Trade receivables		
Third parties	76,662,336	67,615,583
Stakeholders' sum	20,962,647	25,465,107
	97,624,983	93,080,690
Less: Impairment loss	(2,940,274)	(2,940,274)
	94,684,709	90,140,416

The Group's normal trade credit term ranges from 7 to 90 days (2020: 7 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

Stakeholders' sum represents retention sums held by solicitors upon handing over of vacant possession to individual purchasers of development properties. These amounts will be paid from 8 to 24 months after the delivery of vacant possession together with interest earned.

### Ageing analysis of trade receivables

	The Group	
	2021 RM	2020 RM
Stakeholders' sum	20,962,647	25,465,107
Not past due	1,713,967	7,442,797
Past due < 1 month	12,661,080	7,926,042
Past due 1 - 2 months	11,566,338	6,749,134
Past due 2 - 3 months	14,012,817	13,650,301
Past due > 3 months	33,767,860	28,907,035
Total	94,684,709	90,140,416

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

Trade receivables that are past due but not impaired are mainly related to the progress billings to be settled by the purchasers or the purchasers' end financiers. However, these debts are expected to be realised in full without material losses in the ordinary course of business as majority of the customers are with financing facilities obtained from reputable end-financiers. Amount due from tenants are secured with deposits paid by tenants prior to occupancy of premises and rentals paid in advance.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 25. TRADE RECEIVABLES (CONT'D)

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or groups of debtors.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated.

The Group recognises impairment losses based on expected credit losses ("ECL") model using the simplified approach, which measures the impairment losses at an amount equal to lifetime ECL.

### Movement in the allowance for impairment loss

	<b>The Group</b>	
	<b>2021 RM</b>	<b>2020 RM</b>
At beginning of year	2,940,274	3,091,365
Reversal of impairment losses no longer required [Note 9(a)]	-	(151,091)
At end of year	2,940,274	2,940,274

### Ageing of past due and impaired

	<b>The Group</b>	
	<b>2021 RM</b>	<b>2020 RM</b>
Past due > 3 months	2,940,274	2,940,274

## 26. OTHER RECEIVABLES

	<b>Note</b>	<b>The Group</b>		<b>The Company</b>	
		<b>2021 RM</b>	<b>2020 RM</b>	<b>2021 RM</b>	<b>2020 RM</b>
Other receivables	(a)	8,276,791	7,223,174	38,150	3,268,792
Less: Impairment losses		(193,736)	(166,871)	(26,865)	-
		8,083,055	7,056,303	11,285	3,268,792
Refundable deposits		14,685,044	15,305,443	63,455	63,455
Other assets	(b)	6,784,586	6,928,694	-	-
Prepaid expenses		1,226,943	825,630	339,467	131,080
Interest income receivable		2,428,672	244,658	2,603,491	2,590,798
		33,208,300	30,360,728	3,017,698	6,054,125



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 26. OTHER RECEIVABLES (CONT'D)

- (a) Included in the other receivables of the Company are amount recoverable from subsidiary companies amounted to RMNil (2020: RM1,456,848) relates to share options and restricted shares granted by the Company to employees of the subsidiary companies under the Employees' Share Scheme. Further information about the share-based payments to employees and equity-settled employee benefits reserve are set out in Note 38 and Note 29 respectively.
- (b) Other assets of the Group are the costs for consideration payable to customers to be accounted for as a reduction of revenue, when the Group recognises revenue for the transfer of the related goods or services to the customer.

## 27. AMOUNT DUE FROM/(TO) SUBSIDIARY COMPANIES

	The Company	
	2021 RM	2020 RM
Amount due from subsidiary companies	438,729,445	649,005,279
Less: Impairment losses	(2,102,348)	(2,102,348)
	436,627,097	646,902,931
Amount due to subsidiary companies	(90,635,754)	(114,484,855)
	345,991,343	532,418,076

Amount due from subsidiary companies, which arose mainly from trade transactions, assignment of debts, payment made on behalf and advances granted, bears interest at 4.15% (2020: 5.33%) per annum and is unsecured and repayable on demand.

Amount due to subsidiary companies, which arose mainly from assignment of debts and advances, is unsecured, bears interest at 4.15% (2020: 5.33%) per annum and is repayable on demand.

During the financial year, significant transactions, which are determined on a basis as negotiated between the Company and its subsidiary companies, are as follows:

	The Company	
	2021 RM	2020 RM
Dividend income from subsidiary companies (Note 5)	32,603,500	18,809,477
Interest income from subsidiary companies (Note 7)	22,806,450	34,844,789
Interest expense charged by subsidiary companies (Note 8)	(3,782,944)	(4,610,875)
Head office allocation income	689,264	716,003
Management fee income charged by a subsidiary company	(17,865)	(19,702)
Rental fee charged by a subsidiary company	(829,026)	(829,026)
Rental fee income charged to subsidiary companies	42,925	34,702

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 28. DEPOSITS, CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cash on hand and at banks	185,265,607	149,238,517	26,905,056	18,617,957
Deposits with licensed banks	33,002,124	27,212,205	-	-
Deposits, cash and bank balances	218,267,731	176,450,722	26,905,056	18,617,957
Less:				
Fixed deposits with maturity in excess of 90 days	(12,384,435)	(11,973,175)	-	-
Non-cash and cash equivalents:				
Deposits pledged	(11,778,419)	(10,814,353)	-	-
Cash and cash equivalents	194,104,877	153,663,194	26,905,056	18,617,957

Included in the Group's cash and bank balances is an amount of RM98,468,576 (2020: RM83,609,495) which is held under Housing Development Accounts pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966. These accounts consist of monies received from purchasers and are used for the payment of property development expenditure incurred. The surplus monies, if any, will be released to the Group upon the completion of the property development and after all property development expenditure have been fully settled. The Housing Development Accounts with a licensed bank earn interest at 1.29% (2020: 1.49%) per annum.

Deposits of the Group totalling RM11,778,419 (2020: RM10,814,353) have been pledged to secure bank guarantee facilities.

Included in the Group's cash and bank balances are placement of debt or finance service reserve and escrow accounts amounting to RM1,993,869 (2020: RM1,174,984), which are required as designated accounts to meet the requirement by the banks for securing principal payments or any financing charges resulted from the financing granted to the Group.

The weighted average effective interest rates per annum for deposits held at the end of the reporting period are as follows:

	The Group		The Company	
	2021 %	2020 %	2021 %	2020 %
Licensed banks	2.8	2.8	-	-

The average maturity periods relating to the various deposits held at the end of the reporting period are as follows:

	The Group		The Company	
	2021 Days	2020 Days	2021 Days	2020 Days
Licensed banks	90	90	-	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 29. SHARE CAPITAL AND RESERVES

	2021 Number of shares	The Group and the Company 2020 Number of shares	2021 RM	2020 RM
<b>Issued and fully paid</b>				
Ordinary shares				
At beginning/end of year	800,089,370	800,089,370	418,631,554	418,631,554
<b>Capital reserve</b>				
This reserve represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.				
<b>Equity-settled employee benefits reserve</b>				
	2021 RM	The Group 2020 RM	The Company 2021 RM	2020 RM
At beginning of year	3,508,221	4,685,666	3,508,221	4,685,666
Reversal of share-based payments:				
Administrative expenses [Note 9(a)]	(27,306)	(177,642)	-	-
Recoverable from subsidiary companies [Note 26(a)]	-	-	(27,306)	(177,642)
	(27,306)	(177,642)	(27,306)	(177,642)
Effect of cancellation and expiration of RSG and ESOS:				
Retained earnings	(3,480,915)	(999,803)	(2,051,372)	(524,863)
Recoverable from subsidiary companies [Note 26(a)]	-	-	(1,429,543)	(474,940)
	(3,480,915)	(999,803)	(3,480,915)	(999,803)
At end of year	-	3,508,221	-	3,508,221

The equity-settled employee benefits reserve relates to share options and restricted shares granted by the Company to employees of the Group under the Employees' Share Scheme. Further information about share-based payments to employees is set out in Note 38.

### Treasury shares

The shareholders of the Company, by an ordinary resolution passed at the 36th Annual General Meeting held on 26 October 2020, renewed their approval for the Company's plan to repurchase its own shares up to a maximum of 10% of the total issued and fully paid up share capital listed on the Bursa Malaysia Securities Berhad.

During the financial year, the Company purchased 5,969,200 (2020: 6,353,200) units of its own shares through purchases on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of the shares was RM1,773,946 (2020: RM2,105,845) and it has been deducted from equity. The share transactions were financed by internally generated funds and the average price paid for the shares was RM0.30 (2020: RM0.33) per share. The repurchased shares are held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 29. SHARE CAPITAL AND RESERVES (CONT'D)

As at 30 April 2021, the Company held a total of 32,023,200 (2020: 26,054,000) ordinary shares as treasury shares out of its issued and paid-up share capital of 800,089,370 ordinary shares. Such treasury shares are held at carrying amount of RM14,292,249 (2020: RM12,518,303).

The Company has a right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

### Restricted Shares Grant ("RSG") reserve

	2021 Number of shares	The Group and the Company 2020 Number of shares	2021 RM	2020 RM
At beginning of year	2,471,425	2,471,425	1,387,207	1,387,207
Disposals during the year	(2,294,325)	-	(1,387,207)	-
At end of year	177,100	2,471,425	-	1,387,207

As at 30 April 2021, the Company has repurchased a total of 14,993,000 of its issued ordinary shares from the open market at an average price of RM0.90 per share. These shares are being held in trust by the Company and recorded as Restricted Shares Grant ("RSG") reserve for the purpose of granting restricted shares to eligible employees in future. The first, second and third tranches of RSG under ESS scheme totalling 12,746,250 shares have been vested and awarded to a selected group of eligible employees as at 30 April 2021. A total of 224,675 shares are being granted under bonus issue during the financial year ended 30 April 2018.

On 24 February 2021, the Remuneration and Employees' Share Scheme Committee decided to cancel the vesting of Fourth Tranche of the RSG. The Company has disposed 2,294,325 shares to open market at an average price of RM0.37 per share upon the expiration on 31 March 2021.

The balance shares held in trust by the Company as at 30 April 2021 is 177,100 shares.

## 30. RETAINED EARNINGS

At the end of the reporting period, the entire retained earnings of the Company are available for distribution as dividends under the single-tier income tax system.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 31. BORROWINGS

	Note	The Group		The Company	
		2021 RM	2020 RM	2021 RM	2020 RM
<b>Non-current</b>					
<b>Secured:</b>					
Term loans	(a)	178,313,979	131,215,345	4,364,952	10,582,390
Bridging loans	(a)	7,512,897	8,034,419	-	-
Revolving credits	(b)	31,000,000	25,100,000	31,000,000	25,100,000
Hire-purchase and finance lease liabilities	(c)	230,765	220,941	-	-
<b>Unsecured:</b>					
Revolving credits	(b)	70,000,000	75,625,000	70,000,000	75,625,000
		287,057,641	240,195,705	105,364,952	111,307,390
<b>Current</b>					
<b>Secured:</b>					
Term loans	(a)	30,208,647	59,753,098	6,599,457	19,310,004
Bridging loans	(a)	5,087,587	-	-	-
Revolving credits	(b)	6,100,000	13,779,159	6,100,000	-
Hire-purchase and finance lease liabilities	(c)	190,009	181,217	-	-
<b>Unsecured:</b>					
Revolving credits	(b)	170,625,000	170,625,000	170,625,000	170,625,000
		212,211,243	244,338,474	183,324,457	189,935,004
<b>Total borrowings</b>		<b>499,268,884</b>	<b>484,534,179</b>	<b>288,689,409</b>	<b>301,242,394</b>

The borrowings are repayable as follows:

Not later than one year	212,211,243	244,338,474	183,324,457	189,935,004
Later than one year but not later than five years	218,935,141	226,585,705	105,364,952	111,307,390
Later than five years	68,122,500	13,610,000	-	-
	499,268,884	484,534,179	288,689,409	301,242,394

The weighted average effective interest rates per annum at the end of the reporting period for borrowings are as follows:

	The Group		The Company	
	2021	2020	2021	2020
	%	%	%	%
Term loans	3.8	5.0	3.8	5.0
Bridging loans	4.0	5.0	-	-
Revolving credits	3.9	4.7	3.9	4.7

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 31. BORROWINGS (CONT'D)

### (a) Term loans and bridging loans

As at 30 April 2021, the Group has term loans and bridging loans balances under Shariah Principles amounting to RM112.4 million (2020: RM36.0 million), which were obtained from licensed financial institutions.

The abovementioned term loans and bridging loans are secured by way of the following:

- (i) the respective subsidiary companies' stamped facility agreements;
- (ii) fixed charges over certain investment properties of subsidiary companies as disclosed in Note 16;
- (iii) first party legal charge over certain parcels of freehold land of subsidiary companies held for property development as disclosed in Note 22(a) and 22(b);
- (iv) first party legal charge over certain parcels of leasehold land of subsidiary companies held for property development as disclosed in Note 22(a) and 22(b);
- (v) a fixed and floating charge by way of a debenture on present and future assets of the subsidiary companies;
- (vi) assignment of sales proceeds arising from sale of development properties of certain subsidiary companies;
- (vii) assignment of all monies in the Housing Development Accounts of certain subsidiary companies, subject to the provisions of the Housing Development Account Regulations 1991;
- (viii) assignment of all monies in the Project Development Accounts of certain subsidiary companies;
- (ix) assignment of future rental or lease proceeds from properties of certain subsidiary companies; and
- (x) fixed charge over certain building and improvements of subsidiary companies as disclosed in Note 13.

As at 30 April 2021, the Company has term loans balances issued under Shariah Principles amounting to RM5.1 million (2020: RM5.2 million), which were obtained from licensed financial institutions.

The term loans facilities of the Company are secured by way of the following:

- (i) third party legal charge over certain building and improvements of subsidiary companies as disclosed in Note 13;
- (ii) fixed charges over certain investment properties of subsidiary companies as disclosed in Note 16; and
- (iii) assignment of future rental proceeds generated from certain properties of subsidiary companies.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 31. BORROWINGS (CONT'D)

### (b) Revolving credits

As at 30 April 2021, the Group has revolving credits balances under Shariah Principles amounting to RM277.7 million (2020: RM271.4 million), which were obtained from licensed financial institutions.

The abovementioned revolving credits of the Group are secured by way of:

- (i) fixed charges over certain investment properties of subsidiary companies as disclosed in Note 16;
- (ii) first party legal charge over certain parcel of leasehold land of subsidiary company held for property development as disclosed in Note 22(a) and Note 22(b); and
- (iii) fixed charge over certain parcels of freehold and leasehold land of subsidiary companies held for property development as disclosed in Note 22(a).

As at 30 April 2021, the Company has revolving credits balances under Shariah Principles amounting to RM277.7 million (2020: RM271.4 million), which were obtained from licensed financial institutions.

The revolving credits facilities of the Company were secured by corporate guarantee from one of its wholly-owned subsidiaries and fixed charge over certain parcels of freehold and leasehold land of subsidiary companies held for property development as disclosed in Note 22(a).

### (c) Hire-purchase and finance lease liabilities

	The Group	
	2021 RM	2020 RM
Minimum lease payments:		
Not later than one year	213,235	204,872
Later than one year but not later than five years	240,267	234,814
	453,502	439,686
Future finance charges	(32,728)	(37,528)
Present value of hire-purchase and finance lease liabilities	420,774	402,158
Present value of hire-purchase and finance lease liabilities:		
Not later than one year	190,009	181,217
Later than one year but not more than two years	204,107	136,475
Later than two years but not more than five years	26,658	84,466
	420,774	402,158
Analysed as follows:		
Due within 12 months	190,009	181,217
Due after 12 months	230,765	220,941
	420,774	402,158



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 31. BORROWINGS (CONT'D)

### (c) Hire-purchase and finance lease liabilities (Cont'd)

The hire-purchase and finance lease liabilities of the Group bear interest at rates of 5.9% (2020: ranging from 3.0% to 8.1%) per annum. Interest rates are fixed at the inception of the hire-purchase and lease arrangements.

The Group's hire-purchase and finance lease liabilities are secured by the financial institutions' charge over the assets under hire-purchase and finance lease.

## 32. TRADE PAYABLES

Included in the Group's trade payables are retention sums of RM22,706,234 (2020: RM19,355,757) payable to subcontractors.

The normal credit terms granted to the Group range from 1 to 60 days (2020: 1 to 60 days).

## 33. OTHER PAYABLES AND ACCRUED EXPENSES AND PROVISIONS

Other payables and accrued expenses comprise:

	Note	The Group		The Company	
		2021 RM	2020 RM	2021 RM	2020 RM
Other accrued expenses		27,493,329	21,545,365	123,402	73,000
Deposits received from purchasers and tenants		7,970,351	10,629,976	13,450	101,350
Other payables	(a)	9,428,432	11,373,837	662,530	851,551
Advances from non-controlling shareholder of a subsidiary company in relation to acquisition of land		20,205,131	4,430,983	-	-
Rental and government subsidy received in advance		2,449,468	2,656,635	-	-
Land cost payable	(b)	2,454,736	2,454,736	-	-
Accrued interest expense		569,575	625,669	1,148,996	1,132,464
		70,571,022	53,717,201	1,948,378	2,158,365

Provisions comprise:

	Note	The Group	
		2021 RM	2020 RM
Provision for affordable housing obligations	(c)	84,960,188	81,330,403
Provision for release of bumiputra quota		9,691,325	12,218,992
Provision for liquidated ascertained damages		2,520,000	-
		97,171,513	93,549,395

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 33. OTHER PAYABLES AND ACCRUED EXPENSES AND PROVISIONS (CONT'D)

### (a) Other payables

Other payables comprise amounts outstanding for ongoing costs and operating expenses payable.

Included in other payables of the Group and the Company is an amount due to KJ Leisure Sdn. Bhd., a company in which certain directors of the Company have interest, of RM202,079 and RM47,562 (2020: RM185,561 and RM47,562), respectively. The said amount, which mainly arose from payment on behalf, is interest-free, unsecured and repayable on demand.

### (b) Land cost payable

In accordance with the Joint Venture Agreement ("JVA") between Leader Domain Sdn. Bhd. ("LDSB") and Glomac Resources Sdn. Bhd., a wholly-owned subsidiary company, LDSB is entitled to profit-sharing arising from the property development activity amounting to RM12,225,258 (2020: RM12,225,258) which has been included in the property development costs. As at 30 April 2021, an amount of RM9,770,522 (2020: RM9,770,522) has been paid and the remaining amount of RM2,454,736 (2020: RM2,454,736) has been recognised as part of land cost payable.

### (c) Provision for affordable housing obligations

The Malaysian Institute of Accountants (MIA) issued Financial Reporting Standards Implementation Committee ("FRSIC") Consensus 17 on Development of Affordable Housing on 24 November 2011. It recommends that the estimated amount of shortfall relating to affordable housing obligations be recognised as a provision. The recognition of such provision would result in the recognition of a corresponding asset in the form of common costs in the development of premium housing as included in Note 22(a) on Land Held for Property Development and Note 22(b) on Property Development Costs.

On 7 March 2018, MIA issued an Addendum to FRSIC Consensus 17, clarifying that an entity shall not apply the principles in FRSIC Consensus 17 after the adoption of MFRS 15 which was effective for annual periods beginning on 1 May 2018. Based on the Addendum issued, the Group will continue to assess and estimate the provision for affordable housing obligations as and when there is present obligation to construct the affordable housing.

Movement of the provision for affordable housing obligations is as follows:

	The Group	
	2021 RM	2020 RM
At beginning of year	81,330,403	82,815,381
Provision made/(reversed) during the year	3,629,785	(1,484,978)
At end of year	84,960,188	81,330,403

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 34. RECONCILIATION OF LIABILITIES ARISING FROM/(USED IN) FINANCING ACTIVITIES

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from/(used in) financing activities.

	As at 1 May 2020 RM	Cash Flows RM	Non-cash Transactions RM	As at 30 April 2021 RM
<b>The Group</b>				
Hire-purchase and finance lease liabilities (Note 31)	402,158	18,616	-	420,774
Lease liabilities [Note 14(b)]	9,040,745	(4,282,967)	635,927	5,393,705
Revolving credits (Note 31)	285,129,159	(7,404,159)	-	277,725,000
Term loans and bridging loans (Note 31)	199,002,862	22,120,248	-	221,123,110

### The Company

Amount due to subsidiary companies (Note 27)	114,484,855	(42,620,573)	18,771,472	90,635,754
Lease liabilities [Note 14(b)]	3,135,765	(843,365)	146,854	2,439,254
Revolving credits (Note 31)	271,350,000	6,375,000	-	277,725,000
Term loans (Note 31)	29,892,394	(18,927,985)	-	10,964,409

	As at 30 April 2019 RM	Adjustment on initial application of MFRS 16 RM	As at 1 May 2019 RM	Cash Flows RM	Non-cash Transactions RM	As at 30 April 2020 RM
<b>The Group</b>						
Hire-purchase and finance lease liabilities (Note 31)	827,027	-	827,027	(424,869)	-	402,158
Lease liabilities [Note 14(b)]	-	9,216,796	9,216,796	(4,031,859)	3,855,808	9,040,745
Revolving credits (Note 31)	290,728,572	-	290,728,572	(5,599,413)	-	285,129,159
Term loans and bridging loans (Note 31)	216,976,251	-	216,976,251	(17,973,389)	-	199,002,862

### The Company

Amount due to subsidiary companies (Note 27)	112,616,118	-	112,616,118	(2,480,283)	4,349,020	114,484,855
Lease liabilities [Note 14(b)]	-	3,796,946	3,796,946	(661,181)	-	3,135,765
Revolving credits (Note 31)	259,850,000	-	259,850,000	11,500,000	-	271,350,000
Term loans (Note 31)	39,050,000	-	39,050,000	(9,157,606)	-	29,892,394

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 35. CORPORATE GUARANTEES

The Group and the Company have provided corporate guarantees to certain financial institutions pertaining to the banking facilities utilised by its subsidiary companies as at 30 April 2021.

The total amount of corporate guarantees provided by the Group and the Company for the abovementioned facilities amounted to RM549,150,000 (2020: RM513,450,000) and RM491,225,000 (2020: RM496,850,000) respectively. The financial guarantees have not been recognised since the fair value on initial recognition was not material as the financial guarantees provided by the Group and the Company did not contribute towards credit enhancement of the subsidiary companies' borrowings in view of the securities pledged by the subsidiary companies as disclosed in Note 31.

## 36. CAPITAL COMMITMENT

As at the end of reporting period, the Group has the following capital commitments:

	The Group	
	2021 RM	2020 RM
Purchase of land held for property development	1,200,000	2,000,000

The Company does not have any capital commitment as at 30 April 2021 and 30 April 2020.

## 37. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in the financial statements, the related parties and their relationship with the Company and its subsidiary companies are as follows:

Name of related parties	Relationship
Tan Sri Dato' Mohamed Mansor bin Fateh Din Datuk Fong Loong Tuck Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor Dato' Ikhwan Salim bin Dato' Haji Sujak	Directors of the Company
Fara Inez binti Tan Sri Dato' Mohamed Mansor	Daughter of a Director of the Company
Fateh Idzham bin Datuk Seri Fateh Iskandar Fateh Imran bin Datuk Seri Fateh Iskandar	Sons of a Director of the Company
KJ Leisure Sdn. Bhd.	A company in which certain directors of the Company have direct interest and one of them is also a director of the company
Mind Flux Sdn. Bhd.	A company in which a director of the Company has direct interest and is also a director of the company
Berapit Holdings Sdn. Bhd.	A company in which certain directors of the Company have direct interest and are also directors of the company
Stagbridge Sdn. Bhd.	A company in which a director of the Company and his spouse have direct interest and are also directors of the company

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 37. RELATED PARTY TRANSACTIONS (CONT'D)

Significant transactions undertaken on agreed terms and prices by the Group with their related parties during the financial year are as follows:

	The Group			
	2021 Amount of Transaction RM	Outstanding Amount RM	2020 Amount of Transaction RM	Outstanding Amount RM
Sale of properties to a company in which certain directors of the Company have direct interest and are also directors of the company	-	-	1,834,433	100,000
Sale of properties to a director of the Company	822,571	-	551,133	-
Cancellation of sale of properties to a company in which certain directors of the Company have direct interest and are also directors of the company	-	-	(3,036,589)	-
Rental income from a company in which a director of the Company has direct interest and is also a director of the company	236,250	435,262	270,000	397,500
Rental expenses paid or payable to companies in which certain directors of the Company have direct interest and are also directors of the companies	(258,000)	(19,500)	(258,000)	-
Marketing services rendered by a company in which certain director of the Company has direct interest and is also a director of the company	(354,681)	-	(88,075)	-

## Compensation of key management personnel

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Directors</b>				
Salaries and other emoluments	3,940,346	4,337,934	206,888	223,310
Directors' fees	226,290	180,000	226,290	180,000
Benefits-in-kind	96,600	96,600	96,600	96,600
Total short-term employment benefits	4,263,236	4,614,534	529,778	499,910
Post-employment benefits: Defined contribution plan	483,592	550,704	20,251	23,814
	4,746,828	5,165,238	550,029	523,724

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 37. RELATED PARTY TRANSACTIONS (CONT'D)

### Compensation of key management personnel (Cont'd)

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Other key management personnel</b>				
Salaries and other emoluments/ Total short-term employment benefits	5,902,056	6,160,377	101,407	101,854
Post-employment benefits: Defined contribution plan	684,819	692,664	11,697	11,317
	6,586,875	6,853,041	113,104	113,171
<b>Total Compensation</b>	<b>11,333,703</b>	<b>12,018,279</b>	<b>633,133</b>	<b>636,895</b>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company, directly or indirectly.

## 38. SHARE-BASED PAYMENTS

The Employees' Share Scheme ("ESS") of the Company is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 24 October 2013. The ESS was implemented on 31 March 2014 and will be in force for a maximum period of 7 years from the effective date.

The maximum number of the Company's shares under the ESS should not exceed in aggregate 8% of the issued and paid-up share capital (excluding treasury shares) of the Company at any point of time during the duration of the scheme period. Other principal features of the ESS are as follows:

- (i) The employees eligible to participate in the ESS must be employed on a full time basis and on the payroll of any corporation in the Group and has not served a notice of resignation or received a notice of termination and is confirmed in service;
- (ii) The entitlement under the ESS for the Executive Directors, including any person connected to the Directors is subject to the approval of the shareholders of the Company in a general meeting;

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 38. SHARE-BASED PAYMENTS (CONT'D)

- (iii) The ESS comprises 2 schemes, i.e. Employees' Share Option Scheme ("ESOS") and Restricted Share Grant ("RSG").

Key features of the ESOS award are as follows:

- (a) The maximum number of the Company's new shares pursuant to the ESOS should not exceed 4% of the issued and paid-up share capital (excluding treasury shares) of the Company.
- (b) Under the ESOS award, the Company may from time to time within the offer period, offer to eligible employees a certain number of options at the offer date, subject to the acceptance of the participants. The participants will be granted the ESOS options which can then be exercised within a period of up to 5 years to subscribe for fully paid-up ordinary shares in the Company, provided all the conditions are duly and fully satisfied.
- (c) The subscription price of the ESOS shall be at the Volume Weighted Average Market Price ("VWAMP") of the Company's shares for the 5 market days immediately preceding the offer date with a potential discount of not more than 10% or any other limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities as may be amended from time to time, or at the par value of the shares (or such other par value as may be permitted by the Companies Act), whichever is higher.

Key features of the RSG award are as follows:

- (a) The maximum number of the Company existing shares pursuant to RSG should not exceed 4% of the existing issued and paid-up share capital (excluding treasury shares) of the Company.
- (b) Under the RSG award, the Company may from time to time within the offer period, invite a selected senior management to enter into an agreement with the Company, whereupon the Company shall agree to award the scheme shares to the participants, subject to fulfilling the relevant service and performance objectives and provided all the performance-related conditions are duly and fully satisfied. The scheme shares as specified in the RSG award will only vest based on a 2 year cliff vesting schedule, provided all the RSG vesting conditions are duly and fully satisfied.
- (c) The RSG grant price for each underlying shares will be based on the fair value of the Company's shares with no entitlement to any discount, after taking into account among others, the VWAMP of the Company's shares for the 5 market days immediately preceding the RSG grant date.

- (iv) The Company may terminate the ESS at any time during the duration of the scheme subject to:

- (a) consent of the Company's shareholders at a general meeting, wherein at least a majority of the shareholders, present and voting, vote in favor of the termination; and
- (b) written consent of all scheme participants who have yet to exercise their ESOS options either in part or in whole, and all scheme participants whose RSG Agreements are still subsisting.

Upon termination of the ESS, all unexercised ESOS and/or unvested RSG shall be deemed to have been cancelled and be null and void.

During the financial year ended 30 April 2018, the Company has undertaken a bonus issue on the basis of one (1) bonus share for every ten (10) existing shares held. Following this, the Company revised upward the number of shares granted under its unexpired ESOS and RSG by 10% and revised downward the exercise price of its unexpired ESOS by 10%.

In accordance with the requirements of MFRS 2 *Share-based Payment*, fair valuation at modification date has been performed and the incremental fair value is included in the measurement of the amount recognised for services received over the period from the modification date until the date when the additional equity instruments vest, in addition to the amount based on the grant date fair value of the equity instruments originally granted, which is recognised over the remainder of the original vesting period.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

### 38. SHARE-BASED PAYMENTS (CONT'D)

The number of share options under ESOS outstanding as at 30 April 2021 are as follows:

Option Series	Balance at 1.5.2020	Cancelled	Lapsed	Balance at 30.4.2021	Grant date	Expiry date	Exercise price <sup>(i)</sup> RM	Fair value at modification date RM
Grant 3	6,188,600	(127,600)	(6,061,000)	-	4.1.2016	2.1.2021	0.72	0.21

<sup>(i)</sup> ESOS exercise price per share after modification

The number of shares under RSG outstanding as at 30 April 2021 are as follows:

Option Series	Balance at 1.5.2020	Cancelled	Balance at 30.4.2021	Grant date	Expiry date	Exercise price <sup>(i)</sup> RM	Fair value at modification date RM
Grant 4	3,568,400	(3,568,400)	-	3.1.2017	2.1.2019	-	0.61

#### Fair value of ESOS and RSG

Fair value of ESOS and RSG are computed using the Monte Carlo Fair Valuation model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the option), and behavioural considerations. Expected volatility for ESOS and RSG is based on the historical annualised 5 years and 2 years volatility measured monthly, respectively.

### 39. SEGMENTAL INFORMATION

#### (a) Business Segments

The Group is organised into three areas of businesses:

- (i) Property development - the development of land into residential and commercial properties for sale and sale of vacant land
- (ii) Construction - the construction of buildings
- (iii) Property investment - the investment of land and buildings held for investment potential and rental income in future

Other business segments include investment holding which are not separately reported as the segment's operations are not material to the Group.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Management has determined the operating segments based on the reports viewed by the Chief Executive Officer (the chief operating decision-maker) for the purpose of resources allocation and assessment of segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 39. SEGMENTAL INFORMATION (CONT'D)

### (b) Geographical Segments

The Group operates and derives its income in Malaysia. Accordingly, the financial information by geographical segment has not been presented.

2021	Property Development RM	Construction RM	Property Investment RM	Other Operations RM	Eliminations RM	Consolidated RM
<b>REVENUE</b>						
External revenue	346,473,738	-	18,476,032	1,955,334	-	366,905,104
Inter-segment revenue	-	64,738,987	2,496,568	11,009,281	(78,244,836)	-
Total revenue	346,473,738	64,738,987	20,972,600	12,964,615	(78,244,836)	366,905,104
<b>RESULTS</b>						
Operating profit/(loss)	81,765,753	8,466,424	(8,491,377)	(1,936,728)	(8,466,424)	71,337,648
Share of losses of associated companies	(450,581)	-	-	-	-	(450,581)
Interest income	8,814,737	1,589,353	14,929,953	24,354,032	(46,034,877)	3,653,198
Finance costs	(8,528,318)	(231,569)	(19,683,545)	(16,691,514)	28,716,376	(16,418,570)
Income tax expense	(38,246,361)	(2,148,935)	(444,074)	(4,625,463)	19,825,661	(25,639,172)
Profit for the financial year						32,482,523
<b>ASSETS</b>						
Segment assets	1,463,483,723	54,261,947	332,970,144	69,520,467	-	1,920,236,281
Investment in associated companies	27,355,783	-	-	-	-	27,355,783
Consolidated total assets						1,947,592,064
<b>LIABILITIES</b>						
Segment liabilities/ Consolidated total liabilities	455,583,154	9,036,485	34,056,025	291,564,678	-	790,240,342
<b>OTHER INFORMATION</b>						
Capital expenditure	290,512	-	317,392	50,048	-	657,952
<b>Non-cash expenses</b>						
Depreciation and amortisation	1,815,579	50,371	3,994,133	845,174	-	6,705,257
Fair value loss/(gain) on investment properties	2,273,480	(490,000)	14,212,856	-	(3,000,000)	12,996,336
Impairment losses on other receivables	-	-	-	26,865	-	26,865
Bad debts written off	227,067	-	-	-	-	227,067
Property, plant and equipment written off	-	-	-	2,538	-	2,538
Loss/(Gain) on disposal of property, plant and equipment	13,192	-	-	(6,690)	-	6,502

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 39. SEGMENTAL INFORMATION (CONT'D)

### (b) Geographical Segments (Cont'd)

2020	Property Development RM	Construction RM	Property Investment RM	Other Operations RM	Eliminations RM	Consolidated RM
<b>REVENUE</b>						
External revenue	217,316,343	-	25,740,992	2,757,164	-	245,814,499
Inter-segment revenue	-	37,153,372	3,222,764	11,473,565	(51,849,701)	-
Total revenue	217,316,343	37,153,372	28,963,756	14,230,729	(51,849,701)	245,814,499
<b>RESULTS</b>						
Operating profit/(loss)	52,309,000	5,604,941	(13,068,915)	(2,637,449)	(5,604,941)	36,602,636
Share of losses of associated companies	(531,467)	-	-	-	-	(531,467)
Interest income	10,773,094	2,086,881	22,804,939	36,125,345	(67,056,476)	4,733,783
Finance costs	(14,934,723)	(157,944)	(31,937,343)	(19,403,883)	45,805,247	(20,628,646)
Income tax expense	(2,692,572)	(718,820)	(1,000,497)	(3,525,764)	5,158,727	(2,778,926)
Profit for the financial year						17,397,380
<b>ASSETS</b>						
Segment assets	1,419,664,891	44,512,413	342,213,616	61,261,727	-	1,867,652,647
Investment in associated companies	28,095,114	-	-	-	-	28,095,114
Consolidated total assets						1,895,747,761
<b>LIABILITIES</b>						
Segment liabilities/ Consolidated total liabilities	378,793,994	6,056,467	74,334,398	302,882,787	-	762,067,646
<b>OTHER INFORMATION</b>						
Capital expenditure	22,463	-	41,030	256,161	-	319,654
<b>Non-cash expenses</b>						
Depreciation and amortisation	2,867,783	72,906	4,277,666	87,709	-	7,306,064
Fair value loss on investment properties	909,360	1,424,000	28,286,260	-	(6,000,000)	24,619,620
Impairment losses on other receivables	100,000	-	-	-	-	100,000
Bad debts written off	-	-	120,594	-	-	120,594
<b>Non-cash income</b>						
Reversal of impairment losses on receivables no longer required	-	-	(151,091)	-	-	(151,091)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 40. FINANCIAL INSTRUMENTS

### Categories of Financial Instruments

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Financial assets</b>				
<b>Amortised cost</b>				
Trade receivables	94,684,709	90,140,416	-	-
Other receivables	25,076,051	22,081,376	2,678,231	5,923,045
Deposit, cash and bank balances	218,267,731	176,450,722	26,905,056	18,617,957
Amount due from subsidiary companies	-	-	436,627,097	646,902,931
<b>Fair value through other comprehensive income</b>				
Other investments	4,000,000	4,000,000	-	-
<b>Financial liabilities</b>				
<b>Amortised cost</b>				
Debts:				
Revolving credits	277,725,000	285,129,159	277,725,000	271,350,000
Term loans	208,522,626	190,968,443	10,964,409	29,892,394
Lease liabilities	5,393,705	9,040,745	2,439,254	3,135,765
Bridging loans	12,600,484	8,034,419	-	-
Hire-purchase and finance lease liabilities	420,774	402,158	-	-
Trade payables	504,662,589	493,574,924	291,128,663	304,378,159
Accrued expenses	106,914,297	94,918,769	-	-
Other payables	28,062,904	22,171,034	1,272,398	1,205,464
Refundable deposits received	9,428,432	11,373,837	662,530	851,551
Advances from non-controlling shareholder of a subsidiary company	7,970,351	10,629,976	13,450	101,350
Land cost payable	20,205,131	4,430,983	-	-
Amount due to subsidiary companies	2,454,736	2,454,736	-	-
	-	-	90,635,754	114,484,855

### Fair Value of Financial Instruments

The Directors consider the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values due to the relatively short-term maturity period of the financial instruments or exposure to floating interest rates, except as follows:

	The Group	
	2021 RM	2020 RM
<b>Financial assets</b>		
<b>Fair value through other comprehensive income</b>		
Other investments	4,000,000	4,000,000

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 40. FINANCIAL INSTRUMENTS (CONT'D)

### Fair Value of Financial Instruments (Cont'd)

Fair values of other investments have been arrived at based on estimation using certain valuation techniques such as discounted future cash flows using a rate based on the current market rate of borrowing. These techniques involve uncertainties and are affected by the assumptions used and judgements made regarding the discount rates and estimates of the timing of the future cash flows. Changes in assumptions could affect these estimates and the resulting fair values.

The other investments are classified as Level 3 under fair value hierarchy.

There is no material difference between the fair values and carrying values of these investments at the end of reporting period.

## 41. FINANCIAL RISK MANAGEMENT

The operations of the Group are subject to a variety of financial risks, including credit risk, interest rate risk, foreign currency risk and liquidity risk.

The Group has formulated a financial risk management framework whose principal objective is to minimise the Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

Financial risk management is carried out through risk reviews, internal control systems and adherence to Group financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which cover the management of these risks.

### (i) Capital risk management

The Group and the Company manage its capital to ensure that it will be able to continue as a going concern while maximising returns to the shareholders through the optimisation of debt and equity balance. The Group's and the Company's overall strategy remain unchanged from 2020.

The Group and the Company did not engage in any transaction involving financial derivative instruments during the financial year.

The Group's and the Company's risk management committee reviews the capital structure of the Group and the Company on a regular basis. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristic of the underlying assets. No changes were made in the objectives, policies or processes during the financial year ended 30 April 2021.

### Gearing ratio

The gearing ratio at end of the reporting period is as follows:

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Debts	504,662,589	493,574,924	291,128,663	304,378,159
Deposits, cash and bank balances	(218,267,731)	(176,450,722)	(26,905,056)	(18,617,957)
Net debt	286,394,858	317,124,202	264,223,607	285,760,202
Equity	1,157,351,722	1,133,680,115	791,407,637	787,421,211
Net gearing ratio	25%	28%	33%	36%

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 41. FINANCIAL RISK MANAGEMENT (CONT'D)

### (i) Capital risk management (Cont'd)

#### Gearing ratio (Cont'd)

Debt is defined as lease liabilities and borrowings, as described in Note 14 and Note 31.

Equity includes all capital and reserves of the Group and the Company that are managed as capital.

#### Significant Accounting Policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition and the bases of measurement) for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

### (ii) Credit Risk Management

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group.

The Group is exposed to credit risk mainly from its customer base, including trade receivables. The Group extends credit to its customers based upon careful evaluation of the customer's financial condition and credit history. Trade receivables are monitored on an ongoing basis by the Group's credit control department.

#### Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is the carrying amount of trade and other receivables, deposits with licensed bank and cash and bank balances.

The Company's maximum exposure to credit risk also includes amount due from subsidiary companies, and there is also credit facilities of the Company guaranteed by a subsidiary company at the reporting date. As at the reporting date, the maximum exposure to credit risk in relation to the financial corporate guarantees given amounts of the Group and of the Company amounted to RM549,150,000 (2020: RM513,450,000) and RM491,225,000 (2020: RM496,850,000) respectively as at the end of the reporting period representing the outstanding bank facilities of the subsidiaries as at the end of financial year.

The carrying amount of financial assets recognised in the financial statements, which is net of impairment losses, represents the Group's and the Company's maximum exposure to credit risk, without taking into account collateral or other credit enhancements held.

### (iii) Interest Rate Risk Management

The Group and the Company are exposed to interest rate risk through the impact of rate changes on interest-bearing deposits and borrowings.

The Group's interest-bearing assets are primarily bank deposits with licensed banks. The interest rates on these deposits are monitored closely to ensure that they are maintained at favourable rates. The Group considers the risk of significant changes to interest rates on deposits to be unlikely.

The Group's interest rate exposure arises mainly from borrowings. The Group's and the Company's exposure to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 41. FINANCIAL RISK MANAGEMENT (CONT'D)

### (iii) Interest Rate Risk Management (Cont'd)

Interest rate exposure is measured using sensitivity analysis as disclosed below:

#### *Interest rate sensitivity analysis*

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating-rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the financial year ended 30 April 2021 would decrease/increase by RM2,595,266 (2020: RM2,442,815). This is mainly attributable to the Group's exposure to interest rates on its variable-rate borrowings. The Group's sensitivity to interest rates has decreased during the current period mainly due to the decreased in variable rate debt instruments.

### (iv) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group and the Company may be required to pay.

#### *Liquidity and interest risk table*

	Note	Weighted average effective interest rate per annum %	Less than 1 year RM	1 - 2 years RM	2 - 5 years RM	5+ years RM	Total RM
<b>The Group 30 April 2021</b>							
Non-interest bearing instruments	(a)	-	150,860,600	841,128	3,128,992	-	154,830,720
Hire-purchase and finance lease liability		6.37%	213,235	213,000	27,267	-	453,502
Lease liabilities		4.55%	3,610,728	1,814,138	196,573	-	5,621,439
Variable-interest rate instruments		3.94%	331,374,262	74,014,835	130,549,950	16,137,564	552,076,611
Financial guarantee	(c)	-	549,150,000	-	-	-	549,150,000



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 41. FINANCIAL RISK MANAGEMENT (CONT'D)

### (iv) Liquidity Risk Management (Cont'd)

#### *Liquidity and interest risk table (Cont'd)*

	Note	Weighted average effective interest rate per annum %	Less than 1 year RM	1 - 2 years RM	2 - 5 years RM	5+ years RM	Total RM
<b>The Company</b>							
<b>30 April 2021</b>							
Non-interest bearing instruments	(b)	-	1,948,378	-	-	-	1,948,378
Lease liabilities		6.66%	838,866	836,126	969,087	-	2,644,079
Variable-interest rate instruments		3.89%	190,456,617	29,354,685	91,060,407	-	310,871,709
Financial guarantee	(c)	-	491,225,000	-	-	-	491,225,000

#### **The Group** **30 April 2020**

Non-interest bearing instruments	(a)	-	139,884,502	841,128	822,722	-	141,548,352
Hire-purchase and finance lease liability		7.51%	204,872	148,000	86,814	-	439,686
Lease liabilities		4.49%	4,199,745	3,416,149	1,910,491	-	9,526,385
Variable-interest rate instruments		4.83%	260,823,393	79,123,347	183,938,292	18,383,642	542,268,674
Financial guarantee	(c)	-	513,450,000	-	-	-	513,450,000

#### **The Company** **30 April 2020**

Non-interest bearing instruments	(b)	-	2,158,365	-	-	-	2,158,365
Lease liabilities		5.35%	843,366	838,866	1,805,212	-	3,487,444
Variable-interest rate instruments		4.88%	319,279,833	24,131,096	108,140,157	-	451,551,086
Financial guarantee	(c)	-	496,850,000	-	-	-	496,850,000

(a) Non-interest bearing instruments of the Group consist of trade payables, other payables and accrued expenses.

(b) Non-interest bearing instruments of the Company consist of other payables and accrued expenses.

(c) At the reporting date, the counterparties to the financial guarantees do not have a right to demand cash as the defaults have not occurred.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 42. SUBSIDIARY AND ASSOCIATED COMPANIES

Name of company	Proportion of ownership interest and voting power held by the Group		Principal Activities
	2021 %	2020 %	
<b><u>Subsidiary companies</u></b>			
<b>Incorporated in Malaysia</b>			
Anugerah Armada Sdn. Bhd.#	100	100	Property development and investment^
Bangi Integrated Corporation Sdn. Bhd.	100	100	Property investment
Berapit Development Sdn. Bhd.#	100	100	Property development and investment holding^
BH Interiors Sdn. Bhd. #	100	100	Provision of renovation works^
Dunia Heights Sdn. Bhd. #	100	100	Property development and investment
Elmina Equestrian Centre (Malaysia) Sdn. Bhd. #	100	100	Property development and investment
Glomac Alliance Sdn. Bhd.	100	100	Property development and investment
Glomac Consolidated Sdn. Bhd. #	100	100	Property development and investment
Glomac City Sdn. Bhd. #	100	100	Property development and investment
Glomac Damansara Sdn. Bhd.	100	100	Property development and investment
Glomac Enterprise Sdn. Bhd.	100	100	Property development and investment holding
Glomac Group Management Services Sdn. Bhd. #	100	100	Property development, property management and investment holding
Glomac Jaya Sdn. Bhd.	100	100	Property development and investment
Glomac Land Sdn. Bhd. #	100	100	Property development and investment^
Glomac Leisure Sdn. Bhd. #	100	100	Property development and investment^
Glomac Maju Sdn. Bhd.	100	100	Property development and investment
Glomac Nusantara Sdn. Bhd. #	100	100	Property development and investment
Glomac Property Services Sdn. Bhd. #	100	100	Property management services
Glomac Rawang Sdn. Bhd.	100	100	Property development and investment
Glomac Real Estate Sdn. Bhd. #	100	100	Property development and investment holding^
Glomac Realty Sdn. Bhd. #	100	100	Property development and investment holding
Glomac Regal Sdn. Bhd. #	100	100	Property development and investment
Glomac Resources Sdn. Bhd.	100	100	Property development and investment
Glomac Restaurants Sdn. Bhd.* #	100	100	Investment holding
Glomac Segar Sdn. Bhd.	100	100	Property development and investment holding
Glomac Sutera Sdn. Bhd. #	100	100	Property development and investment
Glomac Vantage Sdn. Bhd. #	100	100	Property development and investment
Kelana Centre Point Sdn. Bhd.* #	100	100	Property development and investment holding
Kelana Seafood Centre Sdn. Bhd.* #	100	100	Management and operation of restaurant^^
Magic Season Sdn. Bhd. #	100	100	Property development and investment^
Magnitud Teknologi Sdn. Bhd. #	100	100	Property development and investment^

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 42. SUBSIDIARY AND ASSOCIATED COMPANIES (CONT'D)

Name of company	Proportion of ownership interest and voting power held by the Group		Principal Activities
	2021 %	2020 %	
<b><u>Subsidiary companies (Cont'd)</u></b>			
<b>Incorporated in Malaysia</b>			
OUG Square Sdn. Bhd. #	100	100	Property development and investment holding^
Precious Quest Sdn. Bhd.	100	100	Property development and investment
Prisma Legacy Sdn. Bhd. *#	100	100	Building contractor^
Prima Sixteen Sdn. Bhd.*#	100	100	Property development and investment holding^
Regency Land Sdn. Bhd.	100	100	Property development and investment
Sungai Buloh Country Resort Sdn. Bhd. #	100	100	Management and operation of clubhouse^
Glomac Thailand Sdn. Bhd. #	100	100	Investment holding^
Glomac Power Sdn. Bhd. #	85.7	85.7	Investment holding
FDA Sdn. Bhd. #	70	70	Property development and investment holding^
Glomac Excel Sdn. Bhd. #	60	60	Car park operators^
Glomac Utama Sdn. Bhd. #	60	60	Property investment
Prominent Excel Sdn. Bhd. #	60	60	Car park operators and managers
Glomac Al Batha Sdn. Bhd.	51	51	Property development and investment holding
Glomac Al Batha Mutiara Sdn. Bhd. *	51	51	Property development and investment
Glomac Bina Sdn. Bhd.	51	51	Building contractor
Glomac Kristal Sdn. Bhd. #	100	100	Property development and investment
FDM Development Sdn. Bhd.	100	100	Property development and investment
Berapit Properties Sdn. Bhd. #	100	100	Property development and investment
Kelana Property Management Sdn. Bhd. (formerly known as Kelana Property Services Sdn. Bhd.) #	100	100	Property management services
Berapit Pertiwi Sdn. Bhd. #	100	100	Property investment
Kelana Kualiti Sdn. Bhd.	100	100	Property development and investment
Glomac Cekap Sdn. Bhd. #	100	100	Property development and investment^
Magical Sterling Sdn. Bhd.	100	100	Property development and investment
Glo Damansara Sdn. Bhd.	100	100	Property investment
<b>Incorporated in Australia</b>			
Glomac Australia Pty Ltd #	100	100	Investment holding

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## 42. SUBSIDIARY AND ASSOCIATED COMPANIES (CONT'D)

Name of company	Proportion of ownership interest and voting power held by the Group		Principal Activities
	2021 %	2020 %	
<b><u>Associated companies</u></b>			
PPC Glomac Sdn. Bhd. (held through Glomac Power Sdn. Bhd.) #	30	30	Turnkey contractor and property developer
Irama Teguh Sdn. Bhd. (held through PPC Glomac Sdn. Bhd.) #	30	30	Investment holding

\* Interest held through subsidiary companies.

# The financial statements of these companies are examined by auditors other than the auditors of the Company.

^ Dormant/inactive as at 30 April 2021 and 30 April 2020.

^^ Commenced operation during the current financial year ended 30 April 2021, dormant/inactive as at 30 April 2020.

## 43. MATERIAL LITIGATION

### **Soon Hoe Chuan v Glomac Berhad**

On 22 May 2020, Glomac Berhad ("the Defendant" or "the Company") has been served with a Writ of Summons and Statement of Claim dated 14 May 2020 from Soon Hoe Chuan ("the Plaintiff") ("the Suit").

The Plaintiff claimed to have been engaged by the Defendant on 19 October 2004 as the Chief Executive Officer for Glomac Alliance Sdn. Bhd. ("GASB"), a wholly-owned subsidiary of the Company. It was further alleged by the Plaintiff that he had undertaken the role of Project Manager for a particular development project ("the Project") of GASB.

On the hearing date 9 December 2020, the High Court Judge allowed Defendant's Striking Out application in Enclosure 16 with costs of RM7,000 to be paid by the Plaintiff to the Defendant subject to Allocator fees and since the striking out application by the Defendant is allowed by the Court, the application for summary judgment filed by the Plaintiff against the Defendant in Enclosure 6 is therefore dismissed with no order as to costs.

Further the Plaintiff had on 18 December 2020, filed two (2) appeals to the Court of Appeal against the High Court's decision dismissing Enclosure 6 and Enclosure 16. The appeals had since has been registered as follows:

- a. The summary judgment appeal as Court of Appeal Civil Appeal No. W-02(IM)(NCvC)-1932-12/2020; and
- b. The striking out appeal as Court of Appeal Civil Appeal No. W-02(IM)(NCvC)-1933-12/2020.

The Court of Appeal fixed the matter for Hearing on 15 November 2021.

No provision has been made in the financial statements of the Group and the Company in respect of this claim at this juncture, as the outcome of the Suit is not presently determinable.

# **NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

## **44. SIGNIFICANT EVENT DURING THE YEAR**

On 11 March 2020, the World Health Organisation declared the Coronavirus ("COVID-19") outbreak as a pandemic in recognition of its rapid spread across the globe and continuous to date. Since then, Malaysian Government have imposed various level of Movement Control Order ("MCO") as precautionary measures to curb the spread of the COVID-19 outbreak in Malaysia.

The Group and the Company's operations have been disrupted by the series of precautionary and control measures undertaken by the Government and private corporations in response to the COVID-19 pandemic. The Group and the Company have adhered to strict Standard Operating Procedures ("SOP") which are aligned with government guidelines throughout the period. The disruption of its operations during the financial year due to MCO and the relevant financial impact have been taken into account in the financial results of the Group and the Company.

The continuous spread of the COVID-19 may continue to affect the Group's and the Company's operations and those of third parties of which they rely. The ultimate impact of the COVID-19 is highly uncertain and subject to change. The Group and the Company will continuously monitor the impact of COVID-19 on their operations and their financial performances. The Group and the Company will also be taking appropriate and timely measures to minimise the potential impact of the outbreak on the Group's and the Company's operation.

## STATEMENT BY DIRECTORS

The Directors of **GLOMAC BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2021 and of the financial performance and the cash flows of the Group and of the Company for the financial year ended on that date.

Signed in accordance with  
a resolution of the Directors,

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**TAN SRI DATO' MOHAMED MANSOR BIN FATEH DIN**

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**DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR**

Kuala Lumpur  
7 September 2021

## DECLARATION BY THE OFFICER

PRIMARILY RESPONSIBLE FOR THE  
FINANCIAL MANAGEMENT OF THE COMPANY

I, **ONG SHAW CHING**, the Officer primarily responsible for the financial management of **GLOMAC BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

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**ONG SHAW CHING**

(MIA membership no. 7819)

Subscribed and solemnly declared by the abovenamed **ONG SHAW CHING**  
at **KUALA LUMPUR** this 7<sup>th</sup> day of September, 2021.

Before me,

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**COMMISSIONER FOR OATHS**



## ADDITIONAL COMPLIANCE STATEMENT

### 1. Utilisation of Proceeds

The Company did not raise funds through any corporate proposal during the financial year ended 30 April 2021 ("FYE 2021").

### 2. Audit fees and non-audit fees

The audit and non-audit fees incurred for services rendered by the External Auditors of the Group for the FYE 2021 were as follows:-

	Group (RM)	Company (RM)
Audit fees	553,000	102,000
Non-audit fees	40,000	6,000

### 3. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors', chief executive's and/ or major shareholders' interests either subsisting at the end of the FYE 2021 or entered into since the end of the previous financial year.

### 4. Employees' Share Scheme ("ESS")

The Company's ESS comprises two (2) schemes i.e. Employees' Share Option Scheme ("ESOS") and Performance-based Restricted Share Grant ("RSG"). The ESS was implemented on 31 March 2014 and will be in force for a maximum period of seven (7) years from the effective date. The percentage of maximum allocation of RSG and ESOS to the eligible employees including Directors and Senior Management are 4.00% and 4.00%, respectively.

During the FYE 2021, the Company did not grant any RSG shares to its eligible employees nor were any ESOS options granted to the employees of the Group.

On 24 February 2021, the Remuneration and Employees' Share Scheme Committee decided to cancel the vesting of Fourth Tranche of the RSG. The Company has disposed 2,294,325 shares to open market at an average price of RM0.37 per share upon the expiration on 31 March 2021.

The balance shares held in trust by the Company as at 30 April 2021 is amounted to 177,100 shares.

Further details on the options granted to the Directors pursuant to the ESS are set out on pages 100 to 106 of this Annual Report.

## ADDITIONAL COMPLIANCE STATEMENT

### 5. Recurrent Related Party Transactions of a Revenue or Trading Nature (“RRPTs”)

At the Thirty-Sixth Annual General Meeting held on 26 October 2020, the Company had obtained a general mandate from the shareholders to renew the Group’s authority to enter into RRPTs.

In accordance with Section 3.1.5 of Practice Note No. 12 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the details of RRPTs conducted during the FYE 2021 pursuant to the shareholders’ mandate are disclosed as follows: -

Company	Nature of transaction	Transacting party	Related parties	Amount transacted during the FYE 2021 (RM)
Glomac Berhad (“ <b>Glomac</b> ”)	Award of contracts and/or projects for construction works	Glomac Bina Sdn. Bhd. <sup>(A)</sup>	<ul style="list-style-type: none"> <li>Tan Sri Dato’ Mohamed Mansor bin Fateh Din</li> <li>Interested Directors and interested major shareholders <sup>(B)</sup></li> </ul>	69,987,483.94
Glomac Group	Sale of properties by Glomac Group in the ordinary course of business	Directors and major shareholders of Glomac and its subsidiaries and persons connected to them	Directors and major shareholders of Glomac and its subsidiaries and persons connected to them	822,571.20

<sup>(A)</sup> *Glomac Bina Sdn. Bhd. is a 51% subsidiary company of Glomac wherein Tan Sri Dato’ Mohamed Mansor bin Fateh Din has a direct interest of 1,092,000 shares.*

<sup>(B)</sup> *Interested Directors and/or interested major shareholders are Tan Sri Dato’ Mohamed Mansor bin Fateh Din, Datuk Fong Loong Tuck and Datuk Seri Fateh Iskandar bin Tan Sri Dato’ Mohamed Mansor, collectively. They are interested via 1,428,000 and 175,000 shares in Glomac Bina Sdn. Bhd. and FDA Sdn. Bhd., respectively.*

## LIST OF TOP 10 PROPERTIES AND DEVELOPMENT PROPERTIES

AS AT 30 APRIL 2021

No.	Location	Description of Asset / Existing Use	Tenure	Age of Buildings (Years)	Size	Net Book Value as at 30 April 2021 (RM'000)	Date of Acquisition / Date of Valuation*
1	Glo Damansara No. 699 Jalan Damansara 60000 Kuala Lumpur	Retail Mall / Tenanted	Freehold	6	380,000 sq. ft.	285,000	30 April 2021*
2	HS(D) 112510, PT2063 Mukim Petaling (Puchong)	Land approved for mixed development / Development in progress	99 years leasehold, expiring 15.06.2088	N/A	48.7 acres	234,896	21 January 2011
3	HS(D) 4766 & 4767 Lot 6983 & 6984 Mukim Dengkil Daerah Sepang (Saujana KLIA)	Land held for mixed residential / and commercial development / Vacant	99 years leasehold, expiring 30.12.2113 / 30.12.2058	N/A	120.8 acres	150,289	5 November 2012 / 1 June 2012
4	HS(D) 319254, PT2914 PN115007, Lot 76673 Mukim Petaling (Puchong)	Land approved for mixed development	99 years leasehold, expiring 25.03.2117	N/A	15.4 acres	137,185	22 November 2019
5	HS(D) 5472 & 5473 Lot P.T. 9147 & 9148 Mukim of Ijok, District of Kuala Selangor (Saujana Perdana)	Land held for mixed residential and commercial development / Development in progress	99 years leasehold, expiring 01.12.2115	N/A	107.7 acres	103,646	17 February 2012
6	Lot 28044, Batu 27, Kelapa Sawit 81030 Kulaijaya, Johor (Saujana Jaya)	Land held for mixed residential and commercial development / Development in progress	99 years leasehold, expiring 25.06.2115	N/A	166.2 acres	86,006	8 August 2017
7	Geran 332977 Lot 72710 Seksyen 40 Bandar Petaling Jaya, Daerah Petaling Negeri Selangor (Plaza@Kelana Jaya)	Land approved for mixed development / Development in progress	Freehold	N/A	1.2 acres	53,834	1 April 2008

# LIST OF TOP 10 PROPERTIES AND DEVELOPMENT PROPERTIES

AS AT 30 APRIL 2021

No.	Location	Description of Asset / Existing Use	Tenure	Age of Buildings (Years)	Size	Net Book Value as at 30 April 2021 (RM'000)	Date of Acquisition / Date of Valuation*
8	Suria Stonor - Glomac Regal Sdn. Bhd. - Berapit Pertiwi Sdn. Bhd. Geran 40006 Lot 58 & Geran 33299 Lot 122, Section 63, in the Town and District of Kuala Lumpur	Luxurious Condominium / Completed units	Freehold	13 13	30,322 45,962 sq. ft.	21,673 29,950	30 April 2021* 22 October 2010
9	HS(D) 2628 - 2632 and HS(D) 3189 Lot P.T. 2143 - 2147 and P.T 2708 Mukim of Ijok District of Kuala Selangor (Saujana Utama V)	Land held for residential and commercial development / Vacant	99 years leasehold, expiring 07.12.2114	N/A	62.5 acres	47,081	14 March 2014
10	Menara Glomac Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur	Office Building / Tenanted	Freehold	9	97,166 sq. ft.	40,115	1 January 2012

# ANALYSIS OF SHAREHOLDINGS

AS AT 30 AUGUST 2021

Issued Share Capital : 800,089,370 ordinary shares (including 32,023,200 treasury shares)  
 Class of Shares : Ordinary shares  
 Voting Rights : One vote per ordinary share on poll

## A. Distribution of Shareholdings (less treasury shares)

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Less than 100	241	3.63	6,922	0.00
100 - 1,000 shares	423	6.38	190,907	0.02
1,001 - 10,000 shares	3,701	55.80	15,681,305	2.04
10,001 - 100,000 shares	1,980	29.85	57,504,548	7.49
100,001 to less than 5% of issued shares	284	4.28	265,213,704	34.53
5% and above of issued shares	4	0.06	429,468,784	55.92
Total	6,633	100.00	768,066,170	100.00

## B. List of Thirty (30) Largest Shareholders

No	Name	No. of Shares	*% of Shareholdings
1	Tan Sri Dato' Mohamed Mansor bin Fateh Din	161,283,317	21.00
2	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB For Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor (PB)	146,930,800	19.13
3	Citigroup Nominees (Tempatan) Sdn. Bhd. - Urusharta Jamaah Sdn. Bhd. (1)	80,060,310	10.42
4	Datuk Fong Loong Tuck	41,194,357	5.36
5	Citigroup Nominees (Tempatan) Sdn. Bhd. - Employees Provident Fund Board	27,410,350	3.57
6	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Datuk Fong Loong Tuck (MM0886)	26,772,088	3.49
7	RHB Capital Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Datuk Fong Loong Tuck (CEB)	22,000,000	2.86
8	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB for Datuk Fong Loong Tuck (PB)	20,000,000	2.60
9	Alliancegroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Datuk Fong Loong Tuck (8037502)	19,580,000	2.55
10	DB (Malaysia) Nominee (Asing) Sdn. Bhd. - Deutsche Bank AG Singapore For Yeoman 3-Rights Value Asia Fund (PTSL)	11,825,000	1.54
11	Lim Pei Tiam @ Liam Ahat Kiat	5,795,621	0.75
12	Mah Siew Seong	5,624,790	0.73
13	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Liew Kon Sing @ Liew Kong	4,825,040	0.63
14	Fara Eliza binti Tan Sri Dato' Mohamed Mansor	3,806,000	0.50
15	Fara Inez binti Tan Sri Dato' Mohamed Mansor	3,520,000	0.46
16	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Exempt An For Affin Hwang Asset Management Berhad (TSTAC/CLNT-T)	3,300,000	0.43
17	HSBC Nominees (Tempatan) Sdn. Bhd. - HSBC (M) Trustee Bhd For Manulife Investment Al-Faid (4389)	2,957,480	0.39
18	Federlite Holdings Sdn. Bhd.	2,898,100	0.38

# ANALYSIS OF SHAREHOLDINGS

AS AT 30 AUGUST 2021

No	Name	No. of Shares	*% of Shareholdings
19	AMSEC Nominees (Asing) Sdn. Bhd. - KGI Securities (Singapore) Pte. Ltd. For Lee Chee Seng (80227)	2,851,200	0.37
20	Abu Talib bin Othman	2,687,410	0.35
21	Chuah Theong Yee	2,655,930	0.35
22	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB For Fong Kah Kuen (PB)	2,420,000	0.32
23	Affin Hwang Nominees (Asing) Sdn. Bhd. - DBS Vickers Secs (S) Pte Ltd For Lim Mee Hwa	2,200,000	0.29
24	HSBC Nominees (Asing) Sdn. Bhd. - Exempt An For Credit Suisse (SG BR-TST-ASING)	2,200,000	0.29
25	Ambank (M) Berhad - Pledged Securities Account For Datuk Ali bin Abdul Kadir (Smart)	2,013,000	0.26
26	DB (Malaysia) Nominee (Asing) Sdn. Bhd. - The Bank Of New York Mellon For Ensign Peak Advisors Inc.	1,917,380	0.25
27	Lim Chun Yin	1,769,000	0.23
28	HSBC Nominees (Asing) Sdn. Bhd. - JPMBL SA For Stichting Shell Pensioenfonds	1,677,940	0.22
29	Public Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Young Chuan Kim (E-KTU)	1,650,000	0.21
30	Vanyong Sdn. Bhd.	1,582,130	0.21
<b>TOTAL</b>		<b>615,407,243</b>	<b>80.14</b>

Note:

\* percentage calculated excluding treasury shares of 32,023,200

## C. Substantial Shareholders (as per Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct	*% of Shareholding	Indirect	*% of Shareholding
1. Tan Sri Dato' Mohamed Mansor bin Fateh Din	161,283,317	21.00	146,930,800^@	19.13
2. Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	146,930,800^	19.13	161,283,317+	21.00
3. Datuk Fong Loong Tuck	130,874,805^	17.04	-	-
4. Urusharta Jamaah Sdn. Bhd.	80,060,310^	10.42	-	-

**ANALYSIS OF  
SHAREHOLDINGS**

AS AT 30 AUGUST 2021

**D. Directors' Shareholdings (as per Register of Directors)**

Name of Directors	Direct	*% of Shareholding	Indirect	*% of Shareholding
1. Tan Sri Dato' Mohamed Mansor bin Fateh Din	161,283,317	21.00	154,256,800#^	20.08
2. Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	146,930,800^	19.13	161,283,317+	21.00
3. Datuk Fong Loong Tuck	130,874,805^	17.04	-	-
4. Dato' Ikhwan Salim bin Dato' Haji Sujak	22,880	0.00	-	-
5. Datuk Ali bin Abdul Kadir	2,013,000^	0.26	-	-
6. Shan Choo	-	-	-	-
7. Datuk Bazlan bin Osman	-	-	-	-

## Notes:

\* percentage calculated excluding treasury shares of 32,023,200

^ including shares held by nominee companies

# Deemed interested pursuant to Section 8 and Section 59(11)(c) of the Companies Act 2016 by virtue of his son's and daughters' interests in Glomac Berhad, respectively

+ Deemed interested pursuant to Section 8 of the Companies Act 2016 by virtue of his father's interest in Glomac Berhad

@ Deemed interested pursuant to Section 8 of the Companies Act 2016 by virtue of his son's interest in Glomac Berhad



# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Thirty-Seventh Annual General Meeting (“**37<sup>th</sup> AGM**”) of Glomac Berhad (“**Glomac**” or “**the Company**”) will be held as a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshbsb.net.my/> provided by SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia on Wednesday, 27 October 2021 at 11:00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, to pass the following resolutions, with or without modifications:-

## AGENDA

- |   |  |
|---|--|
| 1. To receive the Audited Financial Statements for the financial year ended 30 April 2021 together with the Reports of the Directors and the Auditors thereon.  | <b>Please refer to<br/>Explanatory Notes 1</b> |
| 2. To approve the payment of a single-tier final dividend of 1.0 sen per ordinary share for the financial year ended 30 April 2021.   | <b>(Ordinary Resolution 1)</b>                 |
| 3. To approve the payment of Directors’ fees of an amount of up to RM300,000.00 payable to the Directors from 28 October 2021 until the date of the next Annual General Meeting of the Company to be held in year 2022.     | <b>(Ordinary Resolution 2)</b>                 |
| 4. To approve the payment of Directors’ benefits payable to the Directors of an amount of up to RM200,000.00 from 28 October 2021 until the date of the next Annual General Meeting of the Company to be held in year 2022. | <b>(Ordinary Resolution 3)</b>                 |
| 5. To re-elect the following Directors who are retiring in accordance with Clause 118 of the Company’s Constitution, and being eligible, have offered themselves for re-election:-  |  |
| (a) Datuk Seri Fateh Iskandar bin Tan Sri Dato’ Mohamed Mansor; and   | <b>(Ordinary Resolution 4)</b>                 |
| (b) Dato’ Ikhwan Salim bin Dato’ Haji Sujak.  | <b>(Ordinary Resolution 5)</b>                 |
| 6. To re-appoint Messrs. Deloitte PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.  | <b>(Ordinary Resolution 6)</b>                 |

## Special Businesses

- |  |                                |
|--|--------------------------------|
| 7. <b>Retention of Dato’ Ikhwan Salim bin Dato’ Haji Sujak as an Independent Non-Executive Director</b>  |                                |
| <p>“<b>THAT</b> subject to the passing of the Ordinary Resolution 5, approval be and is hereby given to retain Dato’ Ikhwan Salim bin Dato’ Haji Sujak, who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years since 9 February 2000, as an Independent Non-Executive Director of the Company.”</p> | <b>(Ordinary Resolution 7)</b> |
| 8. <b>Retention of Datuk Ali bin Abdul Kadir as an Independent Non-Executive Director</b>  |                                |
| <p>“<b>THAT</b> approval be and is hereby given to retain Datuk Ali bin Abdul Kadir, who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years since 20 February 2009, as an Independent Non-Executive Director of the Company.”</p>   | <b>(Ordinary Resolution 8)</b> |

## NOTICE OF ANNUAL GENERAL MEETING

### 9. Authority to issue shares pursuant to the Companies Act 2016

**“THAT** subject always to the Companies Act 2016 (**“the Act”**), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad (**“Bursa Malaysia Securities”**) and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

**THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities;

**AND THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

(Ordinary Resolution 9)

### 10. Proposed Renewal of Existing Shareholders’ Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature

**“THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and/or its subsidiaries (**“Glomac Group”**) to enter into and give effect to the recurrent related party transactions of a revenue or trading nature from time to time with the related parties as specified in Part A of the Circular to Shareholders dated 28 September 2021 provided that such transactions are:-

- (i) Recurrent transactions of a revenue or trading nature;
- (ii) Necessary for Glomac Group’s day-to-day operations;
- (iii) Carried out in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public; and
- (iv) Not to the detriment of minority shareholders,

**(“Proposed Renewal of Existing Shareholders’ Mandate”);**

**THAT** the authority for the Proposed Renewal of Existing Shareholders’ Mandate shall continue to be in force until the earlier of:-

- (i) the conclusion of the next Annual General Meeting (**“AGM”**) of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM;
- (ii) the expiration of the period within which the next AGM is to be held pursuant to Section 340(2) of the Companies Act 2016 (**“the Act”**) but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or
- (iii) is revoked or varied by resolution passed by the shareholders of the Company in a general meeting before the next AGM;

**AND THAT** the Directors of the Company be authorised to complete and do such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Proposed Renewal of Existing Shareholders’ Mandate.”

(Ordinary Resolution 10)

## NOTICE OF ANNUAL GENERAL MEETING

### 11. Proposed Renewal of Share Buy-Back Authority

**“THAT**, subject to the Companies Act 2016 (**“the Act”**), the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (**“Bursa Malaysia Securities”**) and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities as the Directors may deem fit, necessary and expedient in the interests of the Company (**“Proposed Renewal of Share Buy-Back Authority”**), provided that:-

- (i) the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Malaysia Securities as at the point of purchase; and
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase;

**THAT** upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:-

- (i) cancel all the shares so purchased; and/or
- (ii) retain the ordinary shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resell on the market of Bursa Malaysia Securities and/or transfer under an employees' share scheme and/or transfer as purchase consideration; and/or
- (iii) retain part thereof as treasury shares and cancel the remainder; or
- (iv) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Malaysia Securities and any other relevant authority for the time being in force;

**THAT** such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- (c) the authority is revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first;

## NOTICE OF ANNUAL GENERAL MEETING

**AND THAT** the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interests of the Company to give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as the Board of Directors may deem fit and expedient in the best interests of the Company.”

**(Ordinary Resolution 11)**

12. To transact any other ordinary business for which due notice shall have been given.

### NOTICE OF DIVIDEND ENTITLEMENT

**NOTICE IS ALSO HEREBY GIVEN THAT** the single-tier final dividend of 1.0 sen per ordinary share in respect of the financial year ended 30 April 2021 will be payable on 28 December 2021 to depositors who are registered in the Record of Depositors at the close of business on 16 December 2021, if approved by members at the forthcoming 37<sup>th</sup> AGM of the Company on 27 October 2021.

A Depositor shall qualify for entitlement only in respect of:-

- (a) Securities transferred into the Depositor's Securities Account before 4:30 p.m. on 16 December 2021 in respect of ordinary transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") on a cum entitlement basis according to the Rules of Bursa Malaysia Securities.

### By Order of the Board

LILYROHAYU BINTI AB. HAMID @ KASSIM (MAICSA 7044674) (SSM PC NO.: 202008001385)  
CHUA SIEW CHUAN (MAICSA 0777689) (SSM PC NO.: 201908002648)  
CHIN MUN YEE (MAICSA 7019243) (SSM PC NO.: 201908002785)  
Company Secretaries

Kuala Lumpur  
28 September 2021

# NOTICE OF ANNUAL GENERAL MEETING

## Notes:-

1. The 37<sup>th</sup> AGM of the Company will be held as a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshsb.net.my/>.
2. In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 October 2021 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.
3. A shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one (1) or more person as his proxy to attend and vote instead of him. A proxy appointed to attend and vote at this Meeting shall have the same rights as the member to speak at the Meeting.
4. A proxy may but does not need to be a shareholder of the Company and a shareholder may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate, speak and vote at the Meeting shall have the same rights as the shareholder to speak at the Meeting.
5. As guided by the Securities Commission Malaysia's Revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all members, proxies and/or corporate representatives shall communicate with the main venue of the 37<sup>th</sup> AGM of the Company via real time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the 37<sup>th</sup> AGM of the Company as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, members, proxies or corporate representatives may email their questions to [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my) during the 37<sup>th</sup> AGM of the Company. The questions and/or remarks submitted by the members, proxies and/or corporate representatives will be broadcasted and responded by the Chairman, Board of Directors ("**Board**") and/or Management during the Meeting.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of an officer or attorney duly authorised.
7. Where a member of the Company is an exempt authorised nominee 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.
8. **Appointment of proxy and registration for remote participation and voting**

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 of authority shall be deposited to SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof. The proxy appointment may also be lodged electronically via Securities Services e-Portal at <https://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 <https://sshsb.net.my/> by the registration cut-off date and time. Please refer to the Administrative Details on the Conduct of a Fully Virtual General Meeting for further details.

The Administrative Details on the Conduct of a Fully Virtual General Meeting is available for download at <https://www.glomac.com.my/shareholders-meeting/>.

## NOTICE OF ANNUAL GENERAL MEETING

### Explanatory Notes:-

#### 1. Item 1 of the Agenda

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the members/shareholders of the Company for the Audited Financial Statements for the financial year ended 30 April 2021. Hence, this Agenda item is not put forward for voting.

#### 2. Ordinary Resolutions 2 and 3 - Payment of Directors' fees and Directors' benefits

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

In this respect, the Board wishes to seek shareholders' approval at the 37<sup>th</sup> AGM of the Company on the two (2) separate resolutions as below:-

- **Ordinary Resolution 2** is proposed to seek the shareholders' approval for the payment of Directors' fees payable to the Directors of an amount of up to RM300,000.00 from 28 October 2021 until the next Annual General Meeting of the Company to be held in year 2022.
- **Ordinary Resolution 3** is proposed to seek the shareholders' approval for the payment of Directors' benefits payable to the Directors of an amount of up to RM200,000.00 from 28 October 2021 until the date of the next Annual General Meeting of the Company to be held in year 2022.

#### 3. Ordinary Resolutions 4 and 5 - Re-election of Directors

In determining the eligibility of the Directors to stand for re-election at the forthcoming 37<sup>th</sup> AGM of the Company, the Nomination Committee ("NC"), guided by the requirements of Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities has recommended Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor and Dato' Ikhwan Salim bin Dato' Haji Sujak, for re-election as Directors pursuant to Clause 118 of the Constitution of the Company ("**Retiring Directors**"). The Board has conducted a separate assessment and being satisfied with the performance/contribution of the Retiring Directors. Therefore, the Board recommended that the same to be tabled to the shareholders of the Company for approval at the forthcoming 37<sup>th</sup> AGM of the Company under Ordinary Resolutions 4 and 5, respectively.

The evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2021 of the Company. All the Retiring Directors have consented to their re-election, and abstained from deliberations and voting in relation to their individual re-election at the NC and Board Meetings, respectively.

#### 4. Ordinary Resolutions 7 and 8 - Retention of Dato' Ikhwan Salim bin Dato' Haji Sujak and Datuk Ali bin Abdul Kadir as the Independent Non-Executive Directors

Dato' Ikhwan Salim bin Dato' Haji Sujak ("**Dato' Ikhwan**") and Datuk Ali bin Abdul Kadir ("**Datuk Ali**") were appointed as a Senior Independent Non-Executive Director and an Independent Non-Executive Director of Glomac on 9 February 2000 and 20 February 2009, respectively and hence, they have served on the Board for a cumulative term of more than twelve (12) years.

## NOTICE OF ANNUAL GENERAL MEETING

The Board through its NC, after having assessed the independence of Dato' Ikhwan and Datuk Ali, still regards them to be independent based amongst others, the following justifications and recommended that Dato' Ikhwan and Datuk Ali to be retained as the Independent Non-Executive Directors subject to the approval from the shareholders of the Company:-

- (a) they have fulfilled the criteria of the definition of Independent Non-Executive Director as set out under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities and had expressed their willingness to continue in office as Independent Non-Executive Directors of the Company;
- (b) their vast experience would enable them to provide the Board with a diverse set of experience, expertise and independent judgement as well as to provide constructive opinion in the Board's deliberations;
- (c) they have served the Company as Independent Non-Executive Directors for a cumulative term of more than twelve (12) years during which they have had acted in good faith and in the best interests of the Company, exercising their independent judgement during deliberations and decision making during the Company's meetings and are familiar with the Company's business operations; and
- (d) they have proven to be reliable Independent Non-Executive Directors with their professionalism aptitude and outlook of business perspective, devoted sufficient time and attention to their professional obligations for informed and balance decision making and had also exercised due care during their tenure in the best interests of the Company and the shareholders of the Company.

### 5. **Ordinary Resolution 9 - Authority to issue shares pursuant to the Companies Act 2016**

The proposed resolution is for the purpose of seeking a renewal for the general mandate to empower the Directors of the Company pursuant to the Companies Act 2016, from the date of the 37<sup>th</sup> AGM of the Company, to issue and allot ordinary shares of not more than ten per centum (10%) of the total number of issued shares of the Company for such purposes as the Directors of the Company consider would be in the best interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company. This authority will provide flexibility and enable the Directors to take swift action for allotment of shares for any possible fundraising activities, including but not limited to further placement of shares for purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

As at the date of this Notice, no new shares in the Company were issued under the provision of the general mandate granted to the Directors of the Company at the Thirty-Sixth Annual General Meeting held on 26 October 2020, which will lapse at the conclusion of the 37<sup>th</sup> AGM of the Company.

### 6. **Ordinary Resolution 10 - Proposed Renewal of Existing Shareholders' Mandate**

The proposed resolution, if passed, will enable the Company and its subsidiaries ("Glomac Group") to enter into recurrent related party transactions of a revenue or trading nature with related parties in the ordinary course of business and necessary for the day-to-day operations of Glomac Group, based on commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Please refer to Part A of the Circular/Statement to Shareholders dated 28 September 2021 made available together with the Annual Report 2021 for more information.

### 7. **Ordinary Resolution 11 - Proposed Renewal of Share Buy-Back Authority**

The proposed resolution is intended to allow the Company to purchase its own shares of up to ten per centum (10%) of the total number of issued shares in the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company.

Please refer to Part B of the Circular/Statement to Shareholders dated 28 September 2021 made available together with the Annual Report 2021 for more information.



## ADMINISTRATIVE DETAILS

### FOR THE THIRTY-SEVENTH ANNUAL GENERAL MEETING

In view of COVID-19 pandemic and safety measures, Glomac Berhad (“**Glomac**” or “**the Company**”) will conduct its Thirty-Seventh Annual General Meeting (“**37<sup>th</sup> AGM**”) on a **fully virtual basis** by way of live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal (“**e-Portal**”), details as set out below:

<b>Day and Date</b>	: <b>Wednesday, 27 October 2021</b>
<b>Time</b>	: <b>11:00 a.m.</b>
<b>Online Meeting Platform/ Meeting Venue</b>	: Online meeting platform hosted on the Securities Services e-Portal at <a href="https://sshsb.net.my/">https://sshsb.net.my/</a> provided by SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia
<b>Modes of Communication</b>	: 1. Typed text in the Meeting Platform 2. Email questions to cosec@glomac.com.my prior to the 37 <sup>th</sup> AGM

#### Remote Participation and Voting

1. Only shareholders whose names appear on the General Meeting Record of Depositors as at 20 October 2021 shall be eligible to participate in the 37<sup>th</sup> AGM or appoint proxy(ies) to participate and/or vote on his/her behalf.
2. Shareholders who wish to participate at the 37<sup>th</sup> AGM are required to register as a user of the Securities Services e-Portal as well as register for the remote participation via <https://sshsb.net.my/> latest by Monday, 25 October 2021. *For more details, please refer to the Securities Services e-Portal Administrative Guide in Appendix I.*
3. Securities Services e-Portal allowed individual and body corporate shareholders, through their appointed representatives to:
  - (a) Submit e-Proxy Form
  - (b) Register for Remote Participation
  - (c) Attend and participate the Live Stream Meeting (eLive)
  - (d) Vote Online Remotely during the Meeting (eVoting)

#### Appointment of Proxy

1. If a Shareholder is unable to participate at the 37<sup>th</sup> AGM via the Securities Services e-Portal, he/she may appoint more than one (1) proxy to participate, speak and vote on his/her behalf. He/she may also appoint the Chairman of the Meeting as his/her proxy and indicate the voting instructions in the proxy form.
2. If you wish to participate at the 37<sup>th</sup> AGM yourself, please do not submit any proxy form. A shareholder will not be allowed to participate at the 37<sup>th</sup> AGM if his/her proxy/proxies has/have been registered to participate at the 37<sup>th</sup> AGM.
3. The appointment of proxy may be made in a hardcopy form or by electronic means as follows:

##### In Hardcopy Form

The proxy form shall be deposited at SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia, not later than **11:00 a.m. on Monday, 25 October 2021.**

##### By Electronic Means

The proxy form shall be electronically lodged via Securities Services e-Portal's platform at <https://sshsb.net.my/> or by fax to +603-2094 9940 or by email to [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my) not later than **11:00 a.m. on Monday, 25 October 2021.** *For more details, please refer to the Securities Services e-Portal Administrative Guide in Appendix I.*

4. Appointed proxies need not register for remote participation but are required to register as the users of the Securities Services e-Portal latest by **Thursday, 21 October 2021.**
5. If you have submitted your proxy form and subsequently decide to appoint another person or wish to participate personally in the 37<sup>th</sup> AGM, please write in to [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my) not later than **11:00 a.m. on Monday, 25 October 2021** to revoke the earlier appointed proxy.

## ADMINISTRATIVE DETAILS

### FOR THE THIRTY-SEVENTH ANNUAL GENERAL MEETING

#### Submission of Questions

1. Shareholders who wish to post questions to the Chairman/Board/Management can email their questions to [cosec@glomac.com.my](mailto:cosec@glomac.com.my) not later than **11.00 a.m. on Wednesday, 20 October 2021**.
2. Shareholders may also submit their questions to the Chairman/Board/Management via the real time submission of typed texts through a text box within Securities Services e-Portal's platform before the start or during the live streaming of the 37<sup>th</sup> AGM.
3. The Chairman/Board/Management will endeavour to respond to the relevant questions during the Meeting or by email after the Meeting.

#### Procedure for Securities Services e-Portal

Shareholders/proxies/corporate representatives who wishes to participate in the 37<sup>th</sup> AGM remotely via Securities Services e-Portal are required to follow the requirements and procedures as summarised in the *Securities Services Administrative Guide in Appendix I*.

#### Poll Voting

1. The voting at the 37<sup>th</sup> AGM will be conducted by way of poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The poll will be conducted by way of electronic voting. Poll Administrators and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll, respectively.
2. Access to eVoting will be opened from the commencement of the 37<sup>th</sup> AGM until the end of the voting session which will be announced by the Chairman of the 37<sup>th</sup> AGM. *For more details, please refer to the Securities Services Administrative Guide in Appendix I.*

#### Door Gift

No door gifts shall be provided to shareholders and/or proxies and/or corporate representatives who participate in the 37<sup>th</sup> AGM.

#### Enquiries on Securities Services e-Portal

If you have any enquiry on the above, please contact our Poll Administrator, SS E Solutions Sdn. Bhd., details as enclosed in *Securities Services e-Portal Administrative Guide in Appendix I*.

## ADMINISTRATIVE DETAILS

FOR THE THIRTY-SEVENTH ANNUAL GENERAL MEETING

### SECURITIES SERVICES e-PORTAL ADMINISTRATIVE GUIDE

### Appendix 1

Securities Services e-Portal is an online platform that will allow both individual shareholders and body corporate shareholders through their appointed representatives, to -

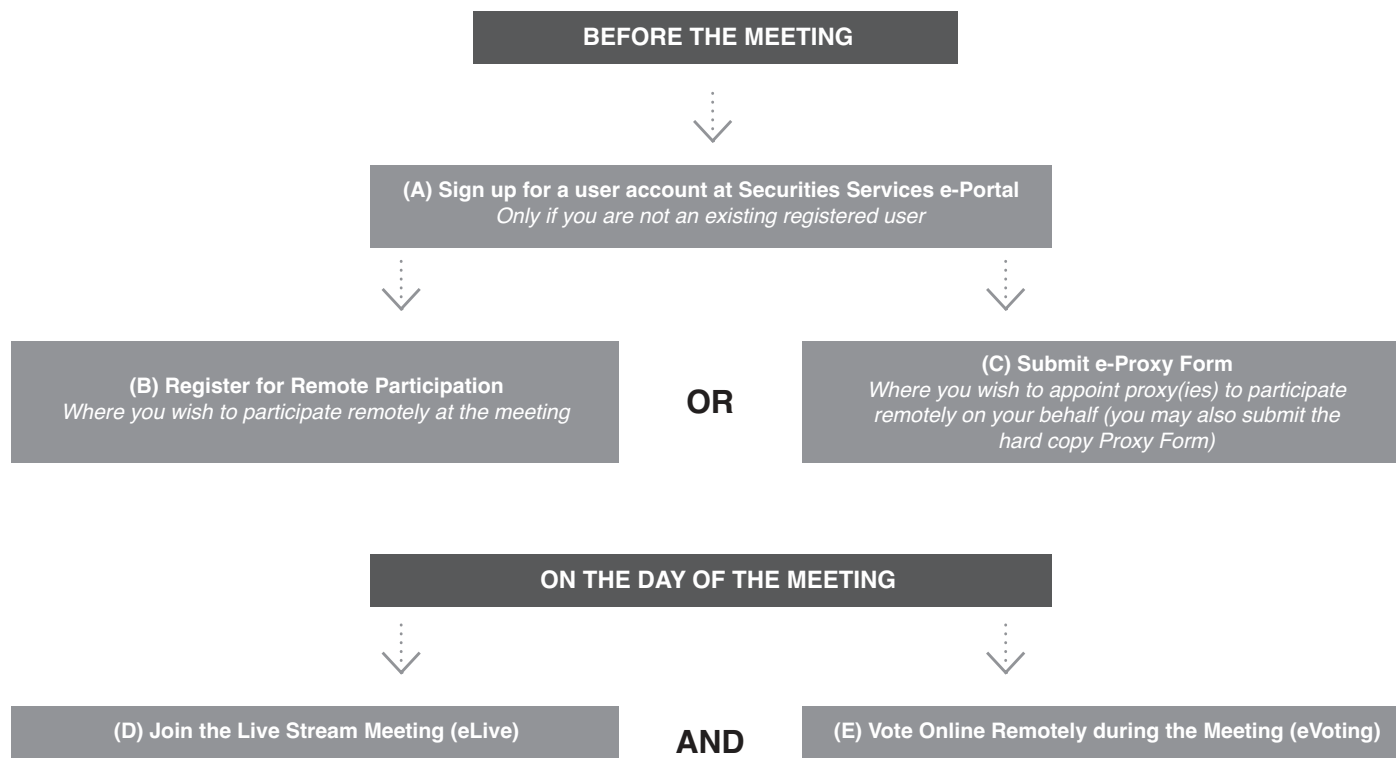
- Submit proxy form electronically - paperless submission
- Register for remote participation and voting at meetings
- Participate in meetings remotely via live streaming
- Vote online remotely on resolution(s) tabled at meetings (referred to as “e-Services”).

The usage of the e-Portal is dependent on the engagement of the relevant e-Services by Glomac 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. Evangeline Yeoh (DID: +603 2084 9007) 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](mailto:eservices@sshsb.com.my).



# ADMINISTRATIVE DETAILS

## FOR THE THIRTY-SEVENTH ANNUAL GENERAL MEETING

### BEFORE THE MEETING

#### (A) Sign up for a user account at Securities Services e-Portal

- |   |  |
|---|--|
| <p>Step 1 Visit <a href="https://sshsb.net.my/">https://sshsb.net.my/</a></p> <p>Step 2 Sign up for a user account</p> <p>Step 3 Wait for our notification email that will be sent within one (1) working day</p> <p>Step 4 Verify your user account within seven (7) days of the notification email and log in</p> | <ul style="list-style-type: none"> <li>• We require 1 working day to process all user sign-ups. If you do not have a user account with the e-Portal, you will need to sign up for a user account by the deadlines stipulated below.</li> <li>• Your registered email address is your User ID.</li> </ul> |
|---|--|

To register for the meeting under (B) below, please sign up for a user account by **25 OCTOBER 2021**.

To submit e-Proxy Form under (C) below, please sign up for a user account by **21 OCTOBER 2021**, failing which you may only be able to submit the hard copy proxy form.

This is a **ONE-TIME** sign up only. If you already have a user account, please proceed to either (B) or (C) below.

#### (B) Register for Remote Participation at the Meeting

- Log in to <https://sshsb.net.my/> with your registered email and password.
- Look for **Glomac Berhad** under Company Name and **37th AGM on 27 October 2021 at 11:00 a.m. - Registration for Remote Participation** under Corporate Exercise / Event and click ">" to register for remote participation at the meeting.

- Step 1 Check if you are attending as -
- Individual shareholder
  - Corporate or authorised representative of a body corporate
- For body corporates, the appointed corporate / authorised representative has 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 original evidence of authority and translation thereof, if required, have to be submitted at SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan for verification before the registration closing date and time above.*
- Step 2 Submit your registration.

- All shareholders must register for remote participation at the meeting and are highly encouraged to register as early as possible and before the eLive access date and time [see (D) below] in order to ensure timely access to the meeting. Access shall be granted only to eligible shareholders in accordance with the General Meeting Record of Depositors as at 20 October 2021.
- A copy of your e-Registration for remote participation can be accessed via **My Records** (refer to the left navigation panel).
- Your registration will apply to all the **CDS account(s)** of each individual shareholder / body corporate shareholder that you represent. If you are both an individual shareholder and representative of body corporate(s), you need to register as an individual and also as a representative for each body corporate.
- As the meeting will be conducted on a fully virtual basis, we highly encourage all shareholders to remotely participate and vote at the meeting, failing which, please appoint the Chairman of the meeting as proxy or your own proxy(ies) to represent you.

## ADMINISTRATIVE DETAILS

FOR THE THIRTY-SEVENTH ANNUAL GENERAL MEETING

### (C) Submit e-Proxy Form

Meeting Date and Time	Proxy Form Submission Closing Date and Time
Wednesday, 27 October 2021 at 11:00 a.m.	Monday, 25 October 2021 at 11:00 a.m.

- Log in to <https://sshsb.net.my/> with your registered email and password.
- Look for **Glomac Berhad** under Company Name and **37th AGM on 27 October 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 Check if you are submitting the proxy form as -

- Individual shareholder
- Corporate or authorised representative of a body corporate  
*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 original evidence of authority and translation thereof, if required, have to be submitted at SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan for verification before the proxy form submission closing date and time above.*

Step 2 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).

**You may appoint the Chairman of the meeting as your proxy where you are not able to participate remotely.**

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.

- 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 OCTOBER 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 DETAILS

## FOR THE THIRTY-SEVENTH ANNUAL GENERAL MEETING

### ON THE DAY OF THE MEETING

Log in to <https://sshsb.net.my/> with your registered email and password

#### (D) Join the Live Stream Meeting (eLive)

Meeting Date and Time	eLive Access Date and Time
Wednesday, 27 October 2021 at 11:00 a.m.	Wednesday, 27 October 2021 at 10:30 a.m.

- Look for **Glomac Berhad** under Company Name and **37th AGM on 27 October 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
Wednesday, 27 October 2021 at 11:00 a.m.	Wednesday, 27 October 2021 at 11:00 a.m.

- If you are already accessing the Live Stream Meeting, click **Proceed to Vote** under the live stream player.  
OR
- If you are not accessing from the Live Stream Meeting and have just logged in to the e-Portal, look for **Glomac Berhad** under Company Name and **37th AGM on 27 October 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.

Step 1 Cast your votes by clicking on the radio buttons against each resolution.

Step 2 Review your casted votes and confirm and submit the votes.

- The access to eVoting will open on the abovementioned date and time.
- Your votes casted will apply throughout all 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



**GLOMAC BERHAD**  
[Registration No: 198301015139 (110532-M)]  
(Incorporated in Malaysia)

<b>No. of shares</b>		<b>CDS Account No.</b>	
<b>Contact No.</b>		<b>Email address</b>	

I/We \_\_\_\_\_ (NRIC / Passport No. / Registration No. / Company No.) \_\_\_\_\_ of  
(FULL NAME IN BLOCK LETTERS)

\_\_\_\_\_ being a member(s) of **GLOMAC BERHAD ("the Company")** hereby appoint:  
(FULL ADDRESS)

Full Name (In Block)	NRIC/ Passport No.	Contact No.	Proportion of Shareholdings	
Address			No. of	%

\*and

Full Name (In Block)	NRIC/ Passport No.	Contact No.	Proportion of Shareholdings	
Address			No. of	%

\*and/or the Chairman of the Meeting as \*my/our proxy to vote for \*me/us and on \*my/our behalf at the Thirty-Seventh Annual General Meeting ("**37<sup>th</sup> AGM**") of the Company will be held as a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshsb.net.my/> provided by SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia on Wednesday, 27 October 2021 at 11:00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, to pass the following resolutions, with or without modifications.

My/Our proxy(ies) \*is/are to vote as indicated below (if no indication is given \*my/our proxy(ies) will vote or abstain from voting at \*his/their discretion):-

	RESOLUTIONS	For	Against
<b>Ordinary Resolution 1</b>	To approve the payment of a single-tier final dividend		
<b>Ordinary Resolution 2</b>	To approve the payment of Directors' fees		
<b>Ordinary Resolution 3</b>	To approve the payment of Directors' benefits		
<b>Ordinary Resolution 4</b>	To re-elect Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor		
<b>Ordinary Resolution 5</b>	To re-elect Dato' Ikhwan Salim bin Dato' Haji Sujak		
<b>Ordinary Resolution 6</b>	To re-appoint Messrs. Deloitte PLT as Auditors of the Company		
<b>Special Businesses</b>			
<b>Ordinary Resolution 7</b>	Retention of Dato' Ikhwan Salim bin Dato' Haji Sujak as an Independent Non-Executive Director		
<b>Ordinary Resolution 8</b>	Retention of Datuk Ali bin Abdul Kadir as an Independent Non-Executive Director		
<b>Ordinary Resolution 9</b>	Authority to issue shares pursuant to the Companies Act 2016		
<b>Ordinary Resolution 10</b>	Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		
<b>Ordinary Resolution 11</b>	Proposed Renewal of Share Buy-Back Authority		

\* Strike out whichever not applicable

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2021

Signature/Seal \_\_\_\_\_

## Notes:

- The 37<sup>th</sup> AGM of the Company will be held as a fully virtual meeting conducted entirely through live streaming and remote voting using the remote participation and voting facilities hosted on the Securities Services e-Portal at <https://sshsb.net.my/>.
- In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 October 2021 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.
- A shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one (1) or more person as his proxy to attend and vote instead of him. A proxy appointed to attend and vote at this Meeting shall have the same rights as the member to speak at the Meeting.
- A proxy may but does not need to be a shareholder of the Company and a shareholder may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate, speak and vote at the Meeting shall have the same rights as the shareholder to speak at the Meeting.
- As guided by the Securities Commission Malaysia's Revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all members, proxies and/or corporate representatives shall communicate with the main venue of the 37<sup>th</sup> AGM of the Company via real time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the 37<sup>th</sup> AGM of the Company as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, members, proxies or corporate representatives may email their questions to [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my) during the 37<sup>th</sup> AGM of the Company. The questions and/or remarks submitted by the members, proxies and/or corporate representatives will be broadcasted and responded by the Chairman, Board of Directors and/or Management during the Meeting.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of an officer or attorney duly authorised.
- Where a member of the Company is an exempt authorised nominee 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.
- Appointment of proxy and registration for remote participation and voting**  
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 of authority shall be deposited to SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof. The proxy appointment may also be lodged electronically via Securities Services e-Portal at <https://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 <https://sshsb.net.my/> by the registration cut-off date and time. Please refer to the Administrative Details on the Conduct of a Fully Virtual General Meeting for further details.  
The Administrative Details on the Conduct of a Fully Virtual General Meeting is available for download at <https://www.glomac.com.my/shareholders-meeting/>.

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Affix Stamp

**SS E Solutions Sdn. Bhd.**  
Level 7, Menara Milenium  
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