PLENITUDE

2022 ANNUAL REPORT

Aerial view of Diamond, Taman Putra Prima, Puchong

GO PAPERLESS.
Please scan this QR code to Investor's Relations section in our website.

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Magnolia, Impian Hills - Living & dining area

Impian Hills

Impian Hills is the latest freehold and low-density township by Plenitude. Nestled in lush greenery and located just minutes away from the famous Taman Desa Tebrau, it is designed towards a sustainable and harmonious community with easy access to amenities and facilities.

magnolia

New Launch

KEY FEATURES

- Freehold
- Mixed development township
- Good accessibility
- Green surroundings
- Low density

2 **STOREY TERRACE HOMES**

2 **LAYOUTS**
Type A, B

143 **UNITS**
Ranging from
1,698 sq. ft. to 2,216 sq. ft.

Magnolia, Impian Hills - 2 storey terrace homes (Type A)

Magnolia, Impian Hills - 2 storey terrace homes (Type B)

ABOUT PLENITUDE BERHAD

Plenitude Berhad is a public listed company with core interests in property development, property investment and hospitality. Incorporated on 6 November 2000 as Plenitude Sdn Bhd, it became a public limited company in the same year and was renamed Plenitude Berhad.

PLENITUDE'S BUSINESS FOOTPRINT & PRESENCE

PROPERTY DEVELOPMENT

- Bukit Bintang, Sungai Petani, Kedah
- The Marin at Ferringhi, Penang
- Taman Putra Prima, Puchong, Selangor
- Taman Desa Tebrau, Johor Bahru, Johor
- Impian Hills, Ulu Tiram, Johor

RESIDENCES

- Tanjung Point Residences, Penang
- Domitys Bangsar Kuala Lumpur

HOSPITALITY ASSETS

- Mercure Penang Beach, Penang
- Travelodge Georgetown, Penang
- Ascott Gurney Penang, Penang
- Travelodge Ipoh, Perak
- Novotel Kuala Lumpur City Centre, Kuala Lumpur
- Oakwood Hotel & Residence Kuala Lumpur
- Travelodge Honmachi Osaka, Japan
- Travelodge Myeongdong Euljiro, Seoul, South Korea

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chua Elsie
Non-Independent Non-Executive Chairman

Tan Kak Teck
Independent Non-Executive Director

Dato' Lok Bah Bah @ Loh Yeow Boo
Independent Non-Executive Director

Tee Kim Chan
Independent Non-Executive Director

Norhayati binti Hashim
Independent Non-Executive Director

AUDIT COMMITTEE

Chairman
Tan Kak Teck

Members
Dato' Lok Bah Bah @ Loh Yeow Boo
Norhayati binti Hashim

REMUNERATION COMMITTEE

Chairman
Dato' Lok Bah Bah @ Loh Yeow Boo

Member
Tee Kim Chan

NOMINATION COMMITTEE

Chairman
Tee Kim Chan

Members
Dato' Lok Bah Bah @ Loh Yeow Boo
Tan Kak Teck

PRINCIPAL BANKERS

Alliance Bank Malaysia Berhad
Hong Leong Bank Berhad
United Overseas Bank Limited, Seoul Branch

AUDITORS

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) (AF0117)
Baker Tilly Tower, Level 10, Tower 1
Avenue 5, Bangsar South City
59200 Kuala Lumpur
Wilayah Persekutuan (KL)

COMPANY SECRETARY

Andrea Huong Jia Mei
MIA 36347 (SSM PC No. 202008003125)

SHARE REGISTRAR

ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas, 50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel : +603 6201 1120
Fax : +603 6201 3121

REGISTERED OFFICE

2nd Floor, No. 2, Jalan Sri Hartamas 8
Sri Hartamas, 50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel : +603 6201 0888
Fax : +603 6201 0071

STOCK EXCHANGE LISTING

Main Market of Bursa
Malaysia Securities Berhad
Sector : Property
Stock Code : 5075
(Listed since 18 November 2003)

WEBSITE ADDRESS

plenitude.com.my

Travelodge
Honmachi Osaka

Travelodge
HONMACHI OSAKA

Travelodge Honmachi Osaka is a 14-storey hotel offering 138 rooms with all the essentials ideal for leisure, extended stay and business travels. Nestled in the heart of Osaka's busiest shopping street, Midosuji area and with public transportation a doorstep away, hotel guests are connected to many parts of Japan and nearby attractions such as Osaka Castle, Dotonbori Street and Kuromon Ichiba Market.

New Acquisition

KEY FEATURES

- Strategic location in downtown Osaka
- Easy accessibility to public transportation
- Walking distance to major attractions
- Co-working space and laundromat

Travelodge Honmachi Osaka - room

Travelodge Honmachi Osaka - lobby

BOARD OF DIRECTORS' PROFILE

Chua Elsie

Non-Independent Non-Executive Chairman

Age 64 | Female | Malaysian

Madam Chua Elsie was appointed to the Board on 2 September 2002. She was the Executive Chairman of Plenitude Berhad as well as Chairman of the Management Committee.

She actively oversaw the entire operations of Plenitude Berhad Group of Companies ("Group") and was also responsible for the formulation and implementation of the Group's business policies and strategies.

On 1 November 2018 she was re-designated Non-Independent Non-Executive Chairman of Plenitude Berhad.

She holds a directorship in Ikatanbina Sdn Bhd, the substantial shareholder of Plenitude Berhad.

Tan Kak Teck

Independent Non-Executive Director

Age 63 | Male | Malaysian

Mr Tan Kak Teck was appointed to the Board on 15 July 2003. He is Chairman of the Audit Committee and also a member of the Nomination Committee.

Mr Tan is a Chartered Accountant with the Malaysian Institute of Accountants and a Fellow Member of the Association of Chartered Certified Accountants. He began his auditing career in 1983 and is currently a partner of an audit firm in Kuala Lumpur.

Mr Tan is also an Independent Non-Executive Director of Y & G Corporation Bhd.

Dato' Lok Bah Bah @ Loh Yeow Boo

Independent
Non-Executive Director

Age 73 | Male | Malaysian

Dato' Lok Bah Bah @ Loh Yeow Boo was appointed to the Board on 9 September 2015. He is Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee.

He graduated from Nanyang University with a Bachelor of Commerce (Accountancy).

Dato' Lok is a Chartered Accountant with the Malaysian Institute of Accountants as well as Fellow of CPA, Australia.

Dato' Lok is also an Independent Non-Executive Director of Unitrade Industries Berhad.

Tee Kim Chan

Independent
Non-Executive Director

Age 68 | Male | Malaysian

Mr Tee Kim Chan was appointed to the Board on 9 September 2015. He is Chairman of the Nomination Committee and a member of the Remuneration Committee.

Mr Tee was admitted to the Honourable Society of Lincoln's Inn in 1978 and enrolled as an advocate and solicitor of the High Court of Malaya in 1979. He is currently practising as an advocate and solicitor in his own law firm.

Norhayati binti Hashim

Independent
Non-Executive Director

Age 67 | Female | Malaysian

Puan Norhayati binti Hashim was appointed to the Board on 25 February 2022. She is a Member of the Audit Committee.

Puan Norhayati graduated from University of Malaya with a Bachelor of Laws (Hons). She began her career serving the Government as Federal Counsel/Deputy Public Prosecutor in the Attorney General's Chambers of Malaysia in 1979, followed by stints as Assistant Treasury Solicitor.

Since 1986, she held various key and senior management roles in several financial institutions prior to her retirement in 2010.

OTHER INFORMATION

a. **Family Relationship**
None of the directors have any family relationship with any director and/or major shareholder of Plenitude Berhad.

b. **Conflict of Interest**
None of the directors have any conflict of interest with Plenitude Berhad.

c. **Conviction for Offences**
None of the directors have been convicted for any offences within the past 5 years and have not been imposed with any public sanction or penalty by the relevant bodies during the financial year other than traffic offences, if any.

d. **Directorship at Other Public Companies and Listed Companies**
Except for Mr Tan Kak Teck and Dato' Lok Bah Bah @ Loh Yeow Boo, none of the other directors hold any directorship in other public companies and listed companies.

e. **Attendance for Board Meetings for the Financial Year Ended 30 June 2022**
The directors' attendance at the Board Meetings for the financial year ended 30 June 2022 is presented on page 58 of the Annual Report.

FINANCIAL HIGHLIGHTS

FINANCIAL YEAR ENDED 30 JUNE (RM'000)	2018	2019	2020	2021	2022
Revenue	239,919	226,570	188,835	208,493	**272,728**
Profit Before Tax	68,048	60,635	28,188	29,540	**42,298**
Net Profit for the Financial Year Attributable to Owners of the Company	46,387	42,248	8,171	11,924	**25,020**
Total Assets	1,724,005	1,904,897	1,902,309	2,179,076	**2,203,459**
Cash & Cash Equivalents	329,768	167,858	96,283	295,305	**327,675**
Total Borrowings	24,338	139,208	136,158	367,452	**336,531**
Issued and Paid Up Capital	381,534	381,534	381,534	381,534	**381,534**
Shareholders' Equity Attributable to Owners of the Company	1,555,622	1,577,607	1,571,942	1,580,158	**1,588,335**
Basic Earnings per Share (sen)	12.20	11.10	2.10	3.10	**6.60**
Net Assets per Share (RM)	4.08	4.13	4.12	4.14	**4.16**
Final Single-tier Dividend per Share (sen)	4.5	4.5	2.0	2.0	**2.5**

Travelodge Georgetown

Ramlee, Bukit Bintang - Dining area

BUKIT BINTANG
LIFE ENRICHED

Welcome to Bukit Bintang, a premier township covering 455.3 acres of land and built for those seeking a sanctuary away from the bustling city. It is designed to promote community living surrounded by greenery. Strategically located along the Eastern Bypass of Sungai Petani, it is merely minutes away from the heart of Sungai Petani's town.

RAMLEE
BUKIT BINTANG

New Launch

KEY FEATURES

- Freehold & low density
- Mixed development township
- Large land area with spacious built up
- A private enclave with lush greenery
- Good accessibility to amenities

1 STOREY BUNGALOW

2 LAYOUTS
Type A, B

96 UNITS
Ranging from
1,984 sq. ft. to 1,999 sq. ft.

Ramlee, Bukit Bintang - Single Storey Bungalow

Ramlee, Bukit Bintang - Living area

SUSTAINABILITY STATEMENT

SUSTAINABILITY AT PLENITUDE

This Sustainability Statement ("Statement") provides a concise narrative of the commitment of the Plenitude Group of Companies ("Plenitude" or "the Group") towards addressing its Environmental, Social and Governance ("ESG") impacts as well as its financial and non-financial value creation. This Statement also encapsulates the Group's strategy in managing prioritised sustainability-related risks and opportunities. As we continue to push boundaries, we recognise the importance of sustainability as an enabler in our business.

We have considered and reviewed the material sustainability matters relating to the three (3) pillars of ESG. We identified our material sustainability matters through a materiality assessment that takes into account our stakeholders' interests. The material matters are reviewed and endorsed by our Board of Directors ("Board") to ensure that the material matters are aligned with our sustainability ambition. Please refer to our "Stakeholder Engagement" and "Materiality Assessment" for our ESG approach.

With over twenty years of experience as one of the leading property developers and hospitality players in Malaysia, we steered through the COVID-19 pandemic, maintained our relationships with customers, supported our communities and continued to grow and operate our businesses. As the economy made a post-pandemic recovery, the Group continues to progress towards our sustainability initiatives in FY2022. We are committed to playing our part in improving the local economy, advocating environmental stewardship and contributing to society.

Reporting Period and Scope

The scope of the Statement covers material issues arising from the principal activities and business operations of the holding company and all its subsidiaries within the Group which consist of two key divisions – Property Division and Hotel Division for the financial period from 1 July 2021 to 30 June 2022 ("FY2022").

The information disclosed within this Statement covers our primary operations in Malaysia, which contributes 98% of our revenue. This Statement includes information and data from specific projects and our value chain.

Reporting Content and Standards

This Statement is guided by the GRI Standards and the United Nations Sustainable Development Goals.

Global Reporting Initiative ("GRI")

United Nations Sustainable Development Goals ("UN SDGs")

We are committed to advance UN SDGs to build a sustainable future. We identify relevant material sustainability matters through linking to the SDGs and we are striving to fulfil our three (3) pillars of ESG to drive SDGs through our business.

This Statement is also fundamentally guided by the Sustainability Reporting Guide (2nd edition) issued by the Bursa Malaysia Securities Berhad ("Bursa"). This Guide, along with the earnest feedback from our key stakeholders, allows us to keep abreast of the ESG matters of the Group.

Additionally, to provide an all-inclusive report to our stakeholders, we strongly suggest all interested parties to read this Statement together with the Management Discussion and Analysis ("MD&A") section disclosed in this Annual Report, which sets out the Group's financial and operational performance for the reporting year.

Feedback

While working towards sustainability, we strive to ensure that our ESG initiatives and programmes remain meaningful to our stakeholders. As such, your opinions and feedback are imperative to us. Please reach out to us at ir@plenitude.com.my to drop your questions or suggestions.

Location of Headquarter

Head Office
2nd Floor, No. 2, Jalan Sri Hartamas 8, Sri Hartamas,
50480 Kuala Lumpur, Malaysia.
Tel: +603 6201 0888
Fax: +603 6201 0071
Website: plenitude.com.my

Location of Operations

Plenitude has continued to solidify our presence in property development, property investment and hospitality. To date, we have offices and projects in Malaysia (in Kuala Lumpur, Selangor, Perak, Penang and Johor), South Korea (Seoul) and Japan (Osaka). As of 30 June 2022, we have 333 employees under the Group.

VISION AND MISSION

Vision

Building sustainable Real Estate business activities and communities of the future.

Mission

- To establish a strong presence in Real Estate business activities
- To grow responsibly by balancing returns with sustainability
- To create and deliver long-term value to all stakeholders
- To care for people, communities and environment

OUR GOVERNANCE STRUCTURE

At Plenitude, we believe that a robust governance structure is vital to integrate ESG across the Group and to strengthen relationships with stakeholders and enhance overall accountability in our business operations.

At the highest level, our Board not only plays a pivotal role in supervising and endorsing matters related to risk, audit, remuneration and corporate governance policies. It also oversees the sustainability performance of the Group and provides strategic guidance to the management team. Our Chief Executive Officer ("CEO") leads and directs sustainability programmes, deploys the necessary resources to implement the programmes and reports the progress to the Board. He is assisted by Sustainability Working Committee (“SWC”) comprising of heads of operating subsidiaries and other department’s representatives. The SWC operationalises the plans in the respective business units and divisions, coordinates and implements Group-wide sustainability activities and collates sustainability related information against measurable indicators.

The Group's sustainability governance structure is illustrated as follows:

GOVERNANCE STRUCTURE

Board of Directors
Oversee sustainability performance

▼

CEO
Lead and direct sustainability programmes

▼

Heads of Operating Subsidiaries (Project Division)	**General Managers of respective Hotels**	**Head of Departments (Headquarters)**

Develop and execute sustainability programmes

Sustainability Working Committee

OUR ENGAGEMENT WITH STAKEHOLDERS

The Group defines stakeholders as individuals, entities or organisations that have the capability to impact and influence Plenitude's business operations and vice versa.

We empower respective business divisions to assess the best approach to engage our stakeholders in our mission to achieve meaningful engagements that fulfil our stakeholders' needs. We constantly engage with our stakeholders across various methods and channels aimed at identifying key concerns of each group of stakeholders, as follows:

Stakeholder Group	Stakeholder Group	Stakeholder Group
Customers (Existing and Potential)	**Public and Community**	**Employees**
Engagement Methods & Channel	**Engagement Methods & Channel**	**Engagement Methods & Channel**
<u>Ongoing</u> Corporate website Customer service channels Social media Customer satisfaction surveys Marketing events Timely response to customers' feedback Digitisation of customer engagement platforms Adherence to quality standards	<u>Ongoing</u> Contributions to local communities Collaboration with local institutions of higher learning Plenitude scholarship Community events Residents' association meetings Social media	<u>Ongoing</u> Internal emails Employee handbook Provision of training programmes <u>Annually</u> Performance appraisal process <u>Adhoc / As required</u> Regular updates on company strategy and performance Townhalls/ Meetings
Sustainability Concerns	**Sustainability Concerns**	**Sustainability Concerns**
Product quality Customer satisfaction End-to-end customer experience Complaints resolution Company and development updates Market outlook	Sustainable development Community engagement Corporate social responsibility Health and safety Affordable housing Location connectivity (accessibility) Education	Career progression Learning and development Work-life integration Employee engagement Conducive workplaces Diversity and inclusion Job satisfaction and retention Effective leadership

Stakeholder Group	Stakeholder Group	Stakeholder Group
Government and Regulatory Authority	**Suppliers and Contractors**	**Shareholders and Investors**
Engagement Methods & Channel	**Engagement Methods & Channel**	**Engagement Methods & Channel**
Ongoing Compliance with legislated framework Real Estate and Housing Developers' Association ("REHDA") membership **Adhoc / As required** Regular dialogue with government agencies	**Ongoing** Vendor evaluation and selection Safety, health and environmental policy Fair and transparent tender process for all procurement **Adhoc / As required** Project management meetings Client-consultant meetings	**Ongoing** Corporate website Email communication **Annually** Annual General Meeting Annual report **Adhoc / As required** Corporate announcements Media releases
Sustainability Concerns	**Sustainability Concerns**	**Sustainability Concerns**
Regulatory compliance Affordable housing compliance Labour practices Occupational safety and health Environmental management and compliance Operating license	Health and safety Anti-corruption and business Integrity Timely and quality delivery Sourcing of materials Job and business opportunities Environmental management system Pricing and timely payments Fair procurement	Corporate governance Financial performance Risk management Operational efficiency Effective leadership

Nevertheless, we acknowledge that the needs and expectations of our diverse stakeholders may evolve over time. As such, we are committed to having proactive and meaningful engagements with our stakeholders and continuous improvement in our stakeholder engagement.

MATERIALITY ASSESSMENT

In FY2022, we updated our materiality assessment to identify material ESG factors that may significantly impact the Group's business or substantially influence the decisions of stakeholders.

Identification of Material Matters

Identify, gather and consolidate the relevant inputs from discussions and interviews

Refer to the material matters identified in our materiality assessment last year.

Categorisation and Prioritisation of Material Matters

Assess materiality of each ESG matter

List out stakeholders relevant to the Group, assess the impact of each ESG topic on the Group's operations and the degree of influence from the stakeholders' decision-making process and their expectations.

Review and Validation

Review existing Group policies, related compliance requirements, risk registers and examine sustainability trends in the industry sector and the reporting practices of peer companies.

Endorsement

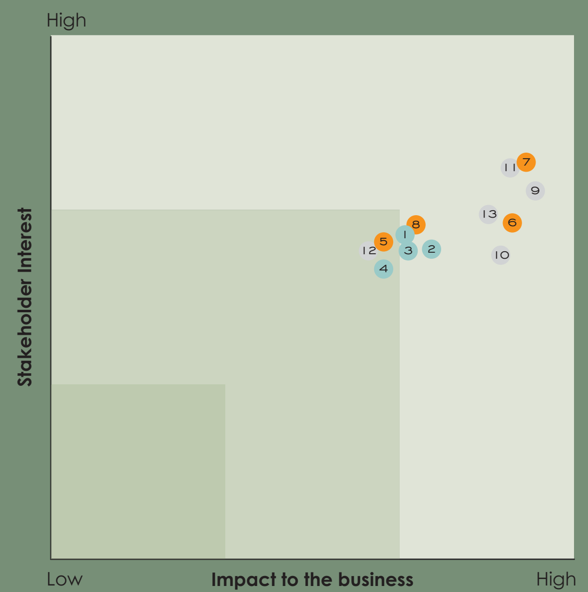
The SWC reviews the materiality assessment.

The CEO presents the materiality matrix to the Board and obtains endorsement from the Board.

Thirteen (13) material sustainability matters were identified from the assessment, taking into consideration the respective importance to our business and stakeholders' interest.

The matrix beside represents our FY2022 materiality assessment results.

MATERIALITY MATRIX



We categorised our material matters according to the ESG pillars as follows:

3 Pillars

Environmental
1 Climate Change and Energy Efficiency
2 Water Conservation
3 Waste Management
4 Biodiversity

Social
5 Workplace Diversity and Inclusion
6 Talent Development
7 Health and Safety
8 Human Rights

Governance
9 Economic Performance
10 Procurement Practices
11 Products and Services Responsibility
12 Community Investment
13 Corporate Governance and Ethical Practices

In demonstrating our commitment to sustainable development, we have linked our material matters to the UN SDGs. In this regard, we prioritised and selected 8 UN SDGs relevant to us.

Pillars	Material Sustainability Matters	GRI Standards Specific Topics	UN SDGs
Environmental	1 Climate Change and Energy Efficiency	GRI 302: Energy 2016 GRI 305: Emissions 2016	3 Good Health and Well-Being 8 Decent Work and Economic Growth 12 Responsible Consumption and Production 13 Climate Action
	2 Water Conservation	GRI 303: Water and Effluents 2018	
	3 Waste Management	GRI 306: Waste 2020	
	4 Biodiversity	GRI 304: Biodiversity 2016 GRI 307: Environmental Compliance 2016	
Social	5 Workplace Diversity and Inclusion	GRI 202: Market Presence 2016 GRI 401: Employment 2016 GRI 405: Diversity and Equal Opportunity 2016	3 Good Health and Well-Being 4 Quality Education 5 Gender Equality 8 Decent Work and Economic Growth 16 Peace, Justice and Strong Institutions
	6 Talent Development	GRI 401: Employment 2016 GRI 404: Training and Education 2016	
	7 Health and Safety	GRI 403: Occupational Health and Safety 2018	
	8 Human Rights	GRI 406: Non-Discrimination 2016 GRI 407: Freedom of Association and Collective Bargaining 2016 GRI 408: Child labour 2016 GRI 409: Forced or Compulsory Labour 2016 GRI 412: Human Rights Assessment 2016	
Governance	9 Economic Performance	GRI 201: Economic Performance 2016 GRI 207: Tax 2019	3 Good Health and Well-Being 5 Gender Equality 8 Decent Work and Economic Growth 11 Sustainable Cities and Communities 16 Peace, Justice and Strong Institutions
	10 Procurement Practices	GRI 203: Indirect Economic Impacts 2016 GRI 204: Procurement Practices 2016	
	11 Products and Services Responsibility	GRI 418: Customer Privacy 2016	
	12 Community Investment	GRI 203: Indirect Economic Impacts 2016 GRI 413: Local Communities 2016	
	13 Corporate Governance and Ethical Practices	GRI 205: Anti-Corruption 2016 GRI 419: Socioeconomic Compliance 2016	

ENVIRONMENTAL

CLIMATE CHANGE AND ENERGY EFFICIENCY

The Group's core activities – both property development and operations of property and hotels require extensive use of energy. We have adopted energy efficient technologies such as high-yield boilers and Light-emitting Diode ("LED") lightings which emit similar amounts of lumens with less energy consumed in all compound areas and common areas and incorporated timer control for electricity in public areas. Our hotel rooms also optimise the use of natural daylight. Today, our offices' and hotels' lightings in the carparks and fire escape areas have been replaced with LED lightings to reduce CO2 emission and energy consumption. Internally, our staff are inculcated with the mindset to conserve energy as much as they can by switching off lights whenever they are not needed. This effort effectively reduces our energy consumption.

WATER CONSERVATION

At our hotels and hospitality locations, we have introduced various means to manage and minimise water usage. Our primary water source is from third party municipal sources. Water discharges are then made to third party municipal water and sewage treatment facilities.

To facilitate water conservation, we have dual flush water cisterns to enable light flushing or heavy flushing, where light flushing uses only half the volume of water compared to full volume of water for heavy flushing. In addition, our hotels have also been equipped with aerated shower heads and taps which can help reduce water consumption.

WASTE MANAGEMENT

The Group ensures that proper Waste Management Plan is in place during construction and hotel refurbishment or renovations stages. As per the Waste Management and Recycling Plan, the contractor is required to establish their waste management and recycling targets or goals to minimise construction waste and debris, and to reuse, salvage, and recycle where feasible. The Waste Management Plan also includes administrative and procedural requirements for overall waste management and recycling activities.

Plenitude supports environmental sustainability within the organisation by promoting environmental awareness within the Group. Employees are encouraged to develop habits on certain simple green practices such as increase usage of electronic softcopies to reduce paper usage, go digital for meeting and presentations, practise double sided printing, switching off lights and air conditioning during lunch time and after hours as well as reducing the use of plastic items for lunch takeaways. We also practise recycling at our offices and reuse recycled papers and envelopes whenever possible, to reduce paper usage. The Group continues to seek more ways to control its paper usage as it systematically digitalises more facets of its organisation to enhance workflow and productivity.

In order to limit single-use plastics, our hotels have phased out plastic stirrers and straws in all food and beverage outlets and replaced with biodegradable materials since January 2020.

Further, our hotels have taken initiatives to reduce the usage of plastic drinking water bottle in all hotel rooms by introducing 3M drinking water filtration system. This water filtration/purification system enables the guests to bottle their own drinking water in recyclable bottles to reduce the usage of plastic drinking bottle. To mitigate food wastage, our hotels have implemented more live stations in our buffet section where dishes are cooked based on the request of the guest.

BIODIVERSITY

Ensuring the preservation of natural ecosystems and biodiversity will enable Plenitude to continue our business activities over the long term while creating value for our stakeholders. It will also minimise the negative impacts to local communities, such as risk to health from air or water pollution.

Plenitude is committed to exercise our duty as a responsible organisation to minimise our impact to natural ecosystems and biodiversity through sound environmental management practices and compliance with regulatory requirements, such as the Environmental Impact Assessment (EIA) required by the authorities for our projects.

Working in tandem with highly qualified consultants, we ensure that all our property developments comply with the local authority's allocation of green area and community services. The Group has a strong stance on maintaining regulatory compliance by regularly reviewing and monitoring its project development to ensure that it complies with the relevant rules and regulations in the relevant jurisdiction.

In FY2022, we helped in the conservation of turtles and planted merambong trees to attract rare turtle species to land and lay eggs. Merambong trees provide the suitable temperature for turtles to lay eggs. Our subsidiary Mercure Penang Beach, along with Majlis Bandaraya Pulau Pinang Council Member Ms Rodziah Kassim and Persatuan Nur Salam Wilayah Utara headed by Puan Nor Liza, organised a collaborative programme to raise awareness in respecting nature and keeping the beaches clean and safe.

The event was also participated by the State Exco for Infrastructure and Transport and state assemblyman for Tanjung Bungah, YB Zairil Khir Johari, who also helped to plant the merambong trees along with volunteers. The event also included a cleaning session with volunteers as well as from government bodies including Navy personnel from nearby Tentera Laut Diraja Malaysia's (TLDM) base, city council team and hotel associates.

Merambong trees planting and beach clean-up sessions

Plenitude will continue to improve our implementation of robust policies and create systems to drive ecosystem pollution management and biodiversity preservation. The Group have not been imposed any fines or penalties for environmental related issues in the past two (2) years. Furthermore, our developments are designed to inculcate environmental conscientious parameters and large green spaces to optimise the use of natural resources in a sustainable manner. In addition, our hotels have removed any endangered marine species from our menus such as bluefin tuna, swordfish, shark and ray.

SOCIAL

WORKPLACE DIVERSITY AND INCLUSION

Plenitude believes that a diversified workforce would contribute towards better ideas and perspectives in carrying out our duties to meet the expectations of our customers and market demands. We ensure all employees across the Group have fair and equal opportunities and access to workplace resources.

Plenitude has a zero-tolerance policy on any form of direct or indirect discrimination against any employee due to race, age and ethnicity, religion, gender, nationality or disability. We also promote local employment that serve to elevate the talent of our fellow Malaysians and provide them the opportunity to develop fulfilling career that is up to par with global standards.

In FY2022 and FY2021, all our employees are local talents. Plenitude is also a strong advocate for women in the workplace. In FY2022, 44% of our workforce are female, with the majority of workforce falling within the 30 to 50 years age range. 40% of our Board of Directors, 35% of our Senior Management and 43% of our new hires are female.

TALENT DEVELOPMENT

Talent attraction and retention

In FY2021, the Group has set up a student scholarship initiative, Plenitude Scholarship to support quality education opportunities for underprivileged students. Since then, the Group continues to offer these scholarships annually to eligible students.

To-date, Plenitude has collaborated with Tunku Abdul Rahman University College, DISTED College Penang and Management & Science University (MSU) through the signing of Memorandums of Understanding (MOUs). These collaborations enable Plenitude to create opportunities to exchange industry knowledge among employees and students at strategic and working levels. Total scholarship offered to date amounts to RM60,000.

Plenitude and TAR UC MOU ceremony

Plenitude and MSU MOU ceremony

A Talent Development Programme is also in place for students of higher learning institutions. The Group offers internship placements for students. These provide a learning platform for students to enhance their skills whilst gaining exposure to the corporate world. The Group hired 38 interns in FY2022 from institutions of higher learning. Outstanding interns were awarded with offers to join the Group upon graduation.

Plenitude and DISTED College Penang MOU ceremony

Compensation and Benefits

Plenitude staff are entitled to a wide range of monetary and non-monetary benefits. The Group offers a competitive package and comprehensive benefits as stipulated under the Employment Act 1955 to attract and retain employees.

Mandatory Benefits
Annual leave
Medical leave
Hospitalisation leave
Maternity leave
Statutory holidays
Additional Benefits
Paternity leave
Compassionate leave
Marriage leave
Examination leave
Hospitalisation and surgical insurance
Extended hospitalisation leave
Personal accident insurance
Variable Compensation
Performance bonus

Plenitude also provides a variety of staff discounts and incentives such as complimentary hotel vouchers for employees who have served for more than one (1) year, invitation for employees to complimentary stay in selected hotels, staff discounts to purchase selected properties and staff rates for Plenitude's hotels. We understand the importance of the welfare of our employees and believe that our employees act as drivers of the transformation we want to achieve within the organisation.

Plenitude practises a culture of openness whereby employees can raise or voice out personal concerns. The Human Resources Department or the employee's superior will assess these concerns on a case-by-case basis to identify solutions to address the concerns raised by the employee(s). Furthermore, Plenitude has allocated a dedicated fund for the purpose of offering interest-free loan to staff requiring short term emergency financial assistance. During festive seasons, we also organise gatherings for employees such as Chinese New Year lunch and Ramadhan dinner. Plenitude also provides a family-friendly environment where mothers' rooms are made available at our workplace. In addition, Plenitude has long service awards for long-serving employees.

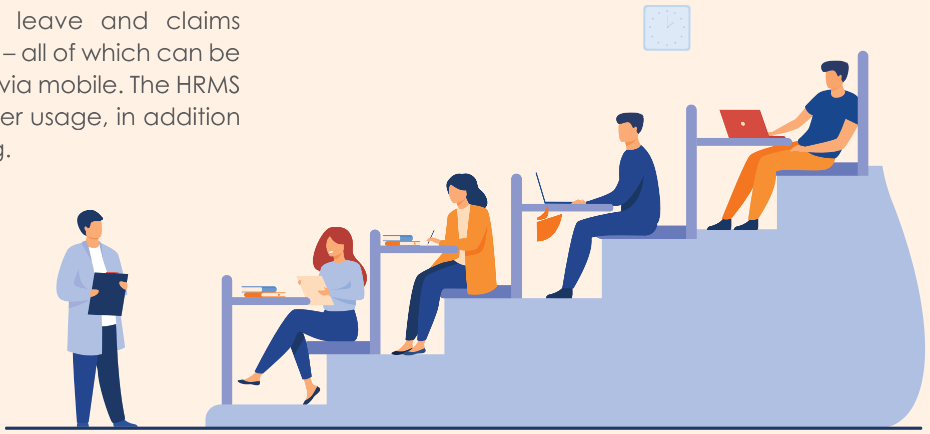
We continue to leverage on our Human Resource Management System ("HRMS"), to streamline in-house processes and optimise the Group's employee engagement measures. The platform is accessible on mobile for employees, which enables quick access to essential documents and employee services, such as viewing monthly payment slips, leave and claims application and annual appraisals – all of which can be done through the tip of the fingers via mobile. The HRMS also encourages reduction in paper usage, in addition to manual and tedious paper filing.

The Group adopts a meritocracy policy where all employees are rewarded based on an annual performance review. We use the Valuing Performance (VP) management system for employees to receive periodical performance feedback and career development reviews.

Training and Education

The Group values our employees as the core and most valuable asset of the Group. The combination of talents, experience and culture yields different perspectives and ideas for greater growth and productivity. We actively organise in-house training programmes for employees of all levels across different departments. Our trainings include sales and strategy planning, HR management, occupational health and safety, customer service, personal data protection, accounting, housing integrated management system and digital marketing.

In total, we recorded 1,662 training hours in FY2022 (FY2021: 1,066 hours). Average training hours per employee for FY2022 is 5.0 hours (FY2021: 4.2 hours).



HEALTH AND SAFETY

The Group is committed to provide a safe, healthy and conducive work environment for all its employees and others who may be affected by its activities. The health and safety of our employees and guests is a priority in Plenitude.

Covid-19: Transition to Endemic Phase

As Malaysia transitions from the COVID-19 pandemic to the endemic phase, we maintain and uphold our hygiene standards by aligning with the revised Standard Operating Procedures ("SOPs") from the Ministry of Health ("MOH"). All employees are required to abide to our SOPs to minimise and mitigate the spread of contagious diseases. Plenitude has complied strictly with all required SOPs as stipulated by MOH. The revised SOPs are listed as below:

- Mandatory mask-wearing at our premises;
- Quarantine for employees who have tested positive;
- Work from home for employees who spend more than 4 hours with a COVID positive person.

In addition, we also continue to maintain our provision of self-test kits, hand sanitizers and automatic hand sanitizer dispensers which are installed and provided in high-traffic and prominent public areas.

Safety and Health Policy

Our Safety and Health Policy was established to:

- To provide and maintain a safe and healthy workplace for employees;
- To ensure that all employees are provided with the necessary knowledge and know-how in relation to workplace health and safety practices;
- To ensure compliance with applicable legal, environmental, health and safety legislations and requirements.

Our policy will be reviewed as necessary from time to time.

Occupational Health and Safety ("OHS") Committees

In ensuring that our employees have a safe and healthy environment to work in, we have OHS committee at Plenitude. The function of the committee is to conduct incident investigations, organise health and safety related trainings, manage hazards and risks and establish procedures, processes and policies related to occupational health and safety. The committee members conduct quarterly inspections to monitor the effectiveness of the health and safety management system, engage with the management and drive continuous improvements.

Occupational Health and Safety Awareness and Training

For FY2022, we also organised various safety training programmes on a regular basis to create a safe culture and inculcate a sense of awareness amongst employees to embrace their responsibility to play a vital role in health and safety related matters. These initiatives include:

Weekly toolbox talk	**Safety training for site staff and contractors**
Fire drill and training at least once a year	**Quarterly site safety audit by the Safety Department**
Pre-employment medical check-up and medical insurance for employees	**Provision of self-test kits. Covid-positive employees have to be tested negative before returning to work**

Other safety measures in place include 24-hour security guards services within the office premises, surveillance equipment at suitable locations and proper lightings installed at frequented areas such as car parks and staircases.

Incident and Injury Rates

In FY2022, the Group recorded no lost time injuries and no ill-health incidents across Plenitude's divisions.

HUMAN RIGHTS

Plenitude is committed to respecting and safeguarding human rights for our staff and workers managed by our contractors. The Group strictly adheres to the Malaysian Employment Act 1955 which prohibits child labour and forced labour. Plenitude has zero tolerance for child labour and forced labour and complies with all relevant laws. We do not hire children below the age set by the current laws and regulations. We also believe in the right to a liveable wage, and comply with all requirements of the Minimum Wages Order, 2022.

Discrimination (in respect of race, religion, gender, age, disabilities, nationality, etc.), bullying and harassment will not be tolerated. We ensure all employees across the Group have fair and equal access to workplace resources and opportunities. Our employees have access to management and are able to seek clarification from their supervisors and managers at any time. We also have a whistleblowing policy and mechanism that covers grievances including issues related to human rights and provides a confidential mechanism for both internal and external stakeholders to report any violations or grievances. We also comply with all relevant local laws and regulations which grant all employees the right to freedom of association, expression and opinion as well as collective bargaining. We support the rights of employees to freely form or join associations or unions.

Plenitude's commitment to protection of human rights is also reflected in our Supplier Code of Conduct ("SCoC") which is communicated to our suppliers. More information of Plenitude's SCoC can be found in the Procurement Practice section.

Plenitude Group recorded zero (0) case(s) on disputes related to labour standards and human rights such as discrimination, child labour and forced or compulsory labour.

GOVERNANCE

ECONOMIC PERFORMANCE

Plenitude is committed to strengthening our financial position and enhancing our competitiveness by adopting good, ethical and sustainable business practices, corporate governance, and effective capital management.

The consolidated financial performance and position of the Plenitude Group are as follows:

	FY2021 RM' million	FY2022 RM' million
Revenue	208.5	**272.7**
Profit before tax	29.5	**42.3**
Profit after tax	8.7	**19.0**
Total assets	2,179.1	**2,203.5**
Total equity	1,612.2	**1,686.8**

The adoption of various sustainable business practices and effective corporate governance demonstrates the growth in our revenue, profitability, assets and equity over the years. Despite the COVID-19 pandemic's effects on the global supply chain and economic landscape, Plenitude is resilient and devoted to long-term business profitability by providing cost-effective machine vision solutions.

Tax Policy

Plenitude supports tax policies and incentives that encourage enterprise innovation and foster economic growth. Plenitude exercises diligent professional care and judgement and proactively identifies, evaluates and manages tax risks. We communicate and engage openly with local tax jurisdictions and promptly respond to inquiries, information and clearance requests. In FY2022 the tax payments by Plenitude Group amounted to RM 18.9 million.

PROCUREMENT PRACTICES

Plenitude works closely with our business partners – contractors, suppliers, consultants, and other business associates to ensure that our values are aligned.

Value Chain and Procurement Process

In line with the Group's vision to build sustainable communities of the future, our value chain across the life cycle of the project is governed and displayed as follows:

Source Funding
- Shareholders
- Financial Institutions
- Institutions

Inception of Project
- Land Purchase / Acquisition
- Land / Space Creation

Development
- Planning & Design
- Approvals & Licensing
- Procurement
- Construction
- Assessment/Audit

Deals
- Marketing & Sales
- Sales & Purchase ("S&P")
- Handover

Property Investment
- Leasing
- Property Management

Hospitality
- Branding
- Hotel Management

We are committed to ensuring that a transparent and rigorous supplier selection process is practised across the Group.

We work and engage with contractors and suppliers who are committed to high quality, environmental, health and safety standards. We also delineate and put forward a set of definitive roles and responsibilities for the contractors at the construction sites based on standard forms of contracts introduced by Malaysia Institute of Architects ("PAM") and Institute of Engineers Malaysia ("IEM").

We conduct Pre-Qualifications assessment on new contractors, suppliers and service providers prior to embarking on the tendering process and this helps reduce inefficiency and wasted efforts in the tender process. Qualified and shortlisted contractors, suppliers and service providers will be added into approved list. We award contracts to our suppliers through stringent selection and evaluation methods based on merit – taking into consideration their job history, financial capability, cost of service, service quality and ability to meet deadlines. Ensure contractors and suppliers comply with the Environmental and Social legal obligations – Employment Act 1955, Environmental Quality Act 1974, Occupational Safety and Health Act 1994 and other relevant regulations.

All awarded contractors and service providers are subjected to continuous assessment (in the form of site inspections) and review based on a set of score chart on inspection form. Address non-conforming works with the contractors and suppliers through Non-Conformance Report ("NCR").

In addition, to uphold the Group's motto – "Made in Malaysia", we strive to support the growth of the local economy by sourcing from local suppliers. In FY2022, the Group registered over 90% of its procurement from local suppliers. Through supporting local suppliers, we build and strengthen our relationships with them and this directly or indirectly contributes to the upskilling of talents and improvement of the quality of their products and services which would impact positively on our supply chain, our business and the local economy.

Supplier Code of Conduct ("SCoC")

To ensure our suppliers are aligned with our ESG priorities, Plenitude introduced the SCoC which sets out the Group's requirements and expectations for its suppliers in relation to ethical and sustainable practices. Through our SCoC, our goal is to work with our suppliers to ensure compliance with the principles set out in the SCoC. In selecting our suppliers, Plenitude Group will consider principles wherein our suppliers are expected to:

- minimise environmental footprint;
- create a safe work environment and healthy work culture;
- protect confidential data;
- uphold business ethics.

Potential business partners are trusted to make a declaration if there is a breach or non-compliance of any of the above and acknowledge that Plenitude has the right to terminate their services depending on the severity of such breach.

In addition, we have also developed supplier ESG questionnaires to be used as part of Plenitude's tender process. This is also part of our pilot initiative to collect data and engage with our suppliers to align expectations to ethical and sustainable practices in line with SDG 12.

PRODUCTS AND SERVICES RESPONSIBILITY

Property Development

The Group creates sustainable communities through its mixed developments which consist of landed houses, high-rises, shop offices, schools and community parks together with facilities. The Group adopts a holistic approach to create self-sustaining townships with lifestyle elements and a variety of offerings that ensure vibrant living within the communities.

The Group's four (4) township projects are as follows:

Harp, Desa Tebrau, actual show unit

Taman Desa Tebrau, Johor

Taman Desa Tebrau, spanning 965.7 acres along the Tebrau Corridor and located within the larger Iskandar Region, developed since 1997 is a mixed-use development which creates a sustainable community. It consists of freehold landed terrace houses, cluster houses, semi-detached houses, shop offices, car show rooms, shopping malls, sports complex, private schools and medium cost apartments. Residents have access to homes, facilities and amenities which make the community conducive for living-working-playing lifestyles throughout.

Phase 19&20 (3D) – Cello, 93 units of double storey terrace houses were launched during the financial year, and we also successfully completed 117 units of double storey terrace houses of Phase 19&20 (3A) – Cello. In the next financial year, we plan to launch Phase 19&20 (3B) – Cello, consisting of 162 units of double storey terrace houses and Phase 19&20 (2C) – Harp, consisting of 100 units of cluster homes and semi-detached houses.

Aerial view of Taman Putra Prima, Phase 5 - Diamond

Taman Putra Prima, Puchong

A freehold 451.6 acres mixed development, which comprises terrace house, super links and commercial units, is a well-planned township which offers ample of green lungs surrounded by amenities. Established amenities such as AEON Big Puchong, Columbia Asia Hospital, KPMC Puchong Specialist, Putrajaya Hospital, public schools and Puchong Putra Prima Station are within easy access of Taman Putra Prima.

The final phase in Taman Putra Prima, Phase 5 – Diamond's construction work is in progress.

Aeriel view of Bintang Maya 3, Sungai Petani

Impian Hills Sales Gallery

Bukit Bintang, Sungai Petani

Strategically located along the Eastern Bypass of Sungai Petani, Kedah, the 455.3 acres township houses residential and commercial properties such as double storey terrace, double storey semi-D, townhouses, low to medium cost apartments, townhouses and shops.

Following the launch of our double storey terrace houses introduced in Q4 2021, 15 units of double storey shops were launched in Q2 2022. In the next financial year, we plan to launch Parcel 11 – Ramlee, 96 units of single storey bungalows.

Impian Hills (fka Taman Bukit Tebrau)

Impian Hills (fka Taman Bukit Tebrau) is a new freehold and low-density mixed development township located along Jalan Kota Tinggi, Ulu Tiram, Johor, approximately 23 kilometres due north-east of Johor Bahru city centre. It is easily accessible via Senai-Desaru Expressway, Pasir Gudang and Tebrau Highway which facilitates east-west travel across the state.

This 258.5 acre development is an eco-friendly development nestled in lush greenery in the suburb of Ulu Tiram focusing on development of affordably priced homes. 13% of the development area will be allocated as open parks and orchard, and 54% of the area will be allocated for public amenities and infrastructure use.

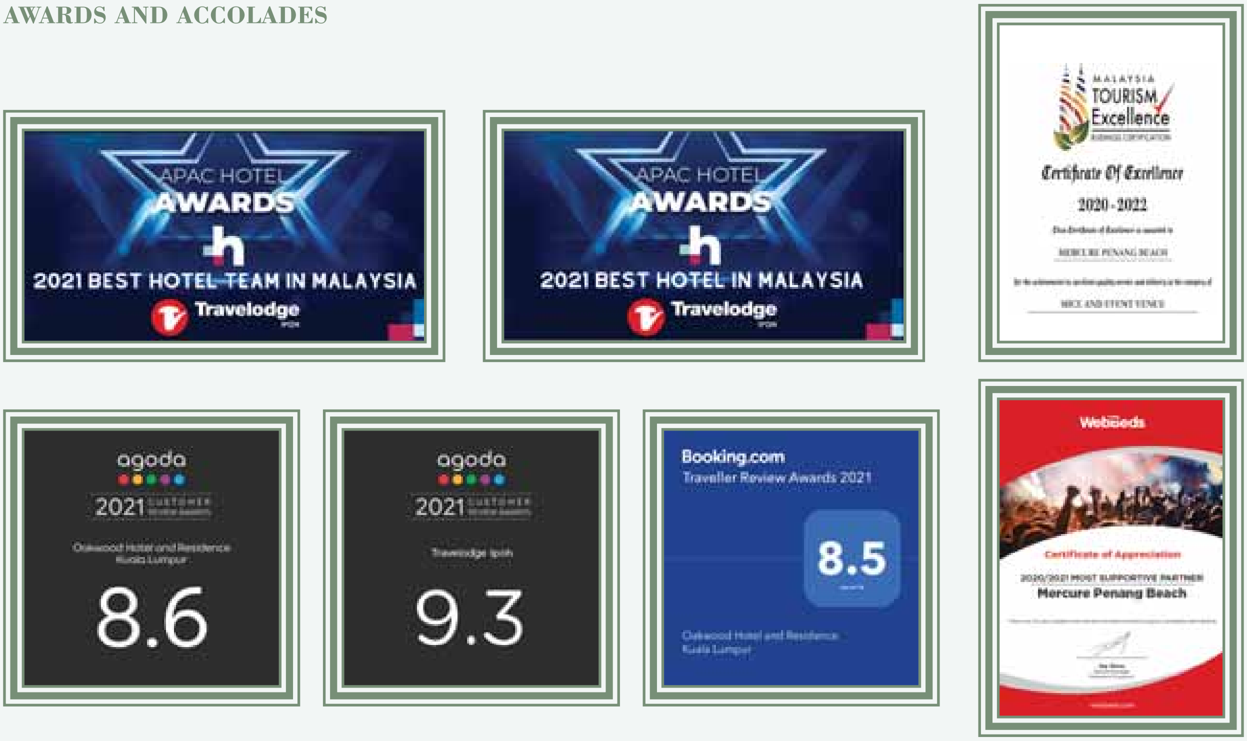
The first phase township - Magnolia, which consists of 143 units of double storey terrace houses will be unveiled in January 2023.

Quality Assurance/Assessment

Our developments are constantly assessed to maintain compliance with the Quality Assessment System in Construction ("QLASSIC") as advocated by Malaysia's Construction Industry Development Board ("CIDB") to meet the expectation entrusted on Plenitude as a brand that delivers quality property development. QLASSIC is an effective tool to provide a quality workmanship criterion for developers and contractors, hence allowing the building occupier getting the most quality building product from the developers. This initiative is aligned with the national quality and safety aspiration as stated under the Construction Industry Transformation Programme (CITP). QLASSIC ensures consistent quality in our products via its system which benchmarks the Group's workmanship standards against other developments. The developments have to undergo stringent assessment processes in order to obtain a good scoring.

In FY2022, we are proud to reveal that our success in achieving QLASSIC certification for our development in Taman Desa Tebrau, Johor Bahru – Cello 3A with a score of 79%. The Group remains committed to providing property products and services with highest quality to our customers and we adopt a continuous improvement approach to enhance product quality and services in line with customer expectations, market trends and industry regulations.

AWARDS AND ACCOLADES



Hotel

Plenitude strives to maintain robust governance, rigorous internal controls, cost optimisation, active guest engagement, improved guest security and responsible procurement, all of which are crucial to operating responsibly and maintaining our reputation.

Our hotel divisions and operators continue to provide top-notch services to all customers who set foot in our premises. All employees in the hotels, from front office to housekeeping, are well-trained to serve the customers whole-heartedly. Our hospitality philosophy is to provide our guests an experience of a lifetime.

The recognition of our efforts continues to be reflected in the awards and accolades received from respected travel associations, publications and platforms across the globe.

Customer Satisfaction

Plenitude has established a diverse range of customer feedback platforms to gather customer feedback to further enhance our customer experience and satisfaction. We are staying alert and responsive to changing customer expectations and changing trends in customer behaviour. We are also accelerating our digital transformation process, launching new technologies and tools to empower us to optimise the customer experience and build better customer engagement, brand loyalty and market share.

As part of our business process and commitment to remain engaged with our customers, we have collected our customer information throughout the sales process. Therefore, it is essential that we manage and safeguard the collected information to prevent any data loss. At Plenitude, we treat customers' data with the utmost confidentiality. We strictly comply with the Personal Data Protection Act 2010 ("PDPA"), where relevant data is only collected and shared with the data owner's consent.

The data collected are stored securely by the management with restricted access levels. Where needed, we conduct briefings to our employees to promote awareness of the importance of safeguarding our customers' data.

In FY2022, we received no complaints about breaches of customer privacy or loss of customer data.

COMMUNITY INVESTMENT

The Group has always remained steadfast on its corporate social responsibility philosophy of providing aid to those underprivileged and needy members of our society according to their needs.

Below are some of our efforts:

(i) The Group via its subsidiaries teamed up with several non-profit organisations ("NGOs") and volunteers by offering helping hand to the victims of flood disaster that happened in December 2021 by providing cash donation, used furniture and other emergency supplies through donation fund. Total cash donation is valued at RM53,000.

(ii) Other than monetary and material aid, Plenitude's team helped in cleaning-up houses and shop offices of affected residents in its township of Taman Putra Prima. Plenitude has also taken initiatives to apply widening of drainage system to the local authority as flood prevention measure.

(iii) Oakwood Hotel & Residence KL has participated in "Give with Oakwood 2021", a global community outreach programme organised by Overseas Workers Welfare Administration. The Group through its subsidiary partnered with a NGO, SESO Malaysia and conducted a donation drive where Plenitude donated 5kg bag of rice for every direct reservation received during campaign period. A total of 740kg of rice has been donated.

(iv) Oakwood Hotel & Residence KL has also started a food bank to provide food supply to the needy during the city lockdown in July 2021 to ease the burdens of low-income communities affected by the lockdown. The project group members also contributed extra food supplies to an orphanage, Rumah Perlindungan Nur Hati.

(v) Plenitude is in support of education for all. As such, Mercure Penang Beach has provided venue space and facilities for one day, allowing Kijata Us organizing "Moving On Project" which is a hospitality course for the underprivileged students in November 2021.

(vi) Other community investment activities by Mercure Penang Beach includes participation in Accor Solidarity Week with donation of art and stationery supplies to The Association of Resource and Education for Autistic Children ("Lions REACh) Penang, and collaboration with St Nicholas Home, Penang, for the blind by participating in the weekend Christmas and Craft & Culture market with massage session and sale of basketry.

(vii) In conjunction with Hari Raya Haji and Chinese New Year celebrations, Travelodge Ipoh arranged food provision to hospitals, orphanages and handicapped children welfare homes. 11 of our staff participated in this activity.

Rental Waiver

During the pandemic, many businesses were struggling through the lockdown periods. Plenitude reached out to our tenants to offer temporary rental rebates and flexible rental settlement to help tenants who are in distress.

Affordable Housing

The Group has always been supportive of the National Affordable Housing Policy ("NAHP"), a sub-policy under the National Housing Policy 2018 – 2025 which outlines the standards, key specifications and selling price, and serves as a guide for the development of liveable and safe affordable housing. The Group has more than 6,000 units of affordable houses delivered since its inception. Affordable houses, which are priced below RM200,000 – lower than the ceiling price capped by the National Housing Policy of RM300,000. In the pipeline, the Group estimates to roll out more than 2,600 units affordable houses in both northern and southern region. This is to support the plans of respective states such as Perumahan Komuniti (Johor), Rumah Mampu Milik (Johor), Rumah Kasih Rakyat (Kedah), Rumah Aman (Kedah), and Rumah Makmur (Kedah).

CORPORATE GOVERNANCE AND ETHICAL PRACTICES

We promote ethical practices and strong accountability through a series of policies that are available on our Investor Relations portal at plenitude.com.my/corporate-governance/ and they include, among others, the following:

Code of Conduct and Ethics for Directors
To establish standards of ethical behaviour based on trustworthiness and acceptable values
To uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines, and to enhance the standard of corporate governance and corporate behaviour
To set the tone in articulating acceptable practices and guidelines of behaviours expected from directors, management and employees that integrate into our Company-wide Management practices

Corporate Disclosure Policy
To raise awareness and provide guidance on disclosure requirements and practices
To ensure quality and timeliness of disclosure of material information
To establish good investor relations that inspire trust and confidence with the investing public

Whistleblowing Policy
To govern the process through which employees and others report potential violations or concerns related to relevant laws, rules, regulations, business ethics and conduct
To prohibit legal sanctions for retaliatory actions taken against the whistleblowers
To provide a transparent and confidential process for dealing with concerns
To establish a mechanism for responding to any report from employees and others regarding potential violations and concerns

Anti-Corruption Policy

Sets out the Group's zero-tolerance approach against all forms of bribery and corruption

To provide the necessary measures to prevent any corrupt practices and the right channels to report any suspected instances of corruption or attempted corruption

To ensure that employees declare any gift received and that all contracts or purchase orders are awarded solely based on determining factors such as competitiveness, quality of work, track record and after sales services

For the past 2 years, Plenitude Group recorded zero (0) case(s) on non-compliance with Anti-Corruption. Plenitude also does not make political donations.

Board Leadership

The Board is responsible for the oversight and overall management of the Company as well as the delivery of sustainable value to its stakeholders.

Our Board charter:

Outlines the authority, responsibilities, membership and operation of the Board adopting principles of good corporate governance and practice, in accordance with applicable laws in Malaysia

To promote together with Senior Management, good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour

To oversee the conduct of the Group's business including the formulation of strategy and performance objectives, control and accountability systems, corporate governance framework, risk management practices and human capital management

Identify principal risks and ensuring the implementation of appropriate internal controls and mitigation measures

In discharging its fiduciary duties and leadership function, the Board has delegated specific powers of the Board to various relevant committees within the Board ("Board Committees"), the CEO and the Company's senior management. The Board Committees comprise three (3) Committees as at 30 June 2022 as follows:

Plenitude's Board of Directors

5 MEMBERS

4 (80%) INDEPENDENT, NON-EXECUTIVE DIRECTORS

2 (40%) FEMALE DIRECTORS

- Audit Committee
- Nomination Committee
- Remuneration Committee

As of 30 June 2022, the Board comprises 1 Non-Independent, Non-Executive Chairman and 4 Independent, Non-Executive Directors. The composition of the Board reflects the vital independent element of 80% on the Board.

Ascott Gurney Penang

ASCOTT
GURNEY
PENANG
Managed by The Ascott Limited

Standing at 37 storeys, the 271-unit, Ascott Gurney Penang located at Gurney Drive comprises luxury studio apartments, one- and two-bedroom apartments furnished with kitchenettes, built-in washers and dryers. Complementing the elegant rooms are an all-day-dining restaurant, pool bar as well as business and recreational facilities which include banquet facilities, meeting rooms, an infinity swimming pool, gymnasium, residents' lounge, children's playroom, children's playground and dedicated outdoor barbeque areas.

New Opening

KEY FEATURES

- Sea facing rooms
- Kitchenette in selected apartments
- Washer dryer in all rooms
- Business & meetings facilities
- Fully-equipped gymnasium and outdoor swimming pool
- Easy accessibility to retail malls and local food haven

Ascott Gurney Penang - Lobby

Ascott Gurney Penang - Lounge

Cello, Desa Tebrau artist impression

CELLO
TAMAN DESA TEBRAU
JOHOR BAHRU

Cello at Taman Desa Tebrau, a collection of freehold double storey terrace homes with broad frontage and North-South orientation offers spacious living amidst lush green landscape within the bustling township of Taman Desa Tebrau. With spacious built-up sizes ranging from 1,896 sq. ft. to 2,242 sq. ft., Cello homes are the perfect choice for families with well-planned playground and parks, and easy accessibility to nearby amenities.

New Phase

KEY FEATURES

- Easy accessibility to major highways
- Spacious living with large built-up size
- Broad frontage and north-south orientation
- Near to commercial hubs and retail mall
- Easy access to education centres and medical facilities

2 **STOREY TERRACE HOMES**

3 **LAYOUTS** Type A, B & C

117 **UNITS** Ranging from 1,896 sq. ft. to 2,242 sq. ft.

Cello, Desa Tebrau artist impression

Cello, Desa Tebrau - Master bedroom

MANAGEMENT DISCUSSION AND ANALYSIS

Plenitude Berhad ("Plenitude" or "the Group") is an investment holding company with a diverse portfolio of business ventures mainly in property development, property investment and hotel operations.

BUSINESS ENVIRONMENT

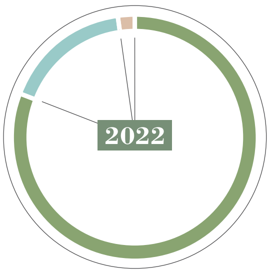
Plenitude kicked off this financial year ended 30 June 2022 ("FY2022") with another round of Movement Control Order ("MCO") 3.0 which started since 1 June 2021. Although this MCO disrupted the Group's business activities, its impact was mitigated by the many lessons learnt from earlier MCO cycles. The Group's financial performance has shown progressive improvements in the FY2022 following the roll-out of the National Recovery Plan directing Malaysia towards progressive economic recovery and the subsequent transition to endemicity on 1 April 2022, in line with the reopening of international borders.

Nevertheless, headwinds for the property and hospitality sectors such as uncertainties arising from adverse developments surrounding Covid-19, high inflation, aggressive interest rate hike, disruption of supply chain, escalating material prices, scarcity of workers and heightened financial market volatility could dampen its recovery. Against the above backdrop, the Group is mindful of the challenges inherent in the current operating environment and will continue to monitor closely both local and global developments and continue to emphasise on cost management and efficiency improvement across its business operations.

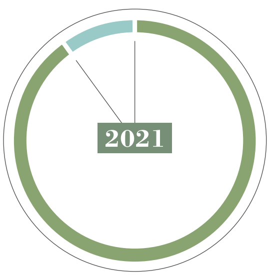
Impian Hills Sales Gallery artist impression

Harp, Desa Tebrau - Kitchen

REVENUE BY DIVISION

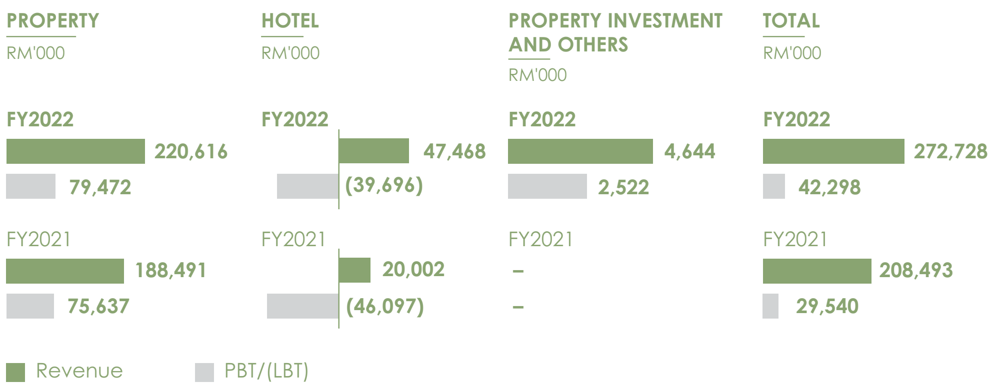


- **Property** RM220.6m (81%)
- **Hotel** RM47.5m (17%)
- **Property Investment and others** RM4.6m (2%)



- **Property** RM188.5m (90%)
- **Hotel** RM20.0m (10%)

REVIEW OF FINANCIAL RESULTS



Despite a challenging business landscape with protracted concerns and uncertainties with the emergence of a new wave of COVID-19 virus variants as we entered the second year of the pandemic, the Group registered yet another set of commendable results for the FY2022. The Group's revenue stood at RM272.7 million, accompanying with profit before tax ("PBT") of RM42.3 million, which was higher as compared to the financial year ended 30 June 2021 ("FY2021") revenue of RM 208.5 million and PBT of RM29.5 million. The achievement was driven predominantly by the property development division with a revenue of RM220.6 million which accounted for 81% of the Group's total revenue, followed by the revenue from hospitality division of RM47.5 million which accounted for the 17%, the remaining 2% or RM4.6 million were lease rental derived from property investment and dividend income received from investment in quoted equity securities. Dividend income from investment in quoted equity securities was classified as other income in FY2021. Changes in classification is part of the rationalisation of revenue classification undertaken by the management during the financial year.

PBT improved 43% to RM42.3 million from preceding financial year's RM29.5 million. The significant profit growth rose mainly due to higher revenue generated from improved occupancy and average room rates at Plenitude's hotels which benefitted from the relaxation of travel restrictions, reopening of international borders and the cost rationalisation exercise initiated that helped lower the operating expenses.

PROPERTY DEVELOPMENT

REVENUE

RM220.6mil

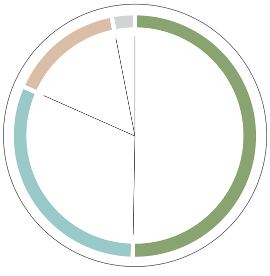
2021: RM188.5mil

PBT

RM79.5mil

2021: RM75.6mil

REVENUE CONTRIBUTION BY REGION



Johor	51%
Selangor	31%
Kedah	15%
Penang	3%

PROPERTY DEVELOPMENT

The COVID-19 pandemic and stay-at-home strategies to mitigate the spread of Covid-19 resulted in major changes in the lifestyle, mental health, and quality of life of citizens. A healthy housing and residential environments such as uncrowded, high-quality homes with fresh air and access to the outdoors typify healthy and liveable residential environments have become key attributes that many home buyers looking for. Plenitude's landed properties which have been designed for spacious living become the preferred choice of many home buyers.

In addition, the low interest rate environment in FY2022 had enabled more qualified buyers to secure home loans and this contributed to a recovery in sales momentum. The fiscal stimulus packages introduced by the Government that further boosted home buyers' appetite, including the extension of the Home Ownership Campaign which was extended to 31 December 2021 also one of the factors that supported our success.

In FY2022, property development division managed to enjoy a relatively encouraging response from the market with demand for landed properties. During the year, the Group managed to conclude RM214.1 million sales, out of which 92% were landed houses. Almost all of our completed landed houses were sold during the year. The Group's property development division posted a revenue of RM220.6 million and PBT of RM79.5 million in FY2022 as compared to RM188.5 million and RM75.6 million respectively in the preceding financial year.

The positive contribution in revenue for FY2022 was mainly from disposal of completed properties namely Bintang Maya 2 – double storey terrace houses in Sungai Petani, Kedah, Phase 4E – Topaz, 2 & 3 storey terrace houses at Taman Putra Prima in Puchong, Selangor and Phase 19&20 (2A&2B) – Harp, double storey cluster homes at Taman Desa Tebrau in Johor Bahru, Johor. The increase in revenue was also attributed to the ongoing construction projects Phase 19&20 (3A) – Cello, double storey terrace houses at Taman Desa Tebrau in Johor Bahru, Johor, Phase 5 – Diamond, 2 & 3 storey terrace houses at Taman Putra Prima in Puchong, Selangor, Bintang Maya 3, double storey terrace houses in Sungai Petani, Kedah and newly launched Phase 19&20 (3D) – Cello, double storey terrace houses at Taman Desa Tebrau in Johor Bahru, Johor.

To reduce single region concentration in the Group's development activities, Plenitude has lined up a strong suite of products offered at different regions where real property demand is still resilient. Within the key regions, Johor accounted for 51% of Group's property development division revenue, Selangor 31%, Kedah 15% whilst Penang contributed 3% in FY2022.

Travelodge Honmachi Osaka

HOTEL OPERATIONS

REVENUE

RM47.5mil

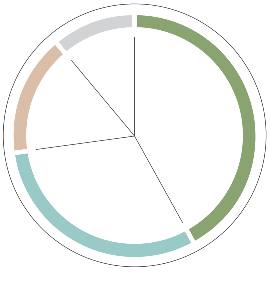
2021: RM20.0mil

LBT

-RM39.7mil

2021: -RM46.1mil

REVENUE CONTRIBUTION BY REGION



Penang	42%
Kuala Lumpur	31%
Ipoh	16%
South Korea	11%

HOTEL OPERATIONS

The Group's hotel business continued be impacted by economic uncertainties and social distancing measures under the COVID-19 pandemic in the first quarter of FY2022. Notwithstanding the challenging business environment, we had taken a bold step to re-open our Travelodge Georgetown and Travelodge Ipoh in August 2021 and Mercure Penang Beach in September 2021. These three hotels were closed in April 2020 due to the Covid-19 pandemic which severely impacted our hospitality business.

The Group's hotel business started to improve on robust top-lines ahead with economic activities accelerating as we entered National Recovery Plan era, Malaysia transitioned towards the endemic phase of COVID-19, the reopening of international borders since 1 April 2022 has facilitated the recovery in tourism-related sectors. In FY2022, the Group's hotel division registered a significant increase in revenue of 137% from previous year's RM20.0 million to RM47.5 million arising from higher occupancy rate and average daily rate.

Ascott Gurney Penang

During the FY2022, our newly refurbished Ascott Gurney Penang, was officially opened to the public in March 2022. The 37-storey Ascott Gurney Penang offers 271 modern apartments, ranging from studios, one-bedroom and two-bedroom apartments with separate living and dining areas, fully equipped kitchen, as well as built-in washer and dryer.

Additionally, we completed the acquisition of a 14-storey midscale hotel constructed on a freehold parcel of land in Osaka City, Japan. Currently the Group's second overseas asset is under renovation and it is expected to open for business as Travelodge Honmachi Osaka on 28 September 2022.

Plenitude's hotel revenue spanned across evenly over the key cities in West Malaysia and our first overseas asset in Seoul, South Korea. Plenitude's four hotels in Penang contributed 42% of the Group's hotel revenue while 3 properties in Kuala Lumpur contributed 31%, Travelodge Ipoh and Travelodge Myeongdong Euljiro added 16% and 11% respectively.

PROPERTY
INVESTMENT

GURNEY WALK CONTRIBUTED
RM0.4mil
revenue
to the Group

Gurney Walk, Penang

PROPERTY INVESTMENT

Gurney Walk, Penang is Plenitude's newly refurbished property investment portfolio. Gurney Walk officially opened its doors on 1st March 2022, welcoming the public to visit an invigorating array of retail shops, food and beverage outlets, wellness centres, and convenience stores. This new lifestyle hub stretching 100,000 square feet along Gurney Drive is linked to the Group's Ascott Gurney Penang.

During the FY2022, Gurney Walk contributed RM0.4 million revenue to the Group. Additionally other lease rental income derived from the Group's investment properties was reported as part of investment revenue in the Statement of Comprehensive Income. The Group recognised rental income of RM3.6 million and operating profit of RM2.5 million in FY2022 as compared to RM3.6 million and RM2.4 million respectively in FY2021.

COSTS AND EXPENSES

Throughout the year, we continued to drive cost efficiencies by tracking supply usage focusing on energy consumption and tapping new technology to improve our bottom line. We are keeping costs under tight control, implementing mitigating initiatives and enhancing efficiencies across our businesses wherever possible. Total costs and expenses before finance costs increase to RM95.9 million from RM84.3 million in FY2022 which was mainly attributable to improve business activities, preopening expenditure incurred for Ascott Gurney Penang and Gurney Walk and transaction costs for the acquisition of Travelodge Honmachi Osaka.

FINANCIAL POSITION

TOTAL ASSETS

RM2.20 bil

2021: RM2.18 bil

EQUITY ATTRIBUTABLE TO OWNERS

RM1.59 bil

2021: RM1.58 bil

NET ASSETS PER SHARE

RM4.16

2021: RM4.14

DIVIDENDS (PER SHARE)

2.5 sen

2021: 2.0 sen

FINANCIAL POSITION

The Group's financial position remains healthy. Total assets as at end of FY2022 stood at RM2.20 billion while total equity attributable to owners of the Company stood at RM1.59 billion, translating to Net Assets per Share of RM4.16. In comparison, the total assets in FY2021 was RM2.18 billion while total equity attributable to owners of the Company stood at RM1.58 billion with Net Assets per Share of RM4.14.

As at 30 June 2022, cash and bank balances, fixed deposits and investment in money market fund dropped slightly by RM53.6 million from last financial year's RM386.3 million to RM332.7 million. During the FY2022, operating activities generated net cash of RM88.5 million. The Group spent RM175.3 million on capital expenditure, mainly for the acquisition of the 14-storey hotel in Osaka and the refurbishment of Ascott Gurney Penang and Domitys Bangsar Kuala Lumpur.

The Group's borrowings reduced to RM336.5 million from RM367.5 million in FY2022. The reduction was mainly due to a redemption of non-convertible redeemable preference shares by a subsidiary company of RM66.6 million offset with additional loan drawdowns for the hotels' renovation expenditures. The Group's net gearing ratio stood at 0.2x shareholders' funds as at 30 June 2022 indicating that the Group has sufficient capacity to undertake additional borrowings for future expansion when necessary.

We remain prudent in maintaining a sound financial position that enables the execution of sustainable business operations going forward. Should suitable opportunities arise necessitating significant capital expenditure going forward, Plenitude will accordingly finance such expenditure via internal funds, external borrowings, seek financing through the capital markets or undertake a combination of the above-mentioned.

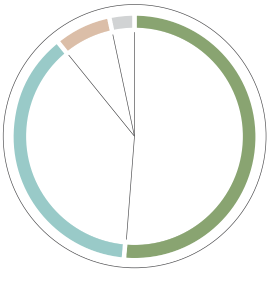
DIVIDENDS

For the FY2022, the Company proposed a single tier dividend of 2.5 sen per share. This dividend is subject to approval of the shareholders at the forthcoming Annual General Meeting of the Company. In respect of the FY2021, a single tier dividend of 2.0 sen per share was paid on 18 November 2021.

This proposed dividend reflects our financial position for the year and to reward our loyal shareholders for their continued support and confidence in Plenitude, despite prevailing circumstances and challenging operating conditions in light of the economic impact of the COVID-19 pandemic.

Taman Desa Tebrau, Phase 19/20 – Cello

GROUP LAND BANK BY LOCATION



Total	1,192 acres
Kedah	614 acres
Johor	452 acres
Penang	88 acres
Selangor	38 acres

REVIEW OF OPERATING ACTIVITIES

PROPERTY DEVELOPMENT

With a track record over 20 years in property development and being the top 30 property developers in Malaysia, the Group has established a trusted name in the industry and the brand will continue to be a mark of quality and innovation. Plenitude's property development portfolio is spread across five main growth destinations, namely Sungai Petani Kedah, Penang Island, Puchong Selangor, Ulu Tiram Johor and Johor Bahru Johor.

Property development remains the mainstay of the Group which contributed 81% of revenue for FY2022 and 90% for FY2021. FY2022 total property sales recorded at RM214.1 million as compared to RM301.1 million achieved in previous year. Sales recorded in FY2022 were led by completed Phase 19&20 – Clarinet and Harp, Taman Desa Tebrau, Johor Bahru, Phase 4E – Topaz, Taman Putra Prima, Puchong and Bintang Maya 2, Sungai Petani; and ongoing development Phase 5 – Diamond, Taman Putra Prima, Puchong as well as newly launched Phase 19&20 (3D) – Cello, Taman Desa Tebrau and Bintang Maya 3, Sungai Petani.

The Group's current landbank stood at approximately 1,192 acres.

SOUTHERN REGION

Taman Desa Tebrau, Johor Bahru

Taman Desa Tebrau is situated within the Iskandar Development Region of Johor. Spanning 965.7 acres, this township features niched contemporary homes in a mixed development, being offered with the well-established infrastructure, amenities and accessibility in getting around the Johor City Centre and Singapore.

Phase 19&20 (3A) – Cello, 117 units of double storey terrace houses were completed with certificate of practical completion and targeted to hand over to its owners in September 2022. Ongoing project, Phase 19&20 (3D) – Cello, 93 units of double storey terrace houses was launched in December 2021 and successfully recorded 59% sales as at August 2022.

Taman Desa Tebrau, Phase 19/20 – Cello show unit, artist impression

The Group adjusted its property launches in tandem with market conditions and market demand. Launching of Phase 19&20 (3B) – Cello, 162 units of double storey terrace houses was deferred to Financial Year 2023 ("FY2023"), due to delay in obtaining its advertising permit and developer license as a result of Ministry of Housing and Local Government's system migration. Besides, Phase 19&20 (2C) – Harp, 100 units of double storey cluster homes and semi-detached houses will also be unveiled in FY2023.

Impian Hills

(formerly known as Taman Bukit Tebrau)

Impian Hills (formerly known as Taman Bukit Tebrau) is the Group's latest freehold and low-density township located along Jalan Kota Tinggi, Ulu Tiram, Johor, approximately 23 kilometres due north-east of Johor Bahru city centre. It is easily accessible via Senai-Desaru Expressway, Pasir Gudang and Tebrau Highway which facilitating east-west travel across the state.

This 258.5 acre development is an eco-friendly development designed towards a sustainable and harmonious community with easy accessibility to amenities and facilities in the suburb of Ulu Tiram focusing on development of affordably priced homes. 13% of the development area will be allocated as open parks and orchard, and 54% of the area will be allocated for public amenities and infrastructure use.

The first property to be introduced in Impian Hills is 143 units of double storey terrace house, Magnolia at Impian Hills. Should Phase 1 receive encouraging respond, we are ready to release another 154 units of double storey terrace house in FY2023.

Magnolia at Impian Hills

Taman Putra Prima, Phase 5 – Diamond, artist impression

CENTRAL REGION

Taman Putra Prima, Puchong

Taman Putra Prima is a freehold mixed development township that enjoys an unparalleled location within the Multimedia Super Corridor, Kuala Lumpur, Puchong and Cyberjaya. This 451.6 acre development is a well-planned township featuring 'Green' concept with stylish and spacious homes within a green lung and surrounding amenities.

Final phase in Taman Putra Prima, Phase 5 – Diamond, 166 units of 2 & 3 storey terrace houses was launched in May 2021. Given its strategic location within a well-established neighbourhood coupled with practical layouts and nature-inspired community living at a reasonable price tag, Diamond received encouraging response from the locals and as of August 2022, 54% or 92 Sales and Purchase Agreements have been secured. The remaining units are reserved for bumiputra buyers.

Taman Putra Prima, Phase 5 – Diamond, artist impression

Ramlee at Bukit Bintang, artist impression

NORTHERN REGION

Bintang Maya, Sungai Petani

Bukit Bintang is a freehold mixed development township in Sungai Petani. It sits on a 455.3 acre land surrounded by various public amenities, schools, medical centre, shopping centre, lush landscape park and recreational space. The township is everything within reach, maintaining the peace and sanctuary with great connectivity via North-South highway and railway.

Bintang Maya 3, consists of 60 units of double storey terrace houses was revealed in the 4th quarter of FY2021. As of August 2022, 92% of the units were sold. During the FY2022, the Group released 15 units of double storey shops located approximately 2 km away from Bintang Maya in May 2022, cumulative sales achieved as of August 2022 were 33%.

In the pipeline, the Group intends to roll out Ramlee at Bukit Bintang, 52 units of single storey bungalow houses in FY2023. This residential development comprises 96 units of single storey wide frontage bungalow houses in a gated and guarded neighbourhood.

Bintang Maya 3 show unit, artist impression

The Marin at Ferringhi

The Marin at Ferringhi

The Marin sits on a 4 acres prime freehold land with lush greenery and enjoys spectacular and unobstructed views of the Andaman Sea, located in the tourism hotspot, which has been gifted with wonderful beaches and resorts, Batu Ferringhi of Penang.

Despite the softened property market and temporary suspension of Malaysia My Second Home Programme since beginning of Covid-19 pandemic, the Group managed to sell 6 units of Marin condominium in current FY2022. As at August 2022, 64% of units in Tower A were sold.

HOTEL OPERATIONS

As of 30 June 2022, the Group owns the following eight hospitality assets:

1. Novotel Kuala Lumpur City Centre
2. Oakwood Hotel & Residence Kuala Lumpur
3. Mercure Penang Beach
4. Ascott Gurney Penang
5. Travelodge Georgetown
6. Travelodge Ipoh
7. Travelodge Myeongdong Euljiro, Seoul, South Korea, and
8. Travelodge Honmachi Osaka, Osaka City, Japan

The Group also invested in two residential assets namely Nomad Bangsar Serviced Residences, Kuala Lumpur and Tanjung Point Residences, Penang.

During the FY2022, the Group completed refurbishment and re-opened Ascott Gurney Penang in March 2022. Renovation works for Domitys Bangsar Kuala Lumpur (Nomad Bangsar Serviced Residences) is still in progress, it is dedicated to active and independent senior residents and is scheduled to start operations in October 2022. The Domitys brand is a market leader in providing lodging and hospitality to senior citizens and a key player in the Silver Economy in France.

Travelodge Honmachi Osaka is our latest addition to the Group's hotel investment portfolio. The 138 rooms hotel is currently undergoing refurbishment and expected to commence operations on 28th September 2022. Travelodge Honmachi Osaka is strategically located at Azuchimachi, Chuo-ku, Osaka, Japan and is a 5 minutes' walk from Hommachi Station and Sakaisuji Hommachi Station. Nearby attractions within easy reach are Osaka Castle, Shinsaibashi-Suji Shopping Street, Dotonbori and Osaka-Namba.

FORWARD-LOOKING STATEMENT

Malaysia's economy has been on a strong recovery path since the country reopened its borders in April. The higher growth is also reflective of normalising economic activities as the country moves towards endemicity and reopening of international borders. Bank Negara Malaysia ("BNM") is keeping its gross domestic product ("GDP") growth projection at 5.3% to 6.3% this year, even with better-than-expected second quarter economic growth and potentially stronger performance in third quarter, according to the BNM Governor at the 2Q GDP briefing on 12 August 2022.

While external demand could face headwinds from slower global growth, the Malaysian economy will continue to be supported by firm domestic demand. Growth would also benefit from improving labour market conditions and higher tourist arrivals, as well as continued implementation of multi-year investment projects. However, Malaysia's growth remains susceptible to a weaker-than-expected global growth, further escalation of geopolitical conflicts and worsening supply chain disruptions.

The Group expects another challenging year for the property sector, with inevitable interest rate hikes, escalating building material cost and manpower shortages which poses challenges to developers' profitability. Amid these challenging times, the Group remains cautiously optimistic and continues to be alert and responsive to customer expectations. We will remain focused in accelerating digital transformation process, introducing new technologies and tools for better customer experience and engagement, brand loyalty and market share.

New launches have been reviewed and planned to ensure that products cater to the demands of target buyers. For the coming financial year, the Group plans to launch Phase 19&20 (3B) – Cello, 162 units double storey terrace house and Phase 19&20 (2C) – Harp consisting of 100 units of cluster homes and semi-detached houses at Taman Desa Tebrau, Parcel 11 – Ramlee, 52 units single storey bungalow houses at Bukit Bintang, Sungai Petani Kedah, along with 297 units of double storey terrace house at new township Impian Hills, Ulu Tiram, Johor. Total gross development value for the launches is estimated at RM508.8 million.

Hospitality segment in the country has benefitted from opening of international borders and relaxation of travel restrictions but it will take times to return to pre-covid levels as inbound overseas flight remains below full capacity while China has yet to re-open its borders.

The Group's immediate strategy is to drive brand visibility and promote direct bookings through digital marketing and social media, continue to work on improving service levels and provide guests with great hospitality experiences, to upskill hotel leaders in various areas such as marketing, sales and communications and ensuring proper maintenance of hotel properties. We are proud to share that Ascott Gurney Penang has been receiving encouraging take up rates since its opening in March 2022. Besides, the Group is confident that the acquisition of hotel in Osaka, Japan and refurbishment and rebranding of Domitys Bangsar will contribute positive results in line with long-term business strategies of widening & improving income base.

Plenitude is committed to achieve its goals with a focus on Environmental, Social and Governance ("ESG") principles. We acknowledge our responsibility and will continue to support and integrate sustainability values into our business operations, management and decisions. Sustainability is promoted within the organisation to instil these value across. The Group will continue to observe developments that could impact the Group's business, while adopting a prudent approach in financial management. Plenitude will continue to pursue long-term strategies of maximising shareholder's value by strengthening our regional footprint, growing income base and reviewing our asset portfolio. The Group will continue to be vigilant in sourcing for prime and strategic assets in ensuring continuous and sustainable business growth.

Domitys Bangsar Kuala Lumpur

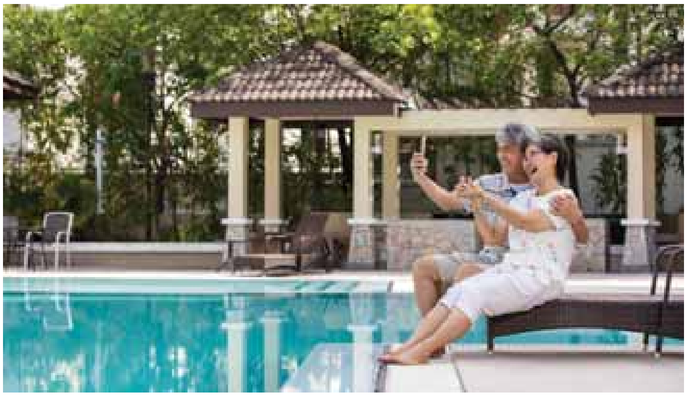
DOMITYS

Dedicated to independent, active seniors, Domitys Bangsar Kuala Lumpur offers spacious, high-quality, and secure residences with 100 units of studios and one-to-three-bedroom apartments, each fully-equipped with kitchens and senior-friendly bathroom facilities. Facilities at Domitys Bangsar include swimming pool, aqua-gym pool, yoga deck, residents' lounge, restaurant, fitness corner, beauty parlour, multimedia room and physiotherapy room. Residents can participate in a wide range of daily activities, personal development and coaching programmes.

New Brand

KEY FEATURES

- Strategic location in Bangsar near to commercial areas
- Easy access to medical facilities
- Proximity with MRT & LRT stations
- Kitchenette in all units
- Senior-friendly facilities and curated programmes



Domitys Bangsar swimming pool

Domitys Bangsar living area

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of Plenitude Berhad ("Plenitude" or "the Company") recognises the importance of good corporate governance and is committed to ensuring that the highest standards of corporate governance are implemented and maintained throughout the Company and its Group of Companies ("the Group") as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value.

This Corporate Governance Overview Statement ("CG Overview Statement") is prepared pursuant to Paragraph 15.25 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and takes guidance from the key Corporate Governance ("CG") principles as set out in the updated Malaysian Code on Corporate Governance issued on 28 April 2021 ("MCCG 2021") by the Securities Commission Malaysia ("SC"). The MCCG 2021 covers three broad principles namely Board Leadership and Effectiveness, Effective Audit and Risk Management and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This CG Overview Statement provides an overview of the CG practices of the Company under the leadership of the Board during the financial year ended 30 June 2022. It is to be read in conjunction with the CG Report, which is made available online at plenitude.com.my/corporate-governance/. The CG Report provides the details on how the Company has applied each practice as set out in the MCCG 2021 during the financial year 2022.

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

1.1 The Board plays a key and active role in the formulation and development of the Group's and the Company's policies and strategies and is responsible for oversight and overall management in achieving the objectives and long-term goals of the Group and the Company. The Board, in carrying out its stewardship responsibility has delegated certain responsibilities to the Audit Committee ("AC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). All committees have clearly defined Terms of Reference ("TOR"). The Chairman of the respective committees report to the Board the outcomes of the committee meetings. The ultimate responsibility for the final decisions on all matters, however, rests with the entire Board.

The Board is charged with, amongst others, the development of corporate objectives, the review and approval of corporate plans, annual budgets, acquisitions and disposals of properties of substantial value, major investments and financial decisions, and changes to the management and control structure within the Group including key risk management, treasury, financial and operational policies.

In support of the Board and to facilitate expeditious decisions, there is the Limits of Authority ("LOA") document. The LOA serves to optimise operational efficiency and outlines high level duties and responsibilities of the Board and delegation of the day-to-day management of the Group and the Company to the Executive Director, Chief Executive Officer ("CEO"), Chief Operating Officer ("COO") and Chief Financial Officer ("CFO") (collectively "the Management Committee"). This delegation is further cascaded by the Management Committee to the Group Functional Heads ("Group Management Team") and Operations Management ("Operations Management Team") of subsidiary companies. The Management Committee is duly authorised by the Board to approve business, operational and administrative decisions beyond the approved limits granted to Group Management Team and Operation Management Team (collectively "the Management"), to review business strategies and operations and ensure adherence to policies and strategies approved by the Board.

1.2 The Board supports the principle that separates individuals for the Chairman and CEO positions, is beneficial to the effective functioning of the Board and facilitates a powerful check and balance mechanism. The segregation of roles and responsibilities of the Chairman and the CEO is set out in the Board Charter.

The positions of the Chairman and CEO are held by different individuals. The Chairman, who is a Non-Independent Non-Executive Director, is primarily responsible for leadership, effective conduct and workings of the Board. The CEO is responsible for the Group's day-to-day business operations and together with the Group Management Team are responsible for implementing the policies and decisions of the Board, overseeing the operations as well as coordinating the development and implementation of business and corporate strategies.

1.3 As at to-date, the Company has one (1) Company Secretary. The Company Secretary is qualified to act under Section 235(2) of the Companies Act 2016 ("CA 2016"). She has been a member of the Malaysian Institute of Accountants since 2018 and a fellow member of the Association of Chartered Certified Accountants since 2011. She is suitably qualified and capable of carrying out the duties as required of the position.

The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in the discharge of its functions. The Company Secretary ensures that all Board and Board Committees' meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are recorded and maintained in the Statutory Books of the Company. The Company Secretary also keeps abreast of the evolving capital market environment, regulatory changes and developments in CG through continuous training and updates the Board timeously. The Board has full access to the Company Secretary.

1.4 The Board has established the Board Charter which provides guidance and clarity for the Board and the Management regarding the role of the Board and the Board Committees, the requirements of Directors in carrying out their roles and in discharging their duties towards the Company as well as the Board's operating practices. The Board Charter is made available for reference on the Company's website at plenitude.com.my/corporate-governance/.

The Board Charter will be periodically reviewed and updated from time to time to reflect relevant changes to the policies, procedures and processes as well as amendments to rules and regulations to ensure it remains relevant and consistent with the applicable rules and recommended best practices.

On 22 August 2022, the Board has reviewed and approved the updates to the Board Charter and TOR of the Board Committees to be in line with the practices of the MCCG 2021 and the amendments of the MMLR.

1.5 The Group has in place a Codes of Ethics for Directors and employees to govern the standard of ethics and good conduct. The Code of Ethics for Directors describes the standards of business conduct and ethical behaviour for Directors in the performance and exercise of their duties and responsibilities as Directors of the Company or when representing the Company.

For employees, the Code of Ethics covers all aspects of the Group's business operations, such as confidentiality of information, dealings in securities, conflicts of interest, gifts, gratuities or bribes and dishonest conduct.

In addition, the Whistleblowing Policy and Procedures established by the Board applies to the Directors and employees of the Group and is designed to provide them with proper internal reporting channels and guidance to disclose any wrongdoing or improper conduct relating to unlawful conduct, inappropriate behaviour, malpractices, any violation of established written policies and procedures within the Group or any action that is or could be harmful to the reputation of the Group and/or compromise the interests of the shareholders, clients and the public without fear of reprisal, victimisation, harassment or subsequent discrimination.

1.6 The Group is committed to conducting its business with integrity and has adopted an Anti-Corruption Policy to ensure that the business operations are carried out professionally in accordance with business ethics and conduct, and recognise that all business partners, employees and directors of Plenitude have to adhere to with the terms of this policy.

2. Board Composition

2.1 The Board consists of a total of five (5) Directors comprising one (1) Non-Independent Non-Executive Chairman and four (4) Independent Non-Executive Directors ("NEDs"). 80% of the Board members are independent directors. The Board has complied with paragraph 15.02(1) of the MMLR which requires that at least two (2) Directors or one-third (1/3) of the Board of the Company, whichever is higher, are independent directors; and conform to the MCCG 2021 recommendation that of at least half of the Board comprises Independent Directors.

The composition and size of the Board are reviewed from time to time to ensure its appropriateness. Ongoing efforts are also taken to maintain an appropriate gender representation on the Board. The percentage of women Directors on the Board as at 30 June 2022 was at 40% which is in line with the recommendation of Practice 5.9 of the MCCG 2021 which requires at least 30% women directors in its Board composition. The profile of each Director is presented on pages 8 to 9 of this Annual Report.

2.2 The Board takes cognisance the recommendation of Practice 5.3 of the MCCG 2021 that the tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board as a non-independent director. If the Board intends to retain an independent director beyond nine (9) years, it should justify and seek annual shareholders' approval through a two-tier voting process at the Annual General Meeting of the Company ("AGM").

The Board opines that Independent Non-Executive Directors would have developed a good understanding of the Group's businesses over time and could lose their valuable contributions simply by phasing out Independent Non-Executive Directors who have reached the limit. The Board believes that term limits do not in any way interfere with an Independent Non-Executive Director's judgement and ability to act in the best interest of the Company. The Board has no policy which limits the tenure of its independent directors to nine (9) years.

As Mr. Tan Kak Teck has served for a cumulative term of more than nineteen (19) years as an Independent Non-Executive Director of the Company, he has given a notice to the Board and Company that he is not seeking for re-election as a Director at the forthcoming AGM. Subsequently, Mr. Tan Kak Teck will retire as a Director of the Company at the conclusion of the forthcoming AGM. During the financial year, Ir. Teo Boon Keng resigned as a Director of the Company and Puan Norhayati binti Hashim was appointed as an Independent Non-Executive Director on 25 February 2022.

2.3 The Board recognises the benefits of having a diverse Board to ensure that the mix and profile of the Board members in terms of age, ethnicity and gender provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management. In this regard, the Board through its NC reviews on an annual basis the effectiveness of the Board, its Committees and the contributions of each individual Director, including the required mix of skills and core competencies necessary for the Board to discharge its duties effectively. The Board has always considered gender and workplace diversity as set out under Practice 5.9 and Practice 5.10 of the MCCG 2021 which emphasise the support of women representation at the Group level as well as the Group's respective subsidiary boards. Notwithstanding, the Board is of the view that while it is important to promote gender diversity, the normal selection criteria of a Director, based on effective blend of fit and proper, competencies, skills, extensive experience and knowledge in areas identified by the Board, should remain a priority so as not to compromise on qualifications, experiences and capabilities.

2.4 Procedures relating to the appointment and re-election of Directors are contained in the Constitution of the Company. All Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. The Constitution of the Company also provides that a Director who is appointed by the Board in the course of the year shall be subject to re-election at the next AGM to be held following his appointment.

At the forthcoming AGM, two (2) Directors who will be retiring pursuant to the provision of the Constitution of the Company, which are Mr. Tan Kak Teck and Puan Norhayati binti Hashim. Puan Norhayati binti Hashim being eligible, has offered herself for re-election.

However, Mr. Tan Kak Teck has given a notice to the Board and Company that he is not seeking re-election as a Director. Therefore, Mr. Tan Kak Teck will retire as a Director of the Company at the conclusion of the forthcoming AGM.

2.5 The NC comprises three (3) Independent Non-Executive Directors. It complies with Practice 5.8 of the MCCG 2021 that the NC is chaired by an Independent Director.

The responsibilities of the NC are governed by its TOR approved by the Board. The TOR is available on the Company's website plenitude.com.my/corporate-governance/.

During the financial year ended 30 June 2022, the NC met thrice in carrying out the following activities:

(i) Reviewed and recommended the re-election of Directors at the 21st AGM;
(ii) Reviewed and recommended the retention of Independent Director at the 21st AGM;
(iii) Reviewed and discussed on the 'Disclosure of Details to Nomination Committee' from the Directors and Management;
(iv) Reviewed and recommended the nomination of new Independent Non-Executive Director;

and reported the outcome to the Board for decision.

The NC reviews on an annual basis the effectiveness of the Board, its Committees and the contributions of each individual Director, including the required mix of skills and core competencies necessary for the Board to discharge its duties effectively.

2.6 Five (5) Board meetings were held during the financial year ended 30 June 2022. All Directors fulfilled the requirements of the Constitution with respect to the Board meetings' attendance that every Director must attend at least fifty (50) percent of the Board meetings held each financial year.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities. Details of the attendance of the Directors at the meetings for the financial year are as set out below:

	Attendance			
Name of Directors	**Board**	**AC**	**NC**	**RC**
Chua Elsie	5/5	-	-	-
Tan Kak Teck	5/5	5/5	3/3	-
Dato' Lok Bah Bah @ Loh Yeow Boo	5/5	5/5	3/3	2/2
Tee Kim Chan	5/5	-	3/3	2/2
Norhayati binti Hashim (appointed on 25 February 2022)	1/1	1/1	-	-
Ir. Teo Boon Keng (resigned on 1 January 2022)	3/3	3/3	-	-

2.7 The Board emphasises the importance of continuing education for the Directors to ensure that they are equipped with the necessary skills and knowledge to meet its challenges. All Directors are encouraged to attend appropriate external training programmes to gain insights and keep abreast with the development and issues relevant to the Group's businesses, especially in the areas of corporate governance and regulatory requirements. A training budget of RM6,000 per director is allocated every year for this purpose. During the financial year ended 30 June 2022, RM3,915 training fees were incurred.

The external training programmes, seminars and conferences attended by Directors during the financial year ended 30 June 2022 included the following:

No.	Director	Programme
1.	Chua Elsie	• ESG Awareness Training
2.	Dato' Lok Bah Bah @ Loh Yeow Boo	• MIA Webinar Series : Budget 2022 Key Highlights
		• MIA Webinar Series : Tax Treatment of Stock in Trade – Valuation and Withdrawal of Stock
		• ESG Awareness Training
3.	Tan Kak Teck	• ESG Awareness Training
4.	Tee Kim Chan	• ESG Awareness Training
5.	Norhayati binti Hashim	• Director Training on Bursa Malaysia Mandatory Accreditation Programme
		• ESG Awareness Training
6.	Ir. Teo Boon Keng	• Capital Market Conference 2021

The Directors have also kept themselves abreast with corporate and regulatory updates through dissemination of updates and notices from Bursa Malaysia and Securities Commission and also by reading corporate affairs materials and professional journals.

3. Remuneration

The Board is mindful that fair remuneration is critical to attract, retain and motivate the Directors of the Company. The remuneration policy is reviewed by the RC on an annual basis prior to making its recommendation to the Board for decision.

The proposed Directors' fees for the Non-Executive Directors ("NEDs") of RM300,000 for the financial year ending 2023, which represents RM5,000 per month payable on a monthly basis for each of the NEDs of Plenitude Berhad will be recommended to the shareholders for approval at the forthcoming 22nd AGM.

Meeting allowances for the NEDs shall remain the same as set out in the table below:

	Chairman/Member
Board of Plenitude Berhad (per meeting)	RM500
Board Committees (per meeting)	RM500

Having regard in respect of the ambit of benefits payable to Directors as required by the CA 2016, the Board approved the RC's recommendation for Plenitude Berhad to seek shareholders' approval at the forthcoming 22nd AGM on the Directors' remuneration through the following two (2) resolutions:

- To approve the payment of Directors' fees amounting to RM300,000 in respect of financial year ending 30 June 2023.

- To approve the payment of the remuneration other than the Directors' fees to the NEDs up to the next AGM.

In addition to the above, the Directors have the benefit of Directors & Officers ("D&O") Insurance in respect of any liabilities arising from acts committed in their respective capacity as the directors and officers of Plenitude Berhad and of the Group. However, the said insurance policy does not indemnify a director or principal officer if he/she is proven to have acted negligently, fraudulently or dishonestly, or in breach of his/her duty or trust.

The remuneration of the Directors on named basis for the financial year under review is as follows:

Name of Directors (Non – Executive Directors)	Paid by the Company		Total (RM)
	Director's Fees (RM)	Meeting Allowances (RM)	
Chua Elsie	60,000	3,000	63,000
Tan Kak Teck	60,000	7,000	67,000
Dato' Lok Bah Bah @ Loh Yeow Boo	60,000	8,000	68,000
Tee Kim Chan	60,000	5,500	65,500
Norhayati binti Hashim (appointed on 25 February 2022)	20,714	1,000	21,714
Ir. Teo Boon Keng (resigned on 1 January 2022)	30,000	3,500	33,500

The disclosure of Directors' remuneration is made in accordance with item 11 of the Appendix 9C of the MMLR.

PRINCIPLE B EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Audit Committee

The AC currently comprises three (3) members, all of whom are Independent Directors. None of the current members of the AC is a former key audit partner involved in auditing the Group.

The AC has policies and procedures to review, assess and monitor the performances, suitability and independence of the external auditors. Prior to the commencement of the annual audit, the AC will seek confirmation from the external auditors as to their independence. This confirmation would be re-affirmed by the external auditors to the AC upon their completion of annual audit, this confirmation is made pursuant to the Independent Guidelines of the Malaysian Institute of Accountants.

The AC met the external auditors twice without the presence of the Management Team. A more detailed report on its composition and activities is presented in the AC Report of the Annual Report.

The AC has considered the external auditors' quality of work and is satisfied with their performance and their independence and had recommended their re-appointment to the Board, upon which the shareholders' approval will be sought at the forthcoming AGM.

2. Risk Management & Internal Control Framework

Plenitude has put in place a systematic risk management framework and processes to identify, evaluate and monitor principal risks and implement appropriate internal control processes to manage risks across the Group. Risks such as long-term business strategies, regulatory and compliance concerns, substitution and technology applications and fraudulent practices. Although many risks are outside the Company's direct control, a range of activities are in place to mitigate the key risks identified as set out in the Statement on Risk Management and Internal Control.

The risk management and internal control system is regularly reviewed and mitigated by Management to ensure that the Group's assets and shareholders' investments are protected and preserved.

The Group's internal audit function was outsourced to a professional audit firm who reports to the AC. Additionally, an in-house internal auditor overseeing projects and hotel properties also report to the AC. Internal Auditors report on the weaknesses of internal controls and risks and recommend corrective measures to the AC for its onward submission to the Board. The AC, with the assistance of Internal Auditors, ensures continuous review of the key risks of the Group, and monitors the implementation of the mitigation plans on a quarterly basis. The internal audit function is prescribed in detail in the AC Report of this Annual Report.

PRINCIPLE C INTERGRITY IN CORPORATE REPORTING & MEANGINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Communication with Stakeholders

The Board recognises the importance of effective communication with shareholders, the investment community and other stakeholders, and adheres strictly to the disclosure requirements of Bursa Malaysia. The Group maintains the website that allows all stakeholders access to information about the Group's businesses, corporate governance and financial status at plenitude.com.my.

All announcements and quarterly reports on the Group's results can also be accessed from Bursa Malaysia's website. In addition, the Group's Annual Report contains a review of its financial performance, supported by facts and standards. The AGM is the principal forum for dialogue between shareholders, the Board and the Management.

Any queries or concerns relating to the Group may be conveyed to our Investor Relations email: ir@plenitude.com.my or to the following persons:

Ms. Andrea Huong Jia Mei
Company Secretary
Tel : 03-6201 1120
Fax : 03-6201 3121
Email : andreahuong@shareworks.com.my

2. Conduct of General Meetings

2.1 The Board acknowledges that general meetings are important avenues in engaging with shareholders and they provide a platform for Board dialogue and interaction with shareholders and investors who may seek clarification on the Group's business, performance and prospects. Shareholders are notified of the AGM and the Company's Annual Report is published at the Company's website and Bursa Malaysia's website at least twenty-eight (28) days before the AGM. The notice of the AGM provided details of the resolutions proposed along with relevant information to enable the shareholders to evaluate and vote accordingly.

2.2 The printed version of the Annual Report is provided to the shareholders upon request. The request for the printed copies is to be submitted to the Share Registrar via a Requisition Form and shall be despatched to the shareholders as soon as reasonably practicable after the receipt of the request. At the AGM, shareholders are encouraged to ask questions or seek clarifications on the agenda of the meeting. All Directors and the CEO are available to respond to questions from shareholders during the meeting. The external auditors are also present to provide professional and independent clarification on issues and concerns raised by the shareholders.

2.3 At the previous AGM, the resolutions put forth for shareholders' approval were voted by poll as demanded by the Chairman in accordance with the provisions of the Constitution of the Company and the results were announced to Bursa Malaysia on the same day.

COMPLIANCE STATEMENT

The Board considers that the Group has complied substantially with the principles and recommendations as stipulated in the MCCG 2021 throughout the financial year ended 30 June 2022.

ADDITIONAL COMPLIANCE INFORMATION

Audit and Non-Audit Fees

Audit fees paid and payable to the external auditors by the Group and the Company for the financial year ended 30 June 2022 amount to RM440,000 and RM57,000 respectively.

Non-audit fees of RM5,000 paid or payable to the external auditors are for the review of the Statement on Risk Management and Internal Control and other information in the Annual Report.

Material Contracts

There were no material contracts entered into by the Company or its subsidiary companies involving Directors' and major shareholders' interest during the financial year ended 30 June 2022.

This Statement is made in accordance with the resolution of the Board dated 20 September 2022.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

This statement is made in accordance with Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Main Market Listing Requirements ("MMLR"), Malaysian Code on Corporate Governance ("MCCG") and as guided by Bursa Malaysia's guidelines, Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

BOARD RESPONSIBILITY

The Board of Directors ("the Board") of Plenitude Berhad's ("Plenitude" or "the Company") focus on effective risk oversight is critical in setting the tone and culture towards effective risk management and internal control.

The Board is committed to maintaining a sound and robust system of risk management and internal control and has established a risk management framework to govern and review Plenitude and its Group of Companies ("Group") risks and to continuously improve the processes to protect the Group's assets and safeguard shareholder's interest.

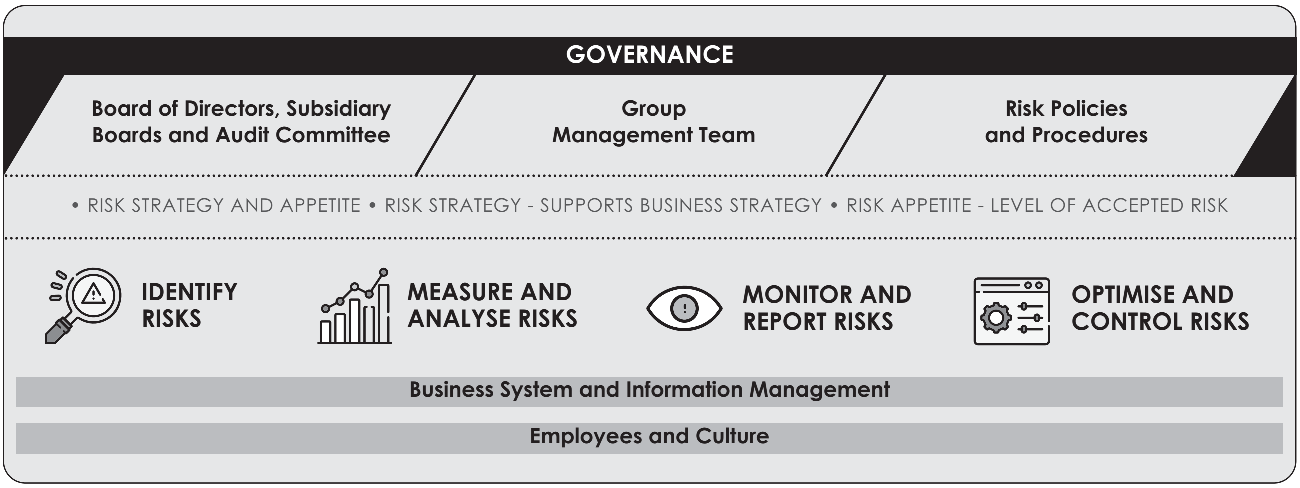
The Board also consistently reviews its adequacy and effectiveness of the systems and has established terms of reference ("TOR") to assist in the discharge of this responsibility. The key roles and responsibilities of the Board are set out in the Board Charter, which is reviewed annually by the Board and published on the website. 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.

The system of internal control covers not only financial but organisational, operational, regulatory and compliance as well as risk management. The Board recognises that the system is designed to manage, rather than eliminate, the principal business risks that may impede the Group from achieving its business objectives and safeguarding the assets entrusted under the Board's custody. The system provides reasonable, but not absolute, assurance against the occurrence of any material misstatement or loss.

The Board regularly receives and reviews reports on internal control and is of the view that the system of risk management and internal control that has been instituted throughout the Group is sound and adequate to safeguard the shareholders' investments and the Group's assets. In addition, considerable efforts are taken to evaluate the risks of the group and business complexities to assist the Board to anticipate and manage the risks.

RISK MANAGEMENT FRAMEWORK

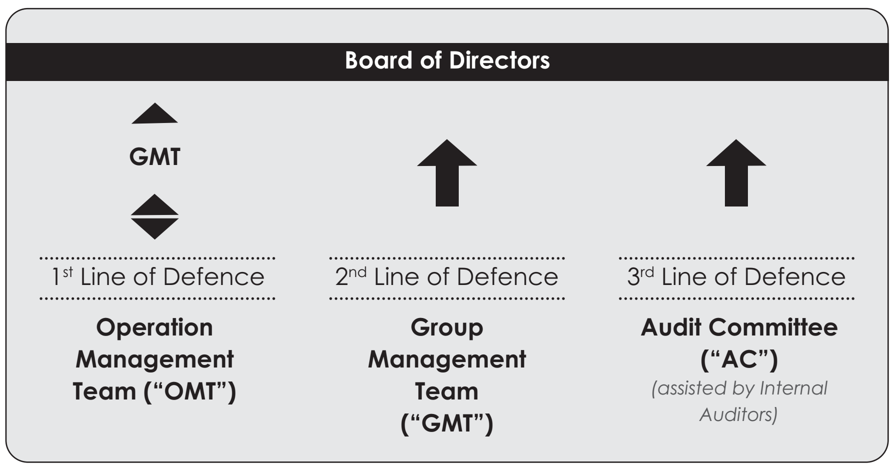
The risk management framework endorsed by the Group forms an integral part of the foundation of decision-making process and is strongly embedded into the Group's cultures, processes and structures. The framework is responsive to changes in the business environment and timely communicated to the management and all levels. The Board expects the management to operate and execute their roles guided by the framework while leveraging on potential opportunities to ensure the Group accomplishes its overall objective, to achieve continued profitability and sustainable growth.



Risk Management Structure

The Group's ideology in risk management focuses on the Three (3) Lines of Defence approach. The three lines of defence comprises of:

1st Line – Operation Management Teams ("OMT")
2nd Line – Group Management Team ("GMT")
3rd Line – Audit Committee ("AC") (assisted by Internal Auditors)



OMT are Business Units which are generally the Group's operation management teams from both property development and hospitality arms. They are primarily responsible for day-to-day risk management by identifying, assessing impact, and taking appropriate actions to manage and mitigate risks guided by respective risk management and internal controls mechanisms. OMT embraces the risk appetite set by the Board and promote the risk awareness within their operations and integrate risk management objectives into the business and operations to ensure business operates within the established risk strategies, appetites, policies, and procedures. In addition, OMT liaises and coordinates with the GMT on implementation of risk management policy and practices.

The GMT comprises of Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and Group General Managers. They are entrusted by the Board to drive the risk management framework and to ensure systematic implementation of risk management and monitoring of risks across the Group. The effectiveness of risk management policies and processes is reviewed and improved on a periodic basis. The implementation of risk management activities encompasses corporate and subsidiary levels. Events which may materially impact the Group's business operations, financial position and reputation will be escalated to the GMT for appropriate action. The adoption of mitigation measures will be presented to the AC and the Board for approval if it is beyond the limits of authority of the GMT.

The GMT's responsibilities include:

- Identifies principal risks at the Group level, establishes, formulates and recommends frameworks and policies specifically to address enterprise risk inherent in all business operations;
- Monitors compliance to risk management framework, regulatory requirements and status of action plans for both the Group and subsidiaries;
- Co-ordinates and promotes risk management program;
- Manages a culture of sound and best practice to be implemented group-wide.

The GMT is accountable for all risks assumed under its respective areas of responsibility as well as for the execution of appropriate risk management discipline in line with risk management approved by the Board, aided by supporting guidelines, procedures and standards.

Audit Committee

The Audit Committee ("AC"), assisted by the Internal Auditors, assists the Board in evaluating the adequacy of risk management and internal control framework; reviews and endorses the Group's risk profile; receives and reviews reports from the Internal Auditors and recommends them to the Board for approval. The AC provides independent assurance of the adequacy and reliability of the risk management processes and system of internal controls as well as compliance with risk-related regulatory requirements.

Board of Directors

The Board of Directors is responsible to maintain a sound system of risk management and internal controls; oversees and evaluates the conduct of the Group's businesses, reviews and approves board strategies, risk management policy and framework, governance structure and sets the risk appetite; reviews and approves key matters such as financial results, investments and divestments and major capital expenditure; receives, deliberates and endorses the AC's reports on risk governance and internal controls.

Risks

The Group's financial performance and operations are influenced by a vast range of risk factors. Key risks which may impact the Group's business strategies and prospects for future financial years include:

Operational risks	Risk from inadequate or failed internal processes, employees and systems;
	Risk of not anticipating and responding to operating environment changes or not successfully executing strategy;
	Product and insurance risks – risk from inadequate or inappropriate product management;
	Errors or omissions by employees;
	Talent management & retention (loss of key people); and
	Business disruptions due to extraordinary events such as global pandemic, supply chain issue and inflation.

Financial risks	Risk of loss from movements in financial markets and changes in financial variables. Risks including credit, liquidity, interest rates and exchange rates.
Compliance Risks	Risk of non-compliance to various relevant legislation, regulations, industry codes, standards, applicable laws, government policies or contractual obligations that may have a material and adverse impact on the financial prospects of the Group.

SYSTEM OF INTERNAL CONTROL

A sound internal control system encompasses the Group's policies, processes, tasks code of behaviour and proper documentation to facilitate effective and efficient operations. It helps to ensure the quality of internal and external reporting through the maintenance of proper records and processes that generate a flow of timely, relevant and reliable information and reports from within and outside the company. It helps to ensure compliance with applicable laws and regulations and also with internal policies with respect to the conduct of business.

The internal control framework of Plenitude is based on the Enterprise Risk Management framework of the Committee of Sponsoring Organisation ("COSO") which are made up of 5 key components as follows:

1. Control Environment

The control environment sets the tone for the Group by providing fundamental discipline and structure. Key elements of the Group's internal control environment include the following areas:

a) Integrity and ethical values

Code of Ethics

The Board and GMT set the tone of integrity and transparency at the top for corporate behaviour and corporate governance. All employees are to adhere by the Code of Ethics which sets out the principles to guide employees in carrying out their duties and responsibilities to the highest standards of integrity when dealing within the Group and with external parties. The Group's Code of Ethics covers areas such as compliance with respect to local laws and regulations, integrity, conduct in the workplace, business conduct, protection of the Group's assets, confidentiality, conflict of interest and anti-competition practices.

Guidelines on misconduct and disciplines

Guidelines are in place for handling misconduct and disciplinary matters. These guidelines govern the actions to be taken in managing the misconduct of employees who breach the Code of Ethics.

b) Commitment to competency

The Group appoints employees with the necessary competencies to complement the required skills or profession within the Group. Programmes and initiatives have been established to equip employees and enhance their abilities and skills in driving the Group forward through ongoing emphasis on performance management and employee development.

Training and development

It is the Group's policy to train employees at all levels so that they would be able to perform well in their present jobs and also to develop employees with potential to perform duties with wider responsibilities so that they may be ready to assume them when needed. Mentorship with senior employees is also part of the training programmes to develop talents in the Group. Programmes are also implemented to ensure that employees receive continuous training in various areas of work such as knowledge, health and safety, technical training, leadership and new product development.

Performance management

The Group has in place a KPI performance measurement process to link performance and rewards to create a high-performance work culture. The process also seeks to provide clarity, transparency and consistency in planning, reviewing, evaluating and aligning employees' actions and behaviours with the Group's vision and missions.

Succession planning

Succession planning is crucial for continuity of the Group's business strategies. The GMT and Human Resource identify employees with talents and leadership potential by providing leadership development programmes, mentoring and coaching and regularly assesses on their leadership readiness.

c) Board of Directors and Audit Committees participation

The Board comprises solely Independent and Non-Executive Directors has an overall responsibility over the Group's corporate governance and transparency and the AC assists the Board in overseeing the adequacy and effectiveness of internal control. The roles, responsibilities and authority of the Board and AC are governed by a clearly defined term of reference made available on the Company's website.

d) Organisation structure

The Group has an organisational structure led by the Chief Executive Officer ("CEO") and the GMT who have clear roles of responsibility and lines of reporting. Segregation of duties is practiced to promote ownership and accountability for risk taking and define lines of accountability; and delegate authority for planning, executing, controlling and monitoring of business operations. Conflicting tasks are apportioned between different members of staff to reduce the occurrence of error and fraud.

Reviews of the organisational structure are held to address changes in the business environment as well as to keep abreast of the Group's business strategies.

e) Assignment of authority and responsibility

Policies and procedures

Policies and procedures for all major aspects of the Group's business processes are in place and documented into operational manuals and guidelines. The manuals are reviewed and approved by the GMT before they are tabled to the Board for adoption and implementation. These manuals are periodically reviewed and updated to ensure that they remain effective and continue to support the Group's business activities at all times as the Group continues to grow.

Limits of authority

The Group has a clearly defined and documented Limits of Authority ("LOA") which is to be used consistently throughout the Group. These are regularly updated to reflect evolving risks or to resolve operational deficiencies. The LOA established a sound framework of authority and accountability within the Group including segregation of duties which facilitates timely, effective and quality decision-making at the appropriate levels in the Group's hierarchy.

2. Risk Assessment

The Group's risk management process involves identifying particular events or circumstances relevant to the Group's objectives and risk appetite, assessing them in terms of likelihood and magnitude of impact, evaluation of adequacy of existing controls, determining a response strategy, consider the potential for frauds, and monitoring the implementation of the response. This is expected to protect and create value for stakeholders, including shareholders, employees, customers, regulators and the society.

3. Control Activities

Control activities are the policies, procedures and practices put in place to ensure objectives are achieved and risk mitigation strategies are carried out.

Standard of operation manuals

Policies and procedures for key business processes are formalised and documented for each of the significant operating units and translated into operational manuals and guidelines. The Group has in place the standard of operation manual for IT, Finance, Credit Control, Sales Marketing, Front Office, F&B Services, Housekeeping, Project and Tender, Engineering, Kitchen as well as occupational health and safety for both the property and hotel divisions. These manuals are reviewed and approved by the GMT before they are tabled to the AC and the Board for approval of adoption and implementation.

Budgeting process

Annual budgets are prepared by each business unit and deliberated with GMT. The business units identified the strength and threats of the operations and draw up marketing plans to ensure the success of the budget. They are subsequently presented to the Board for approval before the commencement of a new financial year.

Upon approval of the budget, the Group's performance is periodically monitored and measured against the approved budget and ongoing forecast. The Group's performance is also reported to the AC and the Board.

Reporting systems which highlight significant variances against plan are in place to track and monitor performance. The results are reviewed on quarterly basis by the Board to enable them to gauge the Group's overall performance compared to the approved budget and prior periods, and to take remedial action where necessary. Similar performance reviews at the GMT's meeting take place on a monthly and quarterly basis.

Tender and selection process

The Group has a stringent tender and selection process in awarding contracts to contractors and suppliers. There is a set number of tenderers requirement for certain values of contracts. A pre-qualification exercise of which financial capability and project experience background check will be carried out by the management team at subsidiary level. Tenders are opened in the presence of the Head of Subsidiary Company, Finance Manager and consultant concerned with tender sums recorded and kept private and confidential. Subsidiary management team conducts tender interviews and negotiations and visits the project sites of shortlisted tenderers to assess the product workmanship quality and site management skills before recommendation to the Tender Committee at the corporate office. Group Contracts Manager carries out independent reviews and proposes three tenderers to the Tender Committee for final interview, negotiation and selection. Two levels of scrutiny to ensure tender transparency, contract prices are competitive and credit-worthy contractors are selected.

Whistleblowing policy and procedures

The Group has a whistleblowing policy which enables employees to raise matters in an adequate and unbiased manner. All reports of wrongful activities on fraud, corruption, dishonest practices and wrongdoings are to be made to the AC Chairman and/or the Company Secretary via written letter with the name of whistle-blower. Any anonymous complaint will not be entertained. The objective is to encourage the reporting of such matters in good faith and for engaging with the whistle-blower in investigation. The letter will be treated with utmost confidentiality to protect the whistle-blower against any victimization or reprisal.

Anti-Corruption Policy

The Group is committed to conducting its business with integrity and has adopted an Anti-Corruption Policy to ensure that the business operations are carried out professionally in accordance with business ethics and conduct, and recognise that all business partners, employees and directors of Plenitude have to adhere to with the terms of this policy.

The policy, amongst others, covers areas pertaining to gifts, donations and sponsorships, conflict of interest and sanctions for non-compliance. This policy applies to all employees of Plenitude. It also applies to external parties providing services to Plenitude such as the suppliers/contractors, advisors, consultants, internal and external auditors, and Board members (“stakeholders”).

Insurance and physical safeguard

The Group has an insurance programme in place to ensure that its assets are sufficiently covered against any damages that will result in material losses. The Group also ensures that its major assets are physically safeguarded.

4. Information and Communication

The Board recognises the need for dialogue with investors and analysts as well as the media and has put in place the Corporate Disclosure Policy to guide on the disclosure of corporate information. It governs and ensures that the information flow and communications across the Group and to the investors inside or outside of Malaysia are effectively managed and meet the needs of the Group. The primary contact person is the CEO of the Company.

5. Monitoring

Monitoring covers oversight of internal control by management or the application of customised procedures or checklists by employees within a process. Key monitoring within the Group are as follows:

Performance reporting

- **GMT Meetings**

  GMT meets monthly and as and when required to deliberate on business performance, financial and operating risks and issues which include reviewing, resolving and approving all key business strategic measures and policies. Progress, exceptions and variations are also fully discussed and appropriate action taken. There were twelve (12) meetings held at the Group level. Similar monthly meetings were held by OMT at subsidiary level.

  Significant matters identified during these meetings are highlighted on a timely basis to the Board. Through this mechanism the Board is informed of all major control issues pertaining to internal control, regulatory compliance and risk taking. This ensures that business objectives stay on course.

- **Major Control Issues**

  Monthly and quarterly reports on financial, corporate and legal affairs, operational control issues form part of the initiative of the Group.

On-going monitoring

- **Financial and operational review**

  Quarterly financial statements and the Group's annual performance are reviewed by the AC, which subsequently recommends them to the Board for its consideration and approval. Monthly management report containing key financial results, operational performance indicators and budget comparison are also presented to the GMT and the Board to enable them to have regular and updated information of the Group's performance.

- **Site visits**

  The GMT carries out periodic site visits to each business units to discuss and steer the business strategies and plans, ensures remedial actions proposed by the Internal Auditors are carried out and that internal controls are implemented.

- **Internal audit**

  Internal audit provides an independent assurance on the adequacy of governance of risk management and internal control systems. The outsourced Internal Auditor and the in-house Internal Auditor for property division report functionally to the Board through the AC. The Internal Audit Function focuses on high priority activities determined by risk assessment and in accordance with the audit planning memorandum approved by the AC. The Internal Audit Function is free from any relationships or conflicts of interest, which could impair their objectivity and independence.

The outsourced Internal Auditor reports on the operational and financial auditing on a quarterly basis. The in-house Internal Auditor-Project reports specifically on assets pre-emptive maintenance updates, development project workmanship, site management and work progress on a monthly basis to GMT and on a quarterly basis to the AC. A more detailed internal audit function is highlighted within the AC Report on pages 72 to 75 of this Annual Report.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The External Auditors had performed limited assurance engagement on this Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year ended 30 June 2022 in accordance to paragraph 15.23 of the MMLR of Bursa Malaysia and reported to the Board that nothing had come to their attention that caused them to believe that the Statement on Risk Management and Internal Control is not prepared in all material aspects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

In accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Review of Historical Financial Information and AAPG3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Controls covers all risks and controls, or to form an opinion on the effectiveness of the Group's risk and control procedures including the assessment and opinion by the Board and management thereon. They are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will in fact remedy the problems.

CONCLUSION

The Board has received assurance from the CEO and Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management and internal controls framework adopted by the Group.

The Board is of the view that the Group's system of risk management and internal control is in place for the year under review and up to the date of approval of this Statement, is adequate in safeguarding the shareholders' investments, the interests of customers, regulators, employees and other stakeholders, and the Group's assets. The Board acknowledges that there is an effective ongoing process for identification, evaluation and management of significant risks in the Group and is committed to continue to review the operations and effectiveness of the Group's internal control including financial, operational, compliance and risk management.

The above statement is made in accordance with the resolution of the Board dated 20 September 2022.

AUDIT COMMITTEE REPORT

The Audit Committee ("AC") of Plenitude Berhad ("Plenitude" or "the Company") is pleased to present the AC Report for the financial year ended 30 June 2022.

COMPOSITION AND MEETINGS

Composition

The AC consists solely of three (3) Independent Non-Executive Directors. The profiles of all the AC members are disclosed on pages 8 and 9 of the Annual Report.

During the financial year under review, the composition and the attendance record of the AC members are listed below:

Name	Directorship	Attendance	
Tan Kak Teck (Chairman)	Independent Non-Executive Director	5/5	100%
Ir. Teo Boon Keng *(resigned on 1 January 2022)*	Independent Non-Executive Director	3/3	100%
Dato' Lok Bah Bah @ Loh Yeow Boo	Independent Non-Executive Director	5/5	100%
Puan Norhayati binti Hashim *(appointed on 25 February 2022)*	Independent Non-Executive Director	1/1	100%

The AC is chaired by Mr. Tan Kak Teck, a Chartered Accountant with the Malaysian Institute of Accountants and a fellow member of the Association of Chartered Certified Accountants. He has more than thirty-seven years of audit experience and is currently a partner of an audit firm in Kuala Lumpur. Mr. Tan Kak Teck has been the Chairman of the AC since 19 September 2013.

Ir. Teo Boon Keng became a member of the AC since 27 August 2013, he is experienced in project management and project development and is involved in his own business ventures. On *1 January 2022*, he resigned from the Board and AC.

Dato' Lok Bah Bah @ Loh Yeow Boo was appointed as a member of the AC on 11 November 2016. He is a Chartered Accountant of the Malaysian Institute of Accountants and a Fellow member of CPA, Australia.

Puan Norhayati binti Hashim was appointed as a member of the AC on 25 February 2022. She has extensive knowledge of governing laws and corporate banking.

The Company is in compliance with the requirement of Paragraph 15.09 (1)(c)(i) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") which requires at least one (1) member of the AC must be a qualified accountant.

Attendance at Meetings

The Board of Directors ("the Board"), Chairman, Chief Executive Officer, Chief Financial Officer, Corporate & Legal Affairs Officer and Internal Auditors of the Company and its Group of the Companies ("the Group") are invited to the quarterly AC meetings.

Members of the Board are invited to keep the Board fully informed of the matters raised and deliberated by the AC. The Group functional heads are present during the reporting by the Internal Auditors to explain gaps in audit findings and deliberate remedial actions to be taken to improve the internal monitoring and control.

External Auditors are invited to discuss the annual audit plan, interim and final audit reviews. The AC met the External Auditors twice during the financial year without the presence of executive board members and management.

SUMMARY OF ACTIVITIES OF THE COMMITTEE

During the financial year ended 30 June 2022, the AC discharged its functions and carried out its duties as set out in the Terms of Reference ("TOR"), made available at the Company's website plenitude.com.my/corporate-governance/. Key activities undertaken by the AC include the following:

Risks and Controls

a) Reviewed the audit reports which highlighted audit issues, recommendations and management's response and discussed with Management on the appropriate remedial actions taken to improve the system of internal controls identified by the Internal Auditors.

b) Considered and reviewed the legal matters reported by the Corporate & Legal Affairs Officer in relation to challenges, ongoing claims and litigations faced by the business units. There are no material litigations to be disclosed in the FY2022 Financial Statements.

c) Reviewed and recommended the revised TOR of the AC to the Board for approval and for publication on the Company's website.

Financial Reporting

a) Reviewed the unaudited quarterly financial results announcements for recommendation to the Board for approval before release to Bursa Malaysia. The Chief Executive Officer and Chief Financial Officer were present to brief and explain areas that required clarification.

b) Reviewed audit review memorandum prepared by the External Auditors on year-end financial results, their audit findings and management's responses to the audit findings for the financial year.

c) Reviewed the Audited Financial Statements and Annual Report of the Group for the financial year prior to submission to the Board for consideration and approval.

d) Reviewed on quarterly basis related party transactions including recurrent related party transactions entered into by the Group and any conflict of interest that may arise.

Internal and External Audit Processes

a) Reviewed and discussed with the External Auditors on their 2022 audit plan focusing on changes in implementation of major accounting policies, audit processes, significant events and adjustments and compliance with the applicable financial reporting standards and other legal requirements.

b) Reviewed and discussed with the Internal and External Auditors on their audit reviews, evaluation of system of internal controls, problems and reservations arising from the interim and final audits, the management's responses and the adequacy of assistance given by the Group's employees.

c) Assessed the suitability and independence of the External Auditors throughout the conduct of audit engagement. The External Auditors, namely Baker Tilly Monteiro Heng PLT, had in their 2022 audit plan confirmed that they are in compliance with the requirements of independence under the local professional institutes' rules and International Standards on Auditing.

Other Responsibilities

Other recurring tasks included:

- Reviewed and recommended the Corporate Governance Overview Statement, Statement on Risk Management and Internal Control and AC Report to the Board for approval.
- Considered and recommended to the Board for approval the audit fees payable to the Internal and External Auditors taking into account the independence, objectivity and effectiveness of the services provided.
- Reviewed the proposals for non-audit services rendered by the External Auditors in reviewing the Statement on Risk Management and Internal Control and other information in the Annual Report.
- Reviewed proposal(s) on fixed assets written off, assessed its profit or loss impact and made recommendations to the Board for approval.

INTERNAL AUDIT FUNCTION

The Internal Auditors' role is to assist the Board and AC in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's Internal Control System.

During the financial year ended 30 June 2022, the internal audit function was outsourced to a professional service firm (outsourced Internal Auditor) which focused on business operations and financial audits. In addition, the Group has a full time Internal Auditors-Projects (employed Internal Auditors). Internal Auditor-Projects is tasked with conducting audits on projects' progress, management, workmanship and properties maintenance. Both outsourced and employed Internal Auditors are collectively referred to as Internal Auditors and they report directly to the AC. The Internal Auditors are free from any relationship or conflict of interest, which could impair their objectivity and independence.

The outsourced Internal Auditor carries out business operations and financial audits on operating subsidiary companies by rotation on a quarterly basis. The employed Internal Auditors carries out audit visits to project sites by rotation, reporting to the Management Committee monthly and to the AC on a quarterly basis.

The internal audits are carried out in accordance with the internal audit plan approved by the Management Committee and AC. The audit reports of these assignments provide independent and objective assessment of the following:

- The adequacy, effectiveness and efficiency of the internal control systems to manage operations and safeguard the Group's assets and shareholders' value, and

- The adequacy, and effectiveness of the risk management operations, governance and compliance functions to identify, manage and address potential risks facing the Group.

The area of audit coverage include finance, sales, marketing, credit control (billings and collections), corporate governance, human resources, customer service, quality in construction and procurement (setting of pricing and selection of suppliers/vendors).

The internal audit reports make recommendations based on best practices that will improve and add value to the Group, in providing standards, guidelines and advice to standardise the internal audit activities.

The internal audit reports are issued to the key management for their response and to agree on action plans with deadlines to complete the necessary preventive and corrective actions. The reports are tabled at the AC meetings and the summary of key findings is circulated to the AC for deliberations to ensure that the key management undertakes to carry out the agreed remedial actions. Members of key management (both GMT and OMT) are invited to the AC meetings from time to time, especially when major weaknesses are uncovered by Internal Auditors.

During the financial year, the outsourced Internal Auditors had carried out audits on The Novotel Kuala Lumpur City Centre, Kuala Lumpur, Travelodge Ipoh, Perak, Tanjung Point Residences, Penang and Travelodge Georgetown, Penang. Internal Auditor-Projects had audited ongoing projects: Taman Putra Prima Phase 5 166 units 2&3 storey terrace house at Puchong, Selangor, Taman Desa Tebrau Phase 19&20 (3A & 3D) – Cello, 210 units double storey terrace house at Johor Bahru and common infrastructure work at Impian Hills at Ulu Tiram. He also updated the defects rectification status of recently completed projects: Taman Desa Tebrau Phase 19&20 – Clarinet, 234 units double storey terrace house and Harp, 212 units cluster homes at Johor Bahru. In addition, Internal Auditor-Projects also carried out on-site inspection for hotel buildings, Oakwood Hotel and Residence, Kuala Lumpur.

Key auditable activities that were completed in 2021/2022 include:

Sales marketing management	Housekeeping and procurement management
Customer service management	Inventory control and management
Credit control management	Quality control and management
Financial management	Information security management

The total cost incurred for the internal audit function for the financial year under review was RM263,009.

DIRECTORS' RESPONSIBILITY STATEMENT

In Respect of The Annual Audited Financial Statements

The Directors are required by the Companies Act 2016 ("CA") to prepare financial statements for each financial year which have been made out in accordance with applicable Financial Reporting Standards (FRSs), the requirements of the CA in Malaysia, and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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

In preparing the financial statements, the Directors have:

Adopted appropriate accounting policies and applied them consistently.

Made judgements and estimates that are reasonable and prudent.

Prepared the financial statements on a going concern basis.

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

The Directors have general responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

Novotel Kuala Lumpur City Centre

Reports and Financial Statements

DIRECTORS' REPORT

The directors of Plenitude Berhad have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2022.

PRINCIPAL ACTIVITIES

The Company's principal activity is investment holding.

The principal activities of its subsidiary companies are stated in Note 17 to the financial statements.

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

RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	19,017	73,545
Attributable to:		
Owners of the Company	25,020	73,545
Non-controlling interests	(6,003)	-
	19,017	73,545

DIVIDENDS

On 30 September 2021, a final single-tier dividend of 2.0 sen on 381,533,758 ordinary shares, amounting to RM7,630,675 proposed in respect of the previous financial year and dealt with in the previous directors' report was paid by the Company during the financial year.

The directors have proposed a final single-tier dividend of 2.5 sen on 381,533,758 ordinary shares, amounting to RM9,538,344 in respect of the current financial year. This dividend is subject to 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. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2023.

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that no bad debts to be written off and that adequate allowance had been made for doubtful debts.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

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

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company did not issue any shares or debentures.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

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

Chua Elsie*	
Ir. Teo Boon Keng	(Resigned on 1 January 2022)
Dato' Lok Bah Bah @ Loh Yeow Boo*	
Puan Norhayati binti Hashim	(Appointed on 25 February 2022)
Tan Kak Teck	
Tee Kim Chan*	

* Directors of the Company and certain subsidiaries

Other than as stated above, 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 the report are:

Aklif bin Amir	
Alberto V. Igruby	
Ani Dinasan Dinasan	
Benny Yap Yuwen	
Cheok Alice	(Appointed on 10 June 2022)
Cherryl Ami F. Macutay	
Hashimah binti Ismail	
Josephine Premla Sivaretnam	
Masaki Aguni	(Appointed on 13 January 2022)
Willie B. Santiago	

DIRECTORS' INTERESTS

According to the Register of Directors' shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	At 01.07.2021	Bought	Sold	At 30.06.2022
The Company				
Deemed interest				
Chua Elsie *	104,000	-	-	104,000

* Shares held directly by spouse and children. In accordance with Section 59(11)(c) of the Companies Act 2016 in Malaysia, the interests of the spouse/children in the shares of the Company shall be treated as the interests of the director.

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest other than any deemed benefit which may arise from transactions as disclosed in Note 35 to the financial statements.

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

	Group RM'000	Company RM'000
Directors of the Company		
- Fees	291	291
- Other emoluments	28	28
	319	319

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

INDEMNITY TO DIRECTORS AND OFFICERS

The Company maintained a Directors' and Officers' Liability Insurance ("D&O Insurance") in respect of liabilities arising from acts committed in their respective capacity as, inter alia, the Directors and Officers of the Company and of the Group, the total amount of D&O Insurance coverage was RM15,000,000 and the total amount of premium paid for the D&O Insurance was RM29,209.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 17 to the financial statements.

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

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Details of significant events during and subsequent to the end of the financial year are disclosed in Note 33 to the financial statements.

AUDITORS

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

The auditors' remuneration of the Group and the Company during the financial year are RM440,000 and RM57,000 respectively.

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

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

CHUA ELSIE **TAN KAK TECK**

Kuala Lumpur
Date: 20 September 2022

STATEMENTS OF COMPREHENSIVE INCOME

for the financial year ended 30 June 2022

	Note	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
Revenue	5	272,728	208,493	70,000	61,000
Cost of sales	6	(143,083)	(114,940)	-	-
Gross profit		129,645	93,553	70,000	61,000
Other income	7	19,233	27,612	5,791	73,768
Finance costs	8	(10,643)	(7,295)	-	-
Administrative expenses		(91,118)	(79,695)	(944)	(829)
Net impairment losses on financial assets		(19)	-	-	-
Other expenses		(4,800)	(4,635)	(168)	(17,014)
Profit before taxation	9	42,298	29,540	74,679	116,925
Taxation	10	(23,281)	(20,841)	(1,134)	(2,640)
Net profit for the financial year		19,017	8,699	73,545	114,285
Other comprehensive (expense)/income, net of tax					
Item that will not be reclassified subsequently to profit or loss:					
Fair value (loss)/gain on equity instruments designated at fair value through other comprehensive income	22(a)	(13,290)	6,109	-	-
		(13,290)	6,109	-	-
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operations		9,850	(3,683)	-	-
		9,850	(3,683)	-	-
Other comprehensive (loss)/income for the financial year		(3,440)	2,426	-	-
Total comprehensive income for the financial year		15,577	11,125	73,545	114,285

Statements of Comprehensive Income
for the financial year ended 30 June 2022 (continued)

	Note	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
Profit/(Loss) attributable to:					
Owners of the Company		25,020	11,924	73,545	114,285
Non-controlling interests		(6,003)	(3,225)	-	-
		19,017	8,699	73,545	114,285
Total comprehensive income/(loss) attributable to:					
Owners of the Company		15,808	15,847	73,545	114,285
Non-controlling interests		(231)	(4,722)	-	-
		15,577	11,125	73,545	114,285
Earnings per ordinary share attributable to					
Owners of the Company (sen)					
- Basic	11	6.6	3.1		
- Diluted	11	6.6	3.1		

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

STATEMENTS OF FINANCIAL POSITION
as at 30 June 2022

	Note	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	1,088,061	946,109	14	33
Right-of-use assets	13	749	1,123	-	-
Investment properties	14	32,308	28,803	-	-
Inventories	15	363,491	365,328	-	-
Goodwill	16	3,703	3,703	-	-
Investment in subsidiary companies	17	-	-	1,203,888	1,005,729
Deferred tax assets	18	25,733	22,579	-	-
Amount owing by subsidiary companies	19	-	-	10,552	101,516
Total non-current assets		1,514,045	1,367,645	1,214,454	1,107,278
Current assets					
Inventories	15	203,685	240,192	-	-
Trade and other receivables	20	35,489	72,037	508	6
Amount owing by subsidiary companies	19	-	-	533	1,703
Contract assets	21	40,828	16,088	-	-
Tax recoverable		3,529	6,918	201	-
Short term investments	22	78,208	180,891	5,054	91,012
Fixed deposits with licensed banks	23	240,275	251,683	100,499	24,398
Cash and bank balances	23	87,400	43,622	5,608	286
Total current assets		689,414	811,431	112,403	117,405
TOTAL ASSETS		2,203,459	2,179,076	1,326,857	1,224,683

Statements of Financial Position
as at 30 June 2022 (continued)

	Note	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	24	515,315	515,315	515,315	515,315
Reserves	25	1,073,020	1,064,843	772,393	706,479
		1,588,335	1,580,158	1,287,708	1,221,794
Non-controlling interests	17(c)	98,440	32,031	-	-
TOTAL EQUITY		1,686,775	1,612,189	1,287,708	1,221,794
Non-current liabilities					
Loans and borrowings	26	230,768	244,994	-	-
Trade and other payables	27	4,311	2,671	-	-
Deferred tax liabilities	18	28,402	29,501	-	-
Total non-current liabilities		263,481	277,166	-	-
Current liabilities					
Loans and borrowings	26	105,763	122,458	-	-
Provisions	28	35,492	22,463	-	-
Trade and other payables	27	95,203	94,012	120	65
Contract liabilities	21	9,242	49,111	-	-
Derivative financial liabilities	29	-	688	-	-
Amount owing to subsidiary companies	19	-	-	39,029	2,454
Tax liabilities		7,503	989	-	370
Total current liabilities		253,203	289,721	39,149	2,889
TOTAL LIABILITIES		516,684	566,887	39,149	2,889
TOTAL EQUITY AND LIABILITIES		2,203,459	2,179,076	1,326,857	1,224,683

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

STATEMENTS OF CHANGES IN EQUITY
for the financial year ended 30 June 2022

	Note	← Attributable to owners of the Company				→		
		Share capital RM'000	Fair value reserve of financial assets at FVOCI RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group								
At 1 July 2020		515,315	15,608	474	1,040,545	1,571,942	36,753	1,608,695
Net profit/(loss) for the financial year		-	-	-	11,924	11,924	(3,225)	8,699
Fair value changes on equity instruments designated at fair value through other comprehensive income	22(a)	-	6,109	-	-	6,109	-	6,109
Foreign currency translation differences for foreign operations		-	-	(2,186)	-	(2,186)	(1,497)	(3,683)
Total comprehensive income/(loss) for the financial year		-	6,109	(2,186)	11,924	15,847	(4,722)	11,125
Transactions with owners:								
Dividends for the financial year ended 30 June 2020 - final dividend	30	-	-	-	(7,631)	(7,631)	-	(7,631)
Total transactions with owners		-	-	-	(7,631)	(7,631)	-	(7,631)
At 30 June 2021		515,315	21,717	(1,712)	1,044,838	1,580,158	32,031	1,612,189

Statements of Changes in Equity

for the financial year ended 30 June 2022 (continued)

	Note	← Attributable to owners of the Company → Share capital RM'000	Fair value reserve of financial assets at FVOCI RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group (continued)								
At 1 July 2021		515,315	21,717	(1,712)	1,044,838	1,580,158	32,031	1,612,189
Net profit/(loss) for the financial year		-	-	-	25,020	25,020	(6,003)	19,017
Fair value changes on equity instruments designated at fair value through other comprehensive income	22(a)	-	(13,290)	-	-	(13,290)	-	(13,290)
Foreign currency translation differences for foreign operations		-	-	4,078	-	4,078	5,772	9,850
Total comprehensive (loss)/income for the financial year		-	(13,290)	4,078	25,020	15,808	(231)	15,577
Transactions with owners:								
Dividends for the financial year ended 30 June 2021 - final dividend	30	-	-	-	(7,631)	(7,631)	-	(7,631)
Subscription of equity interest of a subsidiary company by non-controlling interest		-	-	-	-	-	66,640	66,640
Total transactions with owners		-	-	-	(7,631)	(7,631)	66,640	59,009
At 30 June 2022		515,315	8,427	2,366	1,062,227	1,588,335	98,440	1,686,775

	Note	← Attributable to owners of the Company → Share capital RM'000	Retained earnings RM'000	Total equity RM'000
Company				
At 1 July 2020		515,315	599,825	1,115,140
Net profit for the financial year		-	114,285	114,285
Transactions with owners:				
Dividends for the financial year ended 30 June 2020				
- final dividend	30	-	(7,631)	(7,631)
Total transactions with owners		-	(7,631)	(7,631)
At 30 June 2021		515,315	706,479	1,221,794
Net profit for the financial year		-	73,545	73,545
Transactions with owners:				
Dividends for the financial year ended 30 June 2021				
- final dividend	30	-	(7,631)	(7,631)
Total transactions with owners		-	(7,631)	(7,631)
At 30 June 2022		515,315	772,393	1,287,708

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

STATEMENTS OF CASH FLOWS
for the financial year ended 30 June 2022

	Note	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
Cash flows from operating activities					
Profit before taxation		42,298	29,540	74,679	116,925
Adjustments for:					
Bad debts written off		-	81	-	-
Credit loss on revocation of sales		-	541	-	-
Depreciation of:					
- property, plant and equipment		33,248	32,166	19	20
- right-of-use assets		374	434	-	-
- investment properties		706	662	-	-
Dividend income		(5,149)	(6,205)	(71,385)	(62,559)
Finance costs		10,643	7,295	-	-
Gain on derecognition of a subsidiary		-	-	-	(35,173)
Gain on disposal of investment properties		-	(414)	-	-
Impairment loss on trade and other receivables		19	-	-	-
Impairment on investment in subsidiary companies		-	-	-	17,000
Interest income		(5,062)	(3,057)	(4,406)	(10,952)
Loss on disposal of property, plant and equipment		5	47	-	-
Net fair value gain on derivative financial liabilities		(659)	(1,161)	-	-
Property, plant and equipment written off		53	2,501	-	-
Reversal of impairment loss on trade and other receivables		-	(772)	-	-
Unrealised loss/(gain) on foreign exchange		4,182	(160)	-	-
Waiver of debts from a subsidiary		-	-	-	(26,082)
Profit/(Loss) before working capital changes		80,658	61,498	(1,093)	(821)
(Increase)/Decrease in:					
Inventories					
- land held for future development		2,322	(3,257)	-	-
- property development projects		23,664	(23,936)	-	-
- completed properties		27,569	70,751	-	-
- general supplies of hotel operations		(90)	34	-	-
Trade and other receivables		36,529	(18,522)	(502)	14
Contract assets		(24,740)	(15,443)	-	-
Amount owing by subsidiary companies		-	-	(106,025)	1,766
		145,912	71,125	(107,620)	959

	Note	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
(Decrease)/Increase in:					
Trade and other payables		(70)	23,321	55	3
Contract liabilities		(39,869)	16,953	-	-
Amount owing to subsidiary companies		-	-	36,575	(43)
Net cash flows from/(used in) operations		105,973	111,399	(70,990)	919
Interest income received		196	158	3,026	10,561
Income tax refunded		1,224	2,689	-	-
Income tax paid		(18,855)	(19,165)	(1,705)	(2,865)
Net cash flows from/(used in) operating activities		88,538	95,081	(69,669)	8,615
Cash flows from investing activities					
Interest income received		4,866	2,899	1,380	391
Proceeds from disposal of property, plant and equipment		16	168	-	-
Proceed from disposal of investment properties		-	551	-	-
Purchase of property, plant and equipment	12	(175,274)	(35,759)	-	-
Capital expenditure for investment properties	14	(3,402)	(883)	-	-
Proceed from disposal of short term investments	22(b)	132,561	90,200	127,600	90,200
Purchase of short term investments	22	(43,099)	(171,146)	(41,642)	(154,146)
Placement of deposit with maturity more than 90 days	23	(23)	(919)	-	-
Dividend income received		5,149	6,205	71,385	62,559
Subscription of additional shares issued by subsidiary companies		-	-	-	(100,000)
Subscription of additional equity interest by non-controlling interests		66,640	-	-	-
Repayment from subsidiary companies		-	-	-	114,674
Net cash flows (used in)/from investing activities		(12,566)	(108,684)	158,723	13,678
Cash flows from financing activities					
Dividends paid	30	(7,631)	(7,631)	(7,631)	(7,631)
Interest paid		(10,643)	(7,295)	-	-
Drawdown of term loans	(a)	51,920	66,424	-	-
Redemption of a subsidiary Redeemable Non-Convertible Cumulative Preference Shares	(a)	(66,640)	-	-	-
Proceeds from issuance of Redeemable Non-Convertible Cumulative Preference Shares of a subsidiary	(a)	-	164,000	-	-
Repayment of bank borrowings	(a)	(7,051)	(3,055)	-	-
Payment to lease liabilities	(a)	(375)	(434)	-	-
Net cash flows (used in)/from financing activities		(40,420)	212,009	(7,631)	(7,631)

Statements of Cash Flows

for the financial year ended 30 June 2022 (continued)

	Note	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
Net increase in cash and cash equivalents		35,552	198,406	81,423	14,662
Effect of exchange rate changes		(3,205)	(303)	-	-
Cash and cash equivalents at beginning of the financial year		294,386	96,283	24,684	10,022
Cash and cash equivalents at end of the financial year	23	326,733	294,386	106,107	24,684

(a) Reconciliation of liabilities arising from financing activities

	At 1 July RM'000	Cash flows RM'000	Addition/ Redemption RM'000	Exchange differences RM'000	At 30 June RM'000
Group					
2022					
Term loans (Note 26)	202,329	(7,051)	51,920	(8,775)	238,423
Redeemable Non-Convertible Cumulative Preference Shares	164,000	-	(66,640)	-	97,360
Lease liabilities (Note 26)	1,123	(375)	-	-	748
	367,452	(7,426)	(14,720)	(8,775)	336,531
2021					
Term loans (Note 26)	135,777	(3,055)	66,424	3,183	202,329
Redeemable Non-Convertible Cumulative Preference Shares	-	-	164,000	-	164,000
Lease liabilities (Note 26)	381	(434)	1,176	-	1,123
	136,158	(3,489)	231,600	3,183	367,452

(b) Total cash outflows for leases and lessee

During the financial year, the Group had total cash outflows for leases of RM443,000 (2021: RM493,000) including expenses relating to short term leases as disclosed in Note 9 to the financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

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

The registered office and the principal place of business of the Company is located at 2nd Floor, No. 2, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL), Malaysia.

The Company's principal activity is investment holding. The principal activities of its subsidiary companies are stated in Note 17 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiary companies during the financial year.

The financial statements of the Group and of the Company were authorised for issuance by the Board of Directors in accordance with a resolution of the directors on 20 September 2022.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of amendments/improvements to MFRSs

The Group and the Company have adopted the following amendments/improvements to MFRSs for the current financial year:

Amendments/Improvements to MFRSs	
MFRS 4	Insurance Contracts
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases*
MFRS 139	Financial Instruments: Recognition and Measurement

* Early adopted the amendments to MFRS 16 Leases issued by the Malaysian Accounting Standards Board ("MASB") on 6 April 2021.

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company, and did not result in significant changes to the Group's and the Company's existing accounting policies.

2. BASIS OF PREPARATION (CONTINUED)

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

The Group and the Company have not adopted the following new MFRS, and amendments/improvements to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
New MFRS		
MFRS 17	Insurance Contracts	1 January 2023
Amendments/Improvements to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022^/ 1 January 2023#
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023#
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023#
MFRS 7	Financial Instruments: Disclosures	1 January 2023#
MFRS 9	Financial Instruments	1 January 2022^/ 1 January 2023#
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023#
MFRS 16	Leases	1 January 2022^
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023#
MFRS 107	Statement of Cash Flows	1 January 2023#
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023#
MFRS 119	Employee Benefits	1 January 2023#
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023#
MFRS 132	Financial Instruments: Presentation	1 January 2023#
MFRS 136	Impairment of Assets	1 January 2023#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023#
MFRS 138	Intangible Assets	1 January 2023#
MFRS 140	Investment Property	1 January 2023#
MFRS 141	Agriculture	1 January 2022^

^ *The Annual Improvements to MFRS Standards 2018-2020*
\# *Amendments as to the consequence of effective of MFRS 17 Insurance Contracts*

2. BASIS OF PREPARATION (CONTINUED)

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

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

Annual Improvements to MFRS Standards 2018 – 2020

Annual Improvements to MFRS Standards 2018 – 2020 covers amendments to:

- MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* – simplifies the application of MFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.
- MFRS 9 *Financial Instruments* – clarifies the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
- Illustrative Examples accompanying MFRS 16 *Leases* – deletes from Illustrative Example 13 the reimbursement relating to leasehold improvements in order to remove any potential confusion regarding the treatment of lease incentives.
- MFRS 141 *Agriculture* – removes a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in MFRS 141 with those in other MFRS Standards.

Amendments to MFRS 3 Business Combinations

The amendments update MFRS 3 by replacing a reference to an old version of the Conceptual Framework for Financial Reporting with a reference to the latest version which was issued by Malaysian Accounting Standards Board in April 2018.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements. To support this amendments, MFRS Practice Statement 2 was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosures. The guidance and examples provided in the MFRS Practice Statement 2 highlight the need to focus on entity-specific information and demonstrate how the four-step materiality process can address standardised (or boilerplate) information and duplication of requirements of MFRSs in the accounting policy information disclosures.

2. BASIS OF PREPARATION (CONTINUED)

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

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

The amendments revise the definition of accounting estimates to clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because the changes in accounting estimates are applied prospectively to transactions, other events, or conditions from the date of that change, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

Amendments to MFRS 112 Income Taxes

The amendments specify how an entity should account for deferred tax on transactions such as leases and decommissioning obligation.

In specified circumstances, MFRS 112 exempts an entity from recognising deferred tax when it recognises assets or liabilities for the first time. There had been some uncertainties about whether the exemption from recognising deferred tax applied to transactions such as leases and decommissioning obligations – transactions for which an entity recognises both an asset and a liability. The amendments clarify that the exemption does not apply and that entity is required to recognise deferred tax on such transactions.

Amendments to MFRS 116 Property, Plant and Equipment

The amendments prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity shall recognise such sales proceeds and related cost in profit or loss.

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

(b) The Group and the Company are currently assessing the impact of initial application of the above applicable amendments/improvements to MFRSs. Nevertheless, the Group and the Company expect that the initial application is unlikely to have material financial impacts to the current period and prior period financial statements of the Group and of the Company.

2.4 Functional and presentation currency

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

2. BASIS OF PREPARATION (CONTINUED)

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3 to the financial statements.

2.6 Use of estimates and judgement

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates that are significant to the financial statements are disclosed in Note 4 to the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

(a) Revenue and other income

The Group and the Company recognise revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Revenue recognition of the Group and the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer).

The Group and the Company measure revenue from sale of goods and services at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties such as sales and service tax ("SST")/value-added tax ("VAT"), adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group and the Company use the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group and the Company expect to better predict the amount of consideration to which it is entitled.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the standalone selling price is not directly observable, the Group and the Company estimate it by using the costs plus margin approach.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Revenue and other income (continued)

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group and the Company have assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

(i) Property development

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

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

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

Consistent with market practice, the Group collects deposit from customers for sale of properties. A contract liability is recognised for the customer deposits as the Group has obligations to transfer the goods or services to the customer in respect of deposits received. Customer deposits would be recognised as revenue upon transfer of goods or services to the customer.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Revenue and other income (continued)

(i) Property development (continued)

Based on the Group's customary business practice, the customers' legal fees are borned by the Group. Revenue is recognised based on the transaction price agreed in the contracts, net of the customers' legal fees. The Group uses its experience in estimating the legal fees to be incurred. The Group uses the expected value method because it is the method that the Group expects to better predict the amount of consideration to which they will be entitled. The amount of revenue recognised does not include any customers' legal fees which is constrained.

For residential properties, as part of the statutory requirements, the Group's obligations to repair and made good of any defect, shrinkage or other faults in the building or in the common property which have become apparent within a period of 24 months after the customer takes vacant possession of the building are recognised as a provision.

(ii) Hotel operations

<u>Rental of rooms</u>

Revenue is measured based on the consideration specified in a contract with a guest upon actual occupancy by guest.

<u>Sale of food and beverages and other related services</u>

Revenue is measured based on the consideration specified in a contract with a customer upon rendering of services.

(iii) Gross dividend income from subsidiary companies

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

(iv) Management fees

Management fees are recognised on an accrual basis.

(v) Interest income

Interest income is recognised as it accrues using the effective interest method.

(vi) Rental income

Rental income is recognised on time proportion basis over the lease term.

(vii) Dividend income from fixed income trust fund and short term money market

Dividend income from fixed income trust fund and short term money market are recognised when the right to receive payment is established.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as expenses in the financial year in which the associated services are rendered by employees of the Group and the Company.

(ii) Defined contribution plans

The Group and the Company contribute to the Employees Provident Fund ("EPF"), the national defined contribution plan. The contributions are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Group and the Company have no further payment obligations.

(iii) Employee benefit liabilities

The Group operates a defined benefit plan for its operation in Korea. The defined benefit plan is generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations.

Typically, a defined benefit plan defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds and that have terms to maturity approximating to the terms of the related pension obligation.

Remeasurements of the net defined benefit liability are recognised in other comprehensive income. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises restructuring-related costs

(c) Borrowing costs

All interest and other costs incurred in connection with borrowings are expensed as incurred as part of finance costs. Finance costs comprise interest paid and payable on borrowings. Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sales, are capitalised as part of the cost of those assets.

(d) Income tax

Income tax expense in profit or loss comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Income tax (continued)

(i) Current tax

Current tax is the expected taxes payable or receivable on the taxable income or loss for the financial year, using the tax rates that have been enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

(ii) Deferred tax

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits, to the extent that it is probable that future taxable profit 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 differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle their income tax recoverable and income tax payable on a net basis or their tax assets and liabilities will be realised simultaneously.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and presentation currency and has been recorded to the nearest thousand.

(ii) Transactions and balances

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

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

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

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

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency that is different from the presentation currency ("RM") of the consolidated financial statements are translated into RM. The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the end of each reporting period and income and expenses are translated at average exchange rates for the year. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss. Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of each reporting period.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary companies mentioned in Note 17 to the financial statements made up to 30 June 2022.

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

The Group treats all changes in its ownership interest in a subsidiary company that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted against Group reserves.

Intra-group transactions and balances, and resulting unrealised gains are eliminated on consolidation. Unrealised losses resulting from intra-group transactions are also eliminated on consolidation to the extent of the cost of the asset that can be recovered. The extent of the costs that cannot be recovered is treated as write down or impairment losses as appropriate. Where necessary, adjustments are made to the financial statements of the subsidiary companies to ensure consistency with the accounting policies adopted by the Group.

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary company not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the other comprehensive income for the year between non-controlling interests and owners of the Company. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

For a new acquisition, goodwill is initially measured at cost, being the excess of the following:

- the fair value of the consideration transferred, calculated as the sum of the acquisition-date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus
- the recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus if the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less
- the net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(m) to the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Basis of consolidation (continued)

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

If the business combination is achieved in stages, the Group remeasures the previously held equity interest in the acquiree to its acquisition-date fair value, and recognises the resulting gain or loss, if any, 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 or transferred directly to retained earnings on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends as soon as the Group receives the information it was seeking about facts and circumstances or learns that more information is not obtainable, subject to the measurement period not exceeding one year from the acquisition date.

Upon the loss of control of a subsidiary company, the Group derecognises the assets and liabilities of the former subsidiary company, any non-controlling interests and the other components of equity related to the former subsidiary company from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary company, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The difference between the Group's share of net assets before and after the change, and the fair value of the consideration received or paid, is recognised directly in equity.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Basis of consolidation (continued)

Goodwill

Goodwill arising from business combinations is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initially recognition, goodwill is measured at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(m) to the financial statements.

(g) Property, plant and equipment

All property, plant and equipment are initially stated at cost less accumulated depreciation and impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(m) to the financial statements.

Cost includes expenditure that is directly attributable to the acquisition of the asset. When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

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

Construction work in progress is not depreciated as these assets are not available for use. Depreciation will commence on these assets when they are ready for their intended use on straight line basis.

Freehold land is not depreciated. Depreciation of other property, plant and equipment is computed on a straight-line method based on their estimated useful lives.

Buildings	2%
Office equipment and computers	12.5% - 33.3%
Furniture and fittings	12.5%
Renovations	10% - 20%
Operating supplies and equipment	12.5%
Motor vehicles	20%

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. The effects of any revisions of the residual values and useful lives are included in profit or loss for the financial year in which the changes arise.

At each reporting date, the Group and the Company assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

Fully depreciated assets are retained in the accounts until the assets are no longer in use.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment (continued)

All items of property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the financial year the asset is derecognised.

(h) Investment in subsidiary companies

Subsidiary companies are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company:

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

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls listed above.

In the Company's separate financial statements, investments in subsidiary companies are stated at costs less impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(m) to the financial statements. On disposal of such investments, the difference between the net disposal proceeds and their carrying amount is recognised in the profit or loss in the period of disposal.

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

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale and all other estimated costs to completion.

Property under development

Cost includes:

- freehold and leasehold rights for land
- amounts paid to contractors for construction
- borrowing costs, planning and design costs, costs for site preparation, statutory contributions, professional fees, property transfer taxes, construction overheads and other related costs
- all related costs incurred on activities necessary to prepare the land for its intended use

The cost of inventory recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative land size of the property sold.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Inventories (continued)

Completed properties

The cost of completed properties is determined on the specific identification method.

General supplies of hotel operations

The cost includes cost of food and beverages and other general supplies for hotel operations are determined on a first-in-first-out basis and includes the original purchase cost plus cost incurred in bringing the inventories to its present location.

(j) Investment properties

Investment properties are investment in land and buildings that are held for long term rental yields and/or for capital appreciation.

Investment in freehold land is stated at cost and is not depreciated as it has indefinite life. Other investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

Other investment properties are depreciated on a straight line basis to write off the cost of the assets to their residual values over their estimated useful lives at an annual rate of 2% (2021: 2%).

On the disposal of the investment properties, or when it is permanently withdrawn from use and no economic benefits are expected from its disposal, it shall be derecognised from the statements of financial position. The difference between the net proceeds and the carrying amount is recognised in profit or loss in the period of the retirement or disposal.

(k) Financial instruments

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

Except for the trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under MFRS 15.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract; it is a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured as fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

(i) Subsequent measurement

The Group and the Company categorise the financial instruments as follows:

(a) Financial assets

For the purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income with recycling of cumulative gains and losses upon derecognition
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition
- Financial assets at fair value through profit or loss

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

The Group and the Company reclassify their financial assets when and only when their business models for managing those assets change.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classify their debt instruments:

- **Amortised cost**

  Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Subsequent measurement (continued)

(a) Financial assets (continued)

Debt instruments (continued)

- **Fair value through other comprehensive income ("FVOCI")**

  Financial assets that are held for collection of contractual cash flows and for selling the financial assets, and the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(m) to the financial statements. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss. The Group and the Company have not designated any financial assets as financial assets at FVOCI.

- **Fair value through profit or loss ("FVPL")**

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

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

Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Upon initial recognition, the Group and the Company can make an irrevocable election to classify its equity investments that is not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as investment income in the profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Subsequent measurement (continued)

(b) Financial liabilities

The Group and the Company classify their financial liabilities in the following measurement categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities designated into this category upon initial recognition.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value with the gain or loss recognised in profit or loss.

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

Financial liabilities at amortised cost

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss through the amortisation process.

(ii) 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 payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(iii) Derecognition

A financial asset or a part of it is derecognised when, and only when:

- the contractual rights to receive cash flows from the financial asset expire, or
- the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

The Group and the Company evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(iv) Offsetting of financial instruments

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

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

(v) Derivatives

The Group uses interest swap contracts to hedge the exposure of floating interest rate. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Contract assets/(liabilities)

Contract asset is the right to consideration in exchange for goods or services transferred to the customers when that right is conditioned on something other than the passage of time (for example, the Company's future performance). The policy for the recognition and measurement of impairment losses is in accordance with Note 3(m) to the financial statements.

Contract liability is the obligation to transfer goods or services to customers for which the Group and the Company have received the consideration or have billed the customers.

(m) Impairment of assets

(i) Impairment of financial assets and contract assets

Financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income ("FVOCI"), contract assets and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 Financial Instruments which is related to the accounting for expected credit losses on the financial assets. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12- month expected credit loss:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables, contract assets and lease receivables, the Group and the Company apply the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information.

The Group and the Company assume that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group and the Company consider a financial asset to be in default when:

- the borrower is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (continued)

(i) Impairment of financial assets and contract assets (continued)

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost is credit-impaired. A financial asset is credit- impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default of past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The amount of expected credit losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (continued)

(ii) Impairment of non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount. For goodwill and intangible assets that have indefinite useful life and are not yet available for use, the recoverable amount is estimated at each reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash- generating units ("CGUs"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a CGU or a group of CGUs that are expected to benefit from the synergies of business combination.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its 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 current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss, except for assets that were previously revalued with the revaluation surplus recognised in other comprehensive income. In the latter case, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation, if any.

Impairment losses in respect of goodwill are not reversed. For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. Reversal of impairment loss is restricted by the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

(n) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits and other short-term, highly liquid investments with a maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are presented net of bank overdrafts.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Equity instruments

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(p) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the 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;
- the Group and the Company have the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Group and the Company have the right to direct the use of the asset.

(i) Lessee accounting

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

The Group presents right-of-use assets and lease liabilities as separate lines in the statements of financial position.

Right-of-use asset

The right-of-use asset is initially recognised 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 right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If expects to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(m) to the financial statements.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Leases (continued)

(i) Lessee accounting (continued)

Lease liability (continued)

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the 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 a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the 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 modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Variable lease payments that do not depend on an index or a rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statements of comprehensive income.

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

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Leases (continued)

(ii) Lessor accounting

When the Group is intermediate lessors, they account for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described in Note 3(p)(i) to the financial statements, then it classifies the sub-lease as an operating lease.

If an entity in the Group is a lessor in a finance lease, it derecognises the underlying asset and recognises a lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

If an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statements of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

When a contract includes lease and non-lease components, the Group applies MFRS 15 to allocate the consideration under the contract to each component.

(q) Provisions for liabilities

Provision for liabilities are recognised when the Group has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(r) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS"). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted for own shares held for the effects of all dilutive potential ordinary shares, which comprise convertible notes, bonus issue and share options granted to employees.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Contingencies

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

As at the reporting date, contingent liabilities and assets are not recognised in the statements of financial position of the Group.

(t) Operating segment

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

(u) Contract costs

(i) Recognition and measurement

Contract costs include costs of obtaining and fulfilling a contract.

The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer which they would not have incurred if the contract had not been obtained. The incremental costs of obtaining a contract with a customer are recognised as part of contract costs when the Group expects those costs are recoverable.

The costs incurred in fulfilling a contract with a customer which are not within the scope of another MFRSs, such as MFRS 102 *Inventories*, MFRS 116 *Property, Plant and Equipment* or MFRS 138 *Intangible Assets*, are recognised as part of contract costs when all of the following criteria are met:

(a) the costs relate directly to a contract or to an anticipated contract that can be specifically identified;
(b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
(c) the costs are expected to be recovered.

(ii) Amortisation

The costs of obtaining and fulfilling a contract are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108 *Accounting Policies, Changes in Accounting Estimate and Errors*.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Contract costs (continued)

(iii) Impairment

Impairment loss is recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:
(a) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
(b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract costs, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with another MFRSs, such as MFRS 102, MFRS 116 and MFRS 138. The Group shall include the resulting carrying amount of the contract costs in the carrying amount of the cash-generating unit to which it belongs for the purpose of applying MFRS 136 *Impairment of Assets* to that cash-generating unit.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

The Group has applied the practical expedient to recognise the incremental costs of obtaining contracts as an expense when incurred if the amortisation periods of the asset that the Group otherwise would has recognised are one year or less.

(v) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer of the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

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

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

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

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect in determining the amount recognised in the financial year include the following:

(a) Property development revenue and expenses (Note 5, 6, 15 and 21)

The Group recognised property development revenue and expenses in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the progress towards satisfaction of a performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events.

Provision for costs identified to be incurred for projects requires judgement in estimating the amount of provision to be made. The Group evaluates the amount of provision required based on past track records and experiences.

(b) Impairment of property, plant and equipment (Note 12)

The Group assesses impairment of property, plant and equipment whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable i.e. the carrying amount of the asset is more than the recoverable amount.

The Group has significant balances of property, plant and equipment relating to its hotel operations. There are significant changes in the market and economic environment in which the Group operates, that indicates the property, plant and equipment may be impaired. As such, there is a risk the future performance of the assets may not lead to their carrying values being recoverable in full.

Recoverable amount is measured at the higher of the fair value less costs of disposal for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flows derived from that asset discounted at an appropriate discount rate. The Group exercises its judgement to apply the discount rates in determining the recoverable amount and assumptions supporting the underlying cash flow projections, forecast growth rates, occupancy rates and gross profit margin. The significant changes in the market and economic environment may result in higher level of estimation uncertainty to the inputs and assumptions used in the value-in-use calculation. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial positions and results if the actual cash flows are less than the expected.

The Group engaged independent professional property valuer to determine the value for one of the hotel properties. The valuation method adopted by the valuer is value in use. The independent professional property valuer may exercise judgement in determining the discount rate, estimates of future cash flows, terminal value, and other factors used in their valuation process. Judgement is made in determining the appropriate valuation methods and the key assumptions used in the valuations. Any changes in these assumptions will have an impact on the carrying amount of the property, plant and equipment.

5. REVENUE

	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
Revenue from contract customers:				
Property development	220,616	188,491	-	-
Hotel operations	47,468	20,002	-	-
Property investment	711	-	-	-
	268,795	208,493	-	-
Revenue from other source:				
Dividend income from investment in quoted equities/ subsidiaries (Note 35)	3,735	-	70,000	61,000
Management fees	198	-	-	-
	3,933	-	70,000	61,000
	272,728	208,493	70,000	61,000

(a) Disaggregation of revenue

The Group reports the following major segments: property development, hotel operations and investment holding in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into major goods or services and timing of revenue recognition.

	Property development RM'000	Hotel operations RM'000	Property investment and others RM'000	Total RM'000
Group				
2022				
Major goods or services				
Residential units	220,510	-	-	220,510
Commercial units	106	-	-	106
Room revenue and related services	-	47,468	-	47,468
Lease rental	-	-	711	711
Management fee	-	-	198	198
Dividend income from investment in quoted equities	-	-	3,735	3,735
	220,616	47,468	4,644	272,728
Timing of revenue recognition:				
At a point in time	162,368	47,468	4,644	214,480
Over time	58,248	-	-	58,248
	220,616	47,468	4,644	272,728

5. REVENUE (CONTINUED)

(a) Disaggregation of revenue (continued)

	Property development RM'000	Hotel operations RM'000	Property investment and others RM'000	Total RM'000
Group (continued)				
2021				
Major goods or services				
Residential units	188,491	-	-	188,491
Room revenue and related services	-	20,002	-	20,002
	188,491	20,002	-	208,493
Timing of revenue recognition:				
At a point in time	124,862	20,002	-	144,864
Over time	63,629	-	-	63,629
	188,491	20,002	-	208,493

	Investment holding RM'000	Total RM'000
Company		
2022		
Major goods or services		
Dividend income from subsidiaries	70,000	70,000
Timing of revenue recognition:		
At a point in time	70,000	70,000
2021		
Major goods or services		
Dividend income from subsidiaries	61,000	61,000
Timing of revenue recognition:		
At a point in time	61,000	61,000

5. REVENUE (CONTINUED)

(b) Transaction price allocated to the remaining performance obligations

As of 30 June 2022, the aggregate amount of the transaction price allocated to the remaining performance obligation is RM66,262,000 (2021: RM75,866,000) and the entity will recognise this revenue as the building is completed, which is expected to occur over the next 1 to 34 months (2021: 1 to 23 months).

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

6. COST OF SALES

	Group	
	2022 RM'000	2021 RM'000
Property development costs		
- land held for future development	627	-
- property development	36,684	35,334
- completed properties	89,610	70,519
Hotel operation costs	15,779	9,087
Property investment costs	383	-
	143,083	114,940

7. OTHER INCOME

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Dividend income from short term investments	1,414	6,205	1,385	1,559
Gain on derecognition of a subsidiary	-	-	-	35,173
Gain on disposal of investment properties	-	414	-	-
Interest income from fixed deposits	4,866	2,899	1,380	391
Interest income from Housing Development Accounts	184	143	-	-
Interest on unsecured advances to subsidiary companies (Note 35)	-	-	3,026	10,561
Late interest income from customers	12	15	-	-
Lease rental income (Note 14)	3,621	3,615	-	-
Net fair value gain on derivative financial liabilities	659	1,161	-	-
Rental income	5,678	5,961	-	-
Reversal of impairment loss on other receivables (Note 20)	-	772	-	-
Unrealised gain on foreign exchange	77	160	-	-
Waiver of debts from a subsidiary	-	-	-	26,082
Others	2,722	6,267	-	2
	19,233	27,612	5,791	73,768

8. FINANCE COSTS

	Group	
	2022 RM'000	2021 RM'000
Bank charges	-	3
Term loans	10,643	7,292
	10,643	7,295

9. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Auditors' remuneration:				
Audit fees:				
- Malaysian operations:				
- current year	(291)	(269)	(57)	(53)
- prior year	-	(6)	-	(2)
- Oversea operations:				
- current year	(149)	(116)	-	-
Non-audit fees				
- Malaysian operation	(5)	(5)	(5)	(5)
Bad debts written off	-	(81)	-	-
Credit loss on revocation of sales	-	(541)	-	-
Depreciation of:				
- property, plant and equipment (Note 12)	(33,248)	(32,166)	(19)	(20)
- right-of-use assets (Note 13)	(374)	(434)	-	-
- investment properties (Note 14)	(706)	(662)	-	-
Directors' remuneration:				
Fees	(291)	(240)	(291)	(240)
Other emoluments	(28)	(26)	(28)	(26)
Employee benefits expenses	(29,456)	(20,355)	-	-
Expenses relating to short term leases:				
- equipment	(68)	(59)	-	-
Impairment loss on investment in subsidiary companies	-	-	-	(17,000)
Impairment loss on trade and other receivables (Note 20)	(19)	-	-	-
Loss on disposal of property, plant and equipment	(5)	(47)	-	-
Property, plant and equipment written off (Note 12)	(53)	(2,501)	-	-
Realised loss on foreign exchange	(120)	(2,165)	-	-
Unrealised loss on foreign exchange	(4,259)	-	-	-

Employee benefits expenses includes salaries, contribution to EPF and other staff related expenses. Contribution to EPF during the financial year by the Group amounted to RM2,814,000 (2021: RM1,983,000).

10. TAXATION

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Estimated tax payable:				
Current	25,828	19,998	1,134	2,637
Prior years	1,705	(625)	-	3
	27,533	19,373	1,134	2,640
Real property gain tax ("RPGT"):				
Current	1	10,062	-	-
	1	10,062	-	-
Deferred tax (Note 18):				
Current	(3,787)	(10,190)	-	-
Prior years	(466)	1,596	-	-
	(4,253)	(8,594)	-	-
	23,281	20,841	1,134	2,640

The income tax is calculated at the statutory rate of 24% (2021: 24%) of the estimated assessable profit for the year.

A numerical reconciliation of current tax expense applicable to profit before taxation at the applicable statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit before taxation	42,298	29,540	74,679	116,925
Tax at the applicable tax rate of 24% (2021: 24%)	10,152	7,090	17,923	28,062
Effect of tax rates in foreign jurisdictions	361	782	-	-
Tax effects of:				
Expenses that are not deductible in determining taxable profit	7 ,353	7,404	-	4 ,271
Income not subject to tax	(1,127)	(1,845)	(16,792)	(29,694)
Origination/(Utilisation) of deferred tax assets not recognised	5 ,303	6,439	3	(2)
Under/(Over) provision in:				
- current tax	1,705	(625)	-	3
- deferred tax	(466)	1,596	-	-
	23,281	20,841	1,134	2,640

11. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share is calculated by dividing the Group's net 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.

	Group 2022	Group 2021
Net profit attributable to owners of the Company (RM'000)	25,020	11,924
Weighted average number of ordinary shares in issue (Unit'000)	381,534	381,534
Basic earnings per share (sen)	6.6	3.1

The basic and diluted earnings per ordinary share are equal as the Company has no dilutive potential ordinary share(s).

12. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings RM'000	Office equipment and computers RM'000	Furniture and fittings RM'000	Renovations RM'000	Operating supplies and equipment RM'000	Motor vehicles RM'000	Work in progress RM'000	Total RM'000
Group								
2022								
Cost								
At 1 July 2021	911,468	9,214	34,418	62,818	39,472	267	25,950	1,083,607
Additions	86,895	209	334	1,137	11,977	-	74,722	175,274
Reclassification	(3,286)	225	4,004	74,202	3,351	-	(78,496)	-
Disposals	-	(4)	(564)	-	(184)	-	-	(752)
Written off	-	(465)	(1,187)	-	(887)	-	(24)	(2,563)
At 30 June 2022	995,077	9,179	37,005	138,157	53,729	267	22,152	1,255,566
Accumulated depreciation								
At 1 July 2021	71,388	7,751	20,460	22,093	15,546	260	-	137,498
Charge for the financial year	14,335	719	3,057	9,797	5,334	6	-	33,248
Reclassification	-	(43)	12	-	31	-	-	-
Disposals	-	(4)	(554)	-	(173)	-	-	(731)
Written off	-	(465)	(1,171)	-	(874)	-	-	(2,510)
At 30 June 2022	85,723	7,958	21,804	31,890	19,864	266	-	167,505
Carrying amount								
At 30 June 2022	909,354	1,221	15,201	106,267	33,865	1	22,152	1,088,061

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land and buildings RM'000	Office equipment and computers RM'000	Furniture and fittings RM'000	Renovations RM'000	Operating supplies and equipment RM'000	Motor vehicles RM'000	Work in progress RM'000	Total RM'000
Group (continued)								
2021								
Cost								
At 1 July 2020	905,735	9,008	32,642	43,020	33,860	267	28,498	1,053,030
Additions	4,028	232	1,202	919	330	-	29,048	35,759
Reclassification	-	350	2,506	19,131	9,609	-	(31,596)	-
Disposals	-	-	(234)	-	(423)	-	-	(657)
Written off	(1,581)	(376)	(1,698)	(252)	(3,904)	-	-	(7,811)
Transfer from inventories	3 ,286	-	-	-	-	-	-	3,286
At 30 June 2021	911,468	9,214	34,418	62,818	39,472	267	25,950	1,083,607
Accumulated depreciation								
At 1 July 2020	57,400	7,060	18,430	14,883	13,076	235	-	111,084
Charge for the financial year	14,621	1,022	4,140	7 ,422	4 ,936	25	-	32,166
Reclassification	-	(9)	(241)	-	250	-	-	-
Disposals	-	-	(223)	-	(219)	-	-	(442)
Written off	(633)	(322)	(1,646)	(212)	(2,497)	-	-	(5,310)
At 30 June 2021	71,388	7,751	20,460	22,093	15,546	260	-	137,498
Carrying amount								
At 30 June 2021	840,080	1,463	13,958	40,725	23,926	7	25,950	946,109

Certain property, plant and equipment amounting to RM710,571,000 (2021: RM664,532,000) are pledged as security for banking facilities granted to the Group as disclosed in Note 26 to the financial statements.

Work in progress represents refurbishment and construction costs incurred on hotel buildings.

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Office equipment and computers RM'000	Furniture and fittings RM'000	Renovations RM'000	Motor vehicles RM'000	Total RM'000
Company					
2022					
Cost					
At 1 July 2021/30 June 2022	209	27	274	132	642
Accumulated depreciation					
At 1 July 2021	200	19	258	132	609
Charge for the financial year	2	2	15	-	19
At 30 June 2022	202	21	273	132	628
Carrying amount					
At 30 June 2022	7	6	1	-	14
2021					
Cost					
At 1 July 2020/30 June 2021	209	27	274	132	642
Accumulated depreciation					
At 1 July 2020	197	17	243	132	589
Charge for the financial year	3	2	15	-	20
At 30 June 2021	200	19	258	132	609
Carrying amount					
At 30 June 2021	9	8	16	-	33

13. RIGHT-OF-USE ASSETS

The Group leases several assets and the information about leases of the Group as lessee are presented below:

	Office Buildings RM'000
Group	
Carrying amount	
At 1 July 2020	381
Addition	1,176
Depreciation	(434)
At 30 June 2021	1,123
Depreciation	(374)
At 30 June 2022	749

The Group leases office buildings for its office space and operation site. The leases for office space and operation site generally have lease term of 3 years (2021: 3 years).

14. INVESTMENT PROPERTIES

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group			
2022			
Cost			
At 1 July 2021	2,094	32,492	34,586
Transfer from inventories	-	809	809
Additions	-	3,402	3,402
At 30 June 2022	2,094	36,703	38,797
Accumulated depreciation			
At 1 July 2021	-	5,783	5,783
Charge for the financial year	-	706	706
At 30 June 2022	-	6,489	6,489
Carrying amount			
At 30 June 2022	2,094	30,214	32,308

14. INVESTMENT PROPERTIES (CONTINUED)

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group (continued)			
2021			
Cost			
At 1 July 2020	36,953	31,821	68,774
Additions	-	883	883
Transfer from inventories	(34,859)	-	(34,859)
Disposals	-	(212)	(212)
At 30 June 2021	2,094	32,492	34,586
Accumulated depreciation			
At 1 July 2020	-	5,196	5,196
Charge for the financial year	-	662	662
Disposals	-	(75)	(75)
At 30 June 2021	-	5,783	5,783
Carrying amount			
At 30 June 2021	2,094	26,709	28,803
Fair value			
At 30 June 2022	71,221	46,067	117,288
At 30 June 2021	56,977	43,460	100,437

The investment properties comprise apartment units, land and commercial buildings.

The rental income earned by the Group from its investment properties amounted to RM3,621,000 (2021: RM3,615,000). Direct operating expenses pertaining to the income generating investment properties during the financial year amounted to RM1,083,000 (2021: RM1,186,000).

14. INVESTMENT PROPERTIES (CONTINUED)

Fair value information

Fair value of investment properties is categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2022				
Freehold land	-	71,221	-	71,221
Buildings	-	46,067	-	46,067
	-	117,288	-	117,288
2021				
Freehold land	-	56,977	-	56,977
Buildings	-	43,460	-	43,460
	-	100,437	-	100,437

Level 2 fair value

The fair value on the investment properties is determined based on sales comparison approach and cost approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input in this valuation approach is price per square foot. The most significant input in cost approach is cost per square foot.

15. INVENTORIES

	Group	
	2022 RM'000	2021 RM'000
Non-current:		
At cost		
Property held for development		
- Freehold land at cost	192,330	194,650
- Leasehold land at cost	23,822	23,824
- Development costs	147,339	146,854
	363,491	365,328

15. INVENTORIES (CONTINUED)

	Group 2022 RM'000	Group 2021 RM'000
Current:		
At cost		
Property held for development		
- Development costs	42,778	50,997
Completed properties	160,489	188,867
General supplies of hotel operations	418	328
	203,685	240,192
	567,176	605,520

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year in respect of continuing operations was RM126,921,000 (2021: RM105,853,000).

16. GOODWILL

The Group reviews the business performance based on the type of products and services of the strategic business units which represents its reportable operating segments. For the purpose of impairment testing, goodwill acquired through business combinations is allocated to the Group's cash generating units ("CGU") which are also reportable operating segments, which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The carrying amount of goodwill allocated to the CGU of the Group is as follow:

	Group 2022 RM'000	Group 2021 RM'000
Hotel	3,703	3,703

Goodwill is assessed at each reporting date regardless of any indication of impairment by comparing the carrying amount with the recoverable amount of each CGU.

The recoverable amount of the CGU has been determined based on value-in-use calculations using cash flows projection from financial budgets and forecasts approved by management covering a five-year period. The economic uncertainties may result in higher level of estimation uncertainty to the inputs and assumptions used in the value-in-use calculation. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than expected.

16. GOODWILL (CONTINUED)

The key assumptions used for value-in-use calculation are:

(i) The weighted average growth rate using an estimated growth rate of 0% (2021: 0%); and
(ii) The discount rate of 4.2% (2021: 4.2%) applied to the cash flows projection is pre-tax and reflects management's estimate of the risk specific to the CGU at the date of assessment.

Based on the sensitivity analysis performed, the Group is of the opinion that there are no reasonable possible changes in key assumptions which would cause the carrying values of the CGU to exceed its recoverable amounts.

17. INVESTMENT IN SUBSIDIARY COMPANIES

	Company 2022 RM'000	Company 2021 RM'000
At cost		
Unquoted shares	794,788	794,788
Less: Impairment losses	(26,500)	(26,500)
	768,288	768,288
Loans that are part of the net investments	435,600	237,441
	1,203,888	1,005,729

Loans that are part of net investments represent amount owing by subsidiaries which is non-trade in nature, unsecured and interest bearing ranging from 2.5% to 2.75% (2021: 2.5% to 2.75%) per annum. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as long-term source of capital to the subsidiaries. As this amount is, in substance, a part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment loss, if any.

(a) Details of the subsidiary companies are as follows:

	Principal place of business/ Country of incorporation	Effective percentage of ownership 2022 %	Effective percentage of ownership 2021 %	Principal activities
Subsidiary companies				
Plenitude Tebrau Sdn Bhd	Malaysia	100	100	Property development and investment holding
Plenitude Permai Sdn Bhd	Malaysia	100	100	Property development

17. INVESTMENT IN SUBSIDIARY COMPANIESS (CONTINUED)

(a) Details of the subsidiary companies are as follows (continued):

	Principal place of business/ Country of incorporation	Effective percentage of ownership 2022 %	2021 %	Principal activities
Subsidiary companies (continued)				
Plenitude Heights Sdn Bhd	Malaysia	100	100	Property development, hotelier and investment holding
Plenitude Bayu Sdn Bhd	Malaysia	100	100	Property development and investment
Plenitude Estates Sdn Bhd	Malaysia	100	100	Property development and property investment
Plenitude Hills Sdn Bhd	Malaysia	100	100	Investment holding and property development
Plenitude Damansara Sdn Bhd	Malaysia	100	100	Management and consulting services
Plenitude International Sdn Bhd	Malaysia	100	100	Property development, hoteling and property investment
Plenitude Homes Sdn Bhd	Malaysia	100	100	Property development and property investment, yet to commence operations
Plenitude Gateway Sdn Bhd	Malaysia	100	100	General trading, land and property investment and investment holding, yet to commence operations
The Nomad Group Bhd	Malaysia	100	100	Investment holding
Plenitude Management Services Sdn Bhd	Malaysia	100	100	Provision of management and consultancy services
Indirect subsidiary companies				
Held through Plenitude Tebrau Sdn Bhd				
PNT Guards Sdn Bhd	Malaysia	100	100	Property development and property investment
PNT Property Management Services Sdn Bhd	Malaysia	100	100	Investment holding and cleaning of building of all types

17. INVESTMENT IN SUBSIDIARY COMPANIESS (CONTINUED)

(a) Details of the subsidiary companies are as follows (continued):

	Principal place of business/ Country of incorporation	Effective percentage of ownership 2022 %	2021 %	Principal activities
Indirect subsidiary companies (continued)				
Held through Plenitude Heights Sdn Bhd				
Plenitude Builders Sdn Bhd	Malaysia	100	100	Property development and project management
TBBH Management & Venture Holidays Sdn Bhd ^	Malaysia	-	100	Provision of management services for hotel industry, struck off
Plenitude Ferringhi Sdn Bhd	Malaysia	96	96	Hotelier and hotel related services, yet to commence operations
Held through Plenitude Permai Sdn Bhd				
Intisari Sanjung (M) Sdn Bhd	Malaysia	100	100	Property development, yet to commence operations
Held through The Nomad Group Bhd				
Bizcentre Capital Pte Ltd **	Singapore	71	71	Investment holding
Nomad Properties Sdn Bhd	Malaysia	100	100	Investment holding
Plenitude Ipoh Sdn Bhd	Malaysia	100	100	Hotelier and hotel related services and investment holding
The Nomad Offices Sdn Bhd	Malaysia	100	100	Investment holding
The Nomad Residences Sdn Bhd	Malaysia	100	100	Investment holding
Plenitude Ferringhi Sdn Bhd	Malaysia	4	4	Hotelier and hotel related services, yet to commence operations
Plenitude Osaka Sdn Bhd	Malaysia	52	100	Investment holding

17. INVESTMENT IN SUBSIDIARY COMPANIESS (CONTINUED)

(a) Details of the subsidiary companies are as follows (continued):

	Principal place of business/ Country of incorporation	Effective percentage of ownership 2022 %	2021 %	Principal activities
Indirect subsidiary companies (continued)				
Held through The Nomad Residences Sdn Bhd				
Plenitude City Hotel Sdn Bhd	Malaysia	100	100	Hotelier and hotel related services
Plenitude Bangsar Residences Sdn Bhd	Malaysia	100	100	Operator of serviced residences
Plenitude Suites Sdn Bhd	Malaysia	100	100	Hotelier and operator of All Suite-Hotel
Held through Plenitude Osaka Sdn Bhd				
Plenitude Koi Investment Pte Ltd **	Singapore	52	-	Investment holding
Plenitude Koi Pte Ltd **	Singapore	52	-	Investment holding
Plenitude Koi Hotel Pte Ltd **	Singapore	52	-	Investment holding
Koi Real Estate TMK **	Japan	52	-	Investment holding
Koi Hotel KK **	Japan	52	-	Hotelier and hotel related services
Held through Nomad Properties Sdn Bhd				
Plenitude Georgetown Sdn Bhd	Malaysia	100	100	Hotelier and hotel related services
Held through The Nomad Offices Sdn Bhd				
The Nomad Offices Pte Ltd **	Singapore	100	100	Operator of serviced offices and investment holding, inactive
Held through The Nomad Offices Pte Ltd				
Instant Office Holdings Pte Ltd +	Singapore	-	100	Investment holding, struck of
PT Concept Kreativ #	Indonesia	-	100	Operator of serviced offices, struck off
The Nomad Offices (Philippines) Inc **	Philippines	100	100	Operator of serviced offices, inactive

17. INVESTMENT IN SUBSIDIARY COMPANIESS (CONTINUED)

(a) Details of the subsidiary companies are as follows (continued):

	Principal place of business/ Country of incorporation	Effective percentage of ownership 2022 %	2021 %	Principal activities
Indirect subsidiary companies (continued)				
Held through Bizcentre Capital Pte Ltd				
Korea Investment Private Placement Business Hotel Real Estate Investment Trust **	South Korea	60	60	Investment holding
Pinetree Hotel LLC **	South Korea	60	60	Hotelier and hotel related services

^ TBBH Management & Venture Holidays Sdn Bhd, an indirect wholly-owned inactive subsidiary of the Company, was struck off from the Register of the Company with effect from 13 April 2022.

+ Instant Office Holdings Pte Ltd, an indirect wholly-owned inactive subsidiary of the Company, was struck off from Accounting and Corporate Regulatory Authority Singapore ("ACRA") on 6 December 2021.

PT Concept Kreative, an inactive indirect wholly-owned subsidiary of the Company incorporated in the Republic of Indonesia, was struck off from the Register of Company of the Ministry of Law and Human Rights of the Republic of Indonesia on 10 May 2022.

** Audited by auditors other than Baker Tilly Monteiro Heng PLT.

(b) Acquisition of additional interest in an indirect subsidiary

For the proposed investment in a 14-storey hotel in Osaka, Japan, as disclosed in Note 33 to the financial statements, the Company had on 30 November 2021 incorporated indirect 100% owned subsidiaries in Singapore, Plenitude Koi Investment Pte Ltd ("PKIPL") and Plenitude Koi Pte Ltd ("PKPL") with an issued and paid up capital of JPY1,000,000,000 and JPY100,000 respectively. Subsequently, the Company incorporated another indirect 100% owned subsidiary in Singapore, Plenitude Koi Hotel Pte Ltd ("PKHPL") with an issued and paid-up capital of JPY100,000 on 3 December 2021.

The Company had on 13 January 2022 incorporated two indirect 100% owned subsidiaries in Japan, Koi Real Estate TMK and Koi Hotel KK each with an issued and paid-up capital of JPY100,000.

On 22 June 2022, Plenitude Osaka Sdn Bhd ("POSB"), being the holding company of PKIPL, PKPL and PKHPL, had increased its share capital from RM1,000 to RM136,000,000 by way of issuance of 1,279,000 ordinary shares and 134,720,000 preference shares at RM1 per share respectively. The Company, through its subsidiary The Nomad Group Bhd, had subscribed 659,000 ordinary shares and 68,700,000 preference shares in POSB. As a result, the Company's effective ownership in POSB decreased from 100% to 52%.

17. INVESTMENT IN SUBSIDIARY COMPANIESS (CONTINUED)

(c) Non-controlling interests in subsidiaries

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

Equity interest held by non-controlling interests:

Name of company	Principal place of business/ Country of incorporation	Ownership interest 2022 %	2021 %
Bizcentre Capital Pte Ltd	Singapore	29	29
Korea Investment Private Placement Business Hotel Real Estate Investment Trust	South Korea	40	40
Pinetree Hotel LLC	South Korea	40	40
Plenitude Osaka Sdn Bhd	Malaysia	48	-
Plenitude Koi Investment Pte Ltd	Singapore	48	-
Plenitude Koi Pte Ltd	Singapore	48	-
Plenitude Koi Hotel Pte Ltd	Singapore	48	-
Koi Real Estate TMK	Japan	48	-
Koi Hotel KK	Japan	48	-

Carrying amount of material non-controlling interests:

Name of company	Group 2022 RM'000	2021 RM'000
Bizcentre Capital Pte Ltd	26,236	26,122
Korea Investment Private Placement Business Hotel Real Estate Investment Trust	15,390	10,932
Pinetree Hotel LLC	(9,068)	(5,023)
Plenitude Osaka Sdn Bhd	65,132	-
Other subsidiaries with immaterial non-controlling interest	750	-
	98,440	32,031

Profit/(Loss) allocated to material non-controlling interests:

Name of company	Group 2022 RM'000	2021 RM'000
Korea Investment Private Placement Business Hotel Real Estate Investment Trust	952	(806)
Pinetree Hotel LLC	(4,592)	(2,480)
Plenitude Osaka Sdn Bhd	(1,508)	-
Other subsidiaries with immaterial non-controlling interest	(855)	61
	(6,003)	(3,225)

17. INVESTMENT IN SUBSIDIARY COMPANIESS (CONTINUED)

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

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

	Bizcentre Capital Pte Ltd RM'000	Korea Investment Private Placement Business Hotel Real Estate Investment Trust RM'000	Pinetree Hotel LLC RM'000	Plenitude Osaka Sdn Bhd RM'000
Summarised statements of financial position				
As at 30 June 2022				
Current assets	2,091	6,941	7,419	29,336
Non-current assets	82,677	192,528	440	99,405
Current liabilities	(17,951)	(6,574)	(1,526)	(50)
Non-current liabilities	-	(105,253)	(28,741)	-
Net assets/(liabilities)	66,817	87,642	(22,408)	128,691
Summarised statements of comprehensive income				
Financial year ended 30 June 2022				
Revenue	-	-	5,263	-
(Loss)/Profit for the financial year	(9,539)	2,382	(11,492)	268
Summarised cash flow information				
Financial year ended 30 June 2022				
Cash flows from/(used in) operating activities	8,732	7,385	(8,061)	(9,142)
Cash flows from/(used in) investing activities	582	43	(88)	(99,406)
Cash flows (used in)/from financing activities	(9,295)	(6,049)	10,253	135,999
	19	1,379	2,104	27,451
Effect of exchange rate changes	(39)	(47)	(1,131)	-
Net (decrease)/increase in cash and cash equivalents	(20)	1,332	973	27,451

17. INVESTMENT IN SUBSIDIARY COMPANIESS (CONTINUED)

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

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

	Bizcentre Capital Pte Ltd RM'000	Korea Investment Private Placement Business Hotel Real Estate Investment Trust RM'000	Pinetree Hotel LLC RM'000	Plenitude Osaka Sdn Bhd RM'000
Summarised statements of financial position				
As at 30 June 2021				
Current assets	3,207	5,764	6,001	-
Non-current assets	82,677	194,020	513	-
Current liabilities	(9,388)	(123,419)	(993)	-
Non-current liabilities	-	-	(17,806)	-
Net assets/(liabilities)	76,496	76,365	(12,285)	-
Summarised statements of comprehensive income				
Financial year ended 30 June 2021				
Revenue	-	-	3,312	-
Loss for the financial year	(12,113)	(2,016)	(6,202)	-
Summarised cash flow information				
Financial year ended 30 June 2021				
Cash flows from/(used in) operating activities	5,251	2,001	(4,687)	-
Cash flows from investing activities	487	78	264	-
Cash flows (used in)/from financing activities	(5,733)	(4,012)	5,252	-
	5	(1,933)	829	-
Effect of exchange rate changes	(102)	60	(389)	-
Net (decrease)/increase in cash and cash equivalents	(97)	(1,873)	440	-

18. DEFERRED TAX ASSETS/(LIABILITIES)

(a) 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 the deferred taxes relate to the same tax authority. The amounts of deferred tax assets and liabilities, after appropriate offsetting, are included in the statements of financial position, as follows:

	Group	
	2022 RM'000	2021 RM'000
Deferred tax assets		
At 1 July	22,579	14,460
Recognised in profit or loss (Note 10)	3,154	8,119
At 30 June	25,733	22,579
Deferred tax liabilities		
At 1 July	(29,501)	(29,976)
Recognised in profit or loss (Note 10)	1,099	475
At 30 June	(28,402)	(29,501)
Presented after appropriate offsetting as follows:		
Deferred tax assets	25,733	22,579
Deferred tax liabilities	(28,402)	(29,501)
At 30 June	(2,669)	(6,922)

(b) The component and movements of deferred tax assets and liabilities of the Group during the financial year prior to offsetting are as follows:

Deferred tax assets

	Property development projects RM'000	Investment property RM'000	Property, plant and equipment RM'000	Others RM'000	Total RM'000
2022					
At 1 July 2021	14,972	3,385	1,334	2,888	22,579
Recognised in profit or loss	2,741	8	352	53	3,154
At 30 June 2022	17,713	3,393	1,686	2,941	25,733
2021					
At 1 July 2020	5,411	3,420	2,697	2,932	14,460
Recognised in profit or loss	9,561	(35)	(1,363)	(44)	8,119
At 30 June 2021	14,972	3,385	1,334	2,888	22,579

18. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

(b) The component and movements of deferred tax assets and liabilities of the Group during the financial year prior to offsetting are as follows (continued):

Deferred tax liabilities

	Property, plant and equipment RM'000	Land held for future development RM'000	Total RM'000
2022			
At 1 July 2021	(23,987)	(5,514)	(29,501)
Recognised in profit or loss	1,099	-	1,099
At 30 June 2022	(22,888)	(5,514)	(28,402)
2021			
At 1 July 2020	(24,462)	(5,514)	(29,976)
Recognised in profit or loss	475	-	475
At 30 June 2021	(23,987)	(5,514)	(29,501)

(c) The tax effects of deductible temporary differences, unused tax losses and unused tax credits which would give rise to deferred tax assets are recognised 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 as mentioned in Note 3(d) to the financial statements. As of 30 June 2022, the estimated amount of deferred tax assets calculated at the applicable tax rate, which is not recognised in the financial statements due to uncertainty of its realisation are as follows:

	Group	
	2022 RM'000	2021 RM'000
Temporary differences arising from property, plant and equipment	(89,823)	(65,947)
Tax effects of unused tax losses	69,772	61,051
Tax effects of unabsorbed capital allowance	127,482	90,808
Tax effects of unabsorbed investment tax allowance	96,249	96,249
Tax effects of other deductible differences	4,295	3,719
	207,975	185,880
Potential deferred tax assets not recognised at 24%	49,914	44,611

18. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

(d) Pursuant to Section 8 of the Finance Act 2021 (Act 833), the amendment to Section 44(5F) of Income Tax Act 1967, the time limit on the carried forward unused tax losses has been extended to maximum 10 consecutive years. This amendment is deemed to have effect for the year of assessment 2019 and subsequent year of assessment.

Furthermore, unutilised business losses brought forward from year of assessment 2018 can be carried forward for another 10 consecutive years of assessment (i.e. from year of assessments 2019 to 2028).

The unused tax losses are available for offset against future profits of the Group which will expire in the following financial years:

	Group	
	2022	**2021**
	RM'000	**RM'000**
Year of assessments		
2025	17,177	17,177
2028	7,856	7,856
2029	4,415	4,426
2030	18,314	18,921
2031	12,671	12,671
2032	9,339	-
	69,772	61,051

19. AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES

Amount owing by subsidiary companies, which arose mainly from advances and interest charges, are unsecured, interest bearing ranging from 2.5% to 2.75% (2021: 2.5% to 2.75%) per annum, repayable on demand except for amounts of RM10,552,000 (2021: RM101,516,000) are to be repaid within 5 years period from the date of remittance and are expected to be settled in cash.

Amount owing to subsidiary companies, which arose mainly from advances are unsecured, interest-free, repayable on demand and are expected to be settled in cash.

20. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Trade				
Trade receivables	18,134	61,007	-	-
Less: Allowance for impairment	(19)	-	-	-
	18,115	61,007	-	-
Non-trade				
Other receivables	6,363	2,900	-	-
Refundable deposits	3,991	4,117	508	6
Prepaid expenses	3,250	2,672	-	-
GST/VAT refundable	3,770	1,341	-	-
	17,374	11,030	508	6
Total trade and other receivables	35,489	72,037	508	6

Trade receivables

Trade receivables comprise amounts receivable for the sales of goods and progress billings to customers. Trade receivables are non-interest bearing and normal credit terms offered by the Group range from 21 days to 30 days (2021: 21 days to 30 days). Other credit terms are assessed and approved on a case by case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Included in the trade receivables of the Group is stakeholders' sum of RM1,973,000 (2021: RM4,420,000).

The information about the credit risk exposure of the Group's trade receivables are as follows:

	Group	
	2022 RM'000	2021 RM'000
Neither past due nor impaired	11,261	4,768
Past due but not impaired		
Past due 1 to 30 days	4,173	26,079
Past due 31 to 60 days	386	15,907
Past due 61 to 90 days	218	9,174
Past due 91 to 120 days	91	3,559
Past due over 120 days	2,005	1,520
	6,873	56,239
Less: Allowance for impairment	(19)	-
	18,115	61,007

20. TRADE AND OTHER RECEIVABLES (CONTINUED)

Receivables that are impaired

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

	Group	
	2022 RM'000	2021 RM'000
Trade receivables		
At 1 July	-	46
Charge for the financial year - individually assessed (Note 9)	19	-
Written off	-	(46)
At 30 June	19	-
Other receivables		
At 1 July	-	781
Reversal (Note 7)	-	(772)
Written off	-	(9)
At 30 June	-	-

Trade and other receivables that are individually determined to be credit impaired at the reporting date relate to receivables that are in significant financial difficulties and have defaulted on payments.

21. CONTRACT ASSETS/(LIABILITIES)

The Group issues progress billings to purchasers when the billing milestones are attained. The Group recognises revenue when the performance obligation is satisfied.

The Group's contract assets and contract liabilities relating to the sale of properties as of each reporting period are summarised as follows:

	Group	
	2022 RM'000	2021 RM'000
Contract assets relating to property development contracts	40,828	16,088
Contract liabilities relating to property development contracts	(9,242)	(49,111)
Total	31,586	(33,023)

21. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

Changes in contract balances are as follows:

	2022		2021	
	Contract assets Increase/ (Decrease) RM'000	Contract liabilities (Increase)/ Decrease RM'000	Contract assets Increase/ (Decrease) RM'000	Contract liabilities (Increase)/ Decrease RM'000
Group				
Revenue recognised that was included in contract liability at the beginning of the financial year	-	49,111	-	32,158
Increases due to consideration received from customers, but revenue not recognised	-	(9,242)	-	(49,111)
Increases as a result of changes in the measure of progress	40,828	-	16,088	-
Transfer from contract assets recognised at the beginning of the period to receivables	(16,088)	-	(645)	-

The contract assets and contract liabilities at the end of the reporting period are expected to be recognised within one year.

22. SHORT TERM INVESTMENTS

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Financial assets designated as fair value through other comprehensive income	(a)	73,154	89,879	-	-
Financial assets at fair value through profit or loss	(b)	5,054	91,012	5,054	91,012
Total short term investments		78,208	180,891	5,054	91,012

22. SHORT TERM INVESTMENTS (CONTINUED)

	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
(a) Financial assets designated as fair value through other comprehensive income ("FVOCI")				
- Quoted equity securities at fair value:				
At 1 July	72,235	66,770	-	-
Fair value changes	(11,842)	5,465	-	-
At 30 June	60,393	72,235	-	-
- Unquoted equity securities at fair value:				
At 1 July	17,644	-	-	-
Additions	1,457	17,000	-	-
Disposal	(4,961)	-	-	-
Unrealised foreign exchange	69	-	-	-
Fair value changes	(1,448)	644	-	-
At 30 June	12,761	17,644	-	-
	73,154	89,879	-	-

The Group holds non-controlling interests in equity securities designated at fair value through other comprehensive income. These investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments as strategic investments and the volatility of market prices of these investments would not affect profit or loss.

	Group 2022 RM'000	Group 2021 RM'000	Company 2022 RM'000	Company 2021 RM'000
(b) Financial assets at fair value through profit or loss:				
- Investment in money market fund				
At 1 July	91,012	27,066	91,012	27,066
Additions	40,500	152,800	40,500	152,800
Disposal	(127,600)	(90,200)	(127,600)	(90,200)
Dividend received and re-invested	1,142	1,346	1,142	1,346
At 30 June	5,054	91,012	5,054	91,012

23. SHORT TERM DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Fixed deposits with licensed banks	240,275	251,683	100,499	24,398
Cash and bank balances	87,400	43,622	5,608	286
	327,675	295,305	106,107	24,684

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Fixed deposits with licensed banks	240,275	251,683	100,499	24,398
Cash and bank balances	87,400	43,622	5,608	286
	327,675	295,305	106,107	24,684
Less: Fixed deposits with maturity more than 90 days	(942)	(919)	-	-
	326,733	294,386	106,107	24,684

Included in cash and bank balances of the Group is an amount of RM35,028,000 (2021: RM29,555,000) deposited into Housing Development Accounts in accordance with Section 7(A) of the Housing Developers (Control and Licensing) Act, 1966. These accounts, which consist of monies received from purchasers and interest credited thereon, are restricted for the payment of property development expenditure incurred and fulfillment of all relevant obligations to the purchasers. The surplus monies, if any, will be released to the Group upon the completion of the particular property development projects.

Included in fixed deposits with licensed banks of the Group is an amount of RM97,360,000 (2021: RM164,000,000) being proceeds from issuance of Redeemable Non-Convertible Cumulative Preference Shares ("RNCCPS") by a subsidiary of the Company, of which purpose of the fund is disclosed in Note 26(b) to the financial statements.

The effective interest rates per annum of deposits with licensed banks are as follows:

	Group		Company	
	2022	2021	2022	2021
Fixed deposits with licensed banks	1.00% - 2.30%	0.58% - 2.90%	1.70% - 2.30%	1.85% - 2.40%

23. SHORT TERM DEPOSITS, CASH AND BANK BALANCES (CONTINUED)

The maturities and repricing of deposits with licensed banks at the end of the financial year are as follows:

	Group		Company	
	2022	2021	2022	2021
Fixed deposits with licensed banks	30 - 365 days	30 - 365 days	30 - 90 days	30 days

24. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	2022 Units'000	2021 Units'000	2022 RM'000	2021 RM'000
Ordinary shares				
Issued and fully paid:				
At 1 July/ 30 June	381,534	381,534	515,315	515,315

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

25. RESERVES

		Group		Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Fair value reserve of financial assets at fair value through other comprehensive income ("FVOCI")	(i)	8,427	21,717	-	-
Foreign currency translation reserve	(ii)	2,366	(1,712)	-	-
Retained earnings	(iii)	1,062,227	1,044,838	772,393	706,479
		1,073,020	1,064,843	772,393	706,479

(i) Fair value reserve of financial assets at FVOCI

This reserve comprises the cumulative net change in the fair value of financial assets at FVOCI until the investments are derecognised or impaired.

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income, as explained in Note 22 to the financial statements. These changes are accumulated within the fair value reserve of financial assets at FVOCI. The Group transfers amount from this reserve to retained earnings when the relevant investments are derecognised.

25. RESERVES (CONTINUED)

(ii) Foreign currency translation reserve

Exchange differences arising from the translation of foreign controlled subsidiaries are taken to the translation reserve as described in the accounting policies.

(iii) Retained earnings

As at 30 June 2022, the Company is able to distribute its retained earnings under the single tier system.

26. LOANS AND BORROWINGS

		Group	
	Note	2022 RM'000	2021 RM'000
Non-current			
Term loans (secured)	(a)	230,394	80,245
Redeemable Non-Convertible Cumulative Preference Shares	(b)	-	164,000
Lease liabilities	(c)	374	749
		230,768	244,994
Current			
Term loans (secured)	(a)	8,029	122,084
Redeemable Non-Convertible Cumulative Preference Shares	(b)	97,360	-
Lease liabilities	(c)	374	374
		105,763	122,458
Total loans and borrowings		336,531	367,452
Represented by:			
Current			
Portion due within one year		105,763	122,458
Non-current			
- later than one year and not later than five years		164,824	205,413
- later than five years		65,944	39,581
		230,768	244,994
		336,531	367,452

26. LOANS AND BORROWINGS (CONTINUED)

(a) Term loans

The loans and borrowings are in respect of term loans secured by the following:

(i) First party legal charge over freehold land and buildings of the subsidiary companies as disclosed in Note 12 to the financial statements;

(ii) Specific debenture over certain properties including buildings, fixture and fittings on the properties of the subsidiary companies as disclosed in Note 12 to the financial statements; and

(iii) Corporate guarantee by the Company and a subsidiary company.

The term loans bear interest rates ranging at 3.45% - 4.80% (2021: 3.45% - 4.80%) per annum.

In previous financial year, interest rate swap with total notional amount of RM118,202,000 was used to manage the Group's exposure to interest rate risk arising from the Group's floating rate term loan.

(b) Redeemable Non-Convertible Cumulative Preference Shares ("RNCCPS")

The Nomad Group Berhad ("TNGB"), a wholly owned subsidiary of the Company had entered into a Joint Venture Agreement ("JVA") and Subscription Agreement ("SA") with Javanile Sdn Bhd ("JSB") for the issuance and subscription of 50,000,000 and 114,000,000 RNCCPS at the subscription price of RM1.00 per RNCCPS for a consideration of RM50,000,000 and RM114,000,000 on 17 November 2020 and 26 November 2020, respectively. TNGB shall utilise the said subscription amount solely for the purpose of proposed acquisition of a 21-storey hotel in Osaka, Japan.

On 26 November 2020, TNGB had also entered into a Shareholder Agreement ("SHA") with JSB and the Company, being its shareholder to regulate the management of TNGB, the relationship of each other and certain aspects of the affairs of, and their dealing with TNGB.

On 28 June 2021, supplemental agreement to JVA, SA and SHA were made and entered into between TNGB, JSB and the Company after the proposed acquisition of the hotel failed to vary the rights and obligations in relation to the investment by JSB by way of subscription of RNCCPS issued by TNGB. JSB intends to retain the investment for TNGB to continue to explore alternative business ventures of a similar nature for a period of two years from the date of this agreement.

During the financial year, Plenitude Osaka Sdn Bhd ("POSB"), an indirect subsidiary of the Company, had on 25 January 2022, set up entities in Singapore and in Japan, indirectly acquired a 136-room 14-storey hotel in Osaka known as 'The OneFive Osaka Midosuji' and now operated by Travelodge Hotels (Asia) Pte. Ltd as 'Travelodge Honmachi Osaka' ("Osaka Honmachi Hotel") for JPY2,650,000,000 (approximately RM97,570,000) together with other acquisition-related costs. Payment for the acquisition of the Osaka Honmachi Hotel was made by cash. Hence, JSB had on 22 June 2022 redeemed 66,640,000 RNCCPS partially from 164,000,000 RNCCPS at RM1 each and the balance 97,360,000 RNCCPS shall continue to be held by TNGB with the terms thereof. Subsequently, the RNCCPS redemption of RM66,640,000 by JSB were utilised to subscribe 620,000 ordinary shares and 66,020,000 preference shares in POSB and accordingly it has effective ownership 48% in POSB.

26. LOANS AND BORROWINGS (CONTINUED)

(b) Redeemable Non-Convertible Cumulative Preference Shares ("RNCCPS") (continued)

The salient features of the RNCCPS are as follows:

(i) Tenure of 2 years from the issue date, 28 June 2021 and the holder is also entitled to make earlier redemption with written notice from time to time;

(ii) Carries a fixed cumulative preferential dividend of 1.5% per annum; and

(iii) Transferrable only with the prior consent of the Board of Directors of TNGB.

(c) Lease liabilities

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

	Group	
	2022 RM'000	2021 RM'000
Future minimum lease payments:		
Not later than 1 year	374	374
Later than 1 year and not later than 2 years	374	374
Later than 2 years and not later than 5 years	-	375
Total minumum lease payments, representing present value of lease liabilities	748	1,123
Present value of minimum lease payments:		
Not later than 1 year	374	374
Later than 1 year and not later than 2 years	374	374
Later than 2 years and not later than 5 years	-	375
	748	1,123
Less: Amount due within 12 months	(374)	(374)
Amount due after 12 months	374	749

<u>Banking facilities</u>

The subsidiary companies have bank guarantee facilities of RM9.8 million (2021: RM9.8 million) obtained from the financial institutions. These facilities are secured by corporate guarantees issued by the Company and a subsidiary company and a negative pledge on assets of the respective subsidiary companies.

27. TRADE AND OTHER PAYABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current				
Non-trade				
Other payable	4,311	2,671	-	-
Current				
Trade				
Trade payables	16,451	12,094	-	-
Retention monies	21,651	21,611	-	-
Accrued expenses	7,949	6,250	-	-
	46,051	39,955	-	-
Non-trade				
Other payables	33,549	36,096	1	-
Accrued expenses	12,678	6,169	119	65
Deferred income	2,294	1,724	-	-
RPGT/GST/VAT payable	631	10,068	-	-
	49,152	54,057	120	65
Total trade and other payables (current)	95,203	94,012	120	65
Total trade and other payables (current and non-current)	99,514	96,683	120	65

Trade payables are non-interest bearing and the normal credit period granted to the Group for construction costs range from 30 days to 60 days (2021: 30 days to 60 days).

Included in other payables is an amount of RM4,311,000 (2021: RM2,671,000) which represents advances from a non-controlling interest, is unsecured, subject to interest rate of 3.85% (2021: 3.85%) per annum, repayable in 2029 and is expected to be settled in cash.

28. PROVISIONS

	Note	Group 2022 RM'000	Group 2021 RM'000
Provision for cost to completion	(a)	23,461	13,598
Provision for affordable housing obligations	(b)	11,296	8,078
Provision for legal claims	(c)	735	787
		35,492	22,463

(a) Provision for cost to completion

The provision for cost to completion represents development costs identified to be incurred for completed projects. Judgement is required in estimating the amount of provision to be made. The Group evaluates the amount of provision required based on past track records and experience. The movement in the provision for cost to completion is as follows:

	Group 2022 RM'000	Group 2021 RM'000
At 1 July	13,598	20,474
Additions	12,712	-
Utilised	(2,669)	(5,905)
Reversal	(180)	(971)
At 30 June	23,461	13,598

(b) Provision for affordable housing obligation

The provision for affordable housing represents the shortfall between the cost of constructing affordable housing and the economic benefits expected to be received from the purchasers of affordable housing. In establishing the present obligation, judgements and assumptions are made by Group based on its past experience and also based on the terms and conditions of the Master Layout Planning Approval (Kebenaran Merancang) of the projects.

The movement of the provision for affordable housing obligations is as follows:

	Group 2022 RM'000	Group 2021 RM'000
At 1 July	8,078	6,828
Additions	3,218	1,250
At 30 June	11,296	8,078

28. PROVISIONS (CONTINUED)

(c) Provision for legal claim

The provision for legal claims relates to legal action taken by former employees. In the directors' opinion, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the amounts as provided in the financial statements.

The movement of the provision for legal claims is as follows:

	Group	
	2022 RM'000	2021 RM'000
At 1 July	787	-
Additions	-	787
Reversal	(52)	-
At 30 June	735	787

29. DERIVATIVE FINANCIAL LIABILITIES

	Group	
	2022 RM'000	2021 RM'000
Derivatives held at fair value through profit or loss:		
At 1 July	688	1,812
Fair value changes on derivatives	(659)	(1,161)
Exchanges differences	(29)	37
At 30 June	-	688

The Group entered into interest rate swap contracts to hedge interest rate risk arising from floating rate bank loans. Interest rate swaps are used to achieve an appropriate floating interest rate exposure within the Group's policy. The notional principal amount of the Group's outstanding interest swap is disclosed in Note 26(a) to the financial statements.

30. DIVIDENDS

Dividends recognised by the Group and the Company are as follows:

	Group and Company	
	2022 RM'000	2021 RM'000
Recognised during the financial year:		
Dividends on ordinary shares:		
Final single-tier dividend of 2 sen per ordinary share in respect of the financial year ended 30 June 2021, paid on 18 November 2021	7,631	-
Dividends on ordinary shares:		
Final single-tier dividend of 2 sen per ordinary share in respect of the financial year ended 30 June 2020, paid on 20 November 2020	-	7,631

The directors have proposed a final single-tier dividend of 2.5 sen on 381,533,758 ordinary shares, amounting to RM9,538,344 in respect of current financial year. This dividend is subject to 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. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2023.

31. FINANCIAL GUARANTEE CONTRACTS

	Company	
	2022 RM'000	2021 RM'000
Financial guarantee contracts given to banks for credit facilities granted to subsidiary companies	217,291	176,674

32. CAPITAL COMMITMENT

	Group	
	2022 RM'000	2021 RM'000
Property, plant and equipment		
- approved and contracted	43,975	73,551

33. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

(a) Investment in a 14-storey hotel in Osaka, Japan

On 30 November 2021, the Company had announced through its 100%-owned indirect subsidiary, Plenitude Osaka Sdn. Bhd. ("POSB"), entered into a conditional Trust Beneficiary Interest Sale and Purchase Agreement between Ichigo Estate Co., Ltd. ("Ichigo") as vendor and POSB as purchaser for POSB to purchase 100% of the shares for the beneficiary interest of the Real Estate Management and Disposition Trust (the "Osaka Trust"), a real estate investment trust which was established by agreement between NihonLifeCreator Co., Ltd. as initial settlor and Mitsubishi UFJ Trust and Banking Corporation as trustee under The Trust Act and invested in a 14-storey hotel in Osaka, Japan ("Hotel"). POSB will incorporate a Tokutei Mokuteki Kaisha ("TMK"), a special purpose company established under the Law Concerning Liquidation of Assets, and will assign the PSA to TMK to acquire the Osaka Trust.

On 25 January 2022, the Board of Directors of the Company had announced that the Proposed Investment was completed, with the incorporation of two 100% owned subsidiaries in Japan, Koi Hotel KK and Koi Real Estate TMK.

This 14-storey hotel is expected to commence its operation in September 2022, as Travelodge Honmachi Osaka.

(b) Redemption of Redeemable Non-Convertible Cumulative Preference Shares ("RNCCPS")

On 15 August 2022, Javanile Sdn Bhd ("JSB") had further redeemed 67,360,000 RNCCPS from 164,000,000 RNCCPS at RM1 each and the balance 30,000,000 RNCCPS shall continue to be held by TNGB with the terms thereof. Further details on the RNCCPS are disclosed in Note 26(b) to the financial statements.

34. SEGMENT INFORMATION

The Group prepared the segment information in accordance with MFRS 8 *Operating Segments* and on the basis of internal reports on the Group's strategic business units which are regularly reviewed by the Board of Directors in order to allocate resources to the segments and to assess their performances.

There are varying levels of integration among investment holding with the other segments. This integration includes corporate support and provision of financial support. Inter-segment pricing is determined on a negotiated basis.

For management purposes, the Group is organised into the following operating divisions:
- Property development
- Hotel operations
- Property investment and others

Factors used to identify reportable segment

Property development segment, hotel operations segment, and investment holding segment are organised and identified as separate reportable segments due to the nature of the principal activities in which the business operates.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the directors. Segment total asset is used to measure the return on assets of each segment.

34. SEGMENT INFORMATION (CONTINUED)

Segment liabilities

The total segment liability is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the directors.

Geographical segments

Information on the Group's operations by geographical segments has not been presented as the results from other geographical segments are insignificant.

Major customers

There is no single customer that contributed 10% or more to the Group's revenue.

	Property development RM'000	Hotel operations RM'000	Property investment and others RM'000	Eliminations RM'000	Note	Total RM'000
Group						
2022						
Revenue						
External customers	220,616	47,468	4,644	-		272,728
Inter-segment sales	8,265	-	11,389	(19,654)	(a)	-
Dividend income	-	-	70,000	(70,000)	(a)	-
Total revenue	228,881	47,468	86,033	(89,654)		272,728
Results						
Segment profit/(loss)	85,026	(5,664)	74,896	(76,890)	(b)	77,368
Dividend income from short term deposits						1,414
Interest income from fixed deposits						4,866
Lease rental income						3,621
Depreciation						(34,328)
Finance costs						(10,643)
Profit before taxation						42,298
Taxation						(23,281)
Net profit for the financial year						19,017

34. SEGMENT INFORMATION (CONTINUED)

	Property development RM'000	Hotel operations RM'000	Property investment and others RM'000	Eliminations RM'000	Note	Total RM'000
Group						
2022						
Consolidated statement of financial position						
Segment assets	969,446	1,244,432	2,146,799	(2,186,280)	(c)	2,174,397
Unallocated assets					(c)	29,062
Total assets						2,203,459
Segment liabilities	311,191	475,508	332,395	(638,315)		480,779
Unallocated liabilities						35,905
Total liabilities						516,684
Other information						
Additions to non-current assets other than financial instruments and deferred tax assets	3,337	174,719	6,890	(6,829)		178,117
Depreciation						
- Property, plant and equipment	(464)	(31,541)	(1,243)	-		(33,248)
- Right-of-use assets	-	-	(374)	-		(374)
- Investment properties	(608)	-	(98)	-		(706)
Employee benefits expenses	(5,126)	(15,014)	(9,316)	-		(29,456)
Finance cost	-	(11,278)	(3,501)	4,136		(10,643)
Loss on disposal of property, plant and equipment	-	(5)	-	-		(5)
Impairment loss on trade and other receivables	-	(19)	-	-		(19)
Net fair value gain on derivative financial liabilities	-	659	-	-		659
Property, plant and equipment written off	(2)	(51)	-	-		(53)
Unrealised gain/(loss) on foreign exchange	76	(4,335)	-	-		(4,259)

34. SEGMENT INFORMATION (CONTINUED)

	Property development RM'000	Hotel operations RM'000	Property investment and others RM'000	Eliminations RM'000	Note	Total RM'000
Group						
2021						
Revenue						
External customers	188,491	20,002	-	-		208,493
Inter-segment sales	3,890	122	8,641	(12,653)	(a)	-
Dividend income	-	-	61,000	(61,000)	(a)	-
Total revenue	192,381	20,124	69,641	(73,653)		208,493
Results						
Segment profit/(loss)	72,382	(22,738)	109,606	(102,286)	(b)	56,964
Dividend income from short term deposits						6,205
Gain on disposal of investment properties						414
Interest income from fixed deposits						2,899
Lease rental income						3,615
Depreciation						(33,262)
Finance costs						(7,295)
Profit before taxation						29,540
Taxation						(20,841)
Net profit for the financial year						8,699
Consolidated statement of financial position						
Segment assets	998,712	987,215	1,816,635	(1,652,983)	(c)	2,149,579
Unallocated assets					(c)	29,497
Total assets						2,179,076
Segment liabilities	357,085	438,375	209,087	(468,150)		536,397
Unallocated liabilities						30,490
Total liabilities						566,887

34. SEGMENT INFORMATION (CONTINUED)

	Property development RM'000	Hotel operations RM'000	Property investment and others RM'000	Eliminations RM'000	Note	Total RM'000
Group						
2021						
Other information						
Additions to non-current assets other than financial instruments and deferred tax assets	4,835	35,489	678	(604)		40,398
Depreciation						
- Property, plant and equipment	(483)	(31,590)	(93)	-		(32,166)
- Right-of-use assets	-	-	(434)	-		(434)
- Investment properties	(606)	-	(56)	-		(662)
Employee benefits expenses	(3,656)	(10,178)	(6,521)	-		(20,355)
Finance cost	(4,186)	(12,414)	(1,256)	10,561		(7,295)
Loss on disposal of property, plant and equipment	-	(47)	-	-		(47)
Net fair value gain on derivative financial liabilities	-	1,161	-	-		1,161
Property, plant and equipment written off	-	(2,500)	(1)	-		(2,501)
Reversal of impairment loss on other receivables	772	-	-	-		772
Unrealised gain/(loss) on foreign exchange	-	180	(20)	-		160

Notes Nature of elimination to arrive at amounts reported in the consolidated financial statements:
(a) Inter-segment revenue are eliminated on consolidation;
(b) Inter-segment revenue and expenses are eliminated on consolidation; and
(c) Inter-segment balances are eliminated on consolidation.

35. SIGNIFICANT RELATED PARTY DISCLOSURES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influences over the other party in making financial and operational decisions, or if one other party controls both.

Related parties of the Group include:

(i) Entities having significant influence over the Group;
(ii) Subsidiaries;
(iii) Entities in which directors have substantial financial interests; and
(iv) Key management personnel of the Group and the Company comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

The Group has related party relationship with its subsidiaries, directors and other key management personnel.

35. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(a) Significant transactions undertaken on agreed terms and prices by the Company with its subsidiary companies during the financial year are as follows:

	Company	
	2022 RM'000	**2021 RM'000**
Dividend income received (Note 5)	70,000	61,000
Interest on unsecured advances to subsidiary companies (Note 7)	3,026	10,561
Management fee payable to a subsidiary company	(24)	(24)

(b) The compensation of key management personnel during the financial year are as follows:

	Group	
	2022 RM'000	**2021 RM'000**
Short-term employee benefits	5,659	4,570
Contributions to EPF	661	546
	6,320	5,116

The estimated monetary value of benefit-in-kind received by the key management personnel other than in cash from the Group amounted to RM48,000 (2021: RM46,000).

Included in the above compensation of key management personnel are directors' remuneration as disclosed in Note 9 to the financial statements.

36. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The following table analyses the financial instruments in the statements of financial position by classes of financial instruments to which they are assigned:

(i) Fair value through profit or loss ("FVPL");
(ii) Amortised cost ("AC"); and
(iii) Designated fair value through other comprehensive income ("DFVOCI").

36. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Classification of financial instruments (continued)

	Note	AC RM'000	FVPL RM'000	DFVOCI RM'000	Total RM'000
Group					
2022					
Financial assets					
Trade and other receivables *	20	28,469	-	-	28,469
Short term investments	22	-	5,054	73,154	78,208
Fixed deposits with licensed banks	23	240,275	-	-	240,275
Cash and bank balances	23	87,400	-	-	87,400
Total financial assets		356,144	5,054	73,154	434,352
Financial liabilities					
Loan and borrowings ^	26	335,783	-	-	335,783
Trade and other payables #	27	96,589	-	-	96,589
Total financial liabilities		432,372	-	-	432,372
2021					
Financial assets					
Trade and other receivables *	20	68,024	-	-	68,024
Short term investments	22	-	91,012	89,879	180,891
Fixed deposits with licensed banks	23	251,683	-	-	251,683
Cash and bank balances	23	43,622	-	-	43,622
Total financial assets		363,329	91,012	89,879	544,220
Financial liabilities					
Loan and borrowings ^	26	366,329	-	-	366,329
Trade and other payables #	27	84,891	-	-	84,891
Derivative financial liabilities	29	-	688	-	688
Total financial liabilities		451,220	688	-	451,908

* *Exclude prepaid expenses and GST/VAT refundable*
^ *Exclude lease liabilities*
# *Exclude deferred income and RPGT/GST/VAT payable*

36. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Classification of financial instruments (continued)

	Note	AC RM'000	FVPL RM'000	Total RM'000
Company				
2022				
Financial assets				
Amount owing by subsidiary companies	19	11,085	-	11,085
Trade and other receivables	20	508	-	508
Short term investments	22	-	5,054	5,054
Fixed deposits with licensed banks	23	100,499	-	100,499
Cash and bank balances	23	5,608	-	5,608
Total financial assets		117,700	5,054	122,754
Financial liabilities				
Trade and other payables	27	120	-	120
Amount owing to subsidiary companies	19	39,029	-	39,029
Total financial liabilities		39,149	-	39,149
2021				
Financial assets				
Amount owing by subsidiary companies	19	103,219	-	103,219
Trade and other receivables	20	6	-	6
Short term investments	22	-	91,012	91,012
Fixed deposits with licensed banks	23	24,398	-	24,398
Cash and bank balances	23	286	-	286
Total financial assets		127,909	91,012	218,921
Financial liabilities				
Trade and other payables	27	65	-	65
Amount owing to subsidiary companies	19	2,454	-	2,454
Total financial liabilities		2,519	-	2,519

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies

The Group's and the Company's activities are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholder.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group and the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

Concentration of credit risk

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:

	Group			
	2022		2021	
	RM'000	% of total	RM'000	% of total
By country:				
Malaysia	17,844	99%	61,007	100%
Korea	271	1%	-	0%
	18,115	100%	61,007	100%
By industry sectors:				
Property development	15,432	85%	60,583	99%
Hotel operations	2,476	14%	424	1%
Others	207	1%	-	0%
	18,115	100%	61,007	100%

At the reporting date, there is no concentration of credit risk by individual debtors.

Recognition and measurement of impairment loss

The Group assessed the risk of loss of its customers individually based on their financial information, past trend of payments and external credit ratings, where applicable.

The information about the movements in allowance for impairment and ageing of trade receivables as at 30 June 2022 are disclosed in Note 20 to the financial statements.

Other receivables and financial assets

For other receivables and other financial assets (including investment securities, cash and cash equivalents and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(i) Credit risk (continued)

Other receivables and financial assets (continued)

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Other than the credit impaired other receivables, the Group and the Company consider these financial assets to have low credit risk. As at the reporting date, the Group and the Company did not recognised any loss allowance for impairment for other receivables and other financial assets other than as disclosed in Note 20 to the financial statements.

Refer to Note 3(m) for the Group's and the Company's other accounting policies for impairment of financial assets.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks as disclosed in Note 31 to the financial statements representing the maximum amount the Company could pay if the guarantee is called. As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantees.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade, other payables, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's treasury department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

		Contractual cash flows			
	Carrying amounts RM'000	**Within 1 year RM'000**	**1 to 5 years RM'000**	**More than 5 years RM'000**	**Total RM'000**
Group					
2022					
Loans and borrowings ^	335,783	113,964	181,808	70,413	366,185
Trade and other payables #	96,589	92,278	-	4,311	96,589
Total undiscounted financial liabilities	432,372	206,242	181,808	74,724	462,774
2021					
Loans and borrowings ^	366,329	135,706	215,781	42,753	394,240
Trade and other payables #	84,891	82,220	-	2,671	84,891
Derivative financial liabilities	688	688	-	-	688
Total undiscounted financial liabilities	451,908	218,614	215,781	45,424	479,819

^ *Exclude lease liabilities*
# *Exclude deferred income and RPGT/GST/VAT payable*

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amounts RM'000	← Within 1 year RM'000	Contractual cash flows 1 to 5 years RM'000	More than 5 years RM'000	→ Total RM'000
Company					
2022					
Trade and other payables	120	120	-	-	120
Amount owing to subsidiary companies	39,029	39,029	-	-	39,029
Total undiscounted financial liabilities	39,149	39,149	-	-	39,149
2021					
Trade and other payables	65	65	-	-	65
Amount owing to subsidiary companies	2,454	2,454	-	-	2,454
Total undiscounted financial liabilities	2,519	2,519	-	-	2,519

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from expenses and cash and bank balances that are denominated in a currency other than the respective functional currencies of Group entities, primarily RM. The foreign currencies in which these transactions are denominated are mainly US Dollar ("USD"), Japanese Yen ("JPY"), Singapore dollar ("SGD"), British Pound ("GBP"), EURO ("EUR") and Korean Won ("KRW").

The Group and the Company ensure that the net exposure to this risk is kept to an acceptable level. Management does not enter into currency hedging transactions since it considers that the cost of such instruments outweighs the potential risk of exchange rate fluctuations.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(iii) Foreign currency risk (continued)

The Group's exposure to foreign currency (a currency which is other than the currency of the Group entitles) risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in					
	USD RM'000	JPY RM'000	SGD RM'000	GBP RM'000	EUR RM'000	KRW RM'000
Group						
2022						
Cash and bank balances	-	19,221	45	-	-	5,769
Trade payables	(391)	-	-	(3)	(34)	(391)
Other payables	(1)	(478)	(50)	-	-	(986)
Exposure in the statements of financial position	(392)	18,743	(5)	(3)	(34)	4,392
2021						
Cash and bank balances	-	-	65	-	-	3,291
Trade payables	(447)	-	(1)	(25)	-	(277)
Other payables	(763)	-	(30)	-	-	(334)
Exposure in the statements of financial position	(1,210)	-	34	(25)	-	2,680

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(iii) Foreign currency risk (continued)

Currency risk sensitivity analysis

The following table demonstrates the sensitivity to a reasonable possible change in the USD, JPY and KRW, with all other variables held constant on the Group's total equity and profit for the financial year.

	Change in rate	Effect on profit or loss for the financial year RM'000
Group		
2022		
USD	+ 10%	(39)
	- 10%	39
JPY	+ 10%	1,874
	- 10%	(1,874)
KRW	+ 10%	439
	- 10%	(439)
2021		
USD	+ 10%	(121)
	- 10%	121
KRW	+ 10%	268
	- 10%	(268)

The exposure of the Group on SGD, GBP and EUR are not material and hence, sensitivity analysis is not presented.

(iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from its long-term loans and borrowings with floating interest rates.

The Group reviews its debts portfolio to ensure favourable rates are obtained, taking into account the investment holding period and nature of asset.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts. To manage this mix in a cost-efficient manner, the Group enters into interest rate swaps.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(iv) Interest rate risk (continued)

	Change in basis point %	Effect on profit for the financial year RM'000	Effect on equity RM'000
Group			
30 June 2022	+100	1,163	884
	-100	(1,163)	(884)
30 June 2021	+100	664	505
	-100	(664)	(505)

(v) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. The quoted equity instruments in Malaysia are listed on Bursa Securities. These instruments are classified as held for trading or available-for-sale financial assets. The Group does not have exposure to commodity price risk.

Sensitivity analysis for equity price risk

This analysis assumes that all other variables remain constant and the Group's equity investments moved in correlation with FTSE Bursa Malaysia KLCI ("FBMKLCI").

A 10 percent strengthening in FBMKLCI at the end of the reporting period would have increased equity by RM7,169,092 (2021: RM8,235,000). A 10 percent weakening in FBMKLCI would have had equal but opposite effect on equity.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	2022 RM'000	2021 RM'000
Group		
Financial assets		
Trade and other receivables *	28,469	68,024
Fixed deposits with licensed banks	240,275	251,683
Cash and bank balances	87,400	43,622
	356,144	363,329
Financial liabilities		
Loans and borrowings ^	335,783	366,329
Trade and other payables #	96,589	84,891
	432,372	451,220
Company		
Financial assets		
Trade and other receivables *	508	6
Amount owing by subsidiary companies	11,085	103,219
Fixed deposits with licensed banks	100,499	24,398
Cash and bank balances	5,608	286
	117,700	127,909
Financial liabilities		
Trade and other payables #	120	65
Amount owing to subsidiary companies	39,029	2,454
	39,149	2,519

* *Exclude prepayments and GST/VAT refundable*
^ *Exclude lease liabilities*
\# *Exclude deferred income and RPGT/GST/VAT payable*

The carrying amount of these financial assets and liabilities are reasonable approximations of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Fair value hierarchy

The following are classes of financial instruments that are carried at fair value, by valuation method. The different levels have been defined as follows:

	Note	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group					
2022					
Financial asset					
Short term investments	22	78,208	-	-	78,208
2021					
Financial asset					
Short term investments	22	180,891	-	-	180,891
Financial liability					
Derivative financial liabilities	29	-	688	-	688
Company					
2022					
Financial asset					
Short term investments	22	5,054	-	-	5,054
2021					
Financial asset					
Short term investments	22	91,012	-	-	91,012

The fair value of quoted equity securities and unquoted equity securities are estimated based on their market prices as at the end of the reporting period.

Transfer between levels of fair values hierarchy

There is no transfer between levels of fair values hierarchy during the financial year.

37. CAPITAL MANAGEMENT

The Group's primary objective when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or reduce borrowings.

There were no changes made on the capital management objectives, policies and processes of the Group during the financial year.

The Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital plus net debt. Net debt is calculated as total interest bearing financial liabilities less cash and cash equivalents. Total capital refers to equity attributable to the owners of the Company.

	Group	
	2022	**2021**
	RM'000	**RM'000**
Loans and borrowings (excluding lease liabilities) (Note 26)	335,783	366,329
Less: Short term deposits, cash and bank balances (Note 23)	(327,675)	(295,305)
Sub-total	8,108	71,024
Net debt	8,108	71,024
Equity attributable to the owners of the Company, representing total capital	1,588,335	1,580,158
Total capital and net debt	1,596,443	1,651,182
Gearing ratio, net	0.5%	4.3%

STATEMENT BY DIRECTORS

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

We, **CHUA ELSIE** and **TAN KAK TECK**, being two of the directors of Plenitude Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements are properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2022 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

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

CHUA ELSIE

TAN KAK TECK

Kuala Lumpur
Date: 20 September 2022

STATUTORY DECLARATION

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

I, **ANG KOOI YONG**, being the officer primarily responsible for the financial management of Plenitude Berhad, do solemnly and sincerely declare that accompanying financial statements set out on pages 83 to 175 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

ANG KOOI YONG
(MIA membership no: 8884)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 20 September 2022.

Before me,

HADINUR MOHD SYARIF (W761)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To the Members of Plenitude Berhad
(Incorporated In Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Plenitude Berhad, which comprise the statements of financial position as at 30 June 2022 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 83 to 175.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2022, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Group

Property development activities (Note 4(a), 5, 6, 15 and 21 to the financial statements)

Risk

We focused on this area because significant directors' judgement is required, in particular with regards to determining the progress towards satisfaction of a performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend of the outcome of future events.

Key Audit Matters (continued)

Group (continued)

Property development activities (Note 4(a), 5, 6, 15 and 21 to the financial statements) (continued)

Our audit response:

Our audit procedures included, among others:

- reading the terms and conditions of sample of agreements with customers on sample of projects;
- understanding the design and implementation of controls over the Group's process in recording project costs, preparation of project budgets and calculation of the stage of completion;
- discussing the progress of sample of the projects and the expected outcomes with the respective project managers, to obtain an understanding of the basis on which the estimates are made;
- checking the mathematical computation of the recognised revenue and expenses during the financial year; and
- discussing with the Group on the estimation of provision and the input data in the estimation of provision.

Property, plant and equipment (Note 4(b) and 12 to the financial statements)

Risk

The Group has significant balances of property, plant and equipment relating to its hotel operations. There are significant changes in the market and economic environment in which the Group operates, that indicates the property, plant and equipment may be impaired. As such, there is a risk the future performance of the assets may not lead to their carrying values being recoverable in full.

We focused on this area because significant directors' judgement is required in performing an impairment assessment to estimate the recoverable amount of these assets.

Our audit response:

Our audit procedures included, among others:

- discussing the method in determining the recoverable amount adopted by the Group;
- comparing the actual results with previous projections to understand the performance of the business and reliability of forecasting process;
- understanding the Group's assessment and consideration of the current economic and business environment, in relation to key inputs such as discount rates, forecast growth rates, occupancy rates and gross profit margin;
- reading the valuation report and discussing with external valuer on their valuation approach and the significant judgement made;
- testing the mathematical accuracy of the impairment assessment; and
- performing a sensitivity analysis around the key inputs that are expected to be most sensitive to the recoverable amount.

Key Audit Matters (continued)

Company

We have determined that there are no key audit matters in audit of the financial statements of the Company to be communicated in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with the *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.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

Independent Auditors' Report
To the Members of Plenitude Berhad
(Incorporated In Malaysia)(continued)

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.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 17 to the financial statements.

Other Matters

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

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

Dato' Lock Peng Kuan
No. 02819/10/2022 J
Chartered Accountant

Kuala Lumpur

Date: 20 September 2022

LIST OF TOP 20 PROPERTIES

as at 30 June 2022

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2022 (RM'000)	Date of Acquisition/ Revaluation
1	PT32818 - 33146 H.S.(D) 24048 - 24374 Mukim of Dengkil District of Sepang, Selangor Darul Ehsan	Land held for mixed development	32.08	Leasehold (expiring in 2101)	-	24,892	05/06/2009
2	PTD 193720 - 193761 HSD570021 - 570062 PTD 193762 - 193851 HSD570071- 570160 PTD 196384 - 196524 HSD580506 - 580646 PTD 200828, H.S (D) 605502 PTD 194079, H.S (D) 570373 PTD 194089, H.S.(D) 570376 Lot 102055, H.S (D) 596075 PTD 114155, H.S (D) 596076 PTD 114528 - 114759 H.S.(D) 427430 - 427661 PTD 114760 - 114869 H.S.(D) 380531 - 380640 PTD 114870 - 114969 H.S.(D) 380641 - 380740 PTD 147858 - 147989 H.S.(D) 540538 - 540669 PTD 158069, H.S.(D) 489259 PTD 158176, H.S.(D) 489360 PTD 158191, H.S.(D) 489370 PTD 194090, H.S.(D) 570377 PTD 194091, H.S.(D) 570378 PTD 194092, H.S.(D) 570379 PTD 194093, H.S.(D) 570380 Mukim Tebrau, Johor Bahru Johor Darul Takzim	Land held for mixed development	159.15	Freehold	-	21,275	25/10/2000

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2022 (RM'000)	Date of Acquisition/ Revaluation
3	PTD 93547-93548 H.S.(D) 329862-329863 PTD 147338, H.S.(D) 453149 PTD 158181, H.S.(D) 489361 PTD 158193, H.S.(D) 489372 Mukim Tebrau, Johor Bahru Johor Darul Takzim	Land held for commercial development	19.42	Freehold	-	2,843	25/10/2000
4	PTD 162998, H.S.(D) 509005 Mukim Tebrau, Johor Bahru Johor Darul Takzim	Land together with retail lots and car park held for investment property	5.10	Freehold	7	17,583	25/10/2000
5	Geran 96630 Lot 15 Geran 102260 Lot 1585 PTD 31036 H.S.(D) 19885 PTD 31038 H.S.(D) 19887 PTD 31039 H.S.(D) 19888 Mukim and District of Kota Tinggi, Johor Darul Takzim	Land held for mixed development	258.48	Freehold	-	40,577	25/02/2004
6	H.S.(D) 16809, Lot 1365 Geran 49405 - 49407 Lot 494 - 496 Geran 49408 - 49414 Lot 508 - 514 Geran 107001, Lot 836 GM 338, Lot 936 GM 346, Lot 959 GM 351, Lot 964 GM 352, Lot 986 GM 354 - 355, Lot 1057 - 1058 GM 458 - 460, Lot 1090 - 1092 GM 468, Lot 1102 HS(M) 406 - 407, Lot 1231 - 1232 GM 154, Lot 709 Mukim 17, Batu Ferringgi, Daerah Timor Laut Pulau Pinang	Land held for mixed development	32.83	Freehold	-	39,054	10/05/2010

List of Top 20 Properties
(continued)

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2022 (RM'000)	Date of Acquisition/ Revaluation
7	Lot 140, Geran Mukim 201 Lot 141, Geran Mukim 318 Lot 808, Geran Mukim 492 Lot 693 - 696 Geran Mukim 452 - 455 Lot 697, Geran Mukim 174 Lot 699, Geran Mukim 175 Lot 1218 - 1219 Geran Mukim 1050 - 1051 Lot 1177 - 1181 Geran 45105 - 45109 Lot 1193 - 1195 Geran 45110 - 45112 Mukim 6, Daerah Barat Daya Pulau Pinang, and Lot 532, Geran Mukim 214 Tempat Pondok Upeh Mukim 6, Daerah Barat Daya Pulau Pinang	Land held for mixed development	52.63	Freehold	-	42,006	27/09/2010
8	PT 23537 H.S.(D) 256/94 Bandar of Sungai Petani District of Kuala Muda Kedah Darul Aman	Land held for mixed development	6.43	Freehold	-	9,658	10/11/2000
9	Lot No. 22876 - 22886 Geran No. 97536 - 97546 Lot No. 22898 - 22906 Geran No. 97558 - 97566 Lot No. 22922 - 22943 Geran No. 97582 - 97603 Lot No. 22945 - 22959 Geran No. 97398 - 97412 Lot No. 22966 - 22967 Geran No. 97376 - 97377 Lot No. 22968 Geran No. 97666	Land held for mixed development	599.17	Freehold	-	34,206	10/11/2000

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2022 (RM'000)	Date of Acquisition/ Revaluation
9	Lot No. 22969 - 22988 Geran No. 97378 - 97397 Lot No. 23017 - 23034 Geran No. 97502 - 97519 Lot No. 23036 & 23037 Geran No. 97340 & 97612 Lot No. 23038 - 23047 Geran No. 97339 - 97330 Lot No. 23060 - 23062 Geran No. 97317 - 97315 Lot No. 23063 - 23067 Geran No. 97222 - 97218 Lot No. 23094 - 23115 Geran No. 97362 - 97341 Lot No. 25187 - 25202 Geran No. 135317 - 135332 Lot No. 25210 - 25231 Geran No. 135391 - 135370 Lot No. 25233 - 25241 Geran No. 135369 - 135361 Lot No. 25244 - 25257 Geran No. 135347 - 135360 Lot No. 25258 - 25270 Geran No. 135333 - 135345 Lot No. 25344 Geran No. 135346 Lot No. 26539 Geran No. 186996 Lot No. 26541 - 26565 Geran No. 186535 - 186559 Lot No. 26567 Geran No. 186997 Lot No. 26568 Geran No. 187002 Lot No. 26571 Geran No. 187003 Lot No. 26572 Geran No. 186998 Lot No. 27378 - 27379 Geran No. 213441 - 213442 Lot No. 27397 - 27411 Geran No. 188647 - 188661						

List of Top 20 Properties
as at 30 June 2022 (continued)

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2022 (RM'000)	Date of Acquisition/ Revaluation
9	Lot No. 27413 - 27421 Geran No. 188662 - 188670 Lot No. 27423 Geran No. 186671 Lot No. 27424 - 27474 Geran No. 188674 - 188724 Lot No. 27476 - 27518 Geran No. 188725 - 188767 PT 14833 -15023 HS (D) 7072 - 7362 PT 15024 -15189 HS (D) 7363 - 7428 PT 15192 - 15195 HS (D) 69091 - 69094 PT 23369 HS (D) 71911 Bandar of Sungai Petani District of Kuala Muda Kedah Darul Aman						
10	PT 15190 H.S.(D) 69089 PT 15191 H.S.(D) 69090 Bandar of Sungai Petani District of Kuala Muda Kedah Darul Aman	Land held for commercial development	8.08	Freehold	-	6,226	19/02/2009
11	Ascott Gurney Penang Lot 2255, Bandar Georgetown, Seksyen 4, Daerah Timur Laut Negeri Pulau Pinang	Hotel building	12.38*	Freehold	22	231,086	18/03/2015
12	Tanjung Point Residences Penang Lot 3407 Seksyen 1 Bandar Tanjung Tokong Daerah Timor Laut Pulau Pinang	Land together with residences building	1.13	Freehold	4	93,132	10/07/2006

List of Top 20 Properties
as at 30 June 2022 (continued)

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2022 (RM'000)	Date of Acquisition/ Revaluation
13	Mercure Penang Beach Bandar Tanjong Bungah Daerah Timur Laut, Pulau Pinang	Land together with hotel building	1.64	Freehold	40	17,551	24/08/2001
14	Oakwood Hotel & Residence Kuala Lumpur No. 222, Jalan Ampang 50450 Kuala Lumpur	Hotel building	2.92*	Freehold	28	98,959	22/05/2015
15	Domitys Bangsar No. 136, Jalan Ara Bangsar 59100 Kuala Lumpur	Land together with serviced residences building	1.90	Freehold	29	70,692	22/05/2015
16	Novotel Kuala Lumpur City Centre No. 2, Jalan Kia Peng 50450 Kuala Lumpur	Land together with hotel building	0.63	Freehold	18	181,671	22/05/2015
17	Travelodge Georgetown No, 101 Jalan Macalister 10400 Penang	Land together with hotel building	0.30	Freehold	N/A	28,921	22/05/2015
18	Travelodge Ipoh Jalan Raja Dihilir 30350 Ipoh Perak	Land together with hotel building	1.55	Freehold	25	65,881	31/12/2018
19	Travelodge Myeongdong Euljiro 61 Supyo-Ro Myeongdong Jung-gu Seoul 04542 South Korea	Land together with hotel building	0.27	Freehold	8	199,295	21/06/2019
20	Travelodge Honmachi Osaka 3-2-6 Azuchimachi, Chuo-ku, Osaka, Japan	Land together with hotel building	0.14	Freehold	15	96,869	25/01/2022

ANALYSIS OF SHAREHOLDINGS

as at 15 September 2022

SHARE CAPITAL

Total Issued Capital : 381,533,758
Class of Shares : Ordinary shares
Voting Rights : One vote per ordinary share held

SHAREHOLDING DISTRIBUTION SCHEDULE (AS PER THE RECORD OF DEPOSITORS)

No. of Shareholders	Size of Shareholdings	No. of Shares Held	% of Shares
167	Less than 100	2,135	0.00*
2,100	100 to 1,000	1,559,488	0.41
2,763	1,001 to 10,000	10,823,288	2.84
656	10,001 to 100,000	20,265,992	5.31
108	100,001 to less than 5% of issued shares	122,984,973	32.23
3	5% and above of the issued shares	225,897,882	59.21
5,797	**TOTAL**	**381,533,758**	**100.00**

* Less than 0.01%

LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS (BASED ON THE RECORD OF DEPOSITORS)

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

No.	Name of Shareholders	No. of Shares Held	Percentage (%)
1.	Ikatanbina Sdn. Bhd.	122,824,726	32.19
2.	Fields Equity Management Ltd.	82,176,018	21.54
3.	En Primeurs Sdn. Bhd.	20,897,138	5.48
4.	Focus Asia Strategies Ltd.	18,637,935	4.89
5.	Bus Info Plus Sdn. Bhd.	18,267,888	4.79
6.	Northside Plantations Sdn. Bhd.	17,988,818	4.71
7.	Zheijang Properties Sdn. Bhd.	17,723,204	4.65
8.	Brainstorms Sdn. Bhd.	9,439,100	2.47
9.	Public Nominees (Tempatan) Sdn. Bhd. *- Pledged Securities Account for Ang Beng Poh (E-BMM)*	4,574,100	1.20
10.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. *- Yayasan Pok Rafeah, Berdaftar*	4,000,000	1.05
11.	Yayasan Haji Zainuddin	4,000,000	1.05
12.	Public Nominees (Tempatan) Sdn. Bhd. *- Pledged Securities Account for Lee Yock Chem @ Lee York Soo (E-PKG)*	2,150,900	0.56
13.	DB (Malaysia) Nominee (Asing) Sdn. Bhd. *- Deutsche Bank AG Singapore for Yeoman 3-Rights Value Asia Fund (PTSL)*	1,125,000	0.29
14.	Goh Thong Beng	992,000	0.26
15.	Tan Ai Leng	920,000	0.24

No.	Name of Shareholders	No. of Shares Held	Percentage (%)
16.	Yeo Khee Huat	904,200	0.24
17.	Ng Swee Sim	882,300	0.23
18.	Lim Khuan Eng	695,000	0.18
19.	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. *- Pledged Securities Account for Lim Chen Yik (Penang-CL)*	578,000	0.15
20.	Nam Shoon Hong Sdn. Bhd.	538,000	0.14
21.	CGS-CIMB Nominees (Asing) Sdn. Bhd. *- Exempt An for CGS-CIMB Securities (Singapore) Pte. Ltd. (Retail Clients)*	534,700	0.14
22.	Affin Hwang Nominees (Asing) Sdn. Bhd. *- DBS Vickers Secs (S) PTE LTD For Yeo Seng Chong*	497,300	0.13
23.	Ang Hong Mai	450,100	0.12
24.	Ng Kim Neo	431,000	0.11
25.	Chai Fooi Heong	417,000	0.11
26.	Huang Phang Lye	409,000	0.11
27.	HLB Nominees (Tempatan) Sdn. Bhd. *- Pledged Securities Account for Chuah Seng Boon*	404,100	0.11
28.	Toh Ying Choo	400,000	0.10
29.	Lim Boo Thiam	370,000	0.10
30.	Len Nyok Chong	360,000	0.09
		333,587,527	87.43

SUBSTANTIAL SHAREHOLDERS (BASED ON THE REGISTRAR OF SUBSTANTIAL SHAREHOLDERS)

		No. of Shares Held			
	Name of Shareholders	Direct Interest	%	Indirect Interest	%
1.	Ikatanbina Sdn. Bhd.	122,824,726	32.19	-	-
2.	Fields Equity Management Ltd.	82,176,018	21.54	-	-
3.	En Primeurs Sdn. Bhd.	20,897,138	5.48	-	-

DIRECTORS' SHAREHOLDINGS (BASED ON THE REGISTRAR OF DIRECTORS' SHAREHOLDINGS)

		No. of Shares Held			
	Name of Shareholders	Direct Interest	%	Indirect Interest	%
1.	Chua Elsie	-	-	104,000*	0.03
2.	Tan Kak Teck	-	-	-	-
3.	Dato' Lok Bah Bah @ Loh Yeow Boo	-	-	-	-
4.	Tee Kim Chan	-	-	-	-
5.	Norhayati binti Hashim	-	-	-	-

*Note: * Deemed interested by virtue of the shares held by her spouse and children.*

NOTICE IS HEREBY GIVEN THAT the Twenty-Second ("22nd") Annual General Meeting ("AGM") of **PLENITUDE BERHAD** ("the Company") will be held on a fully virtual basis via online meeting platform of www.swsb.com.my provided by Shareworks Sdn. Bhd. in Malaysia on **Wednesday, 9 November 2022** at **3.00 p.m.** for the following business:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2022 ("FY2022") and the Directors' and Auditors' Reports thereon. **(See Explanatory Note 11)**

2. To declare a Final Single-Tier Dividend of 2.5 sen per share for the FY2022 as recommended by the Directors. **(Ordinary Resolution 1)** **(See Explanatory Note 12)**

3. To re-elect Puan Norhayati binti Hashim who retires pursuant to Clause 108 of the Company's Constitution. **(Ordinary Resolution 2)** **(See Explanatory Note 13)**

   Mr. Tan Kak Teck who retires pursuant to Clause 101 of the Company's Constitution had indicated his intention to not seek re-election. Hence, he will remain in office until the conclusion of this AGM.

4. To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 3)**

AS SPECIAL BUSINESS

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

5. **Ordinary Resolution** **(Ordinary Resolution 4)**
   Payment of Directors' Fees for the financial year ending 30 June 2023 **(See Explanatory Note 14)**

   "**THAT** the payment of Directors' Fees amounting to RM300,000.00 (FY2022: RM300,000.00) in respect of the financial year ending 30 June 2023 be approved."

6. **Ordinary Resolution** **(Ordinary Resolution 5)**
   Payment of Meeting Allowance for Non-Executive Directors **(See Explanatory Note 15)**

   "**THAT** the meeting allowance payable to the Non-Executive Directors of the Company up to an estimated total sum of RM29,000.00 for the period commencing after the date of this AGM to the date of the next AGM of the Company be approved."

7. Special Resolution **(Special Resolution)**
Proposed Amendments to the Constitution of the Company **(See Explanatory Note 16)**

"**THAT** the proposed amendments to the Constitution of the Company as set out below ("Proposed Amendments") be and are hereby approved and adopted **AND THAT** the Directors of the Company be and are hereby authorised to execute all relevant documents and to do all acts and things as deemed necessary to give full effect to the Proposed Amendments:

Clause 79 of the Constitution as follows:

Existing Clause

All business that is transacted at any extraordinary general meeting and also all business that is transacted at an annual general meeting shall be deemed special, with the exception of the receipts and consideration of the audited financial statements and audited group financial statements (if any) of the Company and the reports of the Directors and auditors and other documents required to be annexed to the financial statements, the election of Directors in the place of those retiring, and the appointment of, and the fixing of the remuneration of the auditors.

Proposed Amendment

All business that is transacted at any extraordinary general meeting and also all business that is transacted at an annual general meeting shall be deemed special, with the exception of the receipts and consideration of the audited financial statements and audited group financial statements (if any) of the Company and the reports of the Directors and auditors and other documents required to be annexed to the financial statements, declaring dividend, the election of Directors in the place of those retiring, the fixing of fees and benefits of the Directors, and the appointment of, and the fixing of the remuneration of the auditors.

Clause 102 of the Constitution as follows:

Existing Clause

Subject to the Act, the Directors to retire in each year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same date those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

Notwithstanding anything contained in this Clause, in the case of independent Directors, in the event the tenure of an independent Director exceeds a cumulative term of nine (9) years, he may continue to serve the Board of Directors beyond the prescribed period of nine (9) years as a non-independent Director only provided always that:-

(1) where the Board of Directors proposes to re-appoint him for the tenth (10th) until the twelfth (12th) year, the Board of Directors has justified and further sought and obtained approval from shareholders annually in a general meeting to the proposed re-appointment; or

(2) where the Board of Directors proposes to re-appoint him beyond the twelfth (12th) year, the Board of Directors has sought and obtained approval from shareholders annually in a general meeting through a two tier voting process, where under Tier 1 shall require the vote(s) from the Large Shareholder(s) only whilst Tier 2 shall require the votes from the remaining shareholders other than the Large Shareholder(s). The decision for the resolution approving the re-appointment of such nonindependent Director shall be based on the vote by the Large Shareholder or in the case there is more than one (1) Large Shareholder, a simple majority vote under Tier 1 and a simple majority vote under Tier 2. For avoidance of doubt, the resolution shall be deemed passed and successful only if Tier 1 and Tier 2 votes support the resolution whilst the resolution is deemed defeated where the vote between the two tiers differs or where the Large Shareholder(s) abstain(s) from voting under Tier 1.

Proposed Amendment

Subject to the Act and Listing Requirements, the Directors to retire in each year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same date those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

~~Notwithstanding anything contained in this Clause, in the case of independent Directors, in the event the tenure of an independent Director exceeds a cumulative term of nine (9) years, he may continue to serve the Board of Directors beyond the prescribed period of nine (9) years as a non-independent Director only provided always that:-~~

~~(1) where the Board of Directors proposes to re-appoint him for the tenth (10th) until the twelfth (12th) year, the Board of Directors has justified and further sought and obtained approval from shareholders annually in a general meeting to the proposed re-appointment; or~~

~~(2) where the Board of Directors proposes to re-appoint him beyond the twelfth (12th) year, the Board of Directors has sought and obtained approval from shareholders annually in a general meeting through a two tier voting process, where under Tier 1 shall require the vote(s) from the Large Shareholder(s) only whilst Tier 2 shall require the votes from the remaining shareholders other than the Large Shareholder(s). The decision for the resolution approving the re-appointment of such non-independent Director shall be based on the vote by the Large Shareholder or in the case there is more than one (1) Large Shareholder, a simple majority vote under Tier 1 and a simple majority vote under Tier 2. For avoidance of doubt, the resolution shall be deemed passed and successful only if Tier 1 and Tier 2 votes support the resolution whilst the resolution is deemed defeated where the vote between the two tiers differs or where the Large Shareholder(s) abstain(s) from voting under Tier 1.~~

8. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and/or the CA 2016.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the forthcoming 22nd AGM, a Final Single-Tier Dividend of 2.5 sen per share will be paid on 18 November 2022 to the shareholders whose names appear in the Record of Depositors at the close of business on 10 November 2022.

A depositor shall qualify for entitlement only in respect of:

(a) shares transferred to the Depositor's Securities Account before 4.30 p.m. on 10 November 2022 in respect of transfers; and

(b) shares bought on Bursa Malaysia on a cum entitlement basis according to the Rules of Bursa Malaysia.

By Order of the Board
PLENITUDE BERHAD

ANDREA HUONG JIA MEI
MIA 36347 (SSM PC No. 202008003125)
Company Secretary

Kuala Lumpur
11 October 2022

NOTES:

1. Pursuant to Section 334 of the CA 2016, a member shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.

2. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a General Meeting of the Company shall have the same rights as the member to speak at the General Meeting.

3. Where a Member is an Exempt Authorised Nominee who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

4. Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

5. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

6. If the appointor is a corporation, the Form of Proxy ("Form") must be executed under its common seal or under the hand of an attorney duly authorised.

7. To be valid, the Form, duly completed must be deposited at the Registered Office of the Company at 2nd Floor, No. 2, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or email to ir.plenitude@shareworks.com.my not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the Form shall not be treated as valid.

8. In respect of deposited securities, only Members, whose names appear on the Record of Depositors on 2 November 2022, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia, all resolutions set out in this Notice will be put to vote by way of poll.

10. The Members are encouraged to refer the Administrative Guide on registration and voting process for the General Meeting.

EXPLANATORY NOTES ON ORDINARY BUSINESS

11. **Audited Financial Statements for the FY2022**

    The audited financial statements are laid in accordance with Section 340(1)(a) of the CA 2016 for discussion only under item 1 of the Agenda. They do not require shareholders' approval and hence, will not be put forward for voting.

12. **Ordinary Resolution 1 - Final Single-Tier Dividend**

    With reference to Section 131 of the CA 2016, a company may only make a distribution to the shareholders out of profits of the company available if the company is solvent. On 20 September 2022, the Board of Directors ("Board") had considered the amount of dividend and decided to recommend the same for the shareholders' approval.

    The Board is satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made on 18 November 2022 in accordance with the requirements under Sections 132(2) and (3) of the CA 2016.

13. **Ordinary Resolution 2 - Re-election of Director**

    The Proposed Ordinary Resolution 2, if passed, will allow Puan Norhayati binti Hashim ("Puan Norhayati"), to be re-elected and continue acting as a Director of the Company. Puan Norhayati, being eligible, has offered herself for re-election at this AGM pursuant to Clause 108 of the Company's Constitution.

    The Board (with exception of the retiring Director who abstained) recommended the retiring Director to be re-elected as the Director of the Company as she has the character, experience, integrity, competence and time to effectively discharge her role as a Director of the Company. The Board was further satisfied that Puan Norhayati has complied with the criteria of independence based on the MMLR and remain independent in exercising her judgement and carrying out her role as an Independent Non-Executive Director.

EXPLANATORY NOTES ON SPECIAL BUSINESS

14. **Ordinary Resolution 4 – Payment of Directors' Fees for the financial year ending 30 June 2023**

    For the financial year ending 30 June 2023, the proposed Director's Fee for the Non-Executive Directors is at RM5,000 per month for period from July 2022 to June 2023.

15. **Ordinary Resolution 5 – Meeting allowance for Non-Executive Directors**

    The meeting allowance of RM500 per meeting is payable to each Non-Executive Director, where applicable, for their attendance of Board and Committee meetings.

16. **Special Resolution – Proposed Amendments of the Constitution of the Company**

    The proposed amendments to the existing Constitution of the Company ("Proposed Amendments") are:

    (i) to amend the existing Clause 79 in the Constitution of the Company is to include the declaring of dividend and classify the fixing of fees and benefits of the Directors as Ordinary Business at the AGM of the Company.

    (ii) to amend the existing Clause 102 in the Constitution of the Company because of the amendment of MMLR on the tenure of the Independent Directors and Practice 5.3 of the Malaysian Code on Corporate Governance 2021.

    The Proposed Amendments shall take effect once the proposed Special Resolution has been passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the 22nd AGM.

FORM OF PROXY

PLENITUDE BERHAD

Registration No. 200001028479 (531086-T)
(Incorporated in Malaysia)

CDS Account No.	:	
No. of Shares Held	:	

I/ We* ____
(FULL NAME IN BLOCK LETTERSl)

(*NRIC No./Passport No./Company Registration No.: ____________________________)

of ____
(FULL ADDRESS)

____________________________ being a *member/members of PLENITUDE BERHAD, hereby appoint

Name of Proxy (Full Name)	**NRIC No./Passport No.**	**% of Shareholdings to be Represented** (Refer to Note 5)
Address:		
Email Address	Contact Number	

*and/or failing him

Name of Proxy (Full Name)	**NRIC No./Passport No.**	**% of Shareholdings to be Represented** (Refer to Note 5)
Address:		
Email Address	Contact Number	

or failing him, the **CHAIRMAN OF THE MEETING** as *my/our proxy to vote for *me/us on *my/our behalf at the Twenty-Second ("22nd") Annual General Meeting of the Company will be held on a fully virtual basis via online meeting platform of www.swsb.com.my provided by ShareWorks Sdn. Bhd. in Malaysia on **Wednesday, 9 November 2022** at **3.00 p.m.** and at any adjournment thereof, for the following business:

* strike which inapplicable

ORDINARY BUSINESS		**FOR**	**AGAINST**
Ordinary Resolution 1	Declaration of Final Single-Tier Dividend		
Ordinary Resolution 2	Re-election of Puan Norhayati binti Hashim as Director		
Ordinary Resolution 3	Re-appointment of Auditors		
SPECIAL BUSINESS			
Ordinary Resolution 4	Payment of Directors' Fees for the financial year ending 30 June 2023		
Ordinary Resolution 5	Payment of Meeting Allowance for Non-Executive Directors		
Special Resolution	Proposed Amendments to the Constitution of the Company		

(Please indicate with an "X" in the space provided on how you wish to cast your vote. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

Dated this ___________ day of _____________, 2022. Signature(s) of member(s) ____________________

Notes:

1. Pursuant to Section 334 of the CA 2016, a member shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
2. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a General Meeting of the Company shall have the same rights as the member to speak at the General Meeting.
3. Where a Member is an Exempt Authorised Nominee who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
4. Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
6. If the appointor is a corporation, the Form of Proxy ("Form") must be executed under its common seal or under the hand of an attorney duly authorised.
7. To be valid, the Form, duly completed must be deposited at the Registered Office of the Company at 2nd Floor, No. 2, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or email to ir.plenitude@shareworks.com.my not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the Form shall not be treated as valid.
8. In respect of deposited securities, only Members, whose names appear on the Record of Depositors on 2 November 2022, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia, all resolutions set out in this Notice will be put to vote by way of poll.
10. The Members are encouraged to refer the Administrative Guide on registration and voting process for the General Meeting.

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(continued)

Affix Stamp

The Company Secretary
PLENITUDE BERHAD 200001028479 (531086-T)
2nd Floor, No. 2,
Jalan Sri Hartamas 8,
Sri Hartamas,
50480 Kuala Lumpur
Wilayah Persekutuan (KL)

Then fold here

Fold this flap for sealing

plenitude.com.my

PLENITUDE BERHAD 200001025479 (531086-T)
2nd Floor, No. 2, Jalan Sri Hartamas 8
Sri Hartamas, 50480 Kuala Lumpur
Wilayah Persekutuan
Tel : +603 6201 0888
Fax : +603 6201 0071