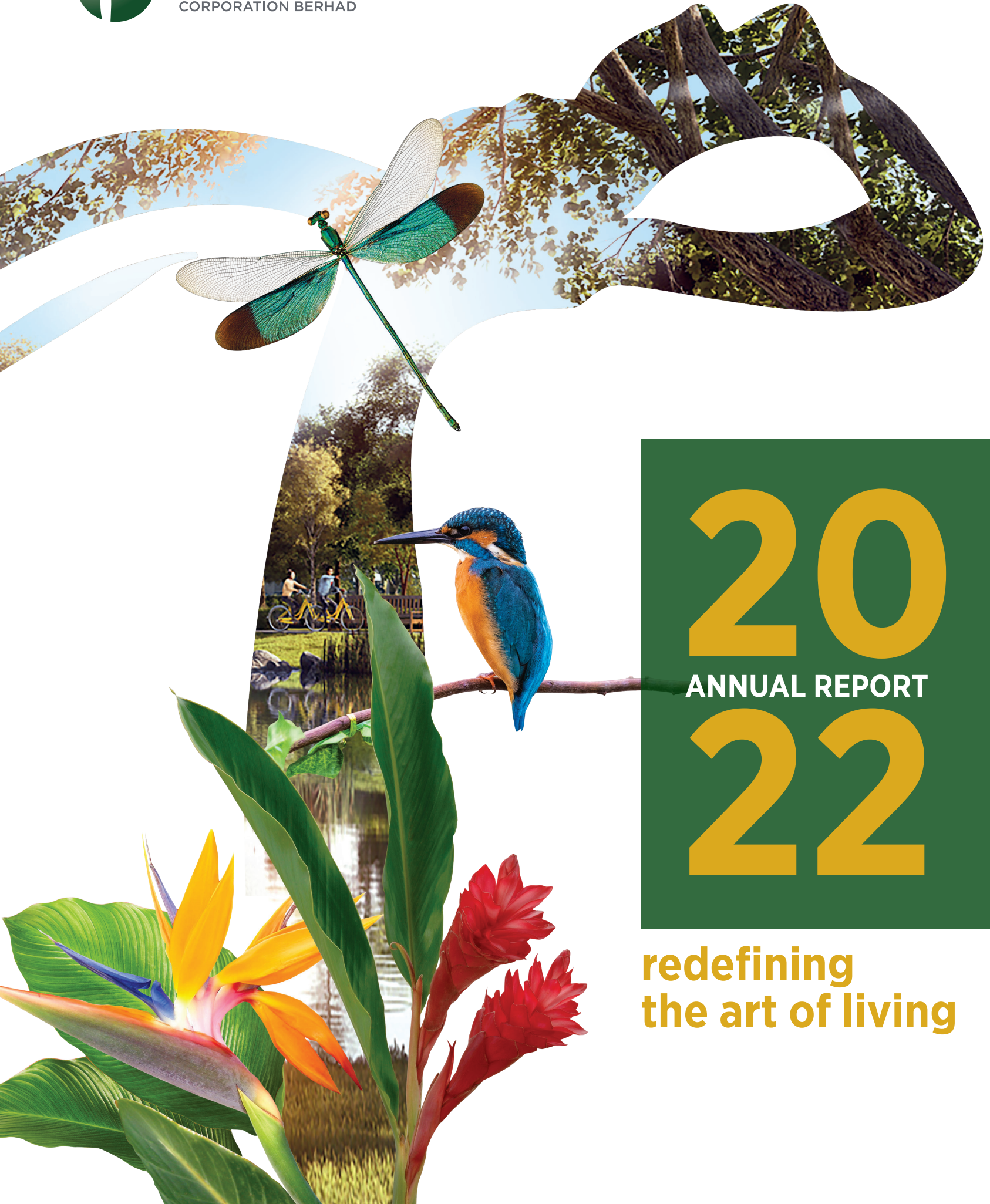




TROPICANA
CORPORATION BERHAD



20 ANNUAL REPORT 22

**redefining
the art of living**

ABOUT US

Incorporated in 1979, Tropicana was listed on the Main Market of Bursa Malaysia Securities Berhad in 1992. In 2013, the group underwent a rebranding exercise and has since become one of the country's top conglomerates with diversified business interests in Property Development & Property Management, Property Investment, Recreation & Resorts, Investment Holdings, and more. With over 40 years of expertise, the Group has raked in over 136 awards. In 2022 alone, it was lauded with more than 12 accolades, ranging from Top 10 Developers to Outstanding Design¹. This achievement is testimony to its outstanding calibre as a property developer of high esteem.

OUR VISION

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

OUR BUSINESS PRINCIPLES

Customers Come First

We owe our success to our loyal customers. They are the driving force behind our success. Bringing quality and innovative products with a human touch is our key priority, as we pledge to continue engaging with our customers on various fronts.

Commitment To Our Shareholders

With the aim of providing sustainable strategies, full accountability, business continuity, and profitability, we strive to create maximum shareholders' value.

People Are Our Greatest Assets

As we aim to deliver the best, the dedication of our team is of utmost paramount and so we encourage a culture of excellence and leadership in our people so that greater success can be achieved.

Teamwork

With a strong foundation in building a nurturing organisation that possesses shared values and culture, we are driven and motivated to think and deliver as One Team and One Organisation with One Vision.

Communities

As a township builder, our impact leaves a lasting legacy on the community, be it directly or indirectly. Via our corporate social responsibility programme, Tropicana Foundation, we vow to champion the underprivileged, incorporate environmental sustainability, enhance economic development, and improve health, as well as education programmes.

¹Tropicana Gardens Office Tower's outstanding design earned the Silver Award in the Corporate Offices category at the Malaysian Institute of Interior Designers ("MIID") REKA Awards.

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SIGNATURE DEVELOPMENTS

TROPICANA GOLF & COUNTRY RESORT

Petaling Jaya, Selangor

Residential

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

Mixed-use Development & Commercial

Merchant Square shop offices
Tropicana Avenue retail, offices & serviced apartments

TROPICANA INDAH RESORT HOMES

Petaling Jaya, Selangor

Residential

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

3 DAMANSARA

(formerly known as Tropicana City)

Residential

Casa Damansara 1 & 2 condominiums
Tropicana City Tropics serviced apartments

Retail & Commercial

Damansara Intan e-Business Park
Tropicana City Mall
(Rebranded to 3 Damansara)
Tropicana City Office Tower

OTHER TOWNSHIPS AT KLANG VALLEY

Residential

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

Mixed-use Development, Commercial, Hospitality & Education

St. Joseph's Institution International School Malaysia (Tropicana PJ Campus)
Sri KDU International School at Tropicana Metropark, Subang Jaya, Selangor
Tenby International School at Tropicana Aman, Kota Kemuning, Shah Alam
The Residences & W Kuala Lumpur Hotel, Kuala Lumpur
Tropicana Gardens mixed-use development & Tropicana Gardens Mall, Tropicana Indah
Tropicana Aman mixed-use development, Kota Kemuning, Shah Alam
Tropicana Heights mixed-use development, Kajang
Tropicana Metropark mixed-use development, Subang Jaya
Arena Mentari shop offices, Dataran Mentari, Petaling Jaya, Selangor**
TSB Commercial Centre, Sungai Buloh

PENANG, JOHOR, LANGKAWI, GENTING HIGHLANDS & SABAH

Residential

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

Mixed-use Development

Tropicana 218 Macalister mixed-use development & Courtyard by Marriott, Penang
Tropicana Danga Bay mixed-use development, Iskandar Malaysia, Johor***
Tropicana Danga Cove mixed-use development, Iskandar Malaysia, Johor***
Tropicana Grandhill mixed-use development, Genting Highlands, Pahang
Tropicana Avalon mixed-use development, Genting Highlands, Pahang & Selangor
Tropicana Paradise mixed-use development, Genting Highlands, Pahang
Tropicana Cenang, Langkawi, Kedah
Tropicana Uplands, Gelang Patah, Johor

Retail, Commercial & Industrial

T Industrial Park, Iskandar Malaysia, Johor

Note:

* Project Manager

** Joint-venture project with Aliran Firasat Sdn Bhd

*** A joint-venture between Tropicana Corporation Berhad & Iskandar Waterfront Sdn Bhd

**** A joint-venture between Tropicana Corporation Berhad & Temokin Holdings Sdn Bhd

ART OF **LIVING**

At Tropicana, we strive to create a harmonious space that redefines the Art of Living



01

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2022 AT A GLANCE

TOTAL PROPERTY SALES

RM1.3 billion in FY22*

PRESTIGIOUS AWARDS

Won more than 136 awards to-date

Bagged 12 notable awards in 2022:

- 1 International Property Awards 2022-2023
- 1 Malaysia Institute of Interior Designers ("MIID") REKA Awards
- Top 10 Developers at The Edge Malaysia Property Excellence Awards 2022 ("TEPEA")
- 3 StarProperty Awards 2022
- 1 PropertyGuru Asia Awards Malaysia 2022
- Top 10 Developers by BCI Asia Awards 2022
- 3 ASEAN Property Developer Awards 2022 including Best Developer Award
- 1 FIABCI Malaysia-Star Malaysia Developer Awards

TEAMWORK

Over 800 employees

Servicing property owners from 23 countries around the world

COMMUNITY

Tropicana Foundation donated over RM26 million since its inception in 2011

TOTAL REVENUE

RM942.6 million in FY22*

CURRENT LANDBANK

2,091 acres*

NET ASSETS PER SHARE

RM2.17 in FY22*

TOTAL POTENTIAL GDV

RM203.7 billion*

TOTAL DEVELOPMENT

Over 60 completed developments with 10 ongoing townships
Over 20,000 units sold

*AS OF 31 DECEMBER 2022

26

Central



1



2



3



4



5



6



7



8



9



10



11



12



13



14



15



16



17

Northern



18



19



20

Southern



21



22



23



24



25

Eastern



26

CORPORATE INFORMATION

As at 23 March 2023

BOARD OF DIRECTORS

Tan Sri Dato' Sri Mohamad Fuzi Bin Harun

Chairman, Independent
Non-Executive Director

Tan Sri Dato' Tan Chee Sing

Group Executive Vice Chairman

Dion Tan Yong Chien

Group Managing Director

Jared Ang Tzer Shen

Group Executive Director

Dato' Dickson Tan Yong Loong

Group Non-Independent
Non-Executive Director

Mohd Najib Bin Abdul Aziz

Independent Non-Executive Director

Datuk Wira Lye Ek Seang

Independent Non-Executive Director

Alice Dora Boucher

Independent Non-Executive Director

Vivienne Cheng Chi Fan

Independent Non-Executive Director

Dato' Sri Badrul Hisham Bin Abdul Aziz

Independent Non-Executive Director

Dato' Mohamad Lotfy

Bin Mohamad Noh

Independent Non-Executive Director

Datuk Tan Mann Chai, JP

Independent Non-Executive Director

AUDIT COMMITTEE

Mohd Najib Bin Abdul Aziz (Chairman)
Alice Dora Boucher
Vivienne Cheng Chi Fan

RISK MANAGEMENT & SUSTAINABILITY COMMITTEE

Alice Dora Boucher (Chairperson)
Datuk Wira Lye Ek Seang
Vivienne Cheng Chi Fan
Dion Tan Yong Chien
Jared Ang Tzer Shen

NOMINATION COMMITTEE

Datuk Wira Lye Ek Seang (Chairman)
Mohd Najib Bin Abdul Aziz
Alice Dora Boucher

REMUNERATION COMMITTEE

Dato' Mohamad Lotfy Bin
Mohamad Noh (Chairman)
Datuk Wira Lye Ek Seang
Mohd Najib Bin Abdul Aziz
Vivienne Cheng Chi Fan

PRICING COMMITTEE

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

INVESTMENT COMMITTEE

Datuk Wira Lye Ek Seang (Chairman)
Dion Tan Yong Chien
Mohd Najib Bin Abdul Aziz
Jared Ang Tzer Shen
Dato' Mohamad Lotfy Bin Mohamad Noh

HEAD OFFICE

Unit 1301, Level 13
Tropicana Gardens Office Tower
No. 2A, Persiaran Surian
Tropicana Indah
47810 Petaling Jaya
Selangor Darul Ehsan
T +603 7663 6888
F +603 7663 6688

REGISTERED OFFICE

Unit 1301, Level 13
Tropicana Gardens Office Tower
No. 2A, Persiaran Surian
Tropicana Indah
47810 Petaling Jaya
Selangor Darul Ehsan
T +603 7663 6888
F +603 7663 6688

AUDITORS

Ernst & Young PLT
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur, Malaysia
T +603 7495 8000
F +603 2095 9076

SHARE REGISTRAR

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan Malaysia
T +603 2084 9000
F +603 2094 9940

COMPANY SECRETARIES

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

PRINCIPAL BANKERS

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

WEBSITE

www.tropicanaacorp.com.my

EMAIL

corpcomm@tropicanaacorp.com.my

STOCK EXCHANGE LISTING

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

For more information on our Group
Directory, please scan this QR code.



OUR MILESTONES

Over the years, Tropicana has built a successful track record, winning over 136 awards along the way. We have also revolutionised the Art of Living with the more than 10 townships we have developed, and the introduction of fully-fledged facilities and parks within its vicinities. These accomplishments are also reflected in the Group's huge success: achieving over RM17 billion in sales over the years.

In 2022, Tropicana continued the momentum with these initiatives:

- Tropicana Aman spread festive cheer to 50 underprivileged children with hearty luncheon. The holiday treat was organised in support of Tropicana Foundation's humanitarian mission as the charity arm of Tropicana
- Participating homes included the House of Love, Rumah Ozanam Klang and Rumah Kanak-kanak Impian
- Tropicana Foundation, through its Buggy of Joy donation drive, offered flood relief assistance to recent flood victims in Bentong, Selangor, and Kuala Lumpur
- Tropicana on track to hit RM1.1 billion target sales by strategic offline and online marketing campaigns throughout 2021
- Tropicana swept 12 more prestigious awards:
 - Biggest winner at 8th PropertyGuru Asia Property Awards, including never-before-presented title of Best Developer (Central Malaysia) and the best High End Landed Development Award for Tropicana Aman – Freesia Residences;
 - Named Top 10 Developers in Malaysia at 16th BCI Asia Awards;
 - Won Top 10 Best Property Developers Award at The Edge Malaysia Top Property Developers Award ("TPDA")
- Tropicana collaborated with Tropicana Gardens Mall to launch Multi-Million Mania campaign with millions of ringgit in prizes and vouchers for home seekers and shoppers
- Tropicana Foundation extended helping hand to Rumah Charis Shah Alam, Taman Sri Muda
- Tropicana redefined The Art of Sharing, kicked off with *Hands Build a House, But Hearts Build a Home* short film
- Tropicana shared prosperity with home buyers through Instant Angpau worth up to RM8,888
- Tropicana Multi-Million Mania campaign offered home buyers 10 entries in its Grand Draw. Prizes include Edelweiss SOFO unit at Tropicana Gardens and Tropicana Indah
- Tropicana Aman hosts Chinese New Year celebration with charitable donations for underprivileged children for the Ti-Ratana Welfare Society Malaysia
- Tropicana outperformed FY2021 property sales target, recording sales of RM1.3 billion, up by 62.4% for the financial year ended 31 December 2021
- Tropicana hosted groundbreaking ceremony for the new RM2.5 million Pantai Kok Rest and Recreation centre in Langkawi.
- Tropicana Aman recorded 100% take-up for Freesia Residences and Gemala Residences
- Tropicana Heights celebrated vacant possession for homeowners at Lakefield Residences in Tropicana Heights
- Tropicana launched Tropicana Power Up campaign to incentivise property seekers
- Tropicana Golf & Country Resort brought back Santapan 29 Malam dinner buffet for Ramadhan
- Tropicana Uplands received full take-up for Aster Heights.
- Tropicana Gardens Mall entered into exclusive partnership with ShopeePay and Persatuan Karyawan Malaysia
- Tropicana Golf & Country Resort hosted 100 children from three orphanages during Ramadhan
- Tropicana partnered with No. 1 Short Stay Management Company HostAStay as its tenancy management service provider for TwinPines Serviced Suites in Tropicana Grandhill, Genting Highlands, and Assana Serviced Suites in Tropicana Cenang, Langkawi
- Tropicana celebrated vacant possession of Triana Shop Offices in Tropicana Aman
- Tropicana Gardens Mall partnered with Royal Thai Embassy and Thailand's Department of International Trade promotion to host Malaysia's largest Thai festival, Think Thailand
- Tropicana Foundation collaborated with Malaysian non-profit organisation The Lost Food Project to channel surplus food to the needy
- Tropicana extended Multi-Million Mania campaign due to overwhelming response
- Tropicana unveiled Tropicana WindCity in Genting Highlands
- Tropicana launched improved loyalty programme T Privilege, anchored by the Tropicana 360 mobile app
- Tropicana and Affin Bank tackled home financing with Home Step Fast/i campaign
- Tropicana's Multi-Million Mania campaign a success, receiving RM524.2 million in property bookings and RM10.7 million in retail sales at Tropicana Gardens Mall
- Tropicana earned global recognition with International 5-Star Award in best Mixed use Development Malaysia category at the International Property Awards 2022-2023 held in the United Kingdom
- Tropicana Gardens Office Tower's design earned the Silver Award in the Corporate Offices category at the Malaysian Institute of Interior Designers ("MIID") REKA Awards
- Tropicana launched Tropicana go-go-FIT wellness campaign
- Tropicana Foundation gave back to the Johor community through sponsorships and donation drives
- Tropicana Gardens Mall invited Merdeka month babies for birthday treats
- Tropicana hosted 20km and 80km go-go-FIT cycle event in Kota Kemuning
- Tropicana rewarded T Privilege members with movie session at Golden Screen Cinemas at Tropicana Gardens Mall
- Tropicana posted revenue of RM211.4 million for second quarter ended 30 June 2022
- Tropicana Golf & Country Resort brought back Nite Race run
- Tropicana Gardens Mall launched Malaysia's first and largest Singha Fest 2022
- Sports Paragon Run 2022 at Tropicana Gardens Mall and Tropicana's go-go-FIT Park Adventure Race at Tropicana Metropark drew hundreds
- Tropicana and Marriott International signed agreement to build five-star Sheraton Langkawi Resort & Spa at Tropicana Cenang, Langkawi
- Tropicana Golf & Country Resort's Nite Race drew over 250 fitness lovers
- Tropicana celebrated 100% Phase 1 take-up for Tropicana Industrial Park in Iskandar Malaysia, Johor
- Tropicana supported rescued pets and strays at My Pets Haven, Setia Alam and PAWS Animal Welfare Shelter in Ara Damansara
- Tropicana launched Journey of a Lifetime campaign, offering European getaway
- Tropicana's Buggy of Joy annual charity drive made a return for third time
- Tropicana Aman unveiled final villa series Hana Residences
- Tropicana Elite team scored double podium finish at IRONMAN 70.3 Langkawi and Perhentian Island Challenge 2022
- Tropicana revenue surged 88.7% to RM32.6 million for third quarter ended 30 September 2022
- Tropicana honoured at The Edge Malaysia Property Excellence Awards 2022 ("TEPEA") with 10th spot in Top Property Developer Awards category
- Tropicana go-go-FIT The Grand Race draws crowds of fitness enthusiasts
- Superheroes descended on Tropicana Gardens Mall for "The World of DC Exhibition"
- Tropicana Gardens Mall launched Classic Christmas campaign
- Tropicana Foundation and WOW Events Asia hosted Christmas luncheon for underprivileged children of Ti-Ratana Welfare Society and Rumah Kasih Harmoni at Tropicana Gardens Mall

CORPORATE STRUCTURE

As at 23 March 2023

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

Arah Pelangi Sdn Bhd	100%	Tropicana Danga Lagoon Garden Sdn Bhd	100%
Bakat Rampai Sdn Bhd	100%	Tropicana Danga Lagoon Sdn Bhd	100%
• Dicorp Land Sdn Bhd	100%	• Tropicana Lagoon Sdn Bhd	100%
• Tropicana City Sdn Bhd	100%	Tropicana Danga Senibong Holding Sdn Bhd	100%
- Dicasa Management Services Sdn Bhd	100%	• Sehati Rakyat Sdn Bhd	100%
- Tropicana City Management Sdn Bhd	100%	• Sejahtera Rakyat Sdn Bhd	100%
- Tropicana Kajang Hill Sdn Bhd	100%	• Sejati Rakyat Sdn Bhd	100%
- Tropicana Parking Sdn Bhd	100%	• Selesa Rakyat Sdn Bhd	100%
• Tropicana Indah Realty Sdn Bhd	100%	• Sempurna Rakyat Sdn Bhd	100%
- Tropicana Indah Sdn Bhd	70%	Tropicana Development (Johor Bahru) Sdn Bhd	100%
Bestari Golden Sdn Bhd	100%	Tropicana Development (Penang) Sdn Bhd	100%
Bestari Violet Sdn Bhd	100%	Tropicana Development (Sabah) Sdn Bhd	100%
Bestari Zamrud Sdn Bhd	80%	Tropicana Development (Sg Besi) Sdn Bhd	100%
Blackforest Realty Sdn Bhd	100%	Tropicana Education Management Sdn Bhd	85%
Daya Petaling Sdn Bhd	100%	Tropicana Firstwide Sdn Bhd	100%
Greenforest Realty Sdn Bhd	100%	Tropicana Golf & Country Resort Berhad	100%
Island Sands Property Management Sdn Bhd	100%	• Spring Garden Star Sdn Bhd	51%
<i>(formerly known as Paradise Entertainment Hub Sdn Bhd)</i>		• Tropicana Cuisines Catered Sdn Bhd	100%
Marvelscape Sdn Bhd	100%	• Tropicana Desa Mentari Sdn Bhd	100%
Myxon (M) Sdn Bhd	100%	• Tropicana Management Services Sdn Bhd	100%
Raintree Realty Sdn Bhd	100%	• Tropicana Sungai Buloh Sdn Bhd	100%
Suasana Metro Sdn Bhd	70%	Tropicana GP Views Sdn Bhd	100%
Suci Padu Resources Sdn Bhd	100%	Tropicana Harapan Sdn Bhd	100%
Supreme Converge Sdn Bhd	100%	• Tropicana Temokin Sdn Bhd	51%
• Agile Tropicana Development Sdn Bhd	30%	Tropicana Inspirasi Sdn Bhd	100%
Tropicana Acehub Sdn Bhd	100%	• Tropicana Inspirasi Impian Sdn Bhd	100%
• Lido Waterfront Boulevard Sdn Bhd	65%	• Tropicana Inspirasi Indah Sdn Bhd	100%
Tropicana Alam Sdn Bhd	100%	Tropicana Jaya Sdn Bhd	100%
Tropicana Aman Sdn Bhd	100%	Tropicana Kiara Lestari Development Sdn Bhd	100%
• Sapphire Step Sdn Bhd	100%	Tropicana Kiara Lestari Land Sdn Bhd	100%
Tropicana Bestari Development Sdn Bhd	100%	Tropicana Lahad Datu Development Sdn Bhd	100%
Tropicana Bestari Properties Sdn Bhd	100%	Tropicana Land (Sandakan) Sdn Bhd	100%
Tropicana Bestari Silver Sdn Bhd	100%	Tropicana Land Sdn Bhd	100%
<i>(formerly known as Bestari Silver Sdn Bhd)</i>		Tropicana Landmark Sdn Bhd	100%
Tropicana Cheras Sdn Bhd	100%	Tropicana Lingkaran Utama Sdn Bhd	100%
Tropicana Danga Bay Land Sdn Bhd	100%	• Tropicana Southern Gallery Sdn Bhd	100%
• Desiran Realiti Sdn Bhd	100%	Tropicana Macalister Avenue (Penang) Sdn Bhd	100%
• Tropicana Danga Bay Sdn Bhd	60%	Tropicana Makmur Arif Sdn Bhd	100%
Tropicana Danga Cove Holding Sdn Bhd	100%	Tropicana Makmur Cahaya Sdn Bhd	100%
• Tropicana Danga Cove Sdn Bhd	50%	Tropicana Makmur Duta Sdn Bhd	100%
Tropicana Danga Lagoon Development Sdn Bhd	100%	Tropicana Makmur Erat Sdn Bhd	100%
• Tropicana Danga Lagoon Land Sdn Bhd	100%	Tropicana Makmur Gagah Sdn Bhd	100%
• Tropicana Danga Lapanbelas Sdn Bhd	100%	Tropicana Makmur Irama Sdn Bhd	100%

Tropicana Makmur Peluang Sdn Bhd	100%
Tropicana Mentari Development Sdn Bhd	100%
• Tropicana Sierra Sdn Bhd	100%
• Urban Discovery Sdn Bhd	100%
Tropicana Metro Sdn Bhd	100%
Tropicana Metropark Sdn Bhd	100%
• Tropicana Gems Education Sdn Bhd	100%
Tropicana Properties (Klang) Sdn Bhd	100%
Tropicana Properties (Sabah) Sdn Bhd	100%
Tropicana Properties (Sandakan) Sdn Bhd	100%
Tropicana Property Management Sdn Bhd	100%
Tropicana Residences Sdn Bhd	100%
Tropicana Resort Holding Sdn Bhd	100%
• Tropicana Danga Bay Resort Sdn Bhd	60%
Tropicana Rhythm Crest Sdn Bhd	100%
Tropicana Sadong Jaya Development Sdn Bhd	100%
Tropicana Sanctuary Development Sdn Bhd	70%
Tropicana Scenic Development Sdn Bhd	100%
Tropicana Serdang Suria Sdn Bhd	100%
Tropicana Seri Aliran Sdn Bhd	100%
Tropicana Seri Bakat Sdn Bhd	100%
Tropicana Seri Damai Sdn Bhd	100%
Tropicana Seri Dutaan Sdn Bhd	100%
Tropicana Seri Fauna Sdn Bhd	100%
Tropicana Seri Irama Sdn Bhd	100%
Tropicana Seri Jalur Sdn Bhd	100%
Tropicana Seri Jutaa Sdn Bhd	100%
Tropicana Seri Meranti Sdn Bhd	100%
Tropicana Seri Nipah Sdn Bhd	100%
Tropicana Seri Orkid Sdn Bhd	100%
Tropicana Seri Peluang Sdn Bhd	100%
Tropicana Seri Resak Sdn Bhd	100%
Tropicana Seri Riang Sdn Bhd	100%
Tropicana Seri Segak Sdn Bhd	100%
Tropicana Seri Sena Sdn Bhd	100%
Tropicana Seri Tabah Sdn Bhd	100%
Tropicana Seri Tujuan Sdn Bhd	100%
Tropicana Sinaran Sdn Bhd	100%
Tropicana Tawau Development Sdn Bhd	100%
Tropicana Wisma TT Sdn Bhd	100%

OTHER INVESTMENTS

Advent Nexus Sdn Bhd	100%
BK Utilities Sdn Bhd	100%
Greenhouse Farm and Fishery Sdn Bhd	100%
Megaxis Sdn Bhd	100%
• Tropicana Coliseum (Ipoh) Sdn Bhd	100%
• Tropicana Lido Development Sdn Bhd	100%
• Tropicana Paisley Sdn Bhd	100%
- Tencomurni Sdn Bhd	42%
• Tropicana Plaza Sdn Bhd	100%
- Mesatria Sdn Bhd	42%
• Tropicana Property Services Sdn Bhd	100%
• Tropicana Saujana Sdn Bhd	100%
- Alam Tiasa Sdn Bhd	42%
Pixelcloud Sdn Bhd	100%
• Cenang Resort Sdn Bhd	70%
Purple Pumkie Organic Farm Sdn Bhd	100%
Tropicana Building Materials Sdn Bhd	100%
Tropicana Central Department Store Sdn Bhd	100%
Tropicana Central Garden Mall Sdn Bhd	100%
Tropicana Collections (MM2H) Sdn Bhd	100%
Tropicana Corporate Solutions Sdn Bhd	100%
Tropicana Credit & Leasing Sdn Bhd	100%
Tropicana Entertainment and Retail Sdn Bhd	100%
Tropicana Gloves Sdn Bhd	100%
Tropicana Healthcare Supplies Sdn Bhd	100%
Tropicana Innovative Landscape Sdn Bhd	100%
Tropicana Kemayan Development Sdn Bhd	100%
Tropicana Landmark Education Sdn Bhd	100%
Tropicana Laris Sdn Bhd	99%
Tropicana Privilege (M) Sdn Bhd	100%
Tropicana Rahang Development Sdn Bhd	100%
Tropicana Shared Services Sdn Bhd	100%
Tropicana SJII Education Management Sdn Bhd	100%
Tropicana Solar Sdn Bhd	100%
Tropicana Subang South Development Sdn Bhd	100%
Ultimate Support Sdn Bhd	100%
Valley Talent Solutions Sdn Bhd	99%

OTHER FOREIGN INVESTMENTS

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

AWARDS & ACCOLADES



2022 marked another significant year for Tropicana as the Group was recognised by industry peers for its strides in the property sector, garnering a total of 12 awards as listed below:

INTERNATIONAL PROPERTY AWARDS 2022-2023

Tropicana Gardens – 5 Star Award –
Best Mixed Use Development Malaysia

MALAYSIAN INSTITUTE OF INTERIOR DESIGNERS (“MIID”) REKA AWARDS

Tropicana Gardens Office Tower – Silver Award –
Corporate Offices category

Tropicana Gardens Office Tower’s Zen garden aesthetic
and modern outlook – Notable mention

THE EDGE MALAYSIA PROPERTY EXCELLENCE AWARDS 2022

Tropicana Corporation Berhad – Number 10 spot –
Top Property Developers Awards category

STARPROPERTY AWARDS 2022

Tropicana – All-Stars Award

Tropicana Gardens and Tropicana Indah –
Proximity Award (Excellence)

Tropicana Gardens and Tropicana Indah –
Best Integrated Transit-Oriented Development

Gemala Residences, Tropicana Aman –
Family-Friendly Award (Excellence)

Gemala Residences, Tropicana Aman –
Best Family Centric Development (Landed)
Within Greater KL

PROPERTYGURU ASIA AWARDS MALAYSIA 2022

Tropicana Corporation Berhad – People’s Choice Awards

BCI ASIA AWARDS 2022

Tropicana Danga Cove, Iskandar Malaysia –
Top 10 Developers Award category

Tropicana WindCity², Genting Malaysia –
Top 10 Developers Award category

Tropicana Metropark, Subang Jaya –
Top 10 Developers Award category

² Comprises three masterplans:
Tropicana Grandhill, Tropicana Paradise and Tropicana Avalon



ASEAN PROPERTY DEVELOPER AWARDS 2022

Tropicana Corporation Berhad –
Best Developer Award

Tropicana Grandhill, Genting Highlands –
Best Leisure Living Development

Tropicana Cenang, Langkawi –
Best Mixed Use Development

FIABCI MALAYSIA-STAR MALAYSIA DEVELOPER AWARDS

Tropicana Metropark, Subang Jaya –
Transformation Special Award

For more information on our awards, please scan this QR code.



EVENTS & HIGHLIGHTS



Driven by our commitment to excellence, 2022 has proven to be another eventful year, where we rolled out 14 CSR events, launched five development projects across Malaysia and initiated more than 15 innovative campaigns or events to continue to engage with our stakeholders and audience.

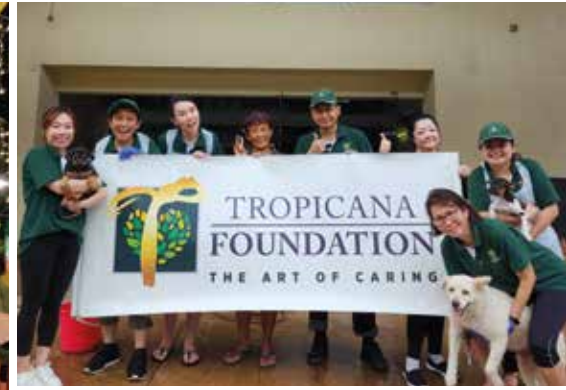
CORPORATE MARKETING EVENTS

- 20 JANUARY 2022** Tropicana collaborated with Tropicana Gardens Mall to launch Multi-Million Mania campaign with millions of ringgit in prizes and vouchers for home seekers and shoppers. The Grand Draw prize included the Edelweiss SOFO unit at Tropicana Gardens.
- 7 MARCH 2022** Tropicana Aman achieves resounding success with 100% takeup of Freesia and Gemala Residences.
- 1 APRIL 2022** Tropicana launched Tropicana Power Up campaign to incentivise property seekers.
- 8 APRIL 2022** Tropicana Uplands celebrates full take-up of Aster Heights, its first residential precinct in the Tropicana Uplands integrated township in Gelang Patah, Johor.
- 11 APRIL 2022** Tropicana Gardens Mall partners with ShopeePay e-wallet and Karyawan to enhance retail and digital payment experiences across its facilities.
- 27 APRIL 2022** Tropicana partnered with No. 1 Short Stay Management Company HostASTay as its tenancy management service provider for TwinPines Serviced Suites in Tropicana Grandhill, Genting Highlands, and Assana Serviced Suites in Tropicana Cenang, Langkawi.
- 16 JUNE 2022** Tropicana unveiled Tropicana WindCity in Genting Highlands and improved loyalty programme T Privilege, anchored by the Tropicana 360 mobile app.
- 29 JUNE 2022** Tropicana and Affin Bank partner up to tackle home financing with Home Step Fast/i campaign.
- 22 SEPTEMBER 2022** Tropicana Gardens Mall launched Malaysia's first and largest Singha Fest 2022.
- 3 OCTOBER 2022** Sports Paragon Run 2022 at Tropicana Gardens Mall and Tropicana's go-go-FIT Park Adventure Race at Tropicana Metropark drew hundreds.
- 6 OCTOBER 2022** Tropicana and Marriott to open Sheraton in Langkawi as tourism roars back
- 11 OCTOBER 2022** Tropicana Golf & Country Resort brought back Nite Race run, drawing over 250 fitness lovers.
- 18 OCTOBER 2022** Tropicana celebrates 100% Phase 1 take-up of its first industrial venture, Tropicana Industrial Park in Iskandar Malaysia, Johor.
- 28 OCTOBER 2022** Tropicana launched Journey of a Lifetime campaign, offering European getaway.
- 8 DECEMBER 2022** Tropicana go-go-FIT The Grand Race draws crowds of fitness enthusiasts.
- 23 DECEMBER 2022** Superheroes descended on Tropicana Gardens Mall for "The World of DC Exhibition".



FOUNDATION EVENTS

1. **27 JANUARY 2022** Tropicana Foundation extended a helping hand to Rumah Charis Shah Alam in Taman Sri Muda. The charitable event saw more than 200 packs of dry goods and essentials delivered to the home for the elderly ahead of the Chinese New Year festive season.
2. **12 FEBRUARY 2022** Tropicana Aman hosted a Chinese New Year celebration event with charitable donations to underprivileged children for the Ti-Ratana Welfare Society Malaysia ("**Ti-Ratana**"). Held at the Tropicana Aman Property Gallery, Kota Kemuning, the event saw over 200 care packs comprising essentials and dry goods delivered to Ti-Ratana.
3. **2 MARCH 2022** Tropicana Corporation Berhad hosted a groundbreaking ceremony for the new RM2.5 million Pantai Kok Rest and Recreation ("**R&R**") centre in Langkawi. The effort shows the Group's caring side as it seeks to uplift the community in Langkawi via the R&R upgrade at Pantai Kok.
4. **23 MARCH 2022** A blood donation drive was held to showcase Tropicana Group as a caring company that looks into the welfare of its staff as well as to highlight the plight of the country's national blood bank which is critically low on blood reserves. The move is in line with our on-going mission to Redefine The Art Of Caring.
5. **2 & 9 APRIL 2022** The charitable endeavour, called "Riuh Raya with Tropicana and OhBulan!" saw the donation of essentials, footwear, and books to Pusat Jagaan Cahaya Kasih Bestari, Shah Alam. The children were invited for a fun day of shopping and exciting activities at Tropicana Gardens Mall and The Tropicana Heights Central Park, as well as a buka puasa event at Tropicana Golf & Country Resort's Santapan 29 Malam buffet dinner.
6. **8 APRIL 2022** Tropicana Golf & Country Resort treated 100 children from Pertubuhan Kebajikan Al Mahabbah, Pusat Jagaan Haneen Firdous, and Pusat Jagaan Kasih Murni, to its Santapan 29 Malam Iftar buffet. In line with Tropicana Foundation's charitable goals, the initiative also saw the donation of more than 21 dry goods and essentials to the homes.
7. **22 MAY 2022** Tropicana Foundation sponsored 180 sets of goodie bags consisting of our corporate non-woven bags, cutlery sets, TGCRC cookies and mineral water to the Tan Sri Muhyiddin Charity Golf event. A non-profit organisation set up with the aim to generate charity through golf, the charity golf tournament was held at Kota Permai Golf & Country Club.
8. **25 MAY 2022** Tropicana Foundation collaborated with Malaysian non-profit organisation The Lost Food Project ("**TLFP**") to channel surplus food to the needy. The Lost Food Project rescues 'lost' (or surplus) food quality, nutritious food from going to landfills, and redistributes these food to up to 60 charities and soup kitchens, as well as numerous B40 communities who live below the poverty line.
9. **28 AUGUST 2022** Over 900 fitness enthusiasts, families and fun seekers congregated on Tropicana Aman, Kota Kemuning as Tropicana hosted its fifth signature cycling event, Tropicana go-go-FIT Cycle. Donations of essential food and care packs were also made to two homes to assist the underprivileged in and around Kota Kemuning, such as Orang Asli settlements and children in need.
10. **24 SEPTEMBER 2022** To promote healthy living to staff, Tropicana Foundation supported the Sports Paragon Run. The weekend events drew hundreds of fitness lovers for the Sports Paragon Run 2022's 3km and 5km fun runs around Tropicana Indah and Kota Damansara, as well as Tropicana go-go-FIT Park



Adventure Race's challenge stations showcasing its serene Urban Park spanning 9.2 acres in Subang Jaya. Fifty Tropicana staff were sponsored for the Sports Paragon Run 2022, in support of the ongoing Tropicana go-go-FIT health campaign and the Group's mantra of Redefining the Art of Healthy Living.

11. **11 OCTOBER 2022** Tropicana Group shows its caring side that looks into staff welfare by holding a blood donation drive to boost the national blood bank, which is critically low on blood reserves. The second edition of the blood donation drive saw the participation of 76 staff, with 55 bags of blood collected.
12. **15 OCTOBER 2022** Tropicana Foundation extends support to more than 400 rescued pets and strays at My Pets Haven, Setia Alam and PAWS Animal Welfare Shelter ("PAWS"), Ara Damansara. The initiative saw 20 volunteers pitching in to clean cages, prepare food, and walk and feed the animals. The Foundation donated dry pet food, hand wash liquid, bleach, and soap powder in total, with the support of the volunteers, who donated their time and energy. The initiative was held at My Pets Haven on 27 September 2022 and at PAWS on 15 October 2022.

13. **1 OCTOBER & 5 NOVEMBER 2022** Tropicana Foundation extends its support for activities that are beneficial to the environment and community. In line with this, Tropicana offered its support to its in-house team in their quest to compete and win at the Perhentian Island Marathon Swim and Ironman Langkawi Malaysia.

14. **22 DECEMBER 2022** To bring cheer and add more community engagement to underprivileged children, Tropicana continues with its annual charity drive "Buggy of Joy". The donation collected dry goods and cash for underprivileged homes in the Klang Valley. In keeping with Tropicana's mantra of Redefining the Art of Living and Caring, the proceeds of this charity drive will be channelled to over 15 charity homes across the Klang Valley.

To find out more about our future events, please scan this QR code.





ART OF **TENACITY**

Our perseverance demonstrates our
commitment to the Art of Tenacity

02

MANAGEMENT DISCUSSION & ANALYSIS

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MANAGEMENT DISCUSSION & ANALYSIS

In 2022, our developments and key presence across Malaysia were strengthened by our ventures in Genting Highlands, Langkawi as well as Kuala Selangor and Southern Region, which helped to solidify the Tropicana brand and future earnings. As we move into 2023, we aim to keep this momentum going, focusing our efforts on unlocking our landbanks and driving growth.



OVERVIEW & MARKET OUTLOOK

The year 2022 could best be termed as a post-pandemic recovery phase for the property sector. The road to recovery was led by government initiatives, improvements in sentiment among buyers and developers, and the opening of international borders.

In this Management Discussion and Analysis (“**MD&A**”), we examine current market conditions, report our financial performance, reaffirm our key priorities and share the Group’s current and future road map.

Focusing on Resilience

Bank Negara Malaysia (“**BNM**”) reported gross domestic product (“**GDP**”) growth of 8.7% for 2022 which exceeded the 3.1% growth achieved in 2021. The strong growth indicated the recovery of consumer, business and investor confidence in the national economy. For 2023, the Malaysian economy is expected to expand at a more moderate pace amid a challenging external environment. Malaysia’s GDP growth is projected to ease to between 4% and 5%.

On the property front, the National Property Information Centre (“**NAPIC**”) announced the double digit growth of total property transactions in 2022 amounting to 389,000, an increase of 29.5% compared to 300,497 in 2021. These positive transactions hit RM179.07 billion, reflecting the healthy growth in the sector. Additionally, backed by the government’s efforts to help the property sector, first-time homeowners are offered stamp duty exemption as well as various personal tax relief.

Despite the increasingly challenging global economic environment, Tropicana has remained resilient and has even posted higher revenue of RM942.6 million in FY2022, with strong property sales backed by unbilled sales of RM2 billion as of 31 December 2022. Moving forward, the Group will maintain its focus on unlocking its prime landbank to drive growth while also continuing to develop innovative townships that are centred around its unique development DNA and ESG principles.



OUR PRIORITIES

Redefining the Art of Living, Sharing & Engaging

We will continue to focus on our key priorities and strategies as we honour our commitment to our shareholders whilst staying true to our original aspirations. In our pursuit to continue to Redefine the Art of Living, we remain steadfast in our quest to build communities where one can live, work, learn, shop, and play.

1

Strengthen our financial position by boosting liquidity and cash flows, lower net gearing and increase market capitalisation

4

Prioritise our marketing and sales efforts through branding and PR as well as local and international sales

2

Focus on premium land acquisitions and unlock landbanks via smart partnerships, pocket land acquisitions, and divestment of non-revenue land

5

Engage with our stakeholders via ESG framework and achieve workplace synergy by providing a conducive workplace and talent retention

3

Improve cost and efficiency in design and planning, value engineering, cost and contract, as well as pricing and packages

6

Embrace technology through e-strategies for customer engagement via Tropicana's 360 mobile app and other digital platforms

OUR LAUNCHED DEVELOPMENTS



ASTER HEIGHTS January 2022
Acres **12.57** | GDV **RM 99.7 mil** | Unit Type **Residences**



Aster Heights is the first residential precinct at Tropicana Uplands' new catalyst development in Gelang Patah, Johor. Strategically located, it consists of 193 units of 2-storey terrace houses with built-ups from 1,446 sq ft that sit on freehold land. Located in Iskandar Malaysia's Flagship Zone B, the integrated township has excellent accessibility and caters to the consistent demand for landed property in Malaysia's southern growth corridor. The township features a sprawling 16-acre Central Park and landscaped garden, promoting a healthy lifestyle for the residents. For more information, visit <https://tropicanauplands.com.my/>



GEMALA RESIDENCES March 2022
Acres **15.5** | GDV **RM 166.3 mil** | Unit Type **Residences**



Gemala Residences consist of 116 units of two-storey super link homes, with built-ups from 2,400 sq ft. Set in the sprawling 863-acre township of Tropicana Aman in Kota Kemuning, each unit comes with an integrated side garden, along with larger land sizes from 32' x 75'. With an emphasis on a climate-responsive design with open layouts, ample windows, and openings that maximise natural air flow and lighting, Gemala Residences allows homeowners the flexibility of adapting the space for living, working, or recreational use. For more information, visit www.tropicanaaman.com.my

OUR LAUNCHED DEVELOPMENTS



HANA RESIDENCES October 2022
Acres **28** | GDV **RM 403 mil** | Unit Type **Residences**



Tropicana Aman's final villa series known as Hana Residences features 130 2- and 3-storey bungalow and 2-storey semi-detached homes. Located in the largest 863-acre township by Tropicana in Kota Kemuning, Hana Residences is envisioned as a haven for life made beautiful. Hana Residences' elevated outlook includes lakeside views and lift access across all levels for selected units. Lot sizes range from 45' x 80' to 80' x 100' with built-ups from 4,004 sq ft to 9,052 sq ft. The development is projected for completion in Q3 2025. For more information, visit www.tropicanaaman.com.my/hana-residences.php



MERISSA SERVICED SUITES
October 2022



Acres **0.38** | GDV **RM 115 mil** | Unit Type **Residences**

Merissa consists of 60 serviced suites with resort-style facilities. This vibrant development sits on a 5.3-acre freehold land with direct access to Langkawi's Cenang Beach. The six-storey building offers units with built-up areas that range from 1,066 to 1,303 sq ft. A premium mixed development by the sea, Tropicana Cenang appeals to local and international market with a mix of serviced suites and hospitality components. Tropicana Cenang's new gem Merissa promises to offer unique dwellings for those who seek sandy beaches, beautiful sunsets and unobstructed access as well as views to the Cenang beach. For more information, visit www.tropicanacenang.com.my

UPCOMING DEVELOPMENTS

We are of the belief that continued demand will persist in our established, matured and developing townships. In our pursuit to be market-driven, our focus remains on unlocking the value of our landbank located strategically in the Klang Valley, Genting Highlands, Langkawi, and the Southern region. We plan to launch the following new developments in 2023:



Tropicana Paradise Villa Lots, Tropicana WindCity, Genting Highlands, Pahang

Tropicana Paradise Villa Lots are exclusive villa lots set amidst the Titiwangsa Mountains on the hills of Genting Highlands. With land sizes from 4,000 sq ft, the freehold land are surrounded by nearby amenities and commercial offerings including Genting Highlands Premium Outlets, Genting Sempah and Gohtong Jaya. The guarded, exclusive and limited lots feature recreational clubhouse facilities set amid the cool, natural atmosphere of the highlands. For more information, visit <https://tropicanawindcity.com/>



SouthPlace 2 Serviced Residences and Shoppes, Tropicana Metropark, Subang Jaya, Selangor

Set on freehold 88 acres of development lying within Subang Jaya and due to be launched in June 2023, SouthPlace 2 Serviced Residences and Shoppes consist of 553 units of serviced residences and 70 retail lots respectively. The two developments will complement Tropicana's vision of creating an integrated lifestyle within an urban setting. For more information, visit www.tropicanametropark.com.my



Shop Offices, Tropicana Aman, Kota Kemuning, Selangor

The 100 units of shop offices are due to be launched in Q3 2023. The commercial lots will connect with the residential enclaves via walkways and bike trails, enabling residents to have easy and convenient access to enjoy an urban lifestyle. For more information, visit <https://www.tropicanaaman.com.my/>



Phase 1A Terraced Homes, Puncak Alam, Selangor

The 349 acres mixed-used township will include landed houses, serviced residences, as well as retail lots. Set for launch in Q4 2023, the first phase consists of terrace homes, with phase 1A offering 233 units. With its close proximity to the DASH Highway, the development promises to provide ease of connectivity to future residents.

MARKET TRACTION & FUTURE GROWTH



A Period of Renewal

As the country transitions to post-Covid-19 endemicity and the economy continues to recover, the property sector is poised for renewal. The Group is optimistic about this trend, given recent improvements in sales performance and landbanking activities. Despite ongoing challenges, our RM2 billion in unbilled sales as of 31 December 2022, provides earnings visibility beyond this year.

We remain committed to monitoring key performance metrics, maintaining cost efficiency measures, and launching new developments that meet customer demand. Our experience as a master planner of integrated developments and townships allows us to adapt quickly to changing customer needs and trends.

Looking forward, we plan to expand into serviced residences, commercial and landed properties in the Central, Northern and Southern Regions, as well as Genting Highlands, to further strengthen our position and contribute to future earnings.

Spurring Growth Through Innovative Campaigns

To maintain market traction, Tropicana launched the Multi-Million Mania campaign at the beginning of 2022, offering millions in prizes and vouchers to property seekers and shoppers. The successful campaign generated RM533.6 million in property bookings and RM10.7 million in retail sales at Tropicana Gardens Mall, which saw a 241% increase in footfall from October 2021 to June 2022.





In March, Tropicana celebrated three milestones when it achieved successful take-up of Freesia Residences and Gemala Residences in Tropicana Aman by leveraging digital initiatives and its T.Living home personalisation series. Aster Heights in Tropicana Uplands and Phase 1 of T Industrial Park in Iskandar Malaysia achieved full take-up in April and October 2022 respectively.

Tropicana collaborated with Affin Bank on Home Step Fast/i campaign to ease home ownership for first-time buyers, young families, and investors by reducing upfront payment obligations and improving cash flow after possession. These collaborations demonstrate Tropicana's commitment to innovation and smart partnerships in its efforts to Redefine The Art of Living. Additionally, the Power Up campaign launched in April, offered incentives like down payment assistance, free stamp duties on loans, MOT, double referral rewards, and SPA bonuses.



Staying One Step Ahead of Market Trends

With digitalisation evolving rapidly, we are fully aware of the need to keep abreast of changes in market sentiment and customer behaviour.

In April 2022, Tropicana Gardens Mall partnered with ShopeePay and Malaysian artist association Karyawan to improve retail and digital payment experiences for shoppers during the Ramadhan festive season. The collaboration offered rewards for shoppers who used ShopeePay e-wallet for digital payments, while Karyawan showcased local talents at the mall's centre court.

Tropicana selected HostAStay Sdn Bhd as its tenancy management provider for the TwinPines Serviced Suites in Tropicana Grandhill, Genting Highlands and Assana Serviced Suites in Tropicana Cenang, Langkawi in May 2022. This partnership combines Tropicana's prime



property portfolio in popular tourism destinations with HostAStay's expertise in short-term accommodations. The collaboration aims to maximise the investment returns for Tropicana's purchasers in a hassle-free way.

In June 2022, Tropicana launched an improved loyalty programme called T Privilege, anchored by the Tropicana 360 mobile app, offering more benefits to its property purchasers and community.

In October 2022, Tropicana launched its year-end campaign themed Journey of a Lifetime that gives property purchasers a chance to win two first-class flight tickets to a European destination of their choice. Rewarding purchasers until the end December 2022, other incentives in store were IKEA full furnishing packages worth up to RM30,000, three-day-two-night stays in Langkawi, complimentary MOT stamp duty and more, depending on the property purchased.

The campaign was specifically crafted to cater to the diverse needs of property seekers, ranging from first-time buyers to business owners, upgraders, and investors. It was a resounding success, recording take-up of 202 units and gross revenue of RM270.3 million.

In November 2022, Tropicana unveiled its final villa series in Tropicana Aman Hana Residences, with bespoke home personalisation services available through the T.Living programme. We will continue to roll out innovative marketing campaigns and we remain optimistic about our future growth. In FY2022, the Group recorded solid growth with RM1.3 billion in property sales.

TROPICANA AMAN
KOTA KEMUNING

HANA
RESIDENCES

**WHERE YOUR
BEAUTIFUL LIFE CAN
TRULY BEGIN**

Nestled in a private enclave, discover the Final Signature Villa Series featuring Bungalow and Semi-Detached homes with land sizes from 45' x 80' to 60' x 100'. Discover multigenerational comfort and privacy as all bedrooms are designed with en-suite bathrooms. Selected units come with the master bedroom offering views of the serene lake and lush park.

Step into a home that is crafted with exquisite attention to detail.

T.LIVING
TRULY A BESPOKE HOME

Elevate your homeownership experience with our carefully crafted T.Living customisation packages. Whether it's CHARISMA or BELLA, choose from two themes with your preferred fittings, tiles and door designs. Discover our additional packages offering enhanced Protection, Smart, Comfort and Eco features.

UNLOCKING OUR LANDBANK

New Expansions

Buoyed by the reopening of international borders, the Group in 2022 launched up to RM1.7 billion worth of properties. We believe these campaigns will be timely and appeal to property seekers. As we continue to innovate our projects, adapting to market sentiment, we stay true to our Tropicana development DNA.

The year 2022 was marked by several new launches which included Tropicana WindCity in Genting Highlands, Tropicana Aman's Hana Residences and Gemala Residences in Kota Kemuning, Shah Alam; Aster Heights in Tropicana Uplands, Iskandar Puteri, Johor; and Merissa Serviced Suites in Tropicana Cenang, Langkawi.

Tropicana also secured development rights for 363 acres of land parcels to develop affordable, quality homes in Puncak Alam, Selangor. The development will be strategically sited with easy access to the Kuala Lumpur-Kuala Selangor Expressway ("LATAR"), Jalan Sungai Buloh, Guthrie Corridor Expressway and West Coast Expressway.

Overall, Tropicana's total landbank of 2,091 acres with a potential GDV of RM203.7 billion places the Group in a solid position to further unlock the value of its strategic landbank and deliver sustainable earnings well into the future.



INVESTMENT PROPERTIES

Investment properties provide the Group with recurring income as well as increasing our net worth and diversifying our revenue streams. The following is a list of our investment properties:

- 1) Tropicana Gardens Mall, Kota Damansara
- 2) St Joseph's Institution International School Malaysia (Tropicana PJ Campus) ("**St Joseph**" or "**SJIIM**") located at Tropicana Indah
- 3) W Kuala Lumpur
- 4) Tenby International School at Tropicana Aman
- 5) Courtyard by Marriott Penang

Tropicana Gardens Mall is a large retail hub at the busy intersection of Kota Damansara and Tropicana Indah. As the largest neighbourhood mall, it offers a unique mix of lifestyle, dining, and entertainment options in its 1 million sq ft, seven-storey building. With over 160 stores, including popular brands like H&M, Taco Bell, and Starbucks Reserve, Tropicana Gardens Mall is easily accessible through several highways and directly linked to the Surian MRT Station.

The St Joseph's Institution International School located in the heart of Tropicana Indah Resort Homes offers holistic LaSallian education to children aged between 3 and 18 years old. Sited on 6.5 acres land, the school has a Gross Floor Area ("**GFA**") of 423,000 sq ft and

can accommodate up to 1,770 students. In building well-rounded students, the school comes with a swimming pool, a tennis court, a football field, and a sports hall.

The 5-star W Kuala Lumpur is a luxurious hotel located in the city centre on a 1.3 acres land. With 150 stylishly curated guest rooms and suites, guests can enjoy a range of amenities, including a breathtaking view of the Petronas Twin Towers from the outdoor pool, a fitness centre, a spa, and fine dining restaurants. Spanning 66,000 sq ft, the hotel is the first 5-star hotel by Tropicana Group and the first W Hotel in Malaysia.

Tenby International School is located on a large 10 acres of purpose-built campus within Tropicana Aman and provides quality international education to the young minds of the Kota Kemuning communities. It offers a UK-based curriculum for students aged between 3 and 18 years of age that includes the International Primary Curriculum, National Curriculum for England, IGCSEs, and A-Level programmes.

Courtyard by Marriott Penang is a smart and spacious hotel situated in the heart of UNESCO-listed George Town along Jalan Macalister. The hotel features 199 hotel rooms and suites over 22 floors on 2.1 acres of land. Amenities include a 24-hour fitness centre, an outdoor infinity pool, eight state-of-the-art meeting rooms, and one VIP room.



1



2



3



4



5

COMMITMENT TO EXCELLENCE



Despite 2022 being a challenging year, the Group continues to drive momentum and traction, gaining accolades from peers. We won:

- 1 International Property Awards 2022-2023
- 1 Malaysia Institute of Interior Designers REKA Awards
- Top 10 Developers at The Edge Malaysia Property Excellence Awards 2022
- 3 StarProperty Awards 2022
- 1 PropertyGuru Asia Awards Malaysia 2022
- Top 10 Developers by BCI Asia Awards 2022
- 3 ASEAN Property Developer Awards 2022 including Best Developer Award
- 1 FIABCI Malaysia-Star Malaysia Developer Awards

OUR ESG COMMITMENT

As a corporation, we make it a top priority and pledge to uphold our commitment to environmental stewardship, social responsibility and good governance (“**ESG**”) as we aspire to be a leader in the industry. Our sustainability approach is set on the following:

- People
- Planet
- Partnership

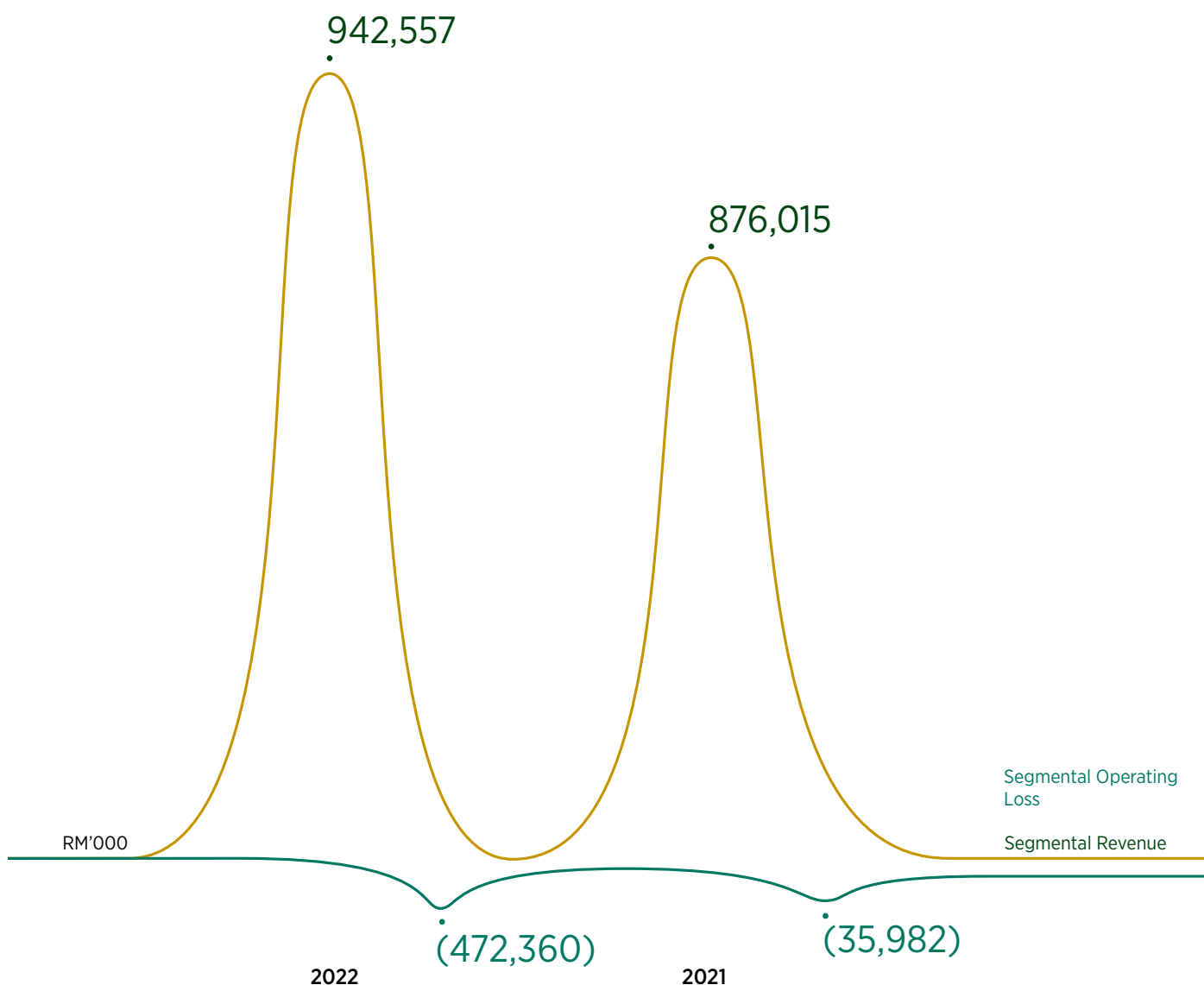
For more information, please refer to our Sustainability section on page 43.

APPRECIATION

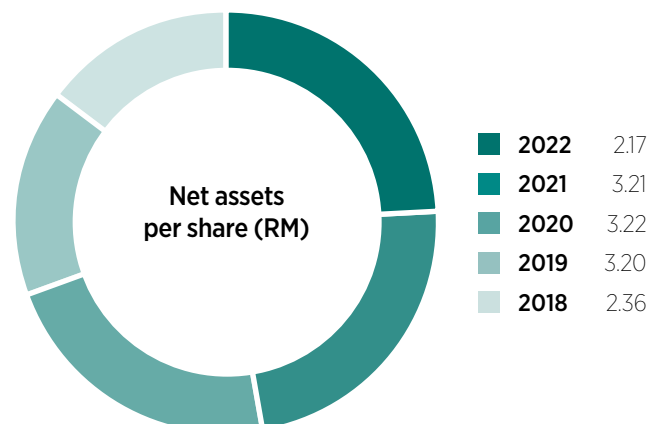
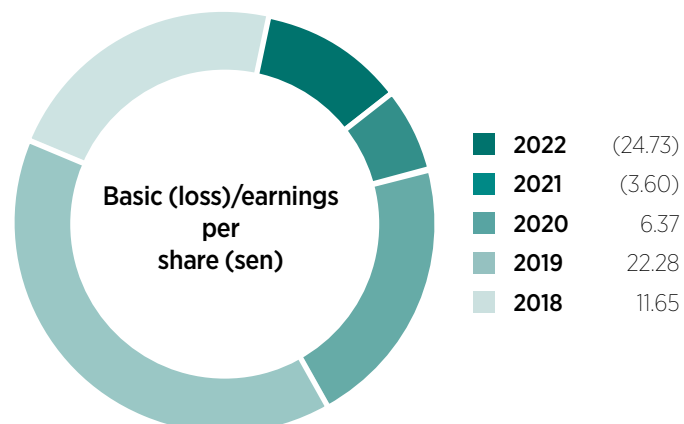
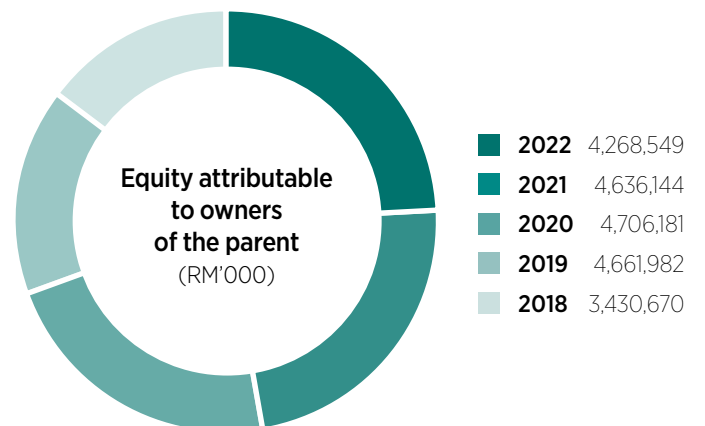
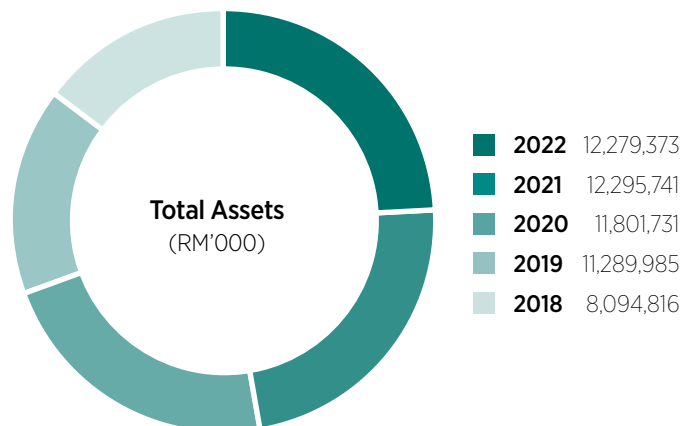
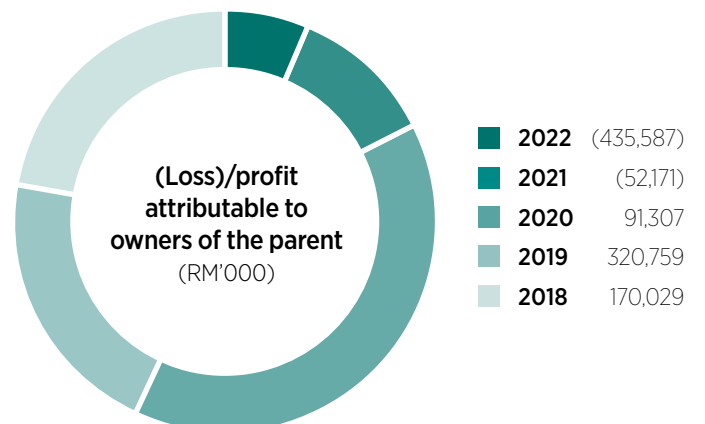
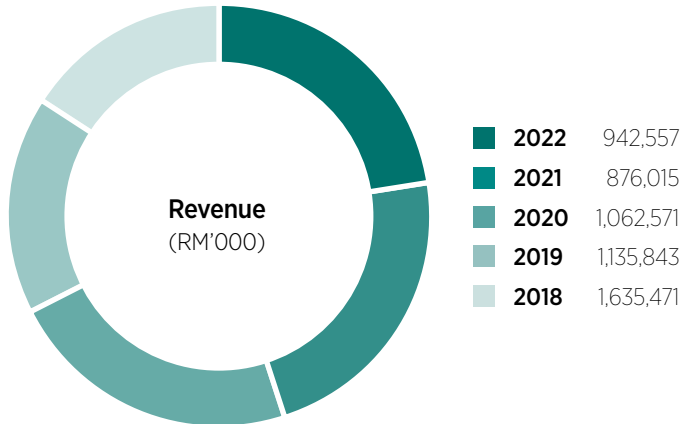
On behalf of Tropicana’s Board of Directors and management team, we would like to express our deepest gratitude to our shareholders and stakeholders for their continued dedication and loyalty. We would also like to thank our team of dedicated employees at Tropicana and all our customers for their unwavering support and commitment through these challenging times.

Despite the challenges of 2022, we remain committed to strengthening our priorities and realigning for future growth. With a strong foundation in place, we are dedicated to enhancing our competitive advantage, fulfilling our promises, and Redefining The Art of Living both domestically and internationally. We look forward to the future with optimism and determination.

PERFORMANCE AT A GLANCE



	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Property Development and Property Management	626,800	685,224	(390,051)	76,203
Property Investment, Recreation and Resort	204,303	105,291	(15,641)	(85,391)
Investment Holding and Others	111,454	85,500	(66,668)	(26,794)
	942,557	876,015	(472,360)	(35,982)



FINANCIAL HIGHLIGHTS & INSIGHTS

Key Financial Highlights for Financial Year Ended 31 December 2022



Total sales of
RM1.3 billion



High unbilled sales of
RM2.0 billion

	FY2022	FY2021
	RM'000	RM'000
Revenue	942,557	876,015
Loss before tax	(472,360)	(35,982)
Loss attributable to owners of the parent	(435,587)	(52,171)

During the financial year ("FY") 2022, the Group sold RM1.3 billion worth of development properties on the back of improved market sentiments as well as aggressive marketing and sales campaigns. The strong sales performance has sustained the Group's unbilled sales at RM2.0 billion as at 31 December 2022, where the level of such unbilled sales placed the Group in a comfortable position to deliver sustainable earnings performance in the coming years.

The Group's revenue grew by 7.6% year-on-year to reach RM942.6 million (FY2021: RM876.0 million). Revenue improved on the back of increased revenue from property investments as well as hotel, recreation and resort operations.

The Group recorded a loss before tax of RM472.4 million and a loss attributable to owners of the parent of RM435.6 million in FY2022 mainly due to the losses incurred on the proposed disposals of two parcels of development lands for RM244.4 million in FY2022 as the proposed disposals had given rise to provisions for foreseeable losses of RM298.6 million. These provisions for foreseeable losses which arose mainly due to the Group's basis of allocation of land and infrastructure costs have been recognised in the current quarter according to the Malaysian Financial Reporting Standards.

Despite the loss for the year, the improvement in the Group's property investment, recreation and resort operations on the back of the reopening of borders accelerated the return of international visitor which contributed to higher revenue and profit in FY2022 for this segment.

With unbilled sales of RM2.0 billion and strategic approaches to unlock the value of 2,091.0 acres of prime land with potential gross development value of approximately RM203.7 billion, the Group is expected to be on track to register positive earnings in the next few years.

With the continued price hikes of building materials and labour shortages, productivity in the property sector is severely affected. Amidst the current challenging economic environment, the Group believes that the demand for properties in prime locations in Tropicana's established, mature and developing townships will persist, with attractive pricing and various promotional packages. Based on the expected rise in demand, the Group will continue to launch its properties at strategic locations across the Klang Valley, Genting Highlands, Langkawi and Southern Regions. Moving forward, the Group will also continue to launch new phases in its established development sites, namely Tropicana Aman, Tropicana Metropark and Tropicana Alam.

In FY2023, the Group plans to introduce new developments and phases across its signature Tropicana townships such as BH2 Shop Offices at Tropicana Aman, Kota Kemuning; SouthPlace 2 Residences and SouthPlace 2 Shoppes, a mixed development comprising retail lots and serviced apartments at Tropicana Metropark, Subang Jaya; Phase 1, first residential development located at Tropicana Alam, Puncak Alam and Residential Villa Lots, first residential development located at Tropicana Paradise in Genting Highland, Pahang.

Detailed analysis of the various business segments are as follows:

Property Development & Property Management

The property development and property management segments remain the key contributors to the Group's revenue, generating RM626.8 million for the full financial year, decreasing by 8.5% or RM58.4 million from RM685.2 million in FY2021. This segment reported a loss of RM390.1 million as compared to a profit of RM76.2 million in FY2021. The lower segmental revenue in FY2022 was mainly due to the projects launched in FY2022 which were still in the early stages of construction. Besides that, the significant loss in the current year was mainly due to the losses incurred on the proposed disposals of two parcels of development lands for RM244.4 million in FY2022 as the proposed disposals had given rise to provisions for foreseeable losses of RM298.6 million.

Overall, this segment continued to be the main contributor to total Group revenue at 66.5%.

Property Investment, Recreation & Resort

The Group's revenue from the property investment, recreation & resort segment recorded at RM204.3 million as compared to RM105.3 million

in FY2021, which increased significantly by RM99.0 million or 94.0%. This segment reported a lower loss at RM15.6 million as compared to a loss of RM85.4 million in FY2021. The significant improvement in revenue and profit was mainly due to reopening of borders which accelerated the return of international visitors which contributed to higher revenue and profit in FY2022 for this segment.

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

Investment Holdings & Others

The Group revenue from this segment stood at RM111.5 million in FY2022 as compared to RM85.5 million in FY2021; an increase of RM26.0 million or 30.4%. The revenue from this segment continues to remain at sustainable levels which are contributed from a few subsidiaries namely Tropicana Building Materials Sdn Bhd, Tropicana Innovative Landscape Sdn Bhd and Tropicana SJII Education Management Sdn Bhd. This segment reported a higher loss of RM66.7 million as compared to a loss of RM26.8 million in FY2021 which was mainly due to recognition of a one-off gain on bargain purchase subsequent to the completion of the acquisition of a subsidiary in FY2021, whereby there was no such gain in FY2022 as well as lower unrealised gain on quoted shares in FY2022.

Group Capital Structure

	FY2022	FY2021
	RM'000	RM'000
Shareholders' Equity	4,268,549	4,636,144
Total Equity	5,755,011	5,984,117
Gross Borrowings	3,772,965	3,915,803
Cash and Bank Balances	649,884	638,603
Net Borrowings	3,123,081	3,277,200
Gross Gearing ratio	0.66	0.65
Net Gearing ratio	0.54	0.55
Net Assets Per Share (RM)	2.17	3.21

Overall, our balance sheet as at 31 December 2022 remained strong with total cash and bank balances and total equity of RM649.9 million and RM5,775.0 million respectively. The Group is well positioned to continue implementing its planned growth strategies.

Despite the dropped in gross borrowings, the gross gearing of the Group has increased slightly as compared to 31 December 2021 being 0.66x (2021: 0.65x) due to the higher losses recognised during FY2022. However, the net gearing of the Group has decreased as compared to 31 December 2021 being 0.54x (2021:0.55x) due to higher cash and bank balances as at 31 December 2022.

The Group is expected to improve its performance in FY2023 amidst a more challenging business environment driven by the momentum created from the Group's stellar performance in FY2022 and the various pipelines of on-going projects. While prospects for the property sector remains challenging in the short-term, the Group believes that there will still be demand for properties in prime locations that have accessibility to superb amenities and competitive pricing.

VALUE ADDED STATEMENT

	2022	2021
	RM'000	RM'000
Value Added		
Total turnover	942,557	876,015
Purchases of goods and services	(981,201)	(533,871)
Value Added by the Group	(38,644)	342,144
Share of results of an associate	(4,428)	18,587
Share of results of joint ventures	10,682	22,254
Total Value Added	(32,390)	382,985

Reconciliation :		
Loss attributable to owners of the parent	(435,587)	(52,171)
Add :		
Depreciation and amortisation	39,561	37,490
Finance costs	193,412	201,451
Salaries and other staff costs	206,997	180,026
Corporate taxation	(61,763)	(5,909)
Holders of perpetual bond	42,148	22,633
Non-controlling interests	(17,158)	(535)
Total Value Added	(32,390)	382,985

VALUE DISTRIBUTED

Employees

Salaries and other staff costs	206,997	180,026
--------------------------------	---------	---------

Government

Corporate taxation	(61,763)	(5,909)
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Providers of capital

Dividends costs	-	-
Finance costs	193,412	201,451
Holders of perpetual bond	42,148	22,633
Non-controlling interests	(17,158)	(535)

Reinvestment and growth

Depreciation and amortisation	39,561	37,490
Loss incurred by the Group	(435,587)	(52,171)

Total Distributed	(32,390)	382,985
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INVESTOR RELATIONS

Malaysia's economic growth will be supported by continued expansion in domestic demand, benefitting mainly from the realisation of multi-year projects and higher inbound tourism activity due to expected increase in Chinese tourists. Despite these, domestic economy is projected to moderate in 2023 due to inflationary pressure, tightening of financial conditions, supply strains and spillover effects of the continued military tension between Russia and Ukraine. With the continued price hikes of building materials and labour shortages, productivity in the property sector is severely affected. Amidst the current challenging economic environment, Tropicana Group believes that the demand for properties in prime locations in its established, mature and developing townships will persist, with attractive pricing and various promotional packages.

Guided by our unique strategy, we are covering several property sub-segments by launching a variety of products to cater to the different needs of house buyers and property investors at strategic locations, such as amongst others, high-rise and landed residential properties and industrial land, in the central, northern and southern regions of Peninsular Malaysia, instead of focusing on a single market segment or a single category of customers. In the effort of driving sales for the on-going projects, Tropicana had launched "Multi-Million Mania Campaign" from 21 January 2022 to 17 June 2022 which offers millions of ringgit worth of prizes and vouchers for home seekers and shoppers, as well as a grand prize of a RM519,000 high-rise unit (452 sq ft) at Edelweiss SOFO, Tropicana Gardens as well as "Tropicana Power Up Campaign" from 1 March 2022 to 30 September 2022 which offers down payment assistance, free stamp duties for loan and memorandum of transfer, double referral rewards and bonuses on sale and purchase agreement signings. Further, Tropicana had also launched "Tropicana Journey of a Lifetime" sales campaign from 1 October 2022 to 31 December 2022, which offers entitled buyers to win a once-in-a-lifetime experience with two first-class flight tickets to any European destination of their choice for every purchase of a Tropicana property during the campaign period.

The financial period under review is a twelve-month period which ended on 31 December 2022. Throughout the financial year, we remained committed to disseminate the complete, transparent and timely information to the market about its financial performance, business operation and prospects. At Tropicana, we value the relationships we have with our stakeholders. We strive to provide latest updated information on the Company to the stakeholders. The Tropicana corporate website at www.tropicana.com.my serves as a platform for key qualitative and quantitative information on Tropicana.

The Group's 43rd Annual General Meeting was held on a fully virtual basis on 23 June 2022 where it served as a platform to share updates as well as to address any concerns from our shareholders.

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

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

Contact Our IR Team

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

Email ir@tropicana.com.my

Tel +603 7663 6888

Fax +603 7663 6688



QUALITY COMMITMENT

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

Year on year, we strive to continue our Quality Assurance drive that has always been Tropicana's core focus and a key component in achieving customer satisfaction.

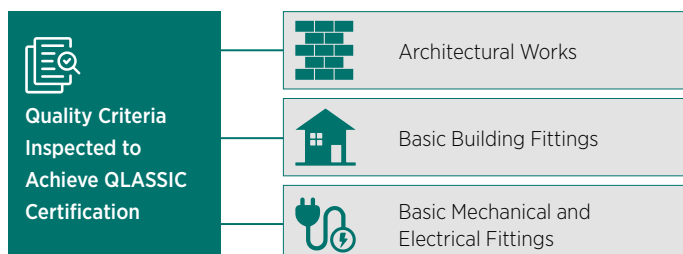
Tropicana's Quality Management System ("QMS") is a strong foundation of well-developed processes. It is a system of processes that demonstrate the best practices, prevention measures, performances, management involvement, and customer satisfaction.

Tropicana's quality management approach is based on four key principles:

- Review the effectiveness of the Quality Management System and strive to meet customers' expectations;
- Comply with statutory, regulatory and MS ISO 9001 regulations and seek continuous improvement in Tropicana's Quality Management System such as adoption of Quality Assessment for Building Construction Works ("QLASSIC") across projects, based on the Construction Industry Standards CIS: 7 2014; and assessment by the Construction Industry Development Board ("CIDB")
- Enhance the skills and knowledge of Tropicana staff through continuous coaching and training; and
- Ensure a safe, healthy and conducive work environment at all times.

Independent Quality Assessment

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



In FY2020 to FY2022, we are proud to disclose our success in achieving QLASSIC certification for five developments with a score of 75% and above. In this regard, we adopt a continuous improvement approach to enhance our product quality and services based on customer expectations, market trends, and industry regulations.

The table below highlights projects that were independently assessed by the CIDB:

Name of Project	Project Type	Date of Assessment	QLASSIC Score
Tropicana Danga Cove (Ayer Residences Phase 1)	Landed, Residential	October 2020	90%
Tropicana Metropark (Paisley Serviced Residences)	High Rise, Residential	February 2021	75%
Tropicana Aman (Aman 1)	High Rise, Residential	May 2021	84%
Tropicana Aman (Dalia Residences)	Landed, Residential	April 2021	80%
Tropicana Heights (Lakefield Residences)	Landed, Residential	September 2021	81%
Tropicana Danga Cove (Ayer Residences Phase 2)	Landed, Residential	October 2021	79%
Tropicana Aman (Triana)	Landed, Commercial	April 2022	78%

All projects scored above

75%





TROPICANA
CORPORATION BERHAD

QLASSIC 90%
Quality Assessment
System in Construction

**Malaysia's Record Highest
QLASSIC Score**

TROPICANA
DANGA COVE

AYERA
RESIDENCES
(Ayeria Residences Phase 1,
Tropicana Danga Cove)



TROPICANA'S COMMITMENT TO SUPERIOR WORKMANSHIP & QUALITY PRODUCTS

Introduced by the Construction Industry Development Board (CIDB), QLASSIC is an independent assessment tool used to evaluate the quality of workmanship of building projects based on the Construction Industry Standard (CIS 7).

At Tropicana, we are driven by our passion to be the nation's premier property developer by delivering desirable and valuable products. As a testament to our commitment, we are proud to share that all our latest projects assessed in 2020 & 2021 have also achieved QLASSIC scores above the industry average of 75%.

AMAN 1
TROPICANA URBAN HOMES

84%

Lakefield
RESIDENCES

81%

DALIA
RESIDENCES

80%

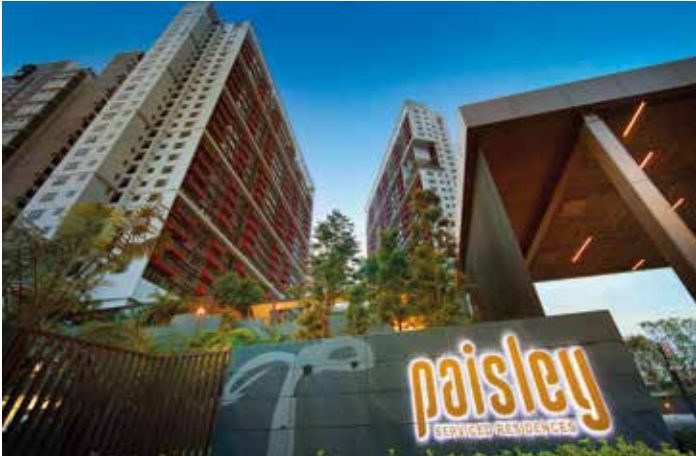
paisley
SERVICED RESIDENCES

75%

With customers' satisfaction in mind, we will continue to strive towards quality excellence in all our developments.

QUALITY FINISH

Quality finishing is an essential aspect of any property development project. It refers to the final touches given to a property to enhance its overall appearance, durability, and functionality. At Tropicana, we believe that achieving quality finishing can set our projects apart from competitors, attract potential buyers, and increase the overall value of the property. Here are some of the projects that feature quality finishing:



Paisley Serviced Residences

- Breaking away from the conventional linear layout, one of Paisley's two towers is structured with a curved design, angling away from the second block to maximise open space. The unique architecture creates privacy while offering breathtaking scenery with its distinctive and bold red balcony
- Over 30 resort-style facilities including 3-level gym facing the Urban Park, Sky Terraces, Cabana & tree-lined Olympic-length pool, sunken seats & aqua gym

Dalia Residences

Equipped with **3S** automated home features:

Smart: Lighting & air-conditioner control

Security: Digital door lock, magnetic, vibration & motion sensors, CCTV, video intercom, emergency button

Sustainable: Solar water panel, water booster pump, rainwater harvesting tank



Aman 1 Serviced Residences

- Grand entrance statement with a guardhouse
- Equipped with a myriad of complete facilities such as swimming pool, wading pool, pool deck, gazebo, BBQ pit, reflexology path, bicycle track & a gymnasium



Lakefield Residences

- Low density (66 units in 5.94 acres of land extending from the township's 16-acre Central Park)
- 2 & 3-storey homes with ensuite bedrooms & built-up of up to 3,730 sf
- Fronting 750m linear lake and park with recreational facilities



**TROPICANA
AMAN**
KOTA KEMUNING

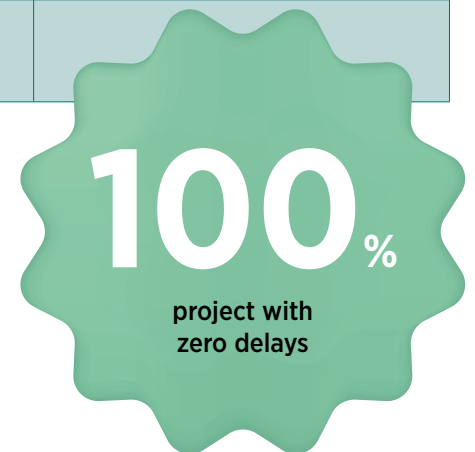
Triana Shop-Offices

- Individual title, high visibility, wide shop frontage (24'-35')
- High ceiling (11'-12') & flexi layout
- Wide boulevards dotted with trees & plants

TIMELINESS OF DELIVERY

Tropicana is committed to always strive to deliver its projects on time or ahead of schedule. We are proud to share, as per the following table, that we have delivered 100% projects with zero delays.

Project	Township	Target VP	Revised Target VP Date	Actual VP	Remarks	Timeliness	Video links
Paisley Residences	Tropicana Metropark	Feb 2021	-	Feb 2021	-	On time	www.youtube.com/watch?v=xRczVMjGqyg
Dalia Residences	Tropicana Aman	Oct 2020	Apr 2021	Apr 2021	-	On time	www.youtube.com/watch?v=kFBC-crj4ens&t=7s
Aman 1	Tropicana Aman	Jun 2021	Dec 2021	Aug 2021	EOT 167 days due to MCO	4 months early	www.youtube.com/watch?v=NrYxOBqA-cYs&t=2s
Lakefield	Tropicana Heights	Apr 2019	Feb 2022	Dec 2021	EOT 167 + 122 days due to MCO	2 months early	www.youtube.com/watch?v=99uAY6IXUPI
Ayera Residences (Phase 2B)	Tropicana Danga Cove	May 2021	Apr 2022	Apr 2022	EOD 442 days due to MCO	On time	
Triana	Tropicana Aman	Feb 2022	Jun 2022	Apr 2022	130 days extension under Force Majeure of SPA affected by MCO	2 months early	www.youtube.com/watch?v=mLLyt95CBx-l&t=24s
Ayera Residences (Phase 2A)	Tropicana Danga Cove	Feb 2021	Nov 2022	Nov 2022	EOD 289 days due to MCO	On time	



Successful VP Handover

In FY2021, over 1,415 happy homeowners of Paisley Serviced Residences at Tropicana Metropark, Lakefield Residences at Tropicana Heights, Dalia Residences and Aman 1 at Tropicana Aman received keys to their brand-new homes. In FY2022, 94 happy owners of Triana's shop offices were invited for a comprehensive VP handover at Tropicana Aman. They were presented with Tropicana handover gifts before being shown around the facilities surrounding the award-winning townships and finally escorted to their new property to go through proper VP handover processes.

DALIA homeowners



MIKE & YUKI

PAISLEY homeowners



ISLOM & MIZA

AMAN 1 homeowners



MEI LING & ARI

LAKEFIELD homeowners



WOON GIE & FOOT KEONG

TRIANA purchasers



SUNNY LIM

I purchased a Triana unit because I am planning to open a bakery for my daughter. I like Triana's connectivity to main highways, as well as the ample parking available. Its wide entrances, abundance of natural light, and high-quality build and finishing are also good.



KINGSLEY TAN

In the leasing business, it's better to deal with commercial tenants, so Triana is a great investment. The clubhouse is nearby, with top accessibility to the mature township. Triana's pillarless design is also convenient for many types of businesses.

ART OF SUSTAINABILITY

At Tropicana, the Art of Sustainability propels us to do better

03

SUSTAINABILITY

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TROPICANA

SUSTAINABILITY STATEMENT



Tropicana Corporation Berhad (“Tropicana” or “the Group”) is pleased to present our Sustainability Statement for the financial year ending 31 December 2022 (“FY2022”). This Statement provides an accurate, balanced and meaningful narrative about the Group’s overall approach and concrete measures to honour our corporate responsibility from an environmental, social and governance (“ESG”) perspective.



Guided by this unique DNA, the Group's integrated developments often feature recreational hubs, central parks, abundant open spaces and eco-friendly building features.



ACCESSIBILITY



CONNECTIVITY



AMENITIES



FACILITIES

INNOVATIVE
CONCEPTS & DESIGNSGENEROUS
OPEN SPACESMULTI-TIERED
SECURITY

QUALITY

Tropicana's ESG DNA is similarly ingrained in the Group's projects and operations. Centred around the three pillars of people, planet and partnership, the Group believes nurturing vibrant communities, protecting the environment and building sustainable partnerships with our stakeholders are vital to our financial success and corporate reputation.



PEOPLE

We believe in creating opportunities and developing talents to achieve long-term value for the business while putting equality at the forefront. Our developments are underpinned by social responsibilities to build a harmonious community and enhance living quality.



PLANET

We recognise the finite nature of our planet's resources as part of our building philosophy that prioritises environmentally responsible architecture and creates impactful efforts to conserve or enhance the natural environment within our developments.



PARTNERSHIP

We aim to uphold current partnerships that serve our business purposes to Redefine the Art of Living while striving to create new collaborative opportunities that align with our principles and sustainability goals.

Our holistic approach to property development is in line with Tropicana's vision to be a leading player in the construction industry that builds innovative and quality products which offer the best value to our stakeholders while staying true to the Group's ESG commitments.

FOREWORD

Tropicana Corporation Berhad ("**Tropicana**" or "**Group**") has compiled this Sustainability Statement ("**Statement**") that underlines our ESG commitments and the Group's approach to economic, environmental and social ("**EES**") risks and opportunities.

This Statement is the sixth addition to our collection of Sustainability Statements which highlights Tropicana's evolving journey of sustainability to add tangible financial value and various non-tangible benefits to our stakeholders over the years.

The Group developed a Sustainability Policy in FY2022 to manage Tropicana's ESG risks and opportunities in order to strengthen our organisational resilience and strategic decision-making. We aim to implement this policy alongside a Sustainable Development Plan. The Sustainability Policy signals Tropicana's resolve to monitor the Group's environmental parameters, including greenhouse gas emissions, energy, water and waste, compliance with green building features, and maintaining a high standard of disclosure on sustainability matters, amongst others.

Tropicana is determined to uphold our reputation as a well-established, responsible property developer that delivers premium property in line with the Group's DNA and ESG commitments. Our motto is to strive to Redefine the Art of Living by constructing wholesome neighbourhoods where communities live, learn, work, play and prosper for generations to come.

Reporting Period

1 January 2022 to 31 December 2022 (unless stated otherwise)

Reporting Scope

Our reporting scope covers the operations and practice of Tropicana in Malaysia, in which we have direct managerial control. Any joint ventures and operations that the Group has no managerial control and decision-making responsibilities are excluded from the disclosures in this Statement unless stated otherwise.

This Statement presents selected data and information on several projects within our operations, where necessary. This year, we disclose relevant information on the following developments:

Central Region

- Tropicana Golf & Country Resort
- Tropicana Indah Resort Homes
- Tropicana Cheras
- Tropicana The Residences
- Tropicana Gardens
- Tropicana Metropark
- Tropicana Aman
- Tropicana Heights
- Tropicana Miyu
- Tropicana Grandhill

Southern Region

- Tropicana Danga Bay
- Tropicana Danga Cove
- Tropicana Uplands
- Tropicana Lido Waterfront Boulevard

Northern Region

- Tropicana Cenang

Independent Assurance

The Group did not undertake any external assurance measures for the data disclosed in this statement. All data contained within this report has been sourced internally and has been verified by the respective business units or information owners. Financial data has been audited by Ernst & Young PLT.

Feedback

As a measure to continuously improve our reporting performance, Tropicana welcomes any suggestions, comments and feedback from our esteemed stakeholders. This Statement as well as Statements from previous reporting periods are presented in our Annual Reports on the Group's corporate website at www.tropicanacorp.com.my.

For direct enquiries, please contact:

Corporate Comm Department

T 03 7663 6888

E corpcomm@tropicanacorp.com.my

Guidelines & Frameworks

This Sustainability Statement complies with Bursa Malaysia Securities Berhad's Main Market Listing Requirements. We have also taken international sustainability goals and reporting framework into account, particularly the Global Reporting Initiative Standards 2021 and the UNSDGs, in our disclosure.

TROPICANA GREEN JOURNEY

PART 1

We continue our sustainability commitment built around our Tropicana Development DNA & Tropicana ESG DNA. Our ESG is represented by our PEOPLE, PLANET & PARTNERSHIP (“PPP”) practice.

Our strategy and socially attuned approach is based on the following guidelines:

- Bursa Malaysia Sustainability Reporting Guide 3rd Edition
- Global Reporting Initiative (“GRI”) Standards 2021
- United Nations Sustainable Development Goals (“UNSDGs”)
- GreenRe or GBI compliance
- Environmental Quality Act 1974
- Environmental Impact Assessment for selected segments
- National Landscape Policy



Built over **375** acres of green lungs across **16** developments



Planted over **6,500** trees



Retained **23** rivers and creeks, **12** waterfalls, and **3** lakes



Renewable energy: Installed over **2,200** solar panels and windmills to clean a **4.41**-acre lake



Foster healthy living: Built over **11** km of biking and walking trails



01



TROPICANA GOLF & COUNTRY RESORT PETALING JAYA, SELANGOR

- 625-acre (Tropicana 27-hole golf course, clubhouse, landed & serviced residences, condominiums, international school, commercial development & shop offices)
- Complete ecosystem (flora & fauna) built over 20 years
- Over 22,000 plant species, birds & insects as well as 18 ponds
- Integrated pest management dragonfly project
- Environmentally conscious practices: solar panels, energy saving, waste disposal, flood retention, wildlife relocation

02



TROPICANA INDAH PETALING JAYA, SELANGOR

- 409-acre (Seri Selangor 27-hole golf course, clubhouse, landed & serviced residences, shopping mall & office tower)
- Thriving ecosystem built over 15 years
- Trees are planted in clusters to create an instant forest effect
- Retained parts of the forest (undulating terrains, natural ponds & waterways)
- Environmentally conscious practices: use of eco-conscious design & materials, energy & water conservation, recycling programme, flood retention, wildlife relocation

03



TROPICANA GARDENS TROPICANA INDAH, PETALING JAYA, SELANGOR

- 17.6-acre (serviced residences, mall & office tower)
- Green Building Index ("GBI") certifications for all towers except Edelweiss (SOFO & Serviced Residences) which will be GreenRe certified
- Energy-saving components such as regenerative lifts, energy & water-efficient fittings, landscaped roof garden with rainwater harvesting system, low-emissivity glass, aluminium screens, paints that have reduced amounts of volatile organic compounds, recycling bins & landscape waste management (100% organic & contaminant-free compost)
- Lush ecosystem with a peaceful blend of flora, fauna, water features, and outdoor landscaping

04



TROPICANA HEIGHTS KAJANG, SELANGOR

- 199-acre (central park, linear lake, recreational hub, landed & serviced residences, international & private schools)
- Transformed the former Kajang Hill Golf Course with sparse vegetation to a lush ecosystem
- Built in harmony with the surrounding community & environment, prioritising the preservation & revitalisation of the site's natural ecosystem
- 16-acre central park with over 400 mature rain trees & 15 Khaya trees replanted throughout the entire development
- To enhance energy efficient practices, LED light fittings are installed throughout the central park & recreational hub
- Environmentally conscious practices: use of eco-conscious design & materials, energy & water conservation, flood retention, wildlife relocation, water & wastewater management

05



TROPICANA METROPARK SUBANG JAYA, SELANGOR

- 88-acre (urban park, serviced residences, retail shops, international school, dedicated link connecting to Federal Highway)
- Reuse & repurpose an old, abandoned factory site into Tropicana Metropark property gallery
- Waterway in the Urban Park incorporates a self-sustaining wetland with a biofiltration system powered by windmills
- The park, which spans 9.2-acre, has a Green Plot Ratio that exceeds local requirements & features hills, slopes & lawns with a 2.8-km looping pathways around the park for walking, jogging and cycling
- SouthPlace Residences is a GreenRE-certified building with environmentally conscious elements

06



TROPICANA AMAN KOTA KEMUNING, SELANGOR

- 863-acre (residences, condominium, commercial shop offices, recreational hub & schools)
- 2,400 tropical trees have been planted in the 85-acre central park
- 7km walking & biking trail ringed by a 100-foot-wide, tree-lined boulevard & linked via 10 bridges & 17 pavilions around the lake
- To address climate change, a proper drainage system including the retention pond is in place for flood risk mitigation in extreme weather conditions
- Environmentally conscious practices: use of eco-conscious design & materials, solar panels, energy & water conservation, flood retention, wildlife relocation, water & wastewater management



TROPICANA GREEN JOURNEY

PART 2

07



TROPICANA MIYU PETALING JAYA, SELANGOR

- 2.82-acre (condominium)
- Provision of bicycle parking racks and electric car charging bays
- Environmentally conscious practices: use of eco-conscious design & materials, such as low E glass installed at level 7 lift lobby, gym room, kids playroom & multipurpose hall rainwater harvesting system

08



TROPICANA CENANG LANGKAWI, KEDAH

- 5.28-acre (serviced suites, retail shops, five-star international hotel)
- Buildings designed with energy efficient and sustainable features, and all units are furnished with certified energy and water efficient appliances
- To inculcate community inclusivity and promote healthy living, 30 resort-themed facilities will be offered
- Adherence to the Environmental Management Plan ("EMP")
- Buildings are fitted with low-E glass, energy efficient lighting & internal walls are painted with low VOC paint

09



TROPICANA WINDCITY GENTING HIGHLANDS, PAHANG

- 596-acre (residential, commercial, education, wellness, silver hair village & park)
- Tropicana Grandhill adopts environmentally conscious practices such as the use of eco-conscious design & materials, energy & water conservation, flood detention pond, wastewater management, rainwater harvesting tank & stormwater management
- Tropicana Paradise bungalows and villas are strategically positioned encircling 12 cascading waterfalls, 23 rivers and babbling creeks to ensure the development taps into the natural landscape
- Preservation & revitalisation of green spaces as outdoor adventure venues and green park
- Sustainable transportation & infrastructure to reduce the township's carbon footprint



10



W KL HOTEL & THE RESIDENCES KUALA LUMPUR

- 1.28-acre (serviced residences & five-star hotel)
- Environmentally conscious practices: use of eco-conscious design such as high ceilings for maximum sunlight, secret garden dotted with trees & rainwater harvesting tank
- Strategically located in the heart of Kuala Lumpur City Centre within walking distance facilities & amenities thus reducing the need to commute via car & lowering carbon footprint

11



TROPICANA 218 MACALISTER GEORGETOWN, PENANG

- 2.09-acre (serviced residences, commercial suites & hotels)
- International brand hotel houses one of Georgetown's historical buildings, a UNESCO World Cultural Heritage Site
- Environmentally conscious practices: use of eco-conscious design such as high ceilings for maximum sunlight, buildings are designed & positioned to offer panoramic sea views, pocket garden & rainwater harvesting tank

12



TROPICANA DANGA BAY ISKANDAR MALAYSIA, JOHOR BAHRU, JOHOR

- 37-acre (serviced residences & retail spaces)
- Tropez residences is GBI certified offering green building features
- Environmentally conscious practices: use of eco-conscious design such as high ceilings for maximum sunlight, water & waste management & rainwater harvesting tank

13



TROPICANA DANGA COVE ISKANDAR MALAYSIA, JOHOR BAHRU, JOHOR

- 227-acre (landed residences & shop offices)
- Each landed unit in Ayera Residences has its own pocket garden
- Lush central park acts as the green lung and community space

14



TROPICANA UPLANDS ISKANDAR MALAYSIA, JOHOR BAHRU, JOHOR

- 244-acre (landed residences, apartments & commercial hub)
- Buildings are designed with energy efficient features including street lighting with LED lights & usage of smart system & design of sales gallery with glass wall to promote natural lighting
- Environmentally conscious practices: use of eco-conscious design & materials, energy & water conservation, flood retention, wastewater & hazardous materials management & stormwater management

15



LIDO WATERFRONT BOULEVARD ISKANDAR MALAYSIA, JOHOR BAHRU, JOHOR

- 90-acre (serviced residences, hotel, offices, retail, park, cultural centre, education & healthcare facilities)
- Tropicana built a flood mitigation system to ease upstream flooding at Sungai Chat & Sungai Abdul Samad
- The system is well-equipped to trap garbage & prevent it from flowing into the sea, helping to improve water quality, reduce pollution & save marine life
- In the pipeline: 3km 10m boardwalk & 3m walkway/ cycling lanes to foster community inclusivity

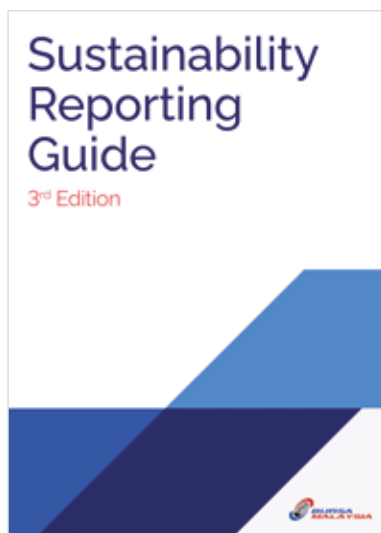
16



T INDUSTRIAL PARK GELANG PATAH, JOHOR

- 1,188-acre (light & medium industries)
- Provisions for green spaces with a recreational park & lake for the benefit of the community
- Dormitories will be built within the facility to house the workers thus minimising carbon impact





PRINCIPAL GUIDELINE

Bursa Malaysia Sustainability Reporting Guide (3rd Edition)

Bursa Malaysia updated its latest Sustainability Reporting Guide in September 2022. Although it is only applicable from FY2023 onwards, Tropicana has made an effort to meet Bursa Malaysia's newest sustainability disclosure requirements in this FY2022 Sustainability Statement.



INTERNATIONAL FRAMEWORK

Global Reporting Initiative (“GRI”) Standards 2021

The revised GRI Standards represent the most significant update since GRI transitioned from providing guidance to setting standards in 2016. It enables Tropicana to disclose information about the Group's most significant economic, environmental and social impacts, and how we manage such related risks and opportunities.



GLOBAL INITIATIVE

United Nations Sustainable Development Goals (“UNSDGs”)

In response to the growing call for corporate entities to enhance their commitment towards climate action and adopt sustainable development solutions, we have identified 9 UNSDGs that align with our business operations and value chain. Progressively, the Group aims to further review and consider measures that would meet the targets of more UNSDGs.



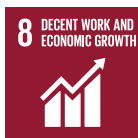
GOAL 3:
Good Health & Well-Being
To ensure healthy lives and promote well-being for all



GOAL 5:
Gender Equality
To foster a workplace environment where everyone is treated with respect regardless of gender identity



GOAL 6:
Clean Water & Sanitation
To ensure availability and sustainable water management and sanitation management for all



GOAL 8:
Decent Work & Economic Growth
To provide a safe and conducive environment for our employees through fair practices and business development.



GOAL 9:
Industry, Innovation & Infrastructure
To inculcate innovative measures that serve to enhance our deliverables and service quality



GOAL 10:
Reduced Inequality
To promote equal opportunities for our employees and general society



GOAL 11:
Sustainable Cities & Communities
To adopt sustainable measures throughout our developments and facilitate community-building initiatives



GOAL 12:
Responsible Consumption & Production
To actively work towards sustainable construction practices and develop buildings that provide sustainable living solutions.

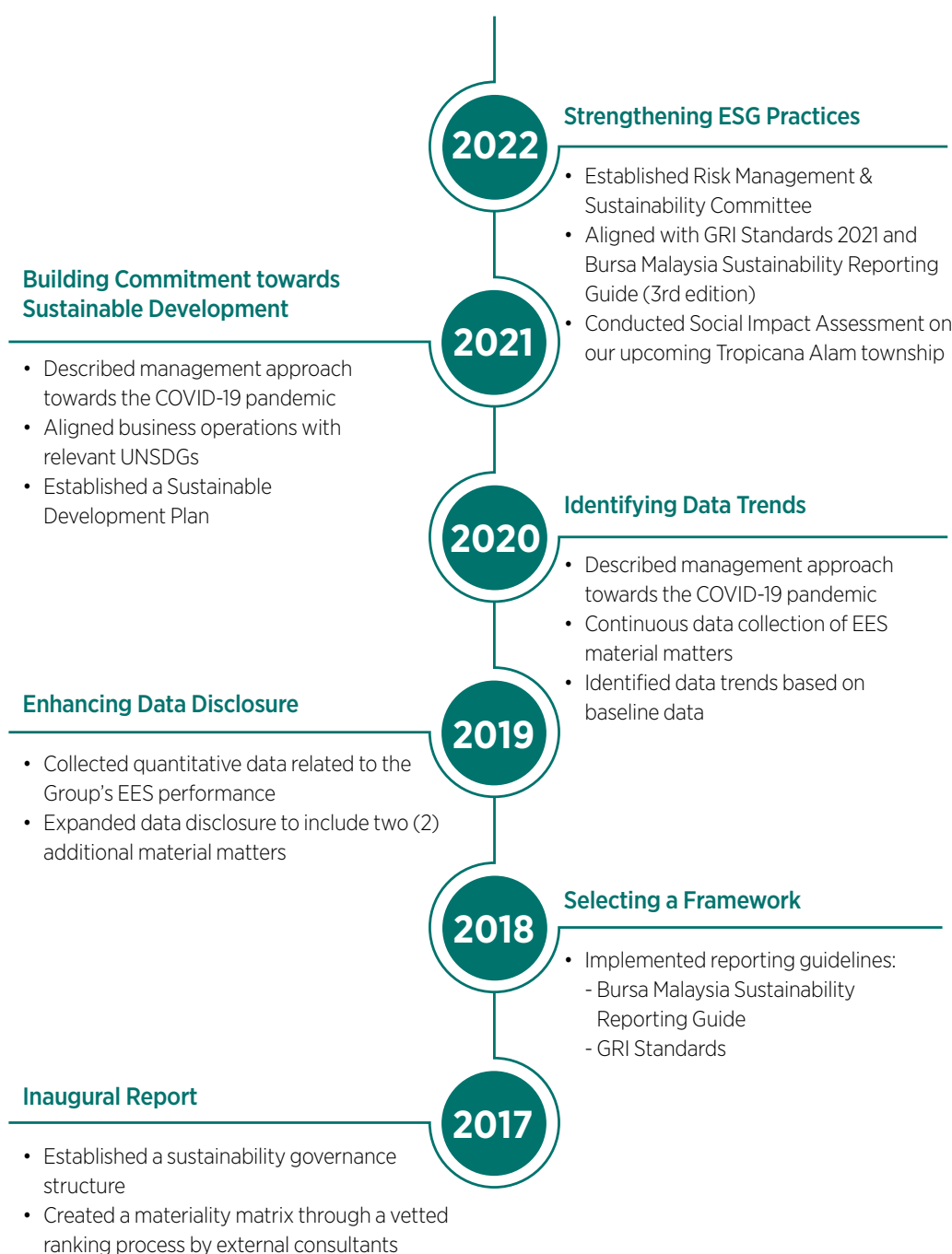


GOAL 15:
Life on Land
To sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss

OUR SUSTAINABILITY JOURNEY

Tropicana began our sustainability journey in 2017 with the identification of 18 material sustainability matters pertinent to the Group's business operations and stakeholders. Our inaugural report also included the establishment of a sustainability governance structure to effectively manage Tropicana's EES risks and opportunities across our business operations.

As we continued to improve on our data disclosure in the subsequent financial years, the Group has made considerable progress in aligning with international and national guidelines that emphasise the integration of environmental, social and governance ("ESG") principles into our operational practices. The latest milestone we achieved in FY2022 is the establishment of a Risk Management & Sustainability Committee and the completion of a Social Impact Assessment for our upcoming Tropicana Alam township^{*12}.



* Social impact assessment is a process of analysing, monitoring and managing the expected or unforeseen social impacts, whether positive or negative, resulting from an intervention measure such as property development in Malaysia.

¹ Tropicana Alam obtained Environmental Impact Assessment ("EIA") approval from the Department of Environment ("DOE") for the proposed residential development on Lot 33962, Mukim Ijok in Kuala Selangor on 18 January 2023, in accordance with DOE requirements Section 34A(2) of the Environmental Quality Act 1974, which includes an explanation for the designated activities; concept and project design; pollution prevention and mitigation measures; control and monitoring of water and air quality; control and monitoring of noise and vibrations; waste management; chemicals and petroleum; control and prevention; environmental management plan; environmental audit; reporting; project closure and recovery plan; administration.

² Tropicana is currently awaiting official comment from PLANMalaysia ("Town and Country Planning Department") on the Social Impact Assessment ("SIA") it submitted on 28 February 2023.

OUR SUSTAINABILITY GOVERNANCE

Our sustainability governance structure serves as a driver to steer the Group towards our ESG aspirations. The Board of Directors (“**The Board**”) – supported by our Risk Management & Sustainability Committee, Sustainability Management Team and Sustainability Steering Committee – oversee and endorse ESG sustainability-related initiatives and practices that are aligned with our EES approach. Tropicana’s overall ESG sustainability performance is measured and reported annually, based on the efforts of our Sustainability Steering Team which is tasked with implementing and monitoring the EES initiatives applied throughout our business operations.

Board of Directors



Roles and Responsibilities

- Responsible for the overall sustainability direction undertaken by the Group
- Ensures business strategy includes considerations of the Group’s material sustainability matters
- Endorses the Group’s Sustainability Statement as part of Tropicana’s annual reporting initiative

Risk Management & Sustainability Committee



Chairperson, Group Managing Director, Group Executive Director and any Director-level representatives involved in risk management and sustainable development within the Group

- Reviews and tables the frameworks for Board of Directors’ approval
- Ensures that sustainability and risk management frameworks are embedded throughout the Group
- Ensures that the sustainability and risk management frameworks are consistently adopted throughout the Group and are within the parameters established by the Board
- Provides oversight of sustainability initiatives that are in line with the purpose, values and strategy of the Group
- Complies with external requirements such as Bursa Malaysia Securities Berhad’s Sustainability Statement and Statement of Internal Control - Guidance for Directors of Public Listed Companies

Sustainability Management Team



Group Managing Director, Group Executive Director, Deputy CEO, Managing Director (Finance), Directors, General Managers, Managers and any other representatives involved in sustainable development within the Group

- Develops sustainability strategies and reports to the Board on the Group’s overall sustainability progress
- Provides leadership to ensure the Group’s sustainability agenda is implemented throughout our business strategies
- Reviews and approves policies, targets and market disclosures on sustainability matters

Sustainability Steering Committee



Departments that are data providers to produce the annual Sustainability Report and executers of sustainability initiatives endorsed by the Board

- The Group will appoint an ESG officer to monitor and execute sustainability-related strategies and targets
- Ensures sustainable processes and controls are in place within the Group’s departments/functions
- Reports on the Group’s sustainability performance based on the implemented processes and controls via the Sustainability Statement
- Collects Group sustainability data to generate a Sustainability Statement for annual disclosure

OUR MATERIAL SUSTAINABILITY MATTERS

Tropicana's material sustainability matters are reviewed annually for their relevance to our business operations and stakeholder interests. Our materiality matrix was generated using guidelines presented in the Global Reporting Initiative ("GRI") standards as recommended in the Bursa Malaysia Sustainability Reporting Guide (3rd edition).

Throughout the reporting period, there were no material changes to our business operations. We therefore retain the 18 material sustainability matters and our materiality matrix as presented in FY2022 as endorsed by our Board of Directors.

01

PRIORITISATION

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

02

REVIEW

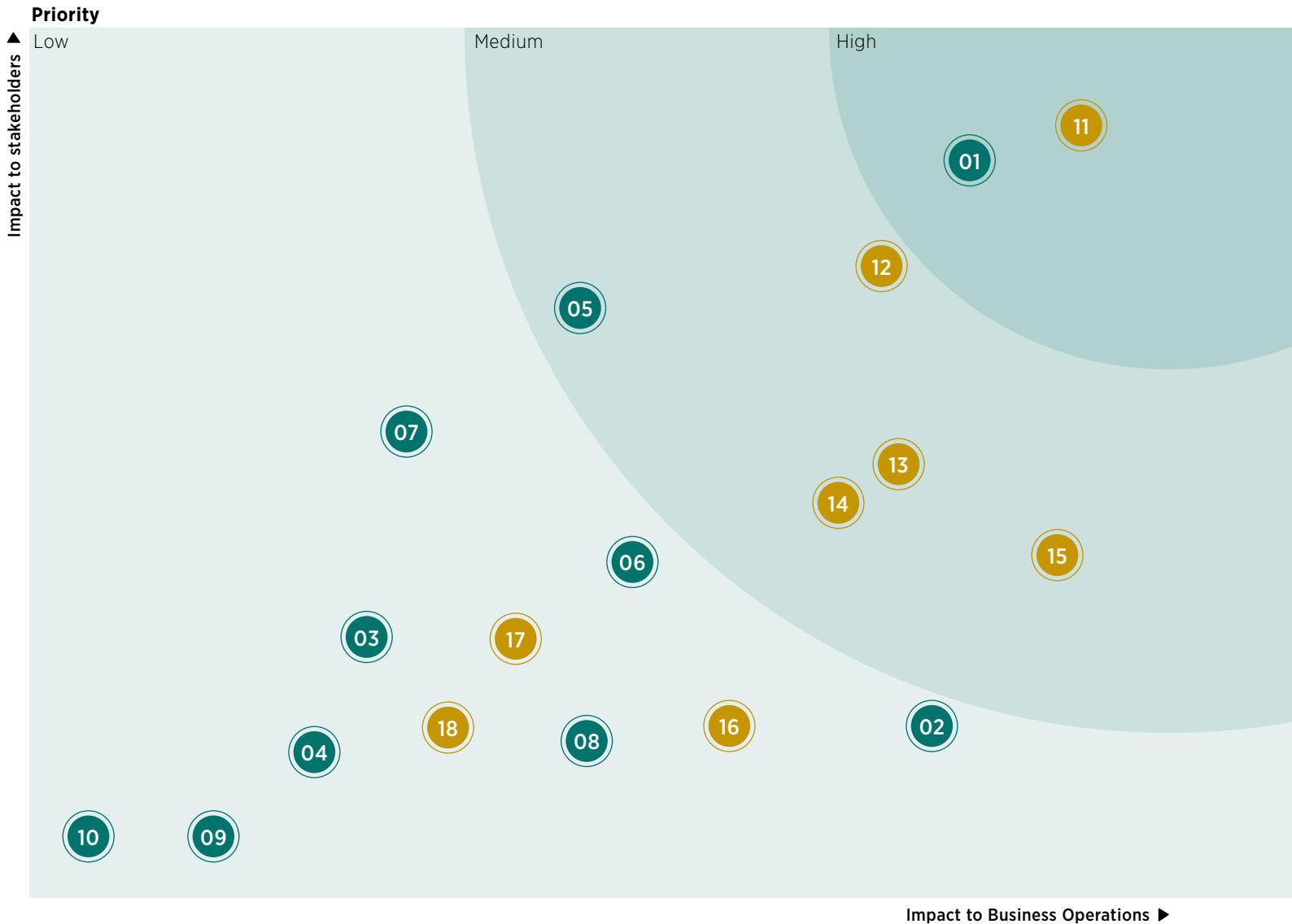
All material sustainability matters are subjected to an annual review for their relevance by the Group's Sustainability Management Team to be disclosed in Tropicana's Annual Report

03

APPROVAL

Data disclosure of Tropicana's material sustainability matters in the Sustainability Statement will be approved and endorsed by the Board of Directors upon review by the Risk Management & Sustainability Committee and Sustainability Management Team

Tropicana FY2022 Materiality Matrix



ECONOMIC

- 01 Economic Performance
- 02 Procurement Practices
- 03 Innovation
- 04 Indirect Economic Impact

ENVIRONMENT

- 05 Environmental Compliance
- 06 Energy Efficiency
- 07 Waste Effluent
- 08 Products and Services Responsibility (Environment)
- 09 Water Management
- 10 Biodiversity

SOCIAL




















- 11 Products and Services Responsibility (Social)
- 12 Occupational Safety and Health
- 13 Contractor Management
- 14 Talent Development
- 15 Employee Management
- 16 Supply Chain
- 17 Community Engagement
- 18 Social Compliance

OUR MATERIAL SUSTAINABILITY MATTERS




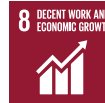












Focus Area	Material Sustainability Matters	Importance to Tropicana
ECONOMIC PILLAR	Economic Performance	To achieve long-term business growth that benefits current and future stakeholders
	Procurement Practices	To ensure transparency, fairness, accountability and impartiality throughout the entire procurement process
ENVIRONMENT PILLAR	Environmental Compliance	To minimise environmental impact via compliance and legislative requirements throughout the Group's supply chain
	Energy Efficiency	To create awareness of responsible energy consumption practices and contribute towards minimising carbon emissions
	Waste Effluent	To employ sound waste disposal methods in compliance with national and local environmental regulations as well as requirements outlined in the Environmental Management Plan
	Water Management	To minimise environmental impact via compliance and legislative requirements throughout the Group's supply chain
	Biodiversity	To recognise the value of biodiversity and take action to conserve it

We selected our top 13 material sustainability matters to be presented in this Sustainability Statement as part of our commitment to disclose the Group's sustainable development progress for the financial year ending 31 December 2022. These key material sustainability matters provide a balanced insight into our economic, environmental and social ("EES") risks and opportunities that drive our business operations and considerations applied to meet the expectations of our stakeholders.

To add value to the material sustainability matters data we disclose, we align each material sustainability matter with relevant stakeholder groups and present the potential risk and opportunities to Tropicana's operations.

Involved Stakeholder(s)	Potential Risks and Opportunities to Group Operations	Relevant UNSDG
<ul style="list-style-type: none"> Board of Directors Investing Communities 	Risk <ul style="list-style-type: none"> Evolving consumer trends and regulatory changes Opportunities <ul style="list-style-type: none"> Value creation through innovative development 	
<ul style="list-style-type: none"> Suppliers Contractors 	Risk <ul style="list-style-type: none"> Disruption to the global supply chain Opportunities <ul style="list-style-type: none"> Uplift local suppliers' market 	
<ul style="list-style-type: none"> Government Suppliers Contractors Customers 	Risk <ul style="list-style-type: none"> Resource use during development Opportunities <ul style="list-style-type: none"> Safeguard the environment through compliance 	  
<ul style="list-style-type: none"> Government Suppliers Customers Investing Communities 	Risk <ul style="list-style-type: none"> Resource use and carbon emission Opportunities <ul style="list-style-type: none"> Innovative technology to reduce emissions 	  
<ul style="list-style-type: none"> Government Suppliers Customers Investing Communities 	Risk <ul style="list-style-type: none"> Exposure to pollution and poison Opportunities <ul style="list-style-type: none"> Safeguard the environment through compliance 	   
<ul style="list-style-type: none"> Government Suppliers Customers Investing Communities 	Risk <ul style="list-style-type: none"> Resource use during development Opportunities <ul style="list-style-type: none"> Exposure to pollution and poison Opportunities <ul style="list-style-type: none"> Safeguard the environment through compliance 	   
<ul style="list-style-type: none"> Government Suppliers Customers Investing Communities 	Risk <ul style="list-style-type: none"> Habitat loss and pollution Opportunities <ul style="list-style-type: none"> Preserve biodiversity through compliance 	  

Focus Area	Material Sustainability Matters	Importance to Tropicana
SOCIAL PILLAR	Products and Services Responsibility	To continuously improve the quality of our deliverables and enhance services that exceed the expectations of our customers
	Employee Management	To develop a balanced and productive workforce that represents the Group in an exemplary manner while achieving job satisfaction
	Talent Development	To promote a continuous learning environment that enhances the employability of our workforce and provides value-added services to our stakeholders
	Occupational Safety & Health	To protect the well-being of our workforce and ensure the safety of all stakeholders
	Contractor Management	To engage with contractors with values and principles that are aligned with the Group's production objectives
	Community Engagement	To encourage the culture of giving back while endorsing harmonious living that uplifts the well-being of wider societies







Involved Stakeholder(s)	Potential Risks and Opportunities to Group Operations	Relevant UNSDG
<ul style="list-style-type: none"> Board of Directors Customers Investing Communities 	Risk Opportunities <ul style="list-style-type: none"> Customer satisfaction Value creation through enhanced brand reputation 	
<ul style="list-style-type: none"> Board of Directors Employees 	Risk Opportunities <ul style="list-style-type: none"> Welfare of employees Fair practices and equality 	   
<ul style="list-style-type: none"> Employees 	Risk Opportunities <ul style="list-style-type: none"> Brand knowledge and upskilling Encourage career development and service excellence 	   
<ul style="list-style-type: none"> Board of Directors Contractors Government Customers Employees 	Risk Opportunities <ul style="list-style-type: none"> Workplace health and safety conditions Safeguard the welfare of employees and general public 	  
<ul style="list-style-type: none"> Contractors Government 	Risk Opportunities <ul style="list-style-type: none"> Construction practices Cost optimisation and high quality development 	 
<ul style="list-style-type: none"> Customers 	Risk Opportunities <ul style="list-style-type: none"> Impact of development in the surrounding community Improve the livelihood of the community 	 












PLANET: ENVIRONMENTAL SUSTAINABILITY

As a responsible developer, Tropicana is aware of the environmental impacts resulting from our core operations. We utilise raw materials to construct buildings on our landbanks which inevitably impacts the natural environment to a certain extent.

The Group adheres to strict environmental and development guidelines and regulations set by public agencies such as the Department of Environment (“DOE”), Town and Country Planning Department (“PLANMalaysia”) and local governments in all our development projects. Our Project Division and contractors employ good environmental management practices throughout the construction phase. Eco-friendly features are incorporated into the buildings and landscapes in our townships to reduce air, land, water and sound pollution and waste as well as conserve energy, water and biodiversity.

In line with Malaysia’s ambition to become carbon neutral by 2050, Tropicana has taken some steps to lower the Group’s greenhouse gas emissions, including installing energy-efficient features, solar panels and wind turbines in our developments. Beyond reducing our carbon footprint, the Group is also concerned with the impact of anthropogenic climate change such as increased rainfall and sea level rise on our development projects and communities. We are in the midst of ascertaining the Group’s Scope 1 to 3 emissions and are undertaking appropriate climate mitigation and adaptation strategies.

Material Matter	Importance to Tropicana	Management Approach	Bursa Malaysia Common (C) / Sector-Specific (S) Indicators	Applicable UNSDGs	Relevant GRI Standards
Environmental Compliance	To minimise environmental impact via compliance and legislative requirements throughout the Group’s supply chain	Implement initiatives to enhance awareness of the importance of environmental conservation and protection by adhering to regulations that aim to protect the natural environment	N/A	  	Disclosure 2-27 Compliance with laws and regulations
Energy Efficiency	To create awareness of responsible energy consumption practices and contribute towards reducing carbon emissions	Implement initiatives to achieve a reduction in carbon emissions, energy consumption and overall cost reduction of electricity usage	C4(a) Total energy consumption C11(a) Scope 1 emissions in tonnes of CO ₂ C11(b) Scope 2 emissions in tonnes of CO ₂ C11(c) Scope 3 emissions in tonnes of CO ₂	  	GRI 302: Energy 2016 GRI 305: Emissions 2016

Material Matter	Importance to Tropicana	Management Approach	Bursa Malaysia Common (C) / Sector-Specific (S) Indicators	Applicable UNSDGs	Relevant GRI Standards
Waste Effluent	To employ sound waste disposal methods in compliance with national and local environmental regulations as well as requirements outlined in the Environmental Management Plan	Implement initiatives to enhance awareness of the importance of waste effluent management by adhering to regulations that aim to protect the natural environment	<p>C10(a) Total waste generated, and a breakdown of the following: (i) total waste diverted from disposal (ii) total waste directed to a disposal</p> <p>S5(a) Total weight or volume of materials that are used to produce and package products and services</p> <p>S8(a) Total volume of water (effluent) discharge over the reporting period</p>	   	<p>GRI 303: Water and Effluents 2018</p> <p>GRI 306: Waste 2020</p>
Water Management	To minimise environmental impact via compliance and legislative requirements throughout the Group's supply chain	Implement initiatives to enhance awareness of the importance of water management and protection by adhering to regulation that aim to protect the natural environment	<p>C9(a) Total volume of water used</p> <p>S8(a) Total volume of water (effluent) discharge over the reporting period</p>	   	<p>GRI 303: Water and Effluents 2018</p>
Biodiversity	To recognise the value of biodiversity and take action to conserve it	Implement a range of strategies and practices that aim to protect and restore biodiversity, while also promoting sustainable development and human well-being to ensure that biodiversity is conserved for future generation and that human societies can thrive sustainably and equitably	<p>S1(a) Percentage of existing operations or projects assessed for biodiversity risks</p> <p>S1(b) Size and location of all habitat areas protected or restored</p> <p>S1(c) Total number of IUCN Red List Threatened Species and national conservation list species with habitats in areas affected by the operations of the company</p>	  	<p>GRI 304: Biodiversity 2016</p>

ENVIRONMENTAL COMPLIANCE & CERTIFICATIONS

Tropicana recognises the significance of stringent environmental and development laws to regulate industrial pollution, protect Malaysia's privileged status as one of the world's 17 megadiverse countries and our citizens' quality of life. The Group complies fully with local and national environmental regulations, with zero fines and non-monetary sanctions in FY2021 and FY2022.

National & Local Regulations

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

Furthermore, several Tropicana projects have been awarded bronze, silver and gold certifications from the Green Building Index ("GBI") and GreenRE in recent years. GBI is the first green building rating tool designed specifically for Malaysia's tropical climate and socioeconomic context. Developed by the Malaysian Institute of Architects and the Association of Consulting Engineers Malaysia, GBI is affiliated with and complies with the World Green Building Council standards. GreenRE, an alternative to GBI, is driven by the Real Estate and Housing Developers' Association Malaysia ("Rehda").

A developer must incorporate concrete measures to enhance a site's water and energy efficiencies, indoor environmental quality, lower carbon emissions, optimise the use of construction materials and more to secure a GBI or GreenRE certification. A list of Tropicana projects that have obtained GBI or GreenRE certification can be found below. We note that construction companies listed on Bursa Malaysia Main Market are required to disclose the percentage of their total property portfolio certified to a recognised building management standard in the upcoming financial years and shall do so in due course.

Name of Project	Project Type	Certification Status
Tropicana Gardens (Arnica)	High-Rise, Residential	GBI Gold (subject to renewal)
Tropicana Gardens (Bayberry)	High-Rise, Residential	GBI Gold (subject to renewal)
Tropicana Gardens (Cyperus)	High-Rise, Residential	GBI Gold
Tropicana Gardens (Dianthus)	High-Rise, Residential	GBI Silver (Provisional)
Tropicana Gardens Office Tower	Commercial, Non-Residential	GBI Silver (Provisional)
Tropicana Gardens Mall	Commercial, Non-Residential	GBI Silver (Provisional)
Tropicana Gardens (Edelweiss)	High-Rise, Residential	GreenRE Silver (Provisional)
Tropicana Metropark (Shoppes)	Commercial, Non-Residential	GreenRE Bronze (Provisional)
Tropicana Metropark (South Residences)	High-Rise, Residential	GreenRE Bronze (Provisional)
Tropicana Miyu	High-Rise, Residential	GreenRE Bronze (Provisional)

ENERGY MANAGEMENT

Globally, there are more records of natural disasters and shifts in climate conditions throughout 2022. A known key contributor to human-induced climate change is excessive carbon emissions from industrial practices and urbanisation. Although Malaysia is not a significant contributor to global greenhouse gas emissions, Tropicana, as a reputable property developer in the country, is committed to adopting energy-efficient measures to lower the Group's carbon emissions throughout our operations and value chain.

Tropicana Gardens Office Tower, the Group's headquarters, is strategically located within the Tropicana Gardens mixed development in Kota Damansara. This modern office building was designed to meet GBI Silver requirements, which include energy-efficient features. Various Tropicana projects have been awarded certifications from GBI and GreenRE, an alternative to GBI developed by Rehda. A complete list of our buildings that have secured such certifications is available on Page 64.

As Malaysia entered the endemic phase of the COVID-19 pandemic on 1 April 2022, the Group's workforce, mall tenants and shoppers have returned to Tropicana Gardens. Consequently, the electricity consumption for Tropicana Gardens Office Tower and Tropicana Gardens Mall registered an increase in FY2022 compared to FY2021 as shown in the table below. We note that Bursa Malaysia requires listed issuers on the Main Market to disclose their total energy consumption and spending from FY2023 onwards and shall do so in due course.

	FY2021 Electricity Consumption (MWh)	FY2022 Electricity Consumption (MWh)
Mall	14,543	25,711
Office	2,488	2,894

Energy-Efficient Building Features

Electricity is required to power buildings once a development is completed and occupied. Tropicana is unable to control energy usage at residential properties handed over to owners. However, the Group does monitor and manage the electricity consumption of commercial buildings and public facilities in our townships.

Tropicana applies innovative building designs that offer natural ventilation and lighting to reduce electricity consumption and wastage. Below are examples of energy-efficient features installed across our developments:



* Features installed at Tropicana Gardens & Tropicana Miyu projects only

** Features installed at Tropicana Gardens projects only

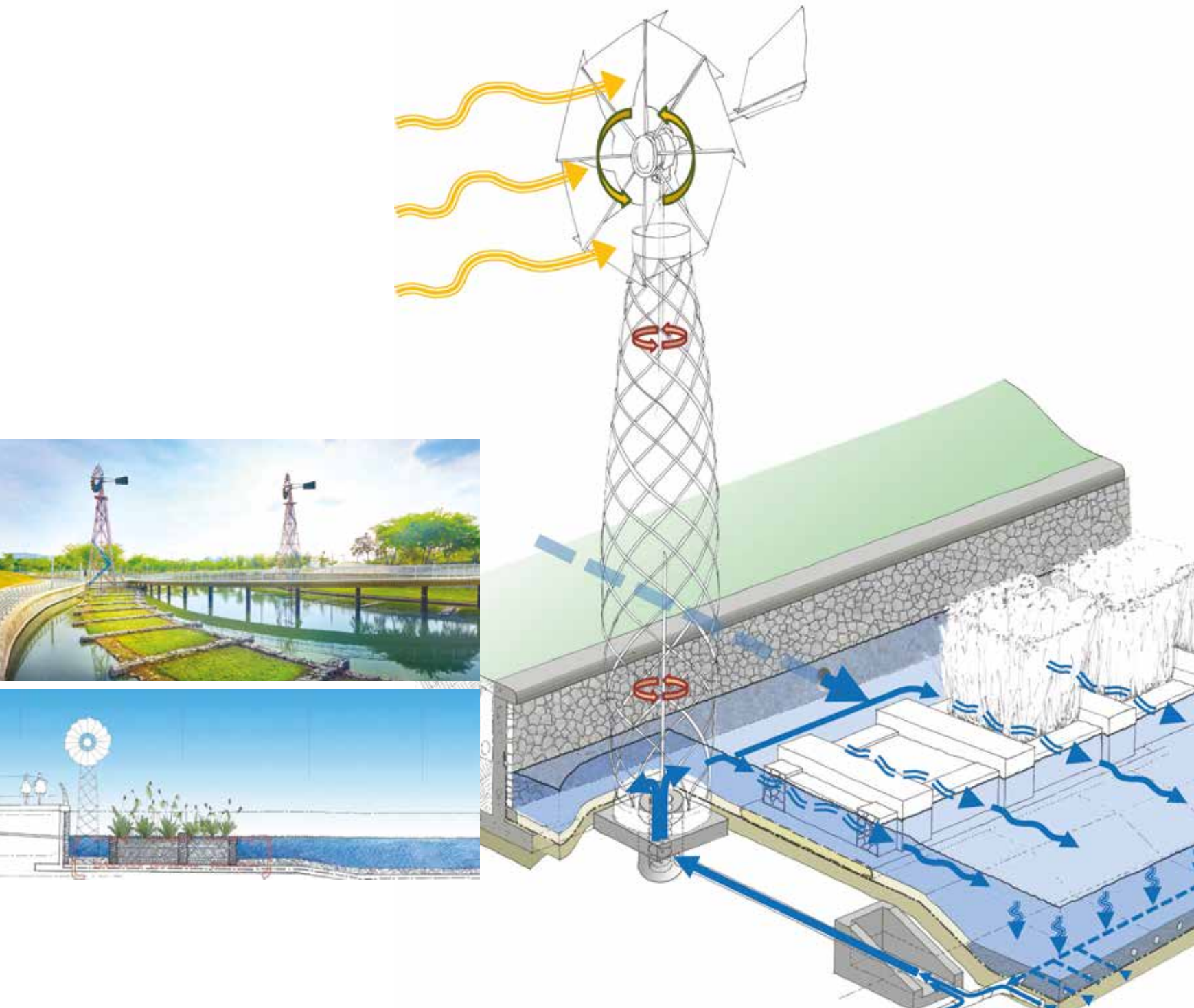
Renewable Energy Projects

We embarked on an exciting project to install solar panels at Tropicana's pioneer resort-themed development, Tropicana Golf & Country Resort ("TGCR"), Petaling Jaya in 2021. Installation of the 2,214 solar photovoltaic panels commenced in March 2021. The panels, spread across 53,204 sq ft of rooftop space at TGCR's clubhouse, were fully operational by September 2021. In FY2021, the panels produced an average of 100,000 kWh of electricity a month, with savings of up to RM100,000 in energy bills a year. In FY2022, the solar panels have generated an average of 107,415 kWh of electricity a month, with total savings of RM174,959 in energy bills a year.

TGCR Solar Panel Project

- 2,214 PV panels installed
- 107,000 kWh electricity generated a month
- Cost savings of up to RM14,000 a month in energy bills

Tropicana had earlier introduced renewable energy projects in other developments in Klang Valley. For instance, Tropicana Metropark in Subang Jaya features windmills that power water turbines in an innovative bio-filtration system to maintain the water quality in the development's 4.41-acre lake. In addition, residents of Dalia Residences in Tropicana Aman, Kota Kemuning enjoy hot water for their showers and kitchens produced by solar-powered water heaters.

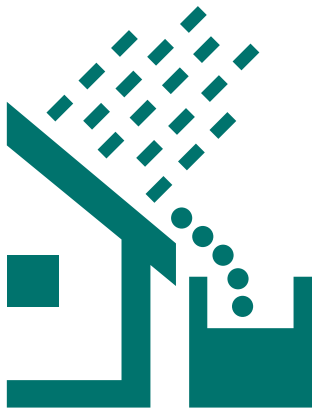


WATER & EFFLUENT MANAGEMENT

Tropicana understands that while Malaysia is blessed with abundant rainfall, several parts of the country are water-stressed and confronted with the persistent challenge of floods at the same time. Property purchasers want to be assured that their homes, offices and neighbourhoods will have reliable access to clean water, sanitation and be free from floods. As such, water conservation, sanitation and stormwater management are all material topics relevant to the Group.

Generous open spaces are part of our Group's DNA. To reduce potable water consumption for landscaping purposes and stormwater runoffs at several developments, we collect rainwater for irrigation. At Tropicana Indah Resort Homes and Tropicana Gardens in Kota Damansara, rainwater is further used to clean common areas and provide top-up for swimming pools and water landscapes. Water-efficient fittings are incorporated in the four residential towers in Tropicana Gardens too.

Tropicana developments that harvest rainwater for landscape irrigation:



- Tropicana Aman
- Tropicana Golf & Country Resort
- Tropicana Indah Resort Homes
- Tropicana Gardens
- Tropicana Metropark
- Tropicana Heights
- Tropicana Miyu

Beyond rainwater harvesting, the Group is constructing an underground sewerage treatment plant in Lido Waterfront Boulevard, Johor Bahru featuring a sequenced batch reactor (“SBR”) system that does not require chemicals for wastewater treatment. The SBR utilises biological processes to treat domestic effluent.

We note that Bursa Malaysia requires listed issuers on the Main Market to disclose their total water consumption, the total volume of effluent discharge, associated spending and savings thanks to rainwater harvesting from FY2023 onwards and shall do so in due course.

Stormwater Management

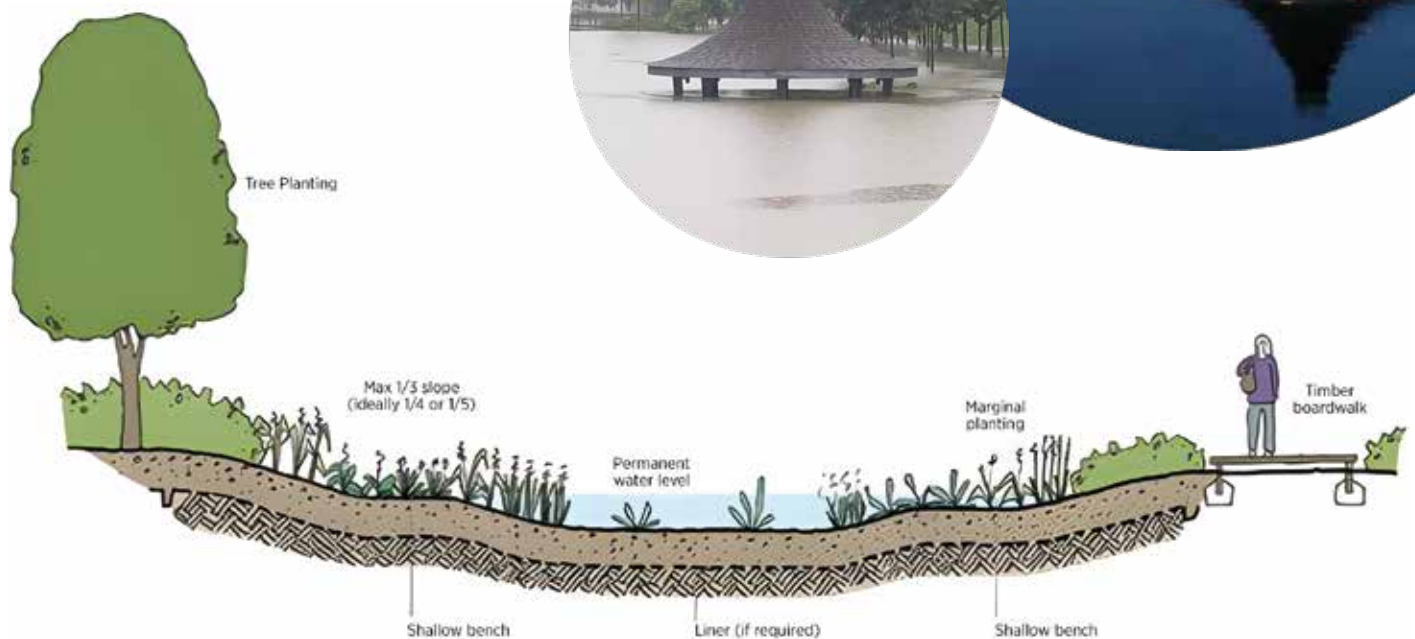
Stormwater management is designed into all of Tropicana's developments such as Tropicana Miyu, Tropicana Aman, Tropicana Gardens and more. We rely on the Department of Irrigation and Drainage's Urban Stormwater Management Manual for Malaysia to manage flood risks across all our projects.

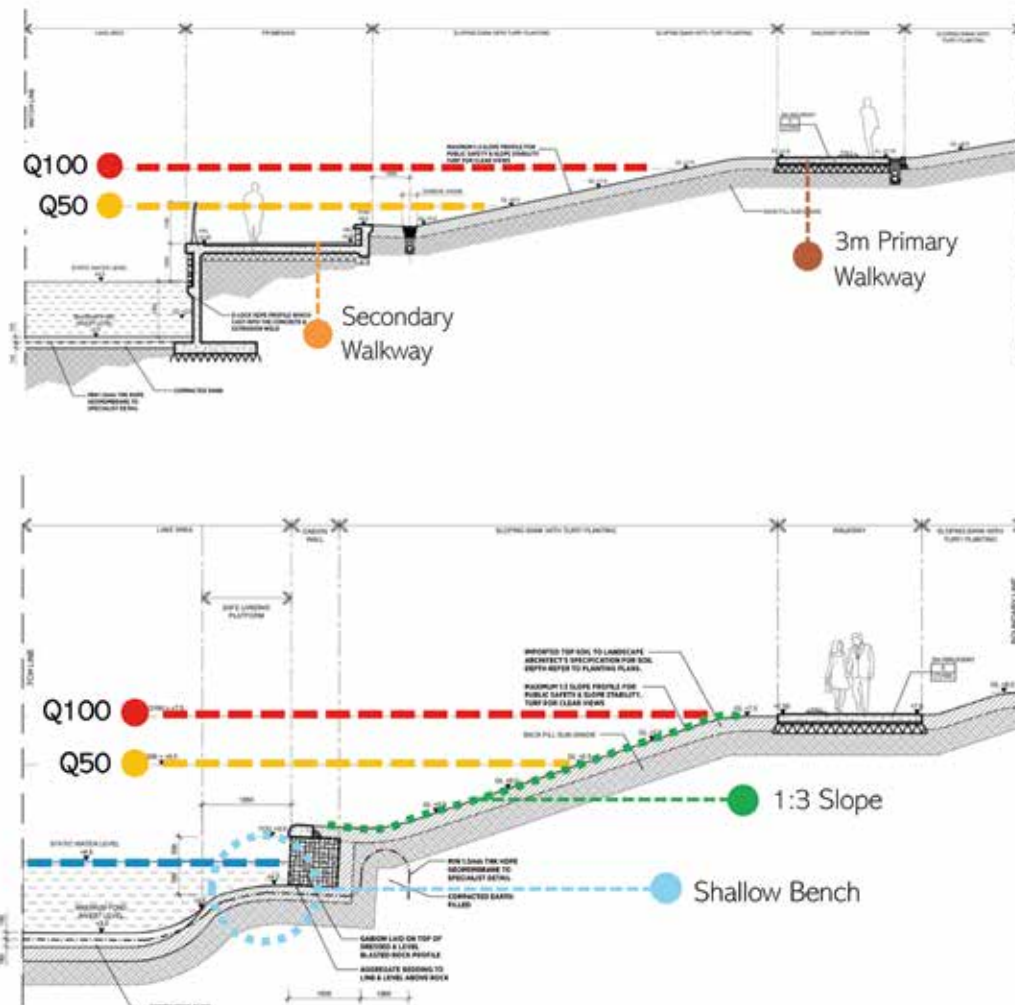
Many of our developments feature copious water bodies for aesthetic and practical purposes. The central lake in Tropicana Metropark in Subang Jaya, for example, serves as a flood detention pond as well. In Tropicana Heights in Kajang, we employ gross pollutant traps to catch litter and silt to control stormwater pollution. Wetland plants are also used to improve water quality in the water bodies.

In Genting Highlands where construction for Tropicana WindCity is ongoing, surface water runoff is channelled into a centralised silt trap before being discharged into external drains and natural waterways. Furthermore, onsite detention tanks are used to contain surface water runoff as a method of flood control. Berm drain and turf are utilised to reduce soil erosion and for slope protection.

Besides that, Tropicana has completed the construction of a flood mitigation system to ease upstream flooding at Sungai Chat and Sungai Abdul Samad which was handed over to the local authority in 2021. Situated at Lido Waterfront Boulevard, the system is well-equipped to trap garbage and prevent the trash from flowing into the sea, which in turn helps to improve water quality and save marine lives.

At our flagship development at Tropicana Golf & Country Resort, 18 retention ponds across Tropicana's 27-hole golf course were upgraded for better irrigation and filtration system. These upgrading works have also provided rainwater harvesting which is used for watering the plants, grass and fruit trees.





Stormwater Management Diagram

- For slope stability, only a maximum **1:3 slope** has been allowed above the water level
- A shallow bench has been created **500mm – 700mm** below water level as a safe landing platform in case someone accidentally falls into the water



Water Edge Treatment

The lakes and water courses offer a variety of edge treatments that correspond to the adjacent land uses.

Soft Edge

- Natural wetland edges with reed beds and marginal planting
- To promote wildlife and passive recreation in predominantly residential areas

Hard Edge

- Where the lakes and parks are adjacent to commercial areas
- More formal and urban with hard promenades and boardwalks
- To allow waterfront commercial activity and gathering space



MATERIALS & WASTE MANAGEMENT

Construction waste forms a major component of the total volume of solid waste produced by developers. Tropicana monitors the generation of hazardous and non-hazardous waste across our business operations. Our contractors are required to employ sound waste disposal methods in compliance with national and local environmental regulations as well as requirements outlined in the Environmental Management Plan (“EMP”). Scheduled waste produced at our sites is collected, stored and disposed by operators licensed by the Department of Environment (“DOE”).

The Group minimises the use of hazardous materials by utilising eco-friendly building products, such as waterproofing, sealant, ceiling board, skim coat and low volatile organic compound (“VOC”) paints. Tropicana developments that incorporated such measures during construction were Tropicana Gardens and Tropicana Miyu.

During the construction of Tropicana Indah Resort Homes, materials used were sourced from local suppliers and subsequently recycled. In addition, we had repurposed a portion of an abandoned factory onsite at Tropicana Metropark into our property gallery and operations office. The wider derelict factory lot was converted into an open park with a large water body and green landscape.

The Main Market listed issuers on Bursa Malaysia are required to disclose the total waste generated by their operations, a breakdown of the total waste diverted from disposal and the total waste directed to disposal from FY2024 onwards. Tropicana recognises this and shall do so in due course.

Recycling of Household Waste

Tropicana supports efforts to raise the recycling rate in Malaysia by providing recycling bins at strategic locations within our developments. Since FY2020, Tropicana has engaged iCycle Malaysia to recycle domestic waste collected from our developments across the Klang Valley, including Tropicana Heights, Tropicana Metropark, Tropicana Aman, Tropicana Gardens and Tropicana Avenue.

In FY2022, we successfully recycled 3,113kg of waste and avoided an estimated 1,497kg in carbon dioxide (CO₂) savings through our collaboration with iCycle. Tropicana will continue to explore different waste management strategies as part of our wider goal to reduce or recycle waste throughout our value chain.

	FY2020	FY2021	FY2022
Weight of Recycled Waste (kg)	1,368	2,792	3,113
Estimated CO2 savings (kg)	723	1,334	1,497

Note:
Carbon dioxide (CO₂) savings are the equivalent of the number of carbon emissions saved in kilograms (kg) for recycled waste products that would usually be disposed into landfills. The CO₂ savings calculation was based on the criteria outlined by National Solid Waste Management Department (JPSPN) in Malaysia data using the US-EPA calculator. For further information, please visit <https://icyle-global.com/>

Various Types of Household Waste Collected by iCycle

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



Composting of Garden Waste

Apart from construction waste and household waste, garden refuse is another kind of waste the Group must regularly deal with in our developments that feature lush landscapes. Tropicana practices composting to lower the garden waste we produce as well as the use of chemical fertilisers.

Tropicana Aman, Tropicana Heights and Tropicana Gardens are examples of our developments in the Klang Valley where we convert landscape waste into organic compost.



Paper Usage

The Group's architectural drawings and homeownership documentation, which require physical copies for official submissions and approvals, make up most of our paper consumption. Nonetheless, Tropicana has adopted various forms of digital communications with our stakeholders, which lower paper usage for such purposes. Further details about the Tropicana 360 application is available on Page 85.

We began tracking the Group's printing and paper procurement costs at our headquarters in FY2021. Such costs saw a marginal increase in FY2022. This is due to our employees spending less time in the office in FY2021 due to COVID-19 lockdowns.

Paper Usage at Tropicana Gardens Office Tower (Tropicana HQ)

	FY2021	FY2022
Number of Reams Procured	5,700	5,940
Annual Procurement Cost on Paper Ream (RM)	47,310	58,050
Annual Cost on Printing (RM)	227,976	271,617

Note:

Figures are based on Tropicana employee count of 917 in FY2021 and 843 in FY2022



BIODIVERSITY MANAGEMENT



Tropicana is committed to supporting the government and conservation organisations' efforts to uphold Malaysia's unique status as one of the 17 megadiverse countries in the world. The Group recognises that biodiversity is among the sector-specific indicators Bursa Malaysia expects construction players to make certain disclosures on in its latest edition of the Sustainability Reporting Guide. Hence, we are in the process of compiling the data below for future reporting cycles:

- i) the percentage of our existing operations or projects assessed for biodiversity risks,
- ii) the size and location of all habitat areas protected or restored, and
- iii) the total number of species in the International Union for Conservation of Nature ("IUCN") Red List and Malaysia's national conservation list with habitats affected by our operations.

This section documents some of our Group's notable efforts in biodiversity conservation as of FY2022. They include the transplantation of mature trees, woodland planting, and the introduction of dragonflies as a natural pest control method in our developments.

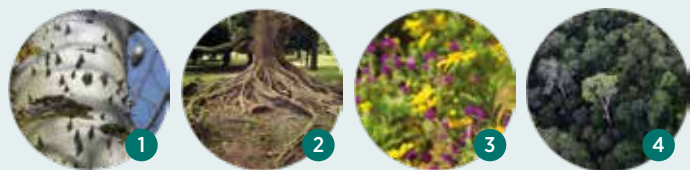
In Tropicana Metropark, we provide an urban park that includes a wetland, wind turbines, a lake and green spaces that exceeded local plot ratio requirements. At Tropicana Heights, Tropicana has increased the diversity of species, plantings and transplanted 400 mature rain trees and 15 Khaya trees.

The Group planted 4,000 samplings in the central park of Tropicana Aman to create a diversified woodland that would eventually form

overlapped, continuous and interlinked tree canopies. The Tropicana Golf & Country Resort, our pioneer flagship development, is a haven for birds. It is also the pilot site where dragonflies are being used as a biological method to control populations of mosquitoes, which reduces the use of harmful chemicals.

In Langkawi, where Tropicana Cenang construction is ongoing, we plan to reinstate more than 200 trees, 150 palms, a variety of shrubs and climbers onsite to create a modern resort that integrates premium amenities in a natural landscape.

Sustainable Landscape Design



- 1 Avoiding hazardous trees, such as poisonous, weak branches, thorny trunks, etc
- 2 Avoiding trees with aggressive root systems in the developments, especially next to the walkway and near underground utilities
- 3 Avoiding annual plants which require replenishment after the life cycles
- 4 Always consider native species in the planting scheme

Enriching Forest Ecosystem

The Group planted 4,000 samplings in the central park of Tropicana Aman to create a diversified woodland that would eventually form overlapped, continuous and interlinked tree canopies. Woodland was introduced to enhance the greenery and enrich the ecosystem, providing biodiversity.

Structure of Woodland

- Overlapped, continuous and interlinked tree canopies
- Nice green backdrops define the park boundary with softer treatment
- The more different kinds of plants there are, the greater the animal diversity



As part of sustainable development, we pay close attention to our environment and build our township anchored by a sustainable park to enhance green living.

Our Green Design Practice



Functional



Cost Efficient



Visually Pleasing



Environmental Friendly



Maintainable

Objectives



Preserve Environment



Balanced Ecosystem



Green Aesthetic



Human Health



Property Value



Lifestyle



Tropicana Metropark spans 9.2-acre urban park is the social heart and green belt of the township offering lush landscape



Tropicana Heights Central Park spans 16-acre was repurposed from the former Kajang Hill Golf Course

Our Green Lungs

Within the Tropicana Aman Central Park lies a 7km-long trail designed specifically for walking, jogging and biking. It is part of the landscape feature that promotes the “Walking and Biking Community” concept of Tropicana Aman, which also features its iconic yellow bike.

The bike-friendly trail within the park is well connected with the walkway along the streetscape that is connected to each residential parcel.

Neighbourhood areas are connected by the Green Ribbon network and recreation gardens. Parks are designed for activities of various ages and abilities. Increasing street permeability and inviting the community into and through the site.

- Friendly and direct access
- Gazebos and seating areas are provided at certain spots within the Central Parks

Tropicana Aman Central Park which spans 80-acre features two main parks being the East Lake Park and the West Lake Park



Our Green Features

- Selection of leafy plants to create lush greenery
- At least 10% of green spaces are crafted in the development
- To fulfil the growing demands of green lungs within the developments
- A wide variety of greenery is used in the landscaping of Central Parks to create lifescapes that grow with the residents
- Approximately 2,400 numbers of trees and palms have been planted in the Tropicana Aman Central Park creating an environment that is warm and inviting
- Estimated 1,500 numbers of trees and palms were planted in Tropicana Heights along the streetscape and Central Park
- Vertical green for high-rise developments such as façade treatment for car park floors such as Tropicana Grande and Tropicana Metropark Pandora Residences offering benefits such as purifying the air, decreasing and regulating temperatures, softening the building façade with vertical green while promoting biodiversity



Mental Health
Boost



Outdoor Play
Area



Centre of
Community



Physical
Activity

Integrated Pest Management – Dragonfly Pond Project

Tropicana pioneers the use of dragonflies as a biocontrol mechanism. As one of the country's leading developers, Tropicana is the first to deploy dragonflies to control pests naturally in Tropicana Golf and Country Resort ("TGCR"). The pilot project to release 88 larvae of Red Glider Dragonfly (*Tramae transmarina*) into a new man-made pond in TGCR on 24 September 2021 is a collaboration with well-known dragonfly expert Dr Choong Chee Yen from Universiti Kebangsaan Malaysia ("UKM").

Our TGCR golf course is surrounded by lush greeneries to emulate a serene environment for our patrons to enjoy when they come to play the sport. Naturally, our humid and tropical climate is a conducive environment for pests such as mosquitoes to breed that consequently becomes a nuisance and threat to public health. To manage this, we embarked on a journey to adopt an integrated pest management ("IPM") approach by utilising biological methods to reduce or eliminate pests rather than rely on harmful chemical products that could adversely impact the environment.

Our Dragonfly Pond is a flagship project to breed and sustain a healthy dragonfly population at our golf course as a means to apply biological control to mosquitoes in the surrounding area. Dragonflies are known natural predators of mosquitoes and other insects, thus a commonly used IPM measure has proven to be effective in the long term. We hope that this initiative effectively manages insect pests within TGCR grounds to create a comfortable and safe environment for our patrons to enjoy.



During a field survey on 18 February 2022, Dr Choong observed a total of 7 species of flying adults of dragonflies and damselflies throughout the day.

Dragonflies

1. *Tramea transmarina*
(Saddlebag Glider)
2. *Brachydiplax chalybea*
(Blue Dasher)
3. *Ictinogomphus decoratus*
(Common Flangetail)
4. *Tholymis tillarga*
(White-barred Duskhawk)

Damselflies

1. *Ishnura senegalensis*
(Common Bluetail)
2. *Pseudagrion microcephalum*
(Blue Sprite)
3. *Agriocnemis femina*
(Variable Wisp)

He identified two additional species in photos provided by TGCR staff: *Trithemis aurora* (Crimson Dropwing) and *Orthetrum sabina* (Variegated Green Skimmer).



Larvae from 4 species, including the red glider, were recorded during the field survey. Three red glider exuviae – the dried outer skin young dragonflies left behind after they emerged – were collected.

Dr Chong concluded that the pond condition is conducive for dragonflies and damselflies, with the red glider breeding successfully. The pond has also attracted other species, which are breeding at the site. He suggested that more aquatic plants, particularly reeds and hornwort, be planted as dragonflies like to perch on their tips.

Landscape Maintenance



- Challenging due to the high maintenance cost.
- Lake water to be utilised for watering purposes for more cost efficiency.
- To remove the weeds and keep the plants healthy for a balanced ecosystem.
- Only use contact chemicals pesticide and herbicide control. Contact control agents are more eco-friendly as it is surface active substance which are not absorbed by plant tissue. It is usually sprayed directly onto foliage or bunches where the insect pest or fungus is living or feeding.

PEOPLE:

SOCIAL SUSTAINABILITY

Stakeholders' Engagement

The Group strives to maintain a clear and open channel of communication with our stakeholders to optimise the value creation of our business. Our key stakeholders are categorised into six groups that influence our business decisions. This year, we continue to explore new engagement avenues that serve to enhance the level of transparency and accountability throughout our business operations.

STAKEHOLDER GROUP	BOARD OF DIRECTORS 	INVESTING COMMUNITY 	EMPLOYEES 
Engaging with Our Stakeholders	Foster strong leadership practices to achieve operational efficiency and make sound strategic decisions that ensures business success	Ensure long-term sustainable returns by expanding our business portfolio and upholding corporate governance	Protect the welfare of employees while cultivating a continuously learning culture to provide exemplary service
Areas of Interest	<ul style="list-style-type: none"> • Corporate strategy • Regulatory compliance • Investment strategy • Property portfolio • Long-term growth potential and profitability 	<ul style="list-style-type: none"> • Return on investment • Property portfolio • Business diversity • Financial performance • Future outlook 	<ul style="list-style-type: none"> • Career development opportunities • Benefits and remuneration • Conducive working environment • Welfare considerations
Methods of Engagement	<ul style="list-style-type: none"> ■ Nomination Committee and Remuneration Committee meetings* ■ Board of Directors, Audit Committee, Risk Management & Sustainability Committee meetings* ■ Investment Committee and Pricing Committee meetings* <p><i>*Additional meetings are held as and when required</i></p>	<ul style="list-style-type: none"> ■ Annual General Meeting ■ Analyst briefings ■ Financial performance results ■ Corporate website ■ Extraordinary General Meeting 	<ul style="list-style-type: none"> ■ Human capital development programmes ■ Employee engagement platforms ■ Company intranet and newsletters
Relevance to Material Sustainability Matters	<ul style="list-style-type: none"> • Economic Performance • Products and Services Responsibility (Social) • Employee Management 	<ul style="list-style-type: none"> • Economic Performance • Products and Services Responsibility (Social) • Energy Efficiency 	<ul style="list-style-type: none"> • Employee Management • Talent Development • Occupational Safety and Health

Frequency of Engagement

- Annually ■ Semi-Annually ■ Quarterly ■ Monthly
■ Continuously ■ As and when required ■ Project basis

CUSTOMERS

Create quality and innovative developments that bridge communities together

- Project features and design
- Product quality
- Sustainable considerations
- Surrounding amenities and facilities
- Customer support

- Customer satisfaction survey
- Marketing campaigns and events
- Corporate website and project microsites
- Social and digital media
- Tropicana 360 app
- Direct communication (SMS and email)

- Products and Services Responsibility (Social)
- Occupational Safety and Health
- Community Engagement
- Environmental Compliance
- Energy Efficiency

SUPPLIERS & CONTRACTORS

Cultivate and sustain a strong relationship with our service providers, vendors and suppliers that meet the Group's quality and performance standards

- Fair and transparent supply chain and tendering process
- Contract availability
- Project management approach

- Training and coaching for compliance
- Meetings and discussions with suppliers/contractors
- Local and global supplier/contractor sourcing
- Supplier/contractor performance review

- Procurement Practices
- Occupational Safety and Health
- Contractor Management
- Contractor/Supplier Management
- Energy Efficiency

GOVERNING AGENCIES

Strive towards continuous compliance with regulatory requirements to uphold accountability and integrity




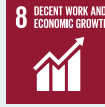

- Compliance with regulations
- Policies and frameworks applied to operations
- Fair and transparent practices












- Formal meetings
- Pre-consultations

- Occupational Safety and Health
- Contractor Management
- Environmental Compliance
- Energy Efficiency

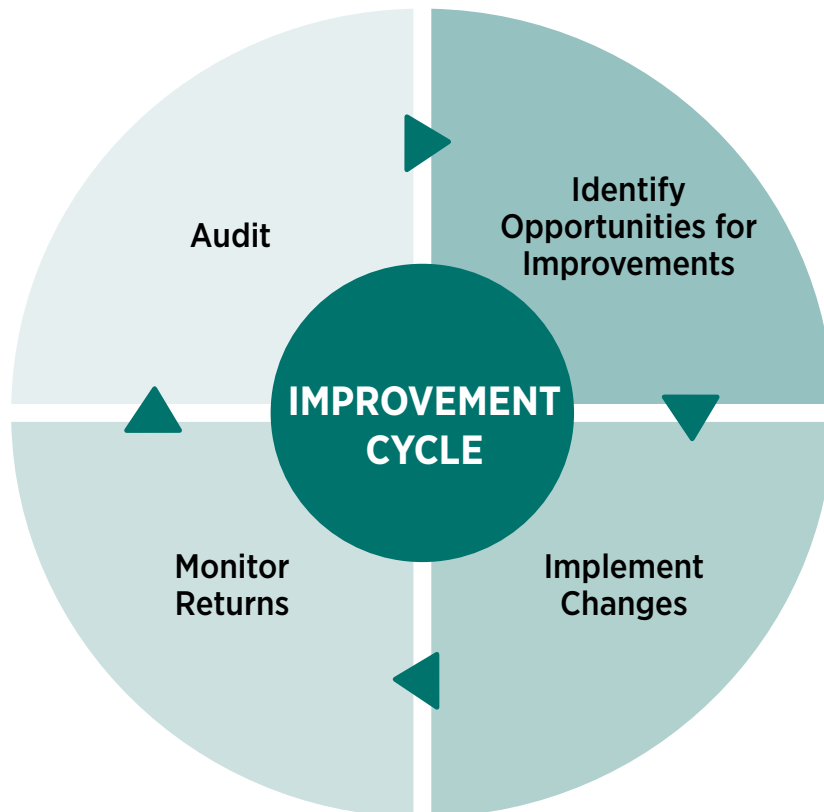
SOCIAL RESPONSIBILITY

Tropicana Group champions the development of our workforce by encouraging a culture of continuous learning and fair practices. To create a thriving workplace, our focus is set on preserving the health and safety of our stakeholders at all times, especially throughout the course of this pandemic, across all our operating areas. We also remain dedicated to realising our aspirations to deliver quality products and provide exemplary services to our customers. To this effect, key measures were undertaken to monitor customer satisfaction and gain valuable feedback on evolving consumer demands on properties in which they wish to own or invest in. The Group also extended generous assistance to local communities in FY2022 via our charity channel – Tropicana Foundation. Donations and other contributions were allocated based on our commitment to improve education and healthcare in Malaysia.

Material Sustainability Matter	Importance to Tropicana	Management Approach	Bursa Malaysia Common (C) & Sector-Specific (S) Indicators	Applicable UNSDGs	Relevant GRI Standards
Products & Services Responsibility (Social)	To continuously improve the quality of our deliverables and enhance services that exceed the expectations of our customers	Create quality deliverables to enhance brand reputation as well as benefit homeowners and the surrounding community	<ul style="list-style-type: none"> C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data 		<ul style="list-style-type: none"> GRI 2: General Disclosures 2021 GRI 416: Customer Health and Safety 2016 GRI 417: Marketing and Labelling 2016 GRI 418: Customer Privacy 2016
Employee Management	To develop a healthy and productive workforce that represents the Group in an exemplary manner while achieving job satisfaction	Encourage a harmonious and fair working environment for employees to create value within our workforce	<ul style="list-style-type: none"> C3(a) Percentage of employees by gender and age group, for each employee category C3(b) Percentage of directors by gender and age group C6(b) Percentage of employees that are contractors or temporary staff C6(c) Total number of employee turnover by employee category C6(d) Number of substantiated complaints concerning human rights violations 	   	<ul style="list-style-type: none"> GRI 2: General Disclosures 2021 GRI 202: Market Presence 2016 GRI 401: Employment 2016 GRI 402: Labour/Management Relations 2016 GRI 405: Diversity and Equal Opportunity 2016 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

Material Sustainability Matter	Importance to Tropicana	Management Approach	Bursa Malaysia Common (C) & Sector-Specific (S) Indicators	Applicable UNSDGs	Relevant GRI Standards
Talent Development	To enhance the employability of our workforce and provide value-added service to our stakeholders	Encourage a culture of continuous learning to develop a formidable workforce that is highly knowledgeable of the property market and provide excellent customer service	<ul style="list-style-type: none"> C6(a) Total hours of training by employee category 	   	<ul style="list-style-type: none"> GRI 404: Training and Education 2016
Occupational Safety & Health	To protect the well-being of our workforce and ensure the safety of all stakeholders is maintained	Implement measures to strengthen the culture and awareness of occupational safety and health among our stakeholders	<ul style="list-style-type: none"> C5(a) Number of work-related fatalities C5(b) Lost time incident rate C5(c) Number of employees trained on health and safety standards 	  	<ul style="list-style-type: none"> GRI 403: Occupational Health and Safety 2018
Contractor Management	To engage with contractors with values and principles that align with the Group in producing an output that meets the demand and expectations of the market	Adopt clear and transparent practices between the Group and our contractors to promote efficient contract management that facilitates a beneficial working relationship	<ul style="list-style-type: none"> C7(a) Proportion of spending on local suppliers S6(a) Percentage of new suppliers that were screened using environmental criteria S6(b) Number of suppliers assessed for environmental impacts S7(a) Percentage of new suppliers that were screened using social criteria S7(b) Number of suppliers assessed for social impacts 	 	<ul style="list-style-type: none"> GRI 2: General Disclosures 2021 GRI 204: Procurement Practices 2016 GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016
Community Engagement	To encourage the culture of giving back while endorsing harmonious living that uplifts the well-being of the community	Share the wealth and prosperity of the Group with local communities in which we operate	<ul style="list-style-type: none"> C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer C2(b) Total number of beneficiaries of the investment in communities 	 	<ul style="list-style-type: none"> GRI 411: Rights of Indigenous Peoples 2016 GRI 413: Local Communities GRI 415: Public Policy 2016

QUALITY ASSURANCE



Tropicana remains consistent in our commitment to upholding the quality of our products and services that meet stakeholders' expectations. Ingrained in our Tropicana DNA, quality excellence extends beyond the products we create to include the services we provide, operational performance and construction practices at our project sites.

Essential to ensure customer satisfaction and brand loyalty, maintaining quality performance also promotes cost and operational efficiencies that ultimately reduces the wastage of resources and manpower throughout the construction phase of our projects. To achieve this, we adopt the Improvement Cycle – a series of steps and actions that facilitates the continuous assessment of our products and operations to enhance value creation for our stakeholders.

Below are the national and international sustainability standards relevant to this particular section on the Group's approach and practices on products and services social responsibility:

Bursa Malaysia Common Indicators

- C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data

GRI 2: General Disclosures 2021

- Disclosure 2-23 Policy commitments
- Disclosure 2-24 Embedding policy commitments
- Disclosure 2-27 Compliance with laws and regulations

GRI 416: Customer Health and Safety 2016

- Disclosure 416-1 Assessment of the health and safety impacts of product and service categories
- Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

GRI 417: Marketing and Labelling 2016

- Disclosure 417-1 Requirements for products and service information and labelling
- Disclosure 417-2 Incidents of non-compliance concerning product and service information and labelling
- Disclosure 417-3 Incidents of non-compliance concerning marketing communications

GRI 418: Customer Privacy 2016

- Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

Quality Management Guidelines

To guide our approach to quality management, we subscribe to a series of manuals and guidelines that align with the Group's standards on product and service quality. Our in-house Quality Assurance ("QA") department plays an integral role in establishing and enforcing the Group's Quality Management Systems, Quality Manuals and Standard Operating Procedures ("SOP") that cater to different business functions throughout Tropicana. Our unwavering efforts is further bolstered by the **ISO 9001:2015 certification** that we received as a result of sound management practices towards achieving quality standards that are acceptable to the Group and our stakeholders.

Maintaining Quality Throughout Construction

As a responsible developer, we regularly assess the performance of our suppliers, consultants and contractors for their quality of service and product delivery. This measure helps to minimise construction wastage by managing defect works and providing assurance to our customers on the value of their purchase.

Contractors and Suppliers Quality Measures	Project Construction Quality Measures
<ul style="list-style-type: none"> Yearly performance evaluation of new and existing suppliers with annual accumulative purchases above a specified amount. Quarterly performance evaluation of contractors and consultants engaged by the Group Yearly monitoring to ensure 60% of suppliers appointed by the Group achieve a Grade B and above in their performance based on the internal benchmark Yearly monitoring to ensure 75% of contractors and 85% of consultants appointed by the Group achieve a Grade B and above in their performance based on the internal benchmark 	<ul style="list-style-type: none"> Monthly Project Quality Audit ("PQA") Quarterly internal QLASSIC assessment subject to the progress of projects Contractors are required to conduct Quality Benchmark Training ("QBT") to ensure good quality workmanship Regular Contractor Quality Briefing ("CQB") provided by the QA team upon the commencement of a project Conduct Pre-Delivery Inspection ("PDI") before project vacant possession ("VP") Challenges encountered throughout the project construction phase are addressed during project meetings to ensure monitoring, action plans and prevention measures are in place

Quality Management System

Tropicana's Quality Management System ("QMS") is a strong foundation of well-developed processes. It is a system of processes that demonstrate the best practices, prevention measures, performances, management involvement and customer satisfaction. Our QMS adheres to the internationally recognised standards, ISO 9001:2015. Staffs across all levels have gone through training and awareness sessions to ensure processes are recognised and followed through to effectively meet our policy and increase efficiency. For the enhancement towards the effectiveness of the QMS, the e-QMS in Tropicana has become one of the systems that documents and manages business processes for product development, quality, and compliance across the entire organisation and as a data model which facilitates cross-functional communication and collaboration.

Internal Quality Audit

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

Project Quality Audit

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

Performance of Outsourced Services

As consultancies, construction works and procurement/supplies are outsourced, Tropicana has developed a series of control measures

to monitor the quality of services rendered through quarterly online-based e-performance evaluation. The evaluations are non-generic. It is designed and developed to emphasise project stages and mean deviation across the organisation. The evaluation is reviewed and meetings are conducted to garner response and immediate proactive action for improvement from outsourced services through the Evaluation Review Feedback ("ERF"). Tropicana has always put high importance on quality delivery. Systematic Quality Benchmark Trainings ("QBT") are conducted and reported regularly with an emphasis on maintaining quality through internal and external supply chains.

Independent Quality Assessment

Our commitment to Quality Assurance remains one of our mainstays. Tropicana has adopted the Quality Assessment for Building Construction Works ("QLASSIC") across projects, based on the Construction Industry Standards CIS: 7 2014. In 2022, we continued with our achievements, with Tropicana Aman Triana being the latest assessed project by CIDB for the year:



Customer Satisfaction

A systematic approach is designed to understand what our customers think about our products, services and brand. We achieved a high customer satisfaction level in 2021 garnering 97% positive feedback from Tropicana Gardens Dianthus. We conduct our feedback across all touch points mainly on the following:

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

Maintaining Quality Team Performance

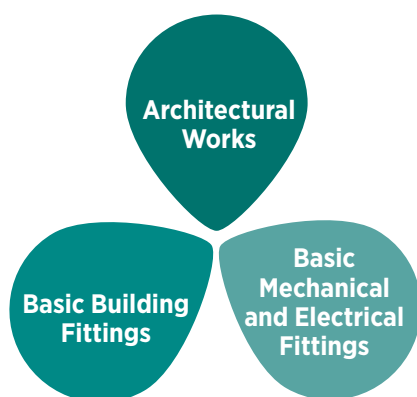
To remain abreast of evolving trends and requirements related to quality assurance, our QA team was provided with relevant training programmes – via internal and external learning resources. Throughout FY2022, we refined our training programmes to include essential information that would enhance service delivery and efficient assessment of product quality.

Training Programme	Programme Objectives	No. of Attendees
Internal		
Continual Improvement SOP Briefing	<ul style="list-style-type: none"> To ensure effective communication and coordination by means of periodic joint site-walk among internal departments involved throughout the project lifecycle; Timely identification of any default due to quality or practicality on actual product for improvement; and To establish preventive measures and lessons learnt that can be shared for other ongoing or future projects. 	55
Briefing on Performance Risk Register	<ul style="list-style-type: none"> Understand the concept of risk management; Identify, evaluate and react to risks, opportunities and threats; and Understand risk action and treatment. 	30
Refundable Deposit SOP and System Briefing	<ul style="list-style-type: none"> Monitoring – Systematically monitor the progress of refundable deposit Responsible – Assign and delegate roles and responsibilities to respective departments to update the information within their departmental scope of work Traceability – Ease the process of deposit traceability throughout the entire project cycle 	30
External		
Root Cause Analysis Training	<ul style="list-style-type: none"> To understand the importance of performing Root Cause Analysis; Identify the root cause of a problem using a structured problem-solving process; and Understand the application of basic quality tools in the problem-solving process 	35

QLASSIC Awards

In our pursuit to deliver quality assurance to our customers, we benchmark our products against the QLASSIC – a certification system established by the Construction Industry Development Board (“CIDB”). Based on three key quality criteria, our QA team conducts an assessment based on the QLASSIC guidelines before engaging with CIDB regulators for formal QLASSIC scoring and certification. The table below presents Tropicana’s QLASSIC scores for projects that were assessed and certified in FY2022.

QLASSIC INSPECTION CRITERIA



QLASSIC FY2021 RESULTS

Name of Project	Project Type	Date of Assessment	QLASSIC Score
Tropicana Metropark (Paisley)	High-Rise, Residential	February 2021	75%
Tropicana Aman (Aman 1)	Landed, Residential	May 2021	84%
Tropicana Aman (Recreational Hub)	Landed, Facilities	April 2021	82%
Tropicana Heights (Lakefield)	Landed, Residential	September 2021	81%
Tropicana Ayera (Ayera Phase 2)	Landed, Residential	October 2021	79%
Tropicana Aman (Dalia)	Landed, Residential	April 2021	80%

QLASSIC FY2022 RESULTS

Name of Project	Project Type	Date of Assessment	QLASSIC Score
Tropicana Aman (Triana)	Landed, Commercial	April 2022	78%

SERVICE EXCELLENCE

To understand the needs of our key stakeholders, Tropicana recognises the importance of conducive engagement measures that allows us to constructively communicate with our customers. Such as the practice in preceding years, we conducted customer satisfaction surveys on property purchasers who were willing to provide their input. Through their feedback, we can effectively gauge the expectations and concerns of our customers while also understanding shifting consumer trends that would help the Group position itself as a customer-centric organisation.

Engage with Us

The Group's Customer Care Unit ("CCU") and VP teams function as a direct line of communication to our customers to gain their feedback or concerns regarding any of the Group's products and services.

With the aim to create a seamless end-to-end property ownership experience, our team of professionals helms a variety of communication platforms, both online and offline, for greater efficiency and enhanced capabilities to provide value-added solutions to our customers.

Prioritising Customer Needs

With regard to complaints resolution, purchasers are closely guided by our professional CCU and VP team upon the lodging of a complaint, online or manually, and are kept abreast of any rectification works on their properties. We put the highest priority on ensuring service readiness to address the needs of our customers throughout their homeownership journey with Tropicana.

In FY2021, we successfully distributed 5,475 customer satisfaction surveys ("CSS") across our projects in the Central Region of Malaysia. With an average response rate of 95% across 16 projects, we take each feedback seriously and apply necessary considerations for future projects we seek to develop.

Customer Care Line

03-7663 6888

Customer Care Email

customer@tropicana.com.my

Social Media

Facebook, Instagram, Project Micro-sites

On-site Customer Representatives

VP team members

Tropicana T360 App

Available for download on iOS and Android



SURVEY CRITERIA



Customer Satisfaction Surveys & Complaints in FY2021

Name of Development	Total CSS Distributed	Response Rate (%)	Total Complaints Received	Complaints Resolved (%)
Tropicana Aman	1,275	94	481	87
Tropicana Gardens	1,422	92	293	96
Tropicana Metropark	1,738	97	826	97
Tropicana Heights (Kajang)	696	98	206	65*
Tropicana Cheras	20	100	3	100
Tropicana Residences	324	87	150	100

* The low percentage of Complaints Resolved for Tropicana Heights (Kajang) is due to the Tropicana Lakefield phase starting VP on 7 December 2021. Therefore, the logged complaints were addressed and resolved by early 2022.

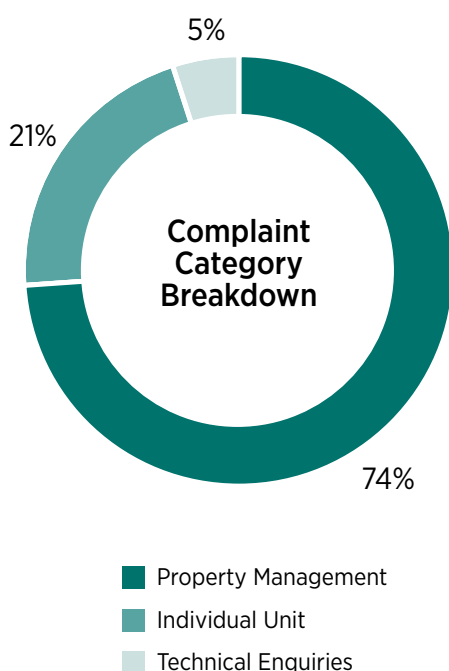
Customer Feedback on Tropicana as a Brand in FY2021

Tropicana Aman	Tropicana Gardens	Tropicana Metropark	Tropicana Heights (Kajang)	Tropicana Cheras	Tropicana Residences
Would you recommend our properties to your friends/relatives? (% of "Yes" responses)					
91.3	80.5	71.3	88.0	100	83
Will you buy another TCB property? (% of "Yes" responses)					
83.8	93.5	88.5	92.7	100	79
How would you rate TCB against other brands? (Rating 1-5)					
3.9	4.1	4.4	4.3	4.2	4.1

In FY2022, we successfully distributed 1,870 customer satisfaction surveys ("CSS") across our projects in the Central Region of Malaysia. With an average response rate of 80% across 5 projects, we take each feedback seriously and apply necessary considerations for future projects we seek to develop.

Customer Satisfaction Surveys & Complaints in FY2022

Name of Development	Total CSS Distributed	Response Rate (%)	Total Complaints Received	Complaints Resolved (%)
Tropicana Aman (Cheria)	272	77	42	98
Tropicana Aman (Dalia)	207	83	38	95
Tropicana Aman (Aman 1)	746	82	532	98
Tropicana Heights (Lakefield)	64	86	49	100
Tropicana Metropark (Paisey)	581	87	793	95



Customer Feedback on Tropicana as a Brand in FY2022

Tropicana Aman (Cheria)	Tropicana Aman (Dalia)	Tropicana Aman (Aman 1)	Tropicana Heights (Lakefield)	Tropicana Metropark (Paisley)
Would you recommend our properties to your friends/relatives? (Number of "Yes")				
95%	95%	96%	97%	94%
Will you buy another TCB property? (% of "Yes" responses)				
87%	92%	93%	95%	87%
How would you rate TCB against other brands? (Rating 1-5)				
4	4	4	4.5	4.2

Key Initiatives in 2022

As a leading property and township developer, we always strive to go beyond customer satisfaction by delivering quality services. We constantly engage with our homeowners via various engagement platforms to meet their needs and expectations. To uphold the customer satisfaction standard, we utilise several tools to obtain feedback which include the annual CSS, and individual engagements among others.

In FY2022, Tropicana indicated that 90% of the queries and complaints received were effectively resolved within the Service Level Agreement (“SLA”) timeline of 14 days. The remaining 10% of cases involved defect rectification works, deposit refunds and common area matters which require additional time to address and mitigate.

Additionally, in FY2022, several improvement initiatives in the customer satisfaction scope were driven by the Customer Care Unit (“CCU”) which aims to drive higher satisfaction levels. A series of seminars were held in Q3 and Q4 2022 which focuses on improving the general knowledge and skills of the Tropicana team. Topics for the seminar include the Law Acts and Quality of Service hosted by external legal counsel and experienced internal personnel.

BUSINESS INNOVATION

As we continue to reap the benefits of emerging technologies that promote rapid digital transformation, Tropicana considers business innovation as one of the key contributors to our long-term business growth. While the pandemic certainly helped fuel the adoption of digitalised operations within the industry, as a market leader, this accelerated Tropicana’s efforts to digitalise our internal and external processes further.

Tropicana 360 App

To elevate the user experience for our customers, Tropicana embarked on a journey to develop a digital platform that provided value-added solutions and access to a wide variety of our developments and clubhouses.

The Tropicana 360 (“T360”) application is a lifestyle platform that delivers innovative solutions through an automated channel of engagement for greater efficiency. The all-encompassing app is tailored to integrate customer service avenues with our VP and CCU team while providing timely updates on the progress of our projects. We strive to redefine the homeownership experience by converging informative property news about our developments, property management and facilities booking into one seamless platform.

Since the official launch of the T360 app, we received positive responses in terms of the number of app downloads and usage by purchasers across seven different projects developed by Tropicana. We eagerly encourage new customers to download the app and channel their communication with the Group’s internal teams via T360 to ensure efficient record-keeping and assurance on addressing any queries. In FY2021, five new project phases were made available on T360 with most downloads coming from the central region compared to our southern counterpart. In FY2022, 1 new project phase was made available on T360 with most downloads coming from the central region compared to our southern counterpart.

FY2021 T360 App Update	FY2022 T360 App Update
<ol style="list-style-type: none"> Loyalty Programme Module (T Privilege) <ul style="list-style-type: none"> Access to member profile Reward catalogue Highlights Reward redemptions Clubhouse module (Tropicana Aman Recreational Hub) <ul style="list-style-type: none"> Booking for public and sports facilities Membership information Contact us section Clubhouse module (TGCR) <ul style="list-style-type: none"> New VIP Suite Booking System for Royal Suite, Perdana Suite, Presidential Suite and Premier Suite 	<ol style="list-style-type: none"> Loyalty Programme Module (T Privilege) <ul style="list-style-type: none"> Process on account activation Process on-point rewarding and redemption E-Voucher module List of merchants Highlights Clubhouse module <ul style="list-style-type: none"> Enhanced Facilities Booking Module Property module <ul style="list-style-type: none"> Enhanced Account module Enhanced Visitor Management module



T360 App Downloads

Name of Project	App Downloads by Purchasers (%) in FY2021	App Downloads by Purchasers (%) in FY2022
Tropicana Cheras (Phase 3)	100	97.4
Tropicana Danga Cove (Oasis 3)	60	37.1
Tropicana Danga Cove (Ayer 1)	82.2	91.6
Tropicana Danga Cove (Ayer Residence 2A)	39	84.3
Tropicana Danga Cove (Ayer Residence 2B)	8	78.3
Tropicana Gardens (Cyperus)	99.3	99.2
Tropicana Gardens (Dianthus)	89.2	89.7
Tropicana Aman (Cheria)	98.5	98.5
Tropicana Aman (Sinaria)	100	89.5
Tropicana Aman (Dalia)	90.8	98.6
Tropicana Aman (Aman 1)	93.5	97.9
Tropicana Heights (Ridgefield)	99.5	99.5
The Residences	88.1	86.1
Tropicana Metropark (Paisley)	93	99.7
Tropicana Aman (Triana)	-	90.1

Protecting Data Privacy

As many processes become digitalised, data privacy and security are material to our business operations. The Group collects and retains selected data from purchasers for homeownership applications which include personal data, financial background and work history. To address the need for data privacy by our stakeholders, we strictly abide by the regulations outlined in the Personal Data Protection Act (“PDPA”) 2010. We keep our stakeholders informed about the use of their data and apply strict security measures to avoid any breaches.

Tropicana received zero substantiated complaints related to breaches of customer privacy, data leaks, thefts or losses of customer data from external parties and regulatory bodies in FY2021 and FY2022.



We strive to maintain this track record by managing clear communication channels with our stakeholders and obtaining consent for every data we utilise or retain for business purposes.

EMPLOYEE DIVERSITY & INCLUSION

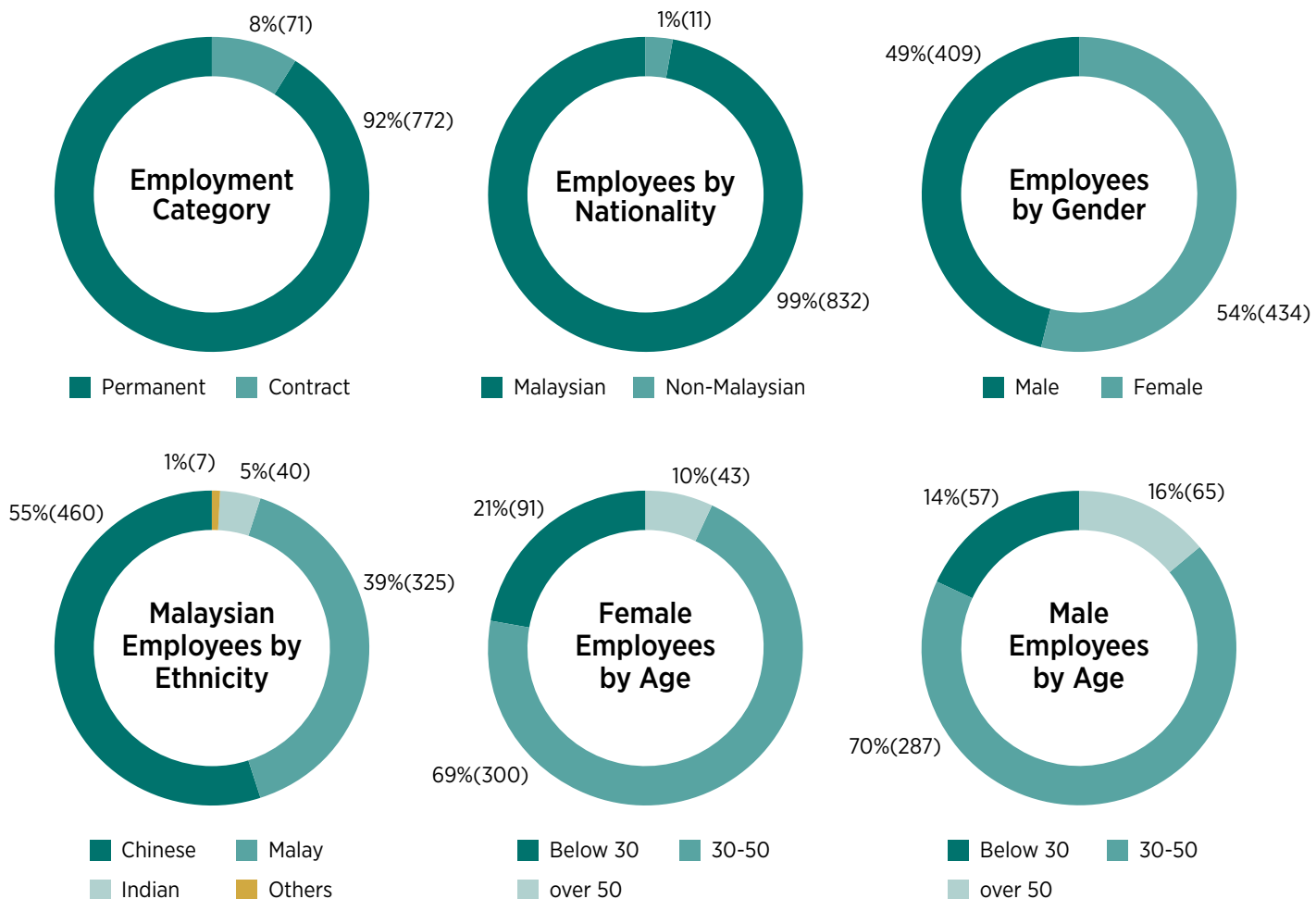
To sustain a thriving business and deliver value to our shareholders, we place the best interest of our employees at the forefront of our operating considerations. We believe that our people are the foundation and strength that enabled Tropicana to reach the success that it has achieved and hold the potential to propel the Group to greater heights. Therefore, we continuously work towards creating a conducive working environment by empowering our workforce through fair practices and inclusivity while rejecting any form of discrimination based on gender, ethnicity, age and creed.

The Group does not condone forced or compulsory labour, child labour, or any form of discrimination in our business operations and supply chain. At Tropicana, our employees are allowed to exercise their labour rights while following the Group's in-house rules such as forbidding any staff from refusing to work, wilfully slow-down work and participating in illegal strikes. Tropicana values work-life balance and does not encourage working overtime or on weekends, unless necessary.

A Diverse & Inclusive Corporation

As of 31 December 2022, we employed a total of 843 employees – an 8% decrease in the workforce compared to FY2021 (917 employees). As a strong industry player, we believe it is our responsibility to contribute towards developing the national economy as well as uplifting the livelihood of fellow Malaysians. As such, we prioritised hiring local talents to develop their careers up to the global standards that the Group aligns itself with. With regard to employing creative minds that can contribute innovative input, the Group believes in hiring talent that spans a wide age range to achieve a good balance of new ideas and seasoned experiences. Although Bursa Malaysia only required disclosure of the Group's percentage of employees by gender and age, we are pleased to share our FY2022 employee distribution across five key categories – employment category, nationality, gender, ethnicity and age.

100% of our Group's Management Team are locals



Note: Permanent employees only

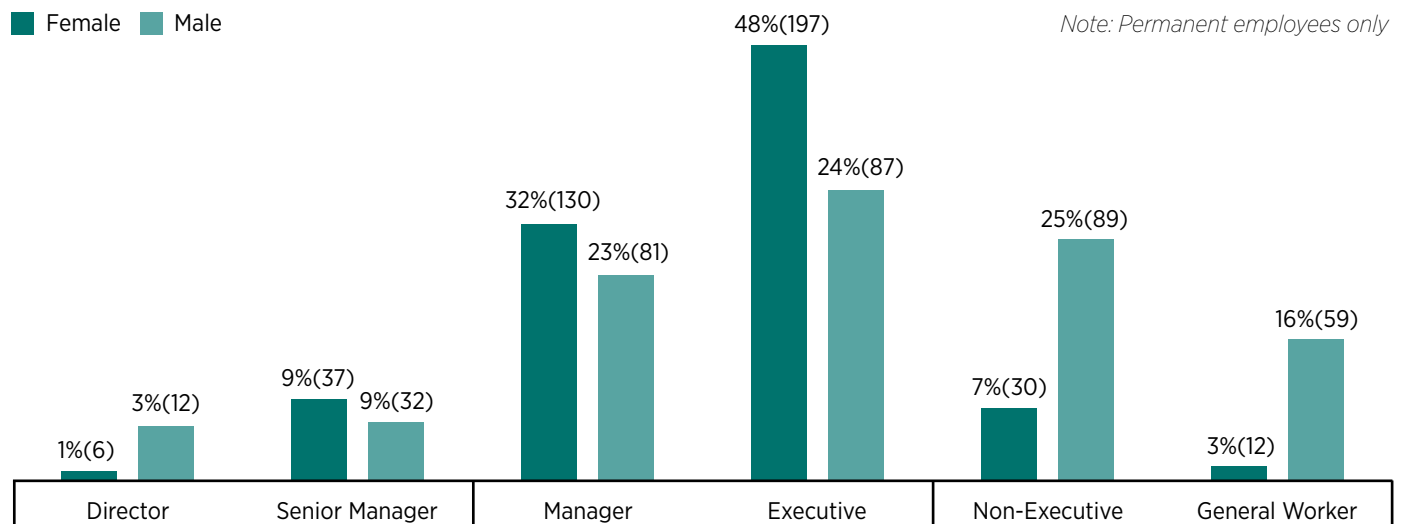
Supporting Women at Workplace

In FY2022, 51% of our workforce were women, compared to 46% in FY2021. Many held Management and Executive level positions within the Group. We continue to endorse initiatives that prioritise gender equality, such as providing nursery rooms, and career opportunities based on merit.

Tropicana will not encourage nor tolerate any form of speech and conduct which may fall under the term which constitutes “Sexual Harassment” whether subtle or explicit. It is our policy to preserve a professional working atmosphere of trust and respect and our employees should have the right to work in an environment free of sexual harassment no matter what their gender. We encourage healthy friendships among our employees in order to create harmony in the workplace and all employees must also be sensitive to what may be considered offensive. Should there be any conduct that the employee feels uncomfortable with, the procedure would be the same as the Grievance procedure.

Tropicana offers maternity leave as well as paternity leave to all its employees.

Distribution by Employee Category & Gender



Retention Strategies

Fair & Competitive Remuneration

Based on:

- Skillset
- Years of experience
- Knowledge of the field
- Talent & potential

Talent Development

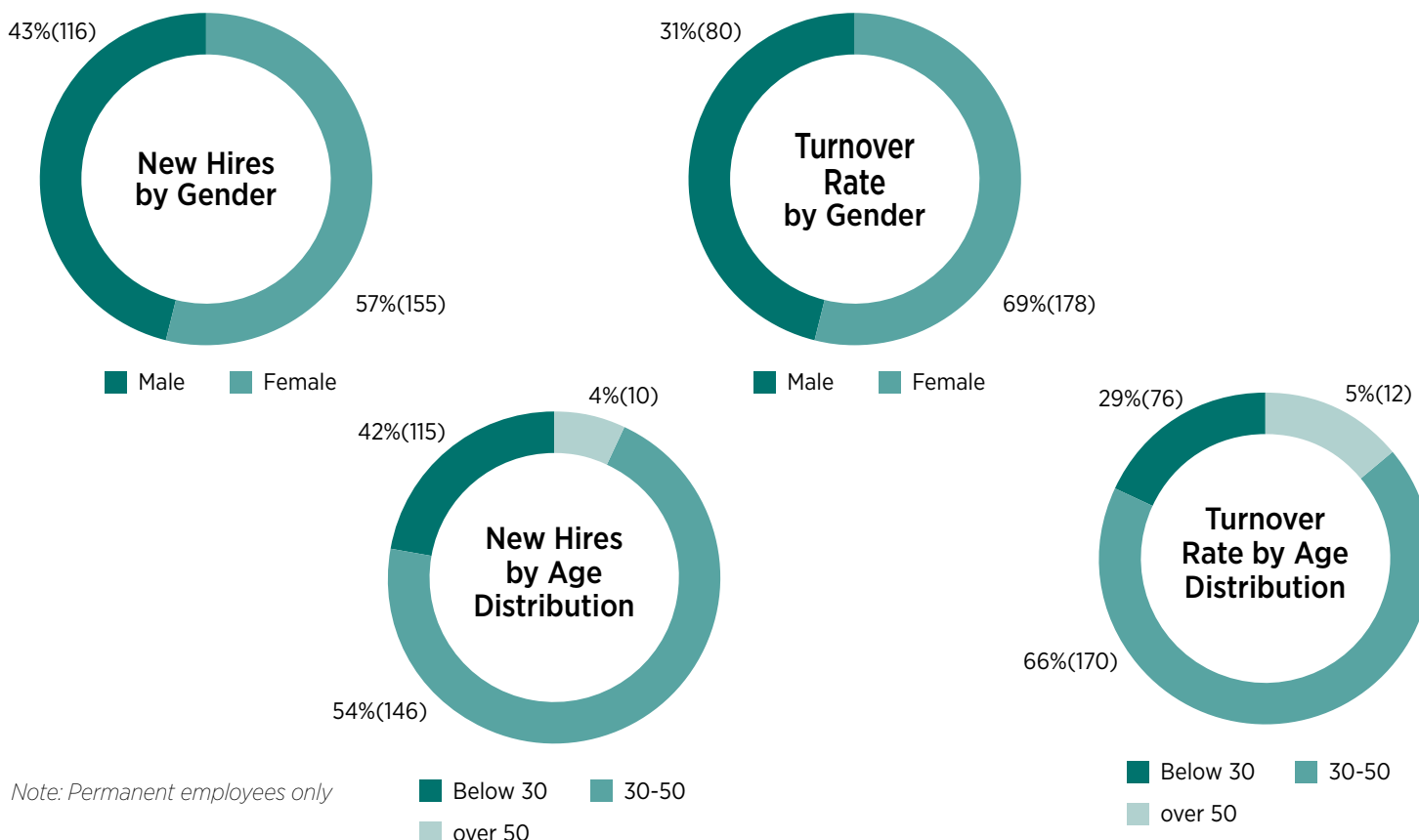
- Upskilling training courses
- Internal and external training

Generous Benefits

- Medical
- Dental
- Insurance
- Optical etc.

Retaining Our Talent

The Group closely monitored the attrition rates of our employees to ensure that we retain our talent without compromising on the quality of skills and experience. We look to retain our talents and attract new ones by offering competitive compensation packages and benefits along with a conducive working environment that emphasises fair practices and continuous learning. We welcomed 271 new permanent employees during FY2022 – an 11% increase in hires from the previous reporting year (FY2021: 245). This is attributed to Tropicana's healthy business expansion which has added more opportunities to the job market.



In accordance with Bursa Malaysia's and GRI's most updated sustainability reporting standards, Tropicana provides full or partial disclosure for the indicators listed below for FY2022 in this section.

Bursa Malaysia Common Indicators

- C3(a) Percentage of our employees by gender and age group for each employee category
- C3(b) Percentage of directors by gender and age group
- C6(b) Percentage of employees that are contractors or temporary staff
- C6(c) Total number of employee turnover by employee category
- C6(d) Number of substantiated complaints concerning human rights violations

GRI 2: General Disclosures 2021

- Disclosure 2-7 Employees
- Disclosure 2-8 Workers who are not employees
- Disclosure 2-19 Remuneration policies
- Disclosure 2-20 Process to determine the remuneration
- Disclosure 2-21 Annual total compensation ratio
- Disclosure 2-23 Policy commitments
- Disclosure 2-24 Embedding policy commitments
- Disclosure 2-25 Processes to remediate negative impacts
- Disclosure 2-26 Mechanisms for seeking advice and raising concerns
- Disclosure 2-27 Compliance with laws and regulations
- Disclosure 2-29 Approach to stakeholder engagement
- Disclosure 2-30 Collective bargaining agreements

GRI 202 Market Presence 2016

- Disclosure 202-1 Ratios of standard entry-level wage by gender compared to local minimum wage

- Disclosure 202-2 Proportion of senior management hired from the local community

GRI 401: Employment 2016

- Disclosure 401-1 New employee hires and employee turnover
- Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
- Disclosure 401-3 Parental leave

GRI 402: Labour/Management Relations 2016

- Disclosure 402-1 Minimum notice periods regarding operation changes

GRI 405: Diversity and Equal Opportunity 2016

- Disclosure 405-1 Diversity of governance bodies and employees
- Disclosure 405-2 Ratio of basic salary and remuneration of women to men

GRI 406: Non-discrimination 2016

- Disclosure 406-1 Incidents of discrimination and corrective actions taken

GRI 407: Freedom of Association and Collective Bargaining 2016

- Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

GRI 408: Child Labour 2016

- Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labour

GRI 409: Forced or Compulsory Labour 2016

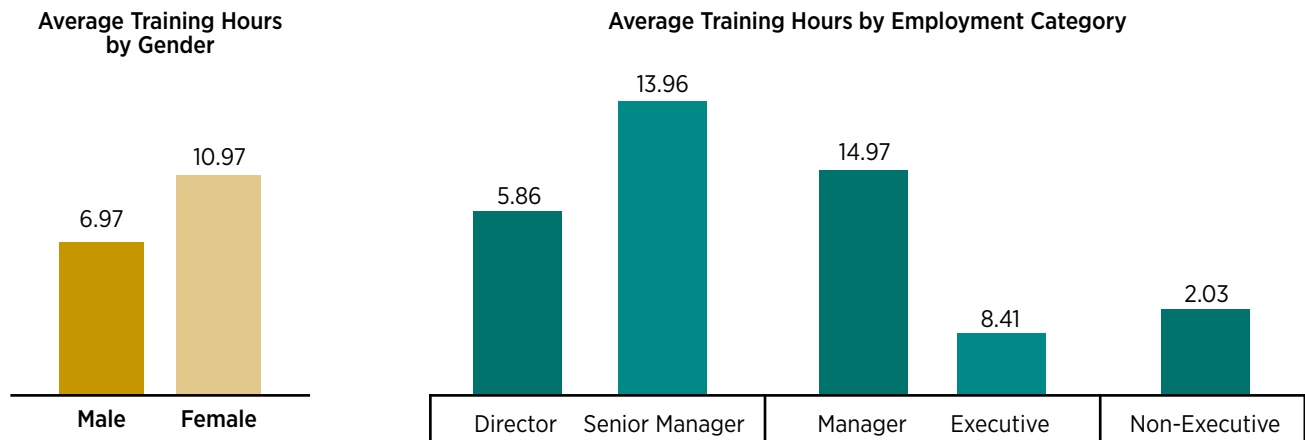
- Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour

Learning & Development

While a large portion of our operations is attributed to developing land into exclusive townships and properties for general society, our business model also includes the service delivery of our products. Therefore, effective customer engagement practices and sound knowledge of the property industry are essential to enhancing the value creation of our business.

In FY2022, we achieved 9,608 hours of training for our employees across the Group despite the shift from physical learning to online platforms. This is a significant increase compared to FY2021 when we recorded 1,248 hours of training for our employees across the Group despite the shift from physical learning to online platforms.

Our employees are encouraged to seek out courses relevant to their job functions to remain competitive and highly knowledgeable about operational management, governance, consumer trends and property market demand. Tropicana continues to endorse continuous learning as a journey towards optimising our business performance and promoting career development opportunities.



Note: Permanent employees only

Tropicana is pleased to comply with Bursa Malaysia and GRI's newest social sustainability reporting indicators listed below in this section:

Bursa Malaysia Common Indicators (Fully)

- C6(a) Total hours of training by employee category

GRI 404: Training and Education 2016 (Partially)

- Disclosure 404-1 Average hours of training per year per employee
- Disclosure 404-2 Programmes for upgrading employee skills and transition assistance programmes
- Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews

Key Training Programmes Conducted/Attended during FY2022

Our training programmes comprise a mix of internal training hosted by respective departments and external sessions where we engage trainers from reputable organisations. The main objective is to deliver key information that would equip our employees with the best skills and knowledge to perform to the best of their abilities which will ultimately facilitate job satisfaction and enhance the Group's performance in the long-term. Below are examples of some of the training sessions offered to our personnel in FY2022:

Career Skills

Mental Toughness:

Perseverance, Resilience & Performing Under Pressure

- Emphasises on mental toughness in the workforce and/or during the lockdown by ensuring a "Winning" mindset through Composure, Concentration, Confidence and Cope-ability

The Managerial Moment of Truth

- Recognise the need to manage moments of truth by understanding the fundamentals of performance conversations for feedback and review

Mastering Emotional Intelligence

- Learn about emotional intelligence and its impact by learning about emotions and decoding them in 4 ways (thoughts, bodily sensations, action tendencies and intensity)

L.E.A.D.S 2 Days Negotiation & Communication with Tact & Confidence

- Develop communication and negotiation skills in a business context

Effective Data Presentation (The Storytelling Way)

- Develop the skill to turn data and insights into actionable recommendations and learn the skills to use design principles to highlight key takeaways and accelerate decision-making

Quality Service Mini Workshops

- Knowledge sharing by operations staff to staff from other departments on managing homebuyers' expectations

Eradication of Sexual Harassment at Workplace

- Understanding the definition and learning the different types of sexual harassment and the steps to file a complaint

Forensic Audit & Fraud Examination

- Guidance on the prevention, detection and response to an allegation of fraud, abuse, and mismanagement of funds. Learn about the emerging fraud in the digital age, best practices to mitigate the risks posed to organisations and how to handle cases from initial allegation to prosecution

Corporate Law & Updates

Malaysian Code of Corporate Governance 2021-Implications to Listed Corporations, Directors and Management

- Updates address the urgent need for companies to manage Environmental, Social and Governance risks and opportunities with the introduction of 12 new practices and 8 updated practices

Real Estate & Housing Developers' Association Malaysia

- Briefing on Housing Integrated Management System
- Policies and Regulatory updates impacting the housing industry

MAICSA: Members Voluntary Winding up of a Company

- Guidelines on members' voluntary winding up of a Company

Property Manager Competency

- Procurement guidelines by the Ministry of Housing and Local Government
- Guidelines on conducting a building condition survey

Latest Challenges Facing Strata Management in Malaysia

- Updates and sharing of knowledge on Strata Living in Malaysia

Understanding Housing Development Act and its Regulations

- Understand the requirement of the act and updates

ESG Series for Accountants and Professionals

- Guidelines on the background knowledge of corporate responsibility, its main challenges and their interconnectedness

OCCUPATIONAL SAFETY & HEALTH (OSH)

Tropicana maintains the highest regard for the safety of our site employees and workers who are not employees but work on project sites controlled by the Group. Our operations are guided by regulations and standards by the Department of Occupational Safety and Health ("DOSH") and CIDB on matters related to site safety and health. All parties that enter our project site grounds were required to wear personal protective equipment ("PPE") at all times and site workers were provided with specialised protective equipment in line with specific job functions such as working at height, confined spaces or handling chemicals. The Group performed its due diligence with regard to OSH matters via the project team monitoring the safety reports produced by the contractors we engage with and conducting regular assessments of on-site safety.

In FY2022, we incurred one fatality at Tropicana Gardens compared to zero casualties across our entire operations in FY2021. The Board and Management take the incident seriously. The Group has created a set of corrective measures to enhance our OSH policies and practices to prevent further loss of human lives in future.

This section was prepared with reference to the Bursa Malaysia and GRI sustainability indicators below:

Bursa Malaysia Common Indicators

- C5(a) Number of work-related fatalities
- C5(b) Lost time incident rate
- C5(c) Number of employees trained on health and safety standards

GRI 403: Occupational Health & Safety 2018

- Disclosure 403-1 Occupational health and safety management system
- Disclosure 403-2 Hazard identification, risk assessment, and incident investigation
- Disclosure 403-3 Occupational health services
- Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety
- Disclosure 403-5 Worker training on occupational health and safety
- Disclosure 403-6 Promotion of worker health
- Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
- Disclosure 403-8 Workers covered by an occupational health and safety management system
- Disclosure 403-9 Work-related injuries
- Disclosure 403-10 Work-related ill health

Maintaining Workplace Safety at Our Project Sites



Site PPE

- Helmets
- Gloves and Safety shoes
- Safety goggles
- Body harness and visibility vests



Engagement with Site Workers

- Regular toolbox meetings
- Daily safety briefings
- Housekeeping inspection
- Highlight safety issues during project meetings



Reporting Mechanism

- Fortnightly OSH report submitted by contractors reviewed by the project team
- On-going coordination between contractors and Inspector of Work ("IOW") on safety management approach
- Regular hazard and risk assessment at the site
- Inspection by the project and QA team during the construction phase



Compliance with Regulatory Requirements

- Occupational Safety and Health Act 1994
- Factories and Machineries Act 1967
- CIDB Guidelines on First Aid Facilities at Workplace

Occupational Safety & Health Performance

Through stringent monitoring and continuous engagement between our project team and contractors, we manage our occupational safety and health performance in line with national laws and the Group's internal standards. Tropicana continues to be strongly committed to reducing operational risks and improving safety performance in the years to come. The data provided below presents our OSH performance for ongoing projects throughout FY2022.

Name of Development	Manhours Worked Without Fatality	No. of Fatalities	Fatality Rate	No. of First Aid Cases	No. of Lost Workday Cases
Tropicana Aman (Elemen)	1,281,566	0	0	5	0
Tropicana Aman (Freesia)	784,030	0	0	3	0
Tropicana Aman (Gemala)	147,830	0	0	0	0
Tropicana Aman (Hana)	130,050	0	0	0	0
Tropicana Metropark (Residences South)	1,150,604	0	0	13	0
Tropicana Uplands (Aster Heights)	71,540	0	0	6	0
Tropicana Uplands (Summit Commercial Hub)	51,584	0	0	0	0
Tropicana Gardens (Edelweiss)	20,686,392	1	1	5	7 days
Tropicana Miyu	670,552	0	0	31	0
Tropicana Cenang (Assana)	104,030	0	0	0	0
Tropicana Grandhill TwinPines	240,896	0	0	0	0

Contractor Management

Essentially, the properties we develop serve to achieve a larger goal which is to bring communities together by Redefining the Art of Living in sustainable townships that also emphasises environmental conscientiousness. While each project may differ in features and configuration, the construction phase operates as a uniform system that demands multi-stakeholder management and sound governance.

Our operations are not without challenges that could potentially lead to delays in product delivery. However, Tropicana remains firm in its stance to create quality homes, equipped with innovative facilities and developed at strategic locations. To ensure efficiency and compliance with regulatory requirements throughout our construction phase, we are supported by our capable project team, QA team and VP team at each project site. Further, the consultants and contractors we engage with are rigorously assessed for their experiences, resources and ability to meet delivery expectations.

To maintain our track record as a reputable developer, our contractors are regularly evaluated for their performance and compliance with national and local laws. The framework below describes our general contractor management practices which applies to our on-going projects. The management approach may be adjusted to the requirements of each project as deemed necessary by our project team.

Engagement Method	Management Approach	Details
Project Progress	<ul style="list-style-type: none"> Meeting at project site between Project team and Contractor Project progress meeting Delays in work progress 	<ul style="list-style-type: none"> Daily monitoring of work progress at the project site Discuss overall construction progress and highlight any challenges Conducted with the contractor and consultant to closely coordinate mitigation plan to reduce any delays
Contractor Performance	<ul style="list-style-type: none"> Grading system to benchmark performance 	<ul style="list-style-type: none"> Identify strengths and weaknesses of contractor performance to ensure work quality and timeline are aligned with the Group's expectations
Regulatory Compliance	<ul style="list-style-type: none"> Site monitoring by the project team Review of contractor's fortnightly safety report 	<ul style="list-style-type: none"> Contractors are required to adhere to national and local laws, environmental acts and regulations outlined by CIDB as stated in their contract Ensure all safety measures are adhered to and comply with DOSH requirement
Construction Quality	<ul style="list-style-type: none"> Progressive quality assessment Building quality inspection Requirement to meet QLASSIC score of 85% 	<ul style="list-style-type: none"> Assessment by the QA team to gauge the workmanship performance of the main contractor Close monitoring by the project team to ensure contractors adhere to the method statement and construct according to the latest approved drawings and specifications Contract specification
Post Construction Monitoring	<ul style="list-style-type: none"> Pre-Delivery Inspection Product delivery and defects rectification 	<ul style="list-style-type: none"> Before vacant possession to the purchasers, consultants evaluate the final product for quality assurance and defects management VP team will engage with purchasers during property handover and manage any defects or enquiry

Frequency of Engagement

■ Daily
■ Fortnightly
■ Quarterly
■ Post Construction
■ Weekly
■ Monthly
■ As and when required

COVID-19 PANDEMIC: ADAPTING TO THE ENDEMIC PHASE

Tropicana continues to take the COVID-19 pandemic seriously even as Malaysia eased towards the endemic phase on 1 April 2022 to ensure the safety of our personnel, customers and other stakeholders.

Safeguarding Our People and the General Community

Up to RM33,000 Contributed to COVID-19 Safety

Workplace Health & Safety Contribution

- Clinic Waste Disposal – RM610
- Hand Sanitisers – RM5,521
- Auto Stand Mobile Sanitisers – RM6,600
- Misting Equipment and Chemicals – RM10,989
- Rapid Test Kits – RM10,228

Cost = RM33,947



Creating a Safe Working Environment

Throughout FY2022, we continued our efforts to create a safe workspace for our employees while also promoting sound hygiene practices to curb the spread of the virus. We maintained a swift management approach in the event of a positive case detected in our operating areas by enforcing quarantine measures, social distancing practices, thorough sanitisation and close contact monitoring.

Covid-19 Management Measures at our HQ and Other Operating Areas

Sanitising Office Spaces

- Weekly sanitisation work at Tropicana Gardens Office Tower – a joint initiative between Administration Department and Group Asset Management (“GAM”) Division to sanitise internal office, common spaces and elevators.

Sanitising Public Areas

- Scheduled deployment (early morning, lunch hour and after office hours) of the UV light machine upon the usage of meeting rooms, conference rooms and discussion areas by our staff and visitors.
- Engaged a qualified vendor to conduct disinfection via misting in public areas such as the main lobby, passenger elevators, waiting areas, workstations and internal offices.

Sanitising Tools

- Hand sanitiser stands were installed at every main entrance of Tropicana Gardens Office Tower – a certified vendor was employed to refill the hand sanitisers upon request.
- Installed two (2) units of disinfection devices at the corporate receptionist area and Director’s floor.
- Employed the use of sanitising equipment during staff antigen screening sessions conducted on a fortnightly basis – more than 700 employees were screened each time.

Information Sharing

- All matters related to COVID-19 management and initiatives were communicated to our staff via the employee portal – a total of twelve (12) memos were released in FY2022 related to the pandemic.
- Staff were regularly reminded to maintain social distancing, practice job rotations and choose isolated working areas when working within the office.

Covid-19 Management Measures at Project Sites

Our efforts to manage and mitigate the spread of the COVID-19 virus included the project sites in which we operate. To manage this, our contractors were required to produce a standard operating procedure (“SOP”) that outlined safe working practices throughout the pandemic and implement the approved measures to any relevant parties who entered the project site. The SOP was reinforced by the Group’s internal efforts to monitor and manage conditions at the project site by our project team and guided by the following initiatives:

Sanitising Construction Sites

- High exposure areas such as site office, toilet, canteen etc – Daily
- General construction area – Weekly

Maintaining Social Distance

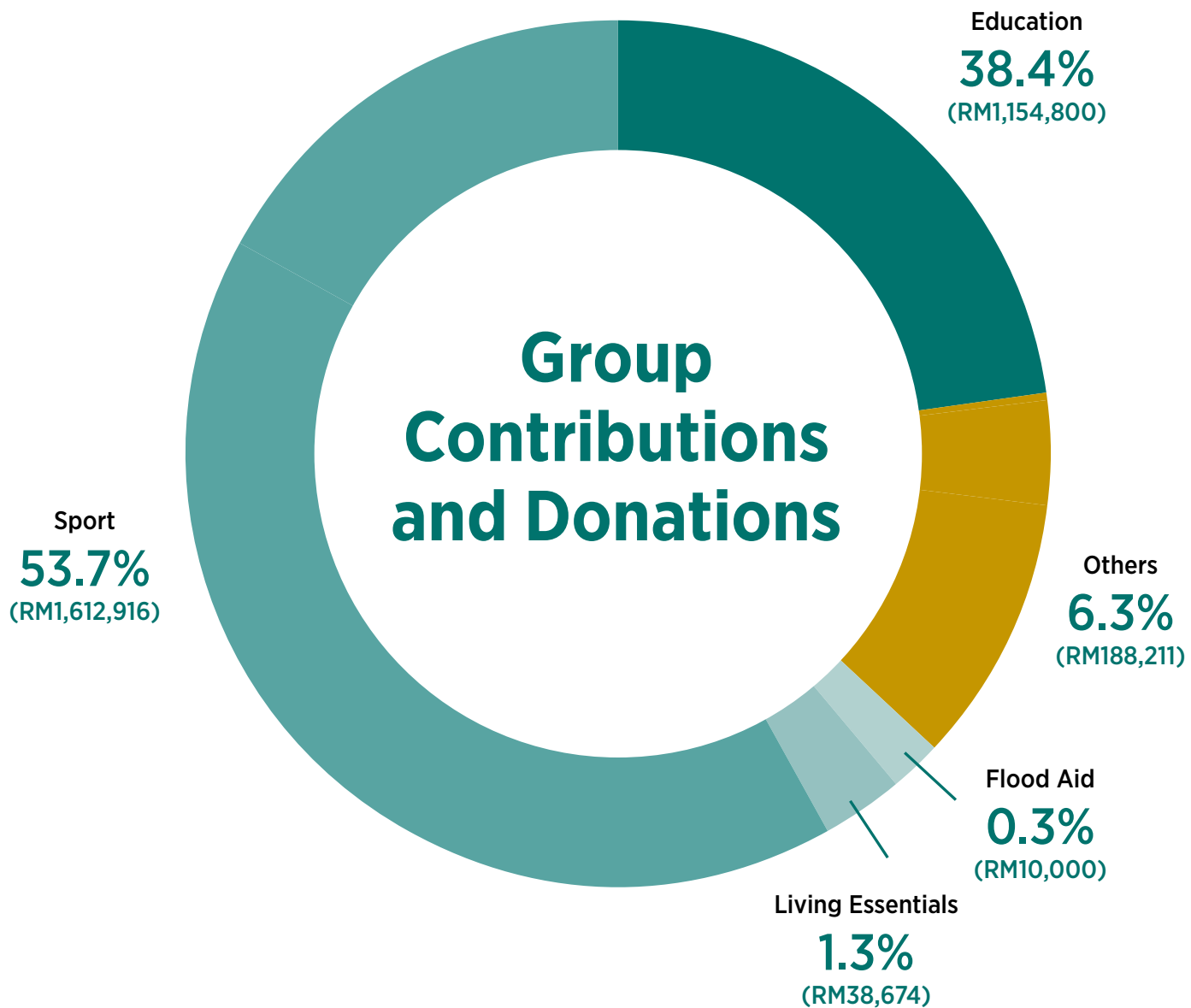
- Site progress meetings were conducted virtually via Zoom or Microsoft Teams as and when deemed necessary
- Contractors were required to manage the number of site workers to prevent overcrowding and ensure adequate social distancing can be practised.

Sanitising Tools

- All site personnel and workers were provided with face masks, access to hand sanitisers and anti-bacterial hand soap
- Fogging at project sites was conducted to manage virus spread and other airborne diseases such as dengue
- All staff, contractors and workers were required to wear a face mask at all times upon entering the project site
- Any parties entering our project site were required to undergo temperature checks
- Any individual with fever symptoms or recorded temperature above 37.5°C was required to undertake prompt and necessary medical action

COVID-19 Screening

- RTK screenings were conducted on all site personnel and workers on a fortnightly basis
- New site workers were required to present a negative test result from RTK screening before commencing work at the project site
- Any individuals who exhibited COVID-19 symptoms such as fever, coughing, breathing difficulties etc were required to undergo the swab test and provide negative test results before resuming work
- All site personnel and workers were required to complete booster vaccination within the stipulated period outlined by the Ministry of Health (“MOH”)



Contributing to Communities

The Group via our charitable arm, Tropicana Foundation, maintains a commitment to uplift communities by contributing to causes that align with core areas related to education, healthcare, sports and wellness. Our Founder, Tan Sri Dato' Tan Chee Sing, continues to be a key driver in endorsing initiatives that are beyond charitable needs such as causes that support improved living standards and environmental stewardship.

In recent years, Tropicana Foundation has been reinvigorated to broaden the scope of corporate social responsibility ("CSR") initiatives, enhancing the spirit of giving while being sensitive to the needs of the communities in the long term. This renewed drive has led the Group to contribute over RM3.6 million in FY2021 and **over RM3 million in FY2022**.

Education

One of the core focus areas of the Tropicana Foundation is to support youth development through education. Our initiatives included the donation of school supplies for underprivileged students, financial support to build educational facilities and funding for award ceremonies that recognise exemplary achievements by students.

Living Essentials

Although it is always worthwhile to provide monetary contributions, we do our best to remain cognisant of the needs of society by understanding their concerns and expectations. A portion of our donation initiatives included provisions for daily essentials such as food and household products to assist the underprivileged in improving their living conditions.

Tropicana Foundation also supported more than 400 rescued pets and strays at My Pets Haven, Setia Alam and PAWS Animal Welfare Shelter, Ara Damansara. The initiative saw 20 volunteers pitching in to clean cages, prepare food, walk and feed animals. The donation consists of 380kg of dry pet food, 50L of hand wash liquid, 60L of bleach and 60kg of soap powder.

Tropicana Foundation further collaborated with The Lost Food Project, where the team delivered 300kg of fish to 6 charity partners across Selangor.

Flood Aid

Tropicana also extended support to MPKL by donating to flood victims, short term rental and services of portable toilets.

Other Group & Subsidiary Contributions

Tropicana Foundation is funded by the Group and our subsidiaries to ensure that the foundation has sufficient capital to carry out charitable activities that serve to develop local communities. We strive to conduct corporate social activities that further the normative goals of the Foundation.

The Foundation collects dry goods to be donated to various charity homes through an annual year-end initiative known as the Buggy of Joy. In 2022, the collected goods were donated to the charitable organisations below as well as flood victims:

1. Ti-Ratana Welfare Society Malaysia
2. Padmasambhava Children Loving Association Klang
3. Rumah Charis
4. Rumah Ozanam
5. Rumah Kanak-Kanak Impian
6. Rumah Hope
7. Pusat Jagaan Persatuan Kanak-Kanak Trinity
8. Lighthouse Children Welfare Home
9. Pusat Jagaan Cahaya Kasih Bestari/Rumah Amal Kasih Bestari
10. Pertubuhan Kebajikan dan Pendidikan Cahaya Kasih
11. Pusat Jagaan Telaga Kasih Nur Muhammad
12. Yayasan Chow Kit
13. Promise Home
14. Lovely Home
15. PJ Caring Home

The Foundation also organised a blood donation drive in Tropicana Gardens Office Tower Experiential Hall in March and October 2022 to support the National Blood Bank.

In the coming years, we continue to work towards aligning Tropicana Foundation's value chain to ESG parameters in hopes of creating an all-encompassing foundation that not only focuses on charitable donations but pertinent social and environmental parameters that impact the community.

Below are the national and international sustainability reporting standards relevant to this section:

Bursa Malaysia Common Indicators

- C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer
- C2 (b) Total number of beneficiaries of the investment in communities

GRI 411: Rights of Indigenous Peoples 2016

- Disclosure 411-1 Incidents of violations involving rights of indigenous peoples

GRI 413: Local Communities 2016

- Disclosure 413-1 Operations with local community engagement, impact assessments and development programmes
- Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities

GRI 415: Public Policy 2016

- Disclosure 415-1 Political contributions

PARTNERSHIP: SUSTAINABILITY GOVERNANCE

Our Corporate Governance

Fundamental to good business practices is a robust corporate governance framework that upholds the trust of our stakeholders, maintains effective risk management strategies and prioritises good business conduct. In managing the expectations of our stakeholders and keeping them abreast with our business operations, we maintain a clear line of communication with regard to our corporate performance through Annual General Meetings, Annual and Quarterly financial reports as well as the publication of Board policies on our corporate website www.tropicana.com.my/corporate-governance

The Board oversees the overall governance within the Group. To sustain the value creation of Tropicana, the roles and responsibilities of the Board are presented in our Board Charter, supported by the Remuneration Policy for Directors and Senior Management. In ensuring transparency and accountability for our operations, we are guided by the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”) and report our performance via the Corporate Governance Report on an annual basis. We also believe in achieving exemplary standards of ethical conduct and professionalism. We foster this by establishing policies that outline the rules of conduct that apply to all our employees and the wider stakeholder groups throughout their involvement with Tropicana.

Board of Directors' Policy		
Board Charter	<ul style="list-style-type: none"> • Presents the Group's expectations to the Board in managing stakeholders' interests • Describes key responsibilities held by the Board of Directors 	<ul style="list-style-type: none"> • Corporate website
Remuneration Policy for Directors and Senior Management	<ul style="list-style-type: none"> • Outlines clear guiding principles for fair practices in determining the remuneration of the Board and Senior Management 	<ul style="list-style-type: none"> • Corporate website
Fit & Proper Policy	<ul style="list-style-type: none"> • Spells out criteria used in assessing the fit and proper of relevant directors for a person nominated to be a director • Assess re-elected directors if he/she complies with the fit and proper criteria established by the Board 	<ul style="list-style-type: none"> • Corporate website
Code of Ethics for Company Directors	Outlines clear standards of ethical behaviour of Directors to enhance the standards of corporate governance and corporate behaviour	<ul style="list-style-type: none"> • Corporate website
Terms of Reference of the Senior Independent Director	Describes key duties and responsibilities held by the Senior Independent Director	<ul style="list-style-type: none"> • Corporate website
Terms of Reference of the Audit Committee	Describes key functions and duties, authority, roles and responsibilities held by the Audit Committee	<ul style="list-style-type: none"> • Corporate website
Terms of Reference of the Nomination Committee	Describes key functions and duties, authority held by the Nomination Committee	<ul style="list-style-type: none"> • Corporate website
Terms of Reference of the Remuneration Committee	Describes key functions and duties, authority held by the Remuneration Committee	<ul style="list-style-type: none"> • Corporate website

Board of Directors' Policy		
Terms of Reference of the Risk Management and Sustainability Committee	Describes key functions and duties, authority held by the Risk Management and Sustainability Committee	<ul style="list-style-type: none"> • Corporate website
Terms of Reference of the Pricing Committee	Describes key functions and duties, authority, roles and responsibilities held by the Pricing Committee	<ul style="list-style-type: none"> • Corporate website
Terms of Reference of the Investment Committee	Describes key functions and duties, authority, roles and responsibilities held by the Investment Committee	<ul style="list-style-type: none"> • Corporate website
Corporate Policies, Codes & Procedures		
Malaysian Code on Corporate Governance 2021	<ul style="list-style-type: none"> • National Code that outlines best practices and recommendations for organisations to implement as part of their corporate governance framework 	<ul style="list-style-type: none"> • Securities Commissions website
Code of Conduct	<ul style="list-style-type: none"> • Presents the Group's expectations on employees to prioritise and adhere to ethical business practices throughout their tenure with Tropicana 	<ul style="list-style-type: none"> • Employee portal • Corporate website
Personal Data Protection	<ul style="list-style-type: none"> • Discloses how information is collected and retained by the Group in accordance with the Personal Data Protection Act 2010 ("PDPA") 	<ul style="list-style-type: none"> • Employee portal
Anti-bribery and Anti-corruption ("ABAC") Policy	<ul style="list-style-type: none"> • Addresses the Group's anti-corruption stance that applies to all employees, Directors (Executive and Non-executives) and anyone who performs services for or on behalf of the Group, which includes contractors, sub-contractors, consultants, suppliers, agents, intermediaries and representatives of the Group 	<ul style="list-style-type: none"> • Employee portal • Corporate website
Diversity and Inclusion Policy	<ul style="list-style-type: none"> • Outlines the Group's commitment to ensuring fair practices throughout the organisation 	<ul style="list-style-type: none"> • Corporate website
Whistleblowing Policy	<ul style="list-style-type: none"> • Describes the process and channels available to report any potential or actual misconduct 	<ul style="list-style-type: none"> • Corporate website
Grievance Handling Procedure	<ul style="list-style-type: none"> • Provides detailed instructions on reporting grievances at the workplace 	<ul style="list-style-type: none"> • Employee portal
Gift & Hospitality Policy	<ul style="list-style-type: none"> • Provides detailed guidance on the Group's stance against bribery and corruption when giving and receiving gifts and hospitality which applies to all employees, Directors (Executive and Non-executives) and anyone who performs services for or on behalf of the Group, which includes contractors, sub-contractors, consultants, suppliers, agents, intermediaries, and representatives of the Group 	<ul style="list-style-type: none"> • Employee portal • Corporate website

Corporate website: www.tropicana.com.my/corporate-governance

RISK MANAGEMENT & SUSTAINABILITY PERFORMANCE

A core pillar that upholds the concept of sustainable development is effective risk management practices that are applied to manage our material sustainability matters. The Enterprise Risk Management (“ERM”) framework was adopted into the Group’s business model back in 2012 as a step to promote sound corporate governance and assist our Management team in decision-making processes. The framework further provides guidance on how to identify, evaluate, minimise and monitor risks associated with our daily operational activities that may impact our business performance and stakeholder interests in the short-, medium- and long-term.


With the support of our Board of Directors and Risk Management and Sustainability Committee, our Risk Management Department analyses and reports on key risks to the Group’s overall performance on a quarterly basis. Overall, we seek to achieve a sustainable balance between taking calculated risks to achieve competitive advantage and managing daily operations to ensure optimal business performance. Cognisant of the rising interest in ESG considerations by our stakeholders, we continue to work towards integrating social and environmental aspects into our risk reporting strategy in the years to come.


For further information on Tropicana’s Risk Management practices, as well as the key risks we encountered throughout FY2022, refer to pages 132 to 137 for the Statement of Risk Management and Internal Control in our FY2022 Annual Report.

ECONOMIC SUSTAINABILITY

As a leading property developer in Malaysia, sustainability means considering the best avenues to create economic value from our business operations while consistently providing quality deliverables that meet the expectations of our stakeholders. We weathered through challenging economic periods brought on by the COVID-19 pandemic and managed to maintain profitability through strict monitoring of our operating expenses and effectively applied cost optimisation practices without compromising on the level of productivity.

The Group acknowledges growing calls by governing institutions and financial facilities on organisations to enhance commitment towards climate action and address EES risks and opportunities across our value chain. To address this, we aspire to work towards applying ESG considerations to our capital investments and funding opportunities as a means to future-proof our assets and create lasting values for our shareholders. We believe that this initial step will pave the way to further align our operations along the sustainability pathway in the years to come.

Materiality Matter	Importance to Tropicana	Management Approach	Bursa Malaysia Common (C) Indicators	Applicable UNSDGs	Relevant GRI Standards
Economic Performance	To achieve long-term business growth that benefits current and future stakeholders	Emphasise developments and investments that achieve sustainable returns for stakeholders and enhance the value of Tropicana’s business portfolio	-		<ul style="list-style-type: none"> • GRI 201: Economic Performance 2016 • GRI 203: Indirect Economic Impacts 2016

Materiality Matter	Importance to Tropicana	Management Approach	Bursa Malaysia Common (C) Indicators	Applicable UNSDGs	Relevant GRI Standards
Procurement Practices	To ensure transparency, fairness, accountability and integrity throughout the entire procurement process	Provide job opportunities to uplift the nation's economy by prioritising local suppliers	<ul style="list-style-type: none"> • C7(a) Proportion of spending on local suppliers • S6(a) Percentage of new suppliers that were screened using environmental criteria • S6(b) Number of suppliers assessed for environmental impacts • S7(a) Percentage of new suppliers that were screened using social criteria • S7(b) Number of suppliers assessed for social impacts 		<ul style="list-style-type: none"> • GRI 204: Procurement Practices 2016 • GRI 308: Supplier Environmental Assessment 2016 • GRI 414: Supplier Social Assessment 2016

Group Economic Value

Operating disruptions due to lockdowns required the Group to optimise operational costs and to sustain healthy financial capital throughout the reporting year. We faced this challenge head-on by strategically managing our assets and increasing efforts to enhance product sales to maintain profitability.

We remain steadfast in our efforts to achieve long-term growth in the Group's business by pivoting our operations to embrace digitalisation practices that promoted a steady pace of product sales and service excellence. Further information on our business innovation journey can be found on Page 102 of the Sustainability Statement under the Homeownership and Innovation section. The result of our agility and strong performance has led to the Group successfully registering revenue of RM942.6 million, with FY2022 property sales reaching RM1.3 billion.

Financial Performance (RM'mil)	
Total Value Added	(32.39)
Net Operating Loss	(38.64)
Share of Profits of Associate and Joint Ventures	6.25
Reinvestment and Growth (Depreciations and amortisation, loss incurred)	(396.03)
Government (Corporate taxation)	(61.76)
Employees (Salaries and other staff costs)	207.00
Providers of Capital (Finance costs, holders of perpetual bond and non-controlling interests)	218.40

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

- Performance at a Glance: Pages 30 to 31
- Financial Highlights and Insights: Pages 32 to 33
- Value Added Statement: Page 34
- Audited Financial Statements: Pages 143 to 281

HOMEOWNERSHIP & INNOVATION

A key driver to developing sustainable communities is bridging the gap between homeownership demand and affordability. As Malaysia's economy continues to grow and mature, the majority of our country's demographic is made up of middle-income households which drives market demand for affordable properties in strategic locations. The current overhang of properties within a certain price range reflects the need for financing options that can facilitate buyers' capabilities to secure housing loans.

In line with our aspirations to Redefine the Art of Living, we addressed this challenge by launching innovative homeownership campaigns with the objective of providing buyers with financing options without compromising the ability to own one or more of our exclusive homes. Our campaigns included discounts, rebates and cashback for an array of fees incurred during the home purchasing process, as well as incentives for household furnishings and appliances. We believe that delivering quality homes to our buyers at a reasonable price point serves as a foundation to enhance the livelihood of society and strengthens the bond between communities across many generations.

Throughout FY2022, Tropicana launched three homeownership campaigns – Tropicana Multi-Million-Mania Campaign, Tropicana Power Up Campaign and Tropicana Journey of a Lifetime Campaign. The result of our efforts from these campaigns and general sales efforts saw the Group achieve RM1.3 billion in property sales.

Tropicana Multi-Mania Campaign	<div> 21 January to 17 June 2022 Campaign period </div> <div> 586 Units Sold </div> <p>This campaign is in conjunction with Tropicana Gardens Mall. Participants stand a chance to win an exclusive 452 sq ft Edelweiss SOFO unit as the Grand Draw Prize.</p> <p>Property: Every purchase of a Tropicana property during the campaign period will entitle buyers to 10 entries in the Grand Draw.</p> <p>Shoppers: Daily shopping vouchers giveaway as well as the Grand Draw. Each RM100 spent in up to two receipts per day at Tropicana Gardens Mall entitles shoppers to one token and one stamp on an entry card for the Grand Draw. Each token allows participation in the vending machine and a chance to win shopping vouchers worth RM20, RM50, and RM100 issued by selected Tropicana Gardens Mall stores, while 10 stamps collected on an entry card entitle participants to one entry in the Grand Draw.</p>
Tropicana Power Up Campaign	<div> 1 March to 30 September 2022 Campaign period </div> <div> 452 Units Sold </div> <p>Zero Down Payment Free Loan Stamp Duty Free MOT Stamp Duty Instant SPA Bonus 2x Referral Rewards</p>
Tropicana Journey of a Lifetime Campaign	<div> 1 October to 31 December 2022 Campaign period </div> <div> 196 Units Sold </div> <p>Our campaign offerings cater to diverse groups of property seekers, from first-time buyers to business owners, upgraders and investors as well.</p> <p>Every purchase of a Tropicana property during the campaign period will entitle buyers to win a once-in-a-lifetime experience with two first-class flight tickets to any European destination of their choice.</p>

ANTI-CORRUPTION & WHISTLEBLOWING POLICY

Tropicana and its subsidiaries are committed to conducting business ethically in compliance with all applicable anti-bribery and anti-corruption laws of the country in which the Group operates. The Group does not condone any form of bribery and corruption.

Our Anti-Bribery and Anti-Corruption Policy (“**ABAC Policy**”) provides guidance on how to prevent, deal with and combat bribery and corrupt activities and issues that may arise in the course of business. The Policy applies to all employees, directors (executive and non-executive) and any person who performs services for or on behalf of the Group, which includes contractors, sub-contractors, consultants, suppliers, agents, intermediaries and representatives of the Group.

All new recruits as well as employees promoted, transferred and in exposed positions are trained on the ABAC Policy by the Group Human Resources. Meanwhile, the Group Internal Audit, an independent authority, has oversight of the implementation of compliance controls related to this policy. The Head of Group Internal Audit reports directly to the Audit Committee, the Group Management Committee and the Board of Directors. The Risk Management Team conducts regular risk assessments to identify bribery and corruption risks potentially affecting the Group.

A whistleblower will be accorded the protection of confidentiality of identity, to the extent reasonably practicable. In addition, an employee who whistleblows internally will also be protected against any adverse and detrimental actions for disclosing any improper conduct committed or about to be committed within the Group, to the extent reasonably practicable, provided that the disclosure is made in good faith. Such protection is accorded even if the investigation later reveals that the whistleblower is mistaken as to the facts and the rules and procedures involved.

Upon the completion of the whistleblowing process and procedures, the whistleblower will be accorded the privilege to be notified of the outcome of the disclosure. Heads of Departments and the Group Human Resources are responsible to deal with enquiries related to whistleblowing. Alternatively, whistleblowers may email whistleblower@tropicana.com.my

PROCUREMENT PRACTICES

Procurement in Tropicana comes under the oversight of Group Procurement. Tropicana’s approach to procurement is guided by the Group’s procurement policy.

To maintain product quality, we emphasise effective procurement measures that facilitate effective engagement with suppliers who align with the Group’s commitment to product quality and service excellence.

Fair Selection and Continuous Assessment

We strive to procure our resources and building materials from suppliers who share the same commitment to product quality and adherence to regulatory standards. Taking into consideration their job history, cost of service and ability to meet deadlines, we enforce stringent selection and evaluation methods to ensure that our suppliers are contracted based on merit.

Selection

- Product sourcing via the Approved Suppliers List (“**ASL**”)

Survey

- If products are unavailable on the ASL, the Group will conduct open market research for alternatives
- Upon the identification of suitable replacement vendors, the new vendors will be required to complete the Vendor Survey Form (“**VSF**”)

Selection

- Shortlisted vendors are surveyed and selected based on financial security, labour costs, compliance, product pricing and quality

Continuous Assessment

- Suppliers are periodically assessed for their performance and compliance based on the criteria outlined in the Group’s SOP

The Group remains uncompromising in our stance on product quality and service excellence which extends to the suppliers we engage with. In the event that contracted suppliers fail to meet the performance benchmark set by the Group, the following consequence is applied:

- Probation Supplier – Suspended from tender participation for a specified period
- Not Acceptable Supplier – Removal from Approved Suppliers List (“**ASL**”) list

Supporting the Local Market

The impact of the COVID-19 pandemic reverberated across many industries, especially those that depend on the global supply chain. Construction materials, labour services and building fixtures are commonly sourced from international markets to optimise cost and meet volume demand. To overcome this challenge, we managed procurement costs through sound contract management by maintaining product pricing and continuously monitoring resource availability to manage the lead delivery time of the products we procured.

Cognisant of our operational needs, the Group remains steadfast in procuring **100%** of our products from the local market. We continue to endorse the hiring of local suppliers as a means to stimulate the recovery of Malaysia's economy while ensuring the Group maintains a steady supply of products required to maintain our operations.

	FY17	FY18	FY19	FY20	FY21	FY22
Group Procurement	5,486,647	12,950,634	16,067,161	18,051,445	10,428,942	23,409,032
Building Materials	47,129,475	33,482,110	30,836,568	8,171,861	9,469,581	11,390,080

Our disclosure in this section was prepared with reference to national and international sustainability indicators listed below:

Bursa Malaysia Common Indicators

- C1(a) Percentage of employees who have received training on anti-corruption by employee category
- C1(b) Percentage of operations assessed for corruption-related risks
- C1(c) Confirmed incidents of corruption and action taken
- C7 (a) Proportion of spending on local suppliers
- S6 (a) Percentage of new suppliers that were screened using environmental criteria
- S6 (b) Number of suppliers assessed for environmental impacts
- S7 (a) Percentage of new suppliers that were screened using social criteria
- S7 (b) Number of suppliers assessed for social impacts

GRI 2: General Disclosures 2021

- Disclosure 2-6 Activities, value chain and other business relationships
- Disclosure 2-9 Governance structure and composition
- Disclosure 2-10 Nomination and selection of the highest governance body
- Disclosure 2-11 Chair of the highest governance body
- Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts
- Disclosure 2-13 Delegation of responsibility for managing impacts
- Disclosure 2-14 Role of the highest governance body in sustainability reporting
- Disclosure 2-15 Conflicts of interest
- Disclosure 2-16 Communication of critical concerns
- Disclosure 2-17 Collective knowledge of the highest governance body
- Disclosure 2-18 Evaluation of the performance of the highest governance body
- Disclosure 2-25 Processes to remediate negative impacts
- Disclosure 2-27 Compliance with laws and regulations

GRI 204: Procurement Practices 2016

- Disclosure 204-1 Proportion of spending on local suppliers

GRI 205: Anti-Corruption 2016

- Disclosure 205-1 Operations assessed for risks related to corruption
- Disclosure 205-2 Communication and training about anti-corruption policies and procedures
- Disclosure 205-3 Confirmed incidents of corruption and actions taken

GRI 308: Supplier Environmental Assessment 2016

- Disclosure 308-1 New suppliers that were screened using environmental criteria
- Disclosure 308-2 Negative environmental impacts in the supply chain and actions

GRI 414: Supplier Social Assessment 2016

- Disclosure 414-1 New suppliers that were screened using social criteria
- Disclosure 414-2 Negative social impacts in the supply chain and actions taken

ART OF LEADERSHIP

Our vision of a bright future spurs
us to excel in the Art of Leadership

04

GOVERNANCE

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DIRECTORS' PROFILE

TAN SRI DATO' SRI MOHAMAD FUZI BIN HARUN

Independent Non-Executive Chairman
64 | Male | Malaysian

Date Appointed
27 October 2020

Total Board Meetings Attended
5/5

Tan Sri Dato' Sri Mohamad Fuzi Bin Harun is a retired Inspector General of the Royal Malaysia Police ("IGP") who served the Police Force for 35 years.

In 1984, he joined the Royal Malaysia Police. From 1986 to 2015, he was in the Special Branch Department and was later promoted as Director of the Special Branch.

In September 2017, he was promoted as the IGP, the highest-ranking position in the Royal Malaysia Police, until his retirement in May 2019. He was appointed as an Independent Non-Executive Director of Tropicana on 27 October 2020. He was then promoted as Independent Non-Executive Chairman of Tropicana on 19 January 2022.

He is also the Independent Non-Executive Chairman of Jaya Tiasa Holdings Berhad, SIAB Holdings Berhad and Hiap Teck Venture Berhad and an Independent Non-Executive Director of Ancom Nylex Berhad (formerly known as Ancom Berhad). He also holds directorships in several private limited companies.

TAN SRI DATO' TAN CHEE SING

Group Executive Vice Chairman
68 | Male | Malaysian

Date Appointed
24 January 2019

Total Board Meetings Attended
5/5

Tan Sri Dato' Tan Chee Sing is the founder of Tropicana.

He was appointed as Chairman and the Group Chief Executive Officer of Tropicana in July 1995 and redesignated as the Group Executive Vice Chairman of Tropicana in January 2013. He resigned as the Group Executive Vice Chairman and Director of Tropicana on 18 June 2015 and served as the advisor of Tropicana until he assumed his current position as the Group Executive Vice Chairman of Tropicana on 24 January 2019. He is also the Group Executive Vice Chairman of Tropicana Golf & Country Resort Berhad (a wholly-owned subsidiary of Tropicana) and the Deputy Chairman of Tropicana Foundation.

His children, Dato' Dickson Tan Yong Loong and Mr Dion Tan Yong Chien and his son-in-law, Mr Jared Ang Tzer Shen are also members of the Board.



DION TAN YONG CHIEN

Group Managing Director (Redesignated on 2 October 2017)
33 | Male | Malaysian

Date Appointed
18 June 2015

Total Board Meetings Attended
5/5

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

Mr Dion Tan Yong Chien holds a double degree in Bachelor of Science and Master of Science. In 2011, he graduated from the prestigious University College London, United Kingdom, mastering in Bachelor of Science, Information Management for Business. In 2012, he went on to pursue a Master of Science in Management with Information Systems and Innovation from the London School of Economics, United Kingdom. He started his career with Accenture – a multinational Fortune Global 500 company that provides consulting and technology services – as their strategy consultant in multiple fields such as telecommunications, media, and property sectors. Backed by his experience, Mr Dion Tan was appointed as the Executive Director of Tropicana on 18 June 2015 and re-designated to Group Managing Director on 2 October 2017.

He is responsible for strengthening project development, project delivery, and contract. He also oversees communications, marketing & sales, group asset management, resort & investment projects as well as the digitalisation masterplan for the Group. Together with the founder of Tropicana and its senior team, he actively supports the Tropicana Foundation, providing much-needed direction and assistance to worthy causes for the underprivileged community.

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

His father, Tan Sri Dato’ Tan Chee Sing, is the Group Executive Vice Chairman of Tropicana and major shareholder of Tropicana. He is also the brother of Dato’ Dickson Tan Yong Loong, Group Non-Independent Non-Executive Director of Tropicana and brother-in-law of Jared Ang Tzer Shen, Group Executive Director of Tropicana.



JARED ANG TZER SHEN

Group Executive Director
37 | Male | Malaysian

Date Appointed
13 October 2020

Total Board Meetings Attended
5/5

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

Qualification:
Master of Mechanical Engineering (First Class Honours) in Chemical Engineering from Imperial College London.
Master of Business Administration from Institut Européen d’Administration des Affaires (INSEAD).

Mr Jared started his career in management consulting with A.T. Kearney, focused on analytics, strategy, and stakeholder management, before obtaining an MBA from INSEAD, where he was awarded the Dean’s List honours and selected as one of the top 20 students to attend an exchange programme with Wharton Business School. He has been involved in portfolio management and fundraising, covering a variety of sectors including retail, healthcare, and education in organisations such as OldTown White Coffee, CTOS, MR DIY and Creador, a substantial shareholder of GHL.

Mr Jared was appointed on 13 October 2020 as the Group Executive Director of Tropicana and sits on the board of Tropicana Golf & Country Resort Berhad.

Mr Jared is the son-in-law of Tan Sri Dato’ Tan Chee Sing, who is the Group Executive Vice Chairman and major shareholder of Tropicana. His brothers-in-law, Dato’ Dickson Tan Yong Loong and Mr Dion Tan Yong Chien are also the members of the Board.

**DATO' DICKSON TAN YONG LOONG**

Group Non-Independent Non-Executive Director
42 | Male | Malaysian

Date Appointed
17 November 2021

Total Board Meetings Attended
5/5

Dato' Dickson Tan Yong Loong ("**Dato' Dickson**"), is the Executive Chairman, President and Group CEO and Chairman of the Executive Committee of the Palmgold Group of Companies. Palmgold Group is a global investment company with interests in investment holdings, equity investments, private equity, fintech, gaming and real estate. Palmgold Group is a strategic shareholder of Australian-listed Fat Fish Group Limited (ASX:FFG), a multinational tech conglomerate and venture capital firm with businesses in video games, esports, e-commerce, fintech, digital animation and Web 3 games. Its group portfolio includes several high-growth companies such as Swedish-listed Abelco Investment Group AB (NGM: ABIG), Swedish-listed Rightbridge Ventures Group AB (NASDAQ: RIGHTB), Singapore-based ASEAN Fintech Group Ltd, Malaysia-based Lemon Sky Studios and Australian-listed iCandy Interactive Limited (ASX: ICI).

Dato' Dickson is currently serving as the Chairman of the board of Tropicana Golf & Country Resort Berhad and a member of the board of Tropicana Corporation Berhad. In addition, Dato' Dickson serves on the boards of several other local and international private limited companies with diverse interests in various sectors. He is a member of the Kuala Lumpur Business Club and the Malaysian Institute of Management.

Dato' Dickson started his career at Tropicana Corporation Berhad in 2005 as Business Development Manager, and has held several senior management positions, including Executive Director (2009-2010), Deputy Managing Director (2010-2013), Group Managing Director (2013-2014), and Deputy Group Chief Executive Officer (2014-2020). He was also a Non-Independent Non-Executive Director for Berjaya Corporation Berhad (2011-2016), Berjaya Land Berhad (2011-2016), Berjaya Assets Berhad (2012-2016), and Berjaya Sports Toto Berhad (2011-2017). Dato' Dickson Tan received his Master of Science in Internal Auditing and Management from Cass Business School, City University, United Kingdom in 2003 and Bachelor of Science (Honours) in Business Management from King's College, University of London, United Kingdom in 2002. He completed his studies at Harrow School, United Kingdom in 1999.

Honours: Darjah Dato' Setia Diraja Kedah (D.S.D.K.) - Dato' (2013)

**MOHD NAJIB BIN ABDUL AZIZ**

Independent Non-Executive Director
49 | Male | Malaysian

Date Appointed
13 July 2016

Total Board Meetings Attended
5/5

Chairman of the Audit Committee and Pricing Committee, Member of the Nomination Committee, Remuneration Committee and Investment Committee.

Qualification:

Bachelor of Commerce (Accounting) from the University of New South Wales, Australia.

Member of the Institute of Chartered Accountants in Australia ("**ICAA**").
Member of the Malaysian Institute of Accountants ("**MIA**").

Encik Mohd Najib was the Assistant Manager of Global Corporate Finance in Arthur Andersen & Co. and had held the position of Senior Consultant with the Corporate Recovery Division of KPMG for three years in Perth, Western Australia. He was previously an Independent Non-Executive Director of Kumpulan Jetson Berhad and Bina Puri Holdings Berhad.

He was appointed as an Independent Non-Executive Director of Tropicana on 13 July 2016.

Currently, he is the Managing Director of Corporate-Pacific Holdings Sdn Bhd and also serves as a Non-Executive Director of GCM Resources PLC, a company listed on the AIM market under the London Stock Exchange.

**DATUK WIRA LYE EK SEANG**

Independent Non-Executive Director
58 | Male | Malaysian

Date Appointed

9 November 2018

Total Board Meetings Attended

4/5

Chairman of the Nomination Committee and Investment Committee, Member of the Remuneration Committee, Risk Management and Sustainability Committee, and Pricing Committee.

Qualification:

Bachelor of Science (Honours) degree in Mathematics from the University of Malaya.

Datuk Wira Lye was appointed as an Independent Non-Executive Director on 9 November 2018. He was also the Non-Independent Non-Executive Director of Magna Prima Berhad from 2007 to 2009. Subsequently, he was appointed as a Deputy Executive Chairman of Ho Hup Construction Company Berhad from 2008 to 2010. He also served as a Non-Executive Director of Minetech Resources Berhad from 2008 to 2014 and a Non-Independent Non-Executive Director of REDtone International Berhad from 2014 to 2016. He was the director of Cardiff City Football Club from 2013 to 2017.

He is the co-founder and Managing Director of Mygres Ceramiche Sdn Bhd, the owner of Hyatt Place Kuala Lumpur located in Bukit Jalil. He is also shareholder of Edusphere, a Cyberjaya property development in partnership with HCK Capital Berhad, which owns University of Cyberjaya. Presently, he is a Non-Independent Non-Executive Director of Berjaya Assets Berhad and a Trustee of Tropicana Foundation. He also sits on the board of several private limited companies.

**ALICE DORA BOUCHER**

Independent Non-Executive Director
65 | Female | Malaysian

Date Appointed

26 February 2019

Total Board Meetings Attended

5/5

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

Qualification:

Bachelor of Economics (2nd Upper) from the University of Malaya.

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

She has more than 36 years of working experience in Corporate and Investment Banking. She was involved in providing financial solutions to companies involved in various industries such as property development, manufacturing, plantations, and oil & gas. She also has exposure to credit risk management during her tenure at the Bank and was a member of the Bank's credit committee for approval of loans and other funding proposals. She has no directorship in other public companies in Malaysia.



VIVIENNE CHENG CHI FAN

Independent Non-Executive Director
63 | Female | Malaysian

Date Appointed
7 December 2020

Total Board Meetings Attended
5/5

Member of the Remuneration Committee, Audit Committee and Risk Management and Sustainability Committee

Qualification:

Bachelor of Economics (Accounting) from Monash University, Australia.

Ms Vivienne was appointed to the Board of Berjaya Corporation Berhad (“**Berjaya**”) on 15 September 2005 as an Executive Director and was subsequently appointed as an Independent Non-Executive Director of Tropicana Corporation Berhad on 7 December 2020.

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

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

Currently, she is also the Joint Chief Executive Officer of Berjaya Corporation Berhad and a Director of Cosway Corporation Berhad.



DATO' SRI BADRUL HISHAM BIN ABDUL AZIZ

Independent Non-Executive Director
37 | Male | Malaysian

Date Appointed
11 May 2021

Total Board Meetings Attended
5/5

Qualification:

Bachelor of Arts (Honours) in Business Administration from Linton University College.

On 11 May 2021, Dato' Sri Badrul Hisham was appointed as an Independent Non-Executive Director of Tropicana and was subsequently appointed as a Non-Independent Non-Executive Director of REDtone Digital Berhad on 1 September 2022.

He is one of the Directors of Securelytics Sdn Bhd, a comprehensive cybersecurity systems management company with international partners in Indonesia, Singapore, and Germany, Director of Exomurni Sdn Bhd and Executive Director of Multimax Development Sdn Bhd, a property development company based in Johor.

Currently, he is also an Executive Director of Berjaya Group Berhad and the Chairman of Securelytics Sdn Bhd. He also sits on the board of several other private limited companies.



DATO' MOHAMAD LOTFY BIN MOHAMAD NOH

Independent Non-Executive Director
63 | Male | Malaysian

Date Appointed
25 August 2022

Total Board Meetings Attended
1/1

Chairman of the Remuneration Committee,
Member of the Investment Committee.

Qualification:

Advance Diploma in Business Studies from Universiti Teknologi MARA (UiTM).
Diploma in Marketing (CIM,UK).

Dato' Mohamad Lotfy's vast career path began at Public Bank Berhad before moving to Kwong Yik Finance Bhd back in 1986. From the banking industry, he moved into property development in 1990. He has over 30 years of experience in property development including investment, finance and marketing.

In 2005, he was appointed as the General Manager, Property Investment Division of the Employees Provident Fund Board ("EPF") and had established overseas property ventures for the Fund's multi-billion Ringgit investment portfolio and pioneered the property acquisition in the United Kingdom and Australia where he was instrumental in setting up the base foundations of the investments.

He had also led the property investment team of EPF in the acquisition of the last prime piece of land in Sungai Buloh with a projected Gross Development Value of RM50 billion. Currently, he is an Independent Director of Permodalan Negeri Selangor Berhad.

DATUK TAN MANN CHAI, JP

Independent Non-Executive Director
68 | Male | Malaysian

Date Appointed
5 September 2022

Total Board Meetings Attended
1/1

Datuk Tan Mann Chai, JP has more than 30 years of experience in the marketing industry. He has experience in several industries, particularly property development and construction.

He was the Executive Director of Air Utara Indah Sdn Bhd since 2013, a privatised company in Kedah, Malaysia to undertake the water privatisation project by taking over the operations and maintenance of five water treatment plants in Kedah.

He was also the Executive Director of Berjaya Construction Berhad from 2020 to 2022. In 2023, he has been appointed as consultant to the company.

Save as disclosed, none of the Directors, have:

1. any family relationship with any Directors and/or major shareholders of the Company;
2. any conflict of interest with the Company;
3. any conviction for offences within the past five (5) years other than traffic offences; and
4. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

For over four decades,
we have consistently
Redefined the Art of Living by
**building
wholesome
communities**




SENIOR MANAGEMENT PROFILE

DILLON TAN YONG CHIN

Group Managing Director
40 | Male | Malaysian

Date Appointed to Executive Position
30 November 2009

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

He sits on the Board of Tropicana Golf & Country Resort Berhad (a wholly-owned subsidiary of Tropicana) as well as several private limited companies which are subsidiaries of Tropicana Corporation Berhad. Mr Dillon also sits on the Board of several foreign private limited companies.

His father, Tan Sri Dato' Tan Chee Sing, is the Group Executive Vice Chairman and a major shareholder of Tropicana. His brothers, Mr Dion Tan Yong Chien, is the Group Managing Director of Tropicana, and Dato' Dickson Tan, is the Non-Independent Non-Executive Director of Tropicana. His brother-in-law Mr Jared Ang Tzer Shen, is the Group Executive Director of Tropicana, and his other brother, Mr Din Tan Yong Chia, is the Executive Director of Tropicana.

Save as disclosed, he does not have any family relationship with any other Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

DIN TAN YONG CHIA

Executive Director
30 | Male | Malaysian

Date Appointed to Executive Position
2 January 2018

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

After an internship with Morgan Stanley in their Private Wealth Management division, Din joined the Digital Marketing division of a local tech start-up for a year, prior to joining Tropicana's Marketing Department.

His father, Tan Sri Dato' Tan Chee Sing, is the Group Executive Vice Chairman and a major shareholder of Tropicana. His brothers, Mr Dion Tan Yong Chien, is the Group Managing Director of Tropicana; Dato' Dickson Tan, is the Non-Independent Non-Executive Director of Tropicana, and Mr Dillon Tan Yong Chin, is the Group Managing Director (Southern) of Tropicana. His brother-in-law Mr Jared Ang Tzer Shen, is the Group Executive Director of Tropicana.

Save as disclosed, he does not have any family relationship with any other Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.



KHOO THIAN SHYANG

Deputy Chief Executive Officer
47 | Male | Malaysian

Date Appointed to Executive Position
1 May 2023

Mr Khoo Thian Shyang graduated with a Bachelor in Civil Engineering from the University of Technology Malaysia. He also holds a Master in Business Studies/Administration/Management from Coventry University, United Kingdom. He is a registered engineer with the Board of Engineers of Malaysia.

He began his career as a civil and structural design engineer in 2000 and brings with him more than 21 years of experience in the property and construction industry. His expertise lies in project management including product development, cash flow planning, value engineering, mitigating project risk, and timely project delivery. He also strategises and implements business plans, and manages overall project sales performance. His most notable achievements include master-planning KL Metropolis and completing the Malaysia International Trade and Exhibition Centre (“**MITEC**”).

Prior to joining Tropicana, he was the CEO of DK-MY Properties and Senior Project Director of NAZA TTDI Sdn Bhd. He has also held several key management positions in Sunway Berhad and Bukit Kiara Properties Sdn Bhd. He joined Tropicana in 2021 as an Executive Director to spearhead the project division and was subsequently promoted to Deputy Chief Executive Officer on 1 May 2023 assuming a wider role overseeing Tropicana’s growth and expansion.

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



LIM LAI SENG

Managing Director/Chief Financial Officer
54 | Male | Malaysian

Date Appointed to Executive Position
17 April 2023

Managing Director/Chief Financial Officer, Finance

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

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

Currently, he is in charge of Tropicana Group’s Finance Division, which consists of Treasury, Group Reporting, Project Finance, Tax, Credit Admin, Risk Management, and General Admin.

Apart from having vast general experience in Finance, Mr Lim’s experience saw him being project lead in numerous corporate exercises, including takeovers, mergers, demergers, and Initial Public Offerings. Mr Lim also has vast exposure in leading various funding exercises, including issuances and buy backs of USD and MYR Bonds, corporate ratings, structuring corporate debt programmes, and general corporate funding.

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

**CHING HONG TAT**

Managing Director, Business Development
48 | Male | Malaysian

Date Appointed to Executive Position
1 October 2017

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

He has more than 24 years of working experience in various industries including property development, agriculture, financial services, manufacturing, construction, and industrial products. He joined Tropicana on 1 May 2010 as Deputy General Manager and was subsequently promoted to Managing Director of Tropicana on 1 October 2017.

He was involved in business development, mergers & acquisitions, listing, fundraising and systems implementation. He is currently responsible for strategic planning and identifying new business opportunities. He also supports financial and operations matters.

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

LEE GIA YUANN, KAREN

Managing Director, Southern Region
45 | Female | Malaysian

Date Appointed to Executive Position
1 November 2020

Ms Karen Lee holds a Diploma in Interior Design, and has more than 20 years of experience in local and overseas construction projects and property development industries.

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

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



ANDREW ASHVIN S/O PODIMHATIA

Managing Director, Group Assets Management
51 | Male | Malaysian

Date Appointed to Executive Position
1 October 2019

Mr Andrew Ashvin brings with him 28 years of retail and mixed development management experience. He is a Certified Marketing Manager, Certified Operations Manager, Certified Administration Manager, and a Certified Complex Manager by the Malaysian Association of Shopping & Highrise Complex Management, of which he is also a member.

His previous stints with the Penas Group in Penang, Carrefour Malaysia, Mayland Group, Hong Leong Group, and Suria KLCC Sdn Bhd helped nurture his expertise in all aspects of mall and property management, in general.

He passionately believes that a mall is more than just bricks and mortar. Each mall has its unique character and personality. A mall serves as a meeting place, a destination, and a melting pot of sorts that creates an ambience for leisure, commerce, and entertainment. He has been serving the Group for 11 years and heads the Group Assets Management division as their Managing Director.

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



MOHD ZAPI BIN ABDULLAH

Managing Director
51 | Male | Malaysian

Date Appointed to Executive Position
1 January 2017

Mr Mohd Zapi Bin Abdullah graduated with BA Hons major in Urban and Planning studies from the University of Malaya. He has been in the property industry for the past 25 years. He was involved in Project Management, approval management, and customer service.

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of Tropicana Corporation Berhad (“**Tropicana**” or “**Company**”) is committed to maintaining high standards of corporate governance to build an environment of trust, transparency and accountability necessary to foster long-term investment, financial stability and business integrity, leading stronger growth and success of the Company and its subsidiaries (“**Group**”). The Board supports the principles and recommendations of the Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia (“**MCCG**”). The Board will continue to review the existing corporate governance practices throughout the Group and to undertake appropriate actions in embedding the principles and recommendations of the MCCG.

The Board considers sustainability an integral part of business operations inherent to strategic planning and decision-making. The general role of the Board is to guide and create long-term sustainable value through considerations given on the Group’s material economic, environmental and social (“**EES**”) risks and opportunities to benefit our stakeholders. Further details on the Group’s sustainability governance can be found in the Sustainability Statement section in this Annual Report on page 55.

This Corporate Governance Overview Statement (“**Statement**”), which is made pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), sets out an overview of the application of the principles in the MCCG in which the Group has applied the principles and the recommendations of the MCCG throughout the financial year ended 31 December 2022 (“**FY2022**”). Details of the application of each practice of the MCCG during FY2022 are disclosed in the Corporate Governance Report (“**CG Report**”) in the format prescribed by Paragraph 15.25(2) of the MMLR of Bursa Securities, which is available on the Company’s website at <https://www.tropicanaCorp.com.my/corporate-governance> as well as the website of Bursa Securities. This Statement made reference and provide the details on how the Company applied and upheld the three (3) main principles highlighted in the MCCG during FY2022 and/or up to the date of this Statement (where applicable), which are:

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

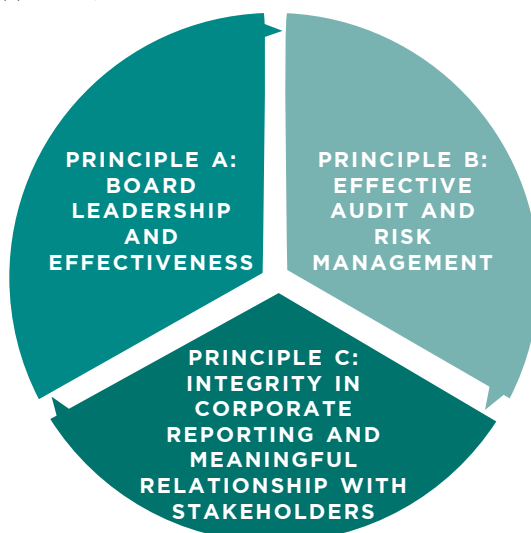


PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

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

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



In FY2022, the Board had reviewed the Board Charter and Terms of Reference (“**TOR**”) of all the Board Committees to ensure the Board Charter and TOR are updated accordingly.

The Board is mindful of the importance of building a sustainable business and therefore, takes into consideration its environmental, social and governance impact when developing the corporate strategy of the Group. The Company’s activities in corporate social responsibilities for the year under review are disclosed on pages 96 to 97 in this Annual Report.

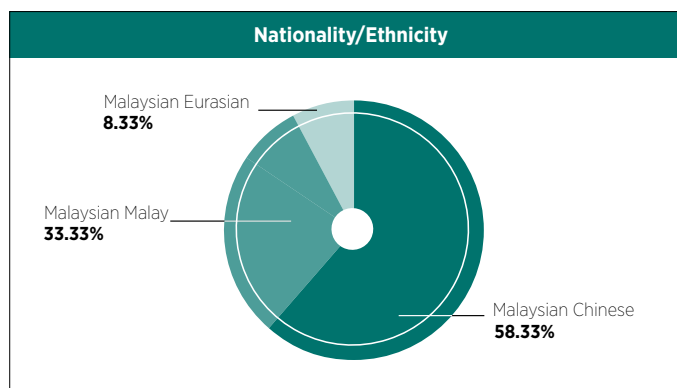
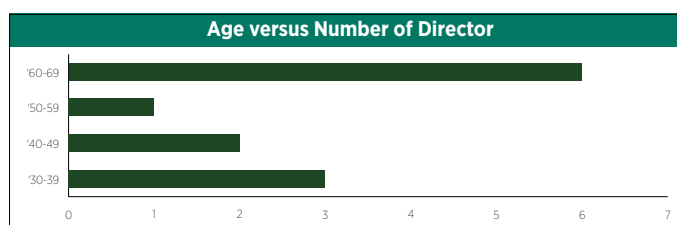
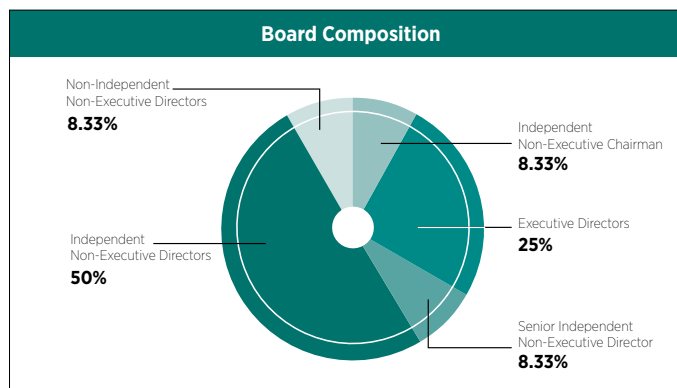
In discharging its duties, the Board is guided by its Board Charter which outlines the duties and responsibilities of the Board, Chairman, Deputy Chairman, Senior Independent Director, Group Managing Director (“**Group MD**”) and Group Chief Executive Officer (“**Group CEO**”). The Board Charter which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

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

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

II. Board Composition

Throughout FY2022, the Board composition complies with Paragraph 15.02 of the MMLR of Bursa Securities whereby at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are made up of Independent Non-Executive Directors as well as at least one (1) woman Director. The Board composition also adopts Practice 5.2 of MCGG which stipulates that at least 50% of the Board comprises Independent Non-Executive Directors. The Board, as at the date of this Statement consists of twelve (12) members, which are made up of one (1) Independent Non-Executive Chairman, seven (7) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and three (3) Executive Directors. The Senior Independent Non-Executive Director resigned on 20 January 2023 and the Nomination Committee and the Board collectively are still looking for a suitable candidate to fill up the position.



The Board comprises members from diverse backgrounds ranging from property development, investments, finance and accounting, banking, audit, risk management, business and general management, information technology, public administration, mechanical, police force as well as food and beverages. The Directors provide the Group with diverse views and a wealth of expertise, experiences and networks to draw upon. The Board’s decisions are based on diverse perspectives/insights and are made objectively in the best interests of the Company. The profiles of the Directors are set out on pages 106 to 111 in this Annual Report.

III. Board Independence

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

There is a clear division of responsibilities at the head of the Company. The Chairman and Group Executive Vice Chairman represent the Board to the shareholders and are responsible for the effective running of the Board. In FY2022, the Board welcomed Dato’ Mohamad Lotfy Bin Mohamad Noh and Datuk Tan Mann Chai, JP who were appointed as Independent Non-Executive Directors of the Company on 25 August 2022 and 5 September

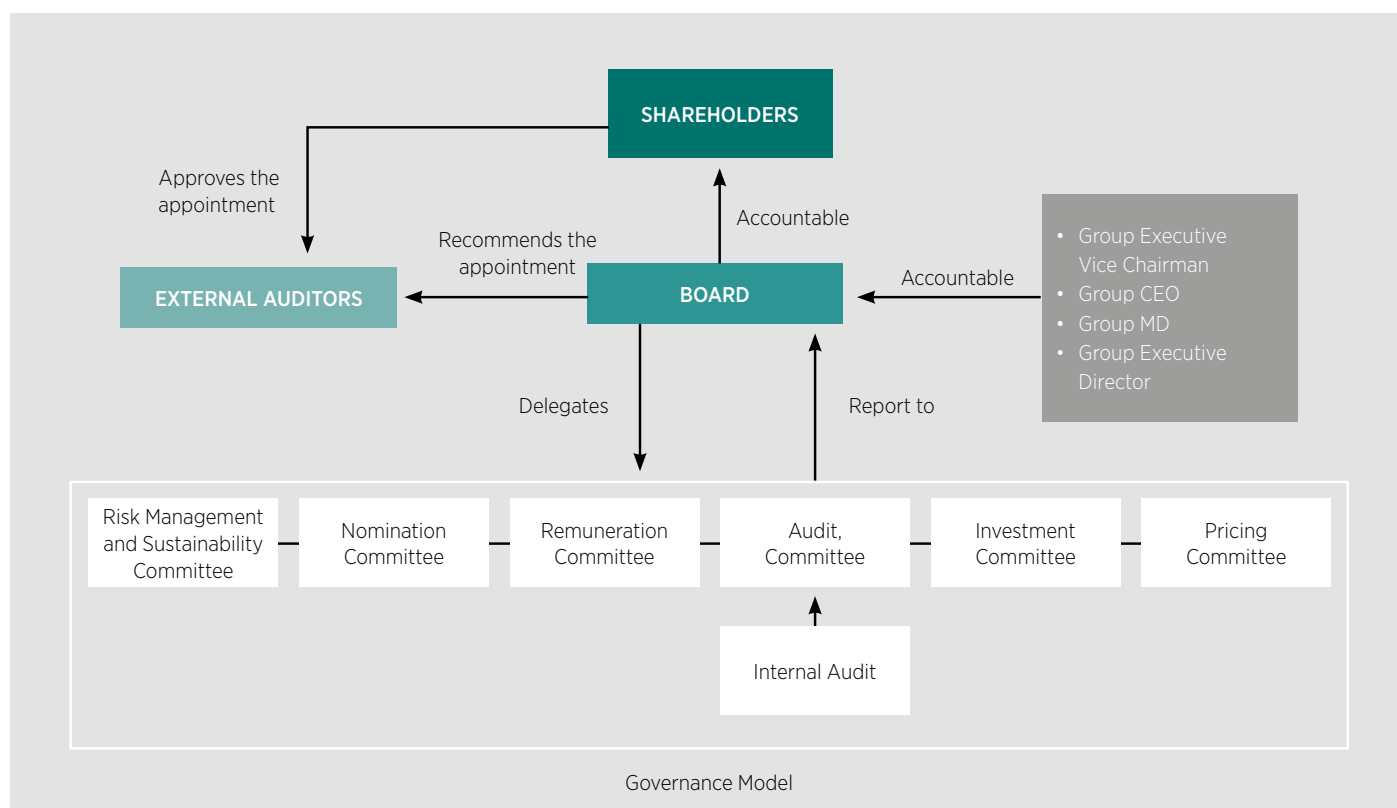
2022, respectively. Meanwhile, the Company also announced the resignation of Tan Sri Dr Lim Wee Chai as Chairman of the Board on 11 January 2022, Mr Lee Han Ming as Group CEO on 1 May 2022, Datuk Siw Chun A/P Eam as Independent Non-Executive Director on 18 August 2022 and subsequently, Dato' Dr Teo Tong Kooi on 20 January 2023. The Group Executive Vice Chairman, Group CEO, Group MD and Group Executive Director are fully responsible for the effective running of the Group's operations and the implementation of the Board's policies and decisions. However, after Mr Lee Han Ming's resignation, the Group Executive Vice Chairman is overseeing the Group's operations.

The positions of the Chairman, the Group Executive Vice Chairman and the Group MD are held by three (3) different individuals. The clear demarcation of responsibilities between the Chairman, the Group Executive Vice Chairman and the Group MD ensure a balance of power and authority, such that no individual or small

group of individuals can dominate the Board's decision-making. The subsidiaries of the Company are currently undergoing the alteration of their Constitutions to include the joint approval of the Group Executive Vice Chairman and the Group MD for business decisions. This is to ensure that the authority is legally binding on the Board and the Management. It is mandatory for all members of the Board to declare any of their interests in the transactions undertaken by the Group. In such instances, the interested Director(s) shall abstain from deliberation and the decision-making process.

The Board has applied Practice 1.4 of the MCCG whereby the Chairman of the Board should not be a member of the Board Committee. Hence, Tan Sri Dato' Sri Mohamad Fuzi Bin Harun, the Chairman of the Board is not a member of any Board Committee of the Company.

IV. Governance Model and Framework



The Board delegates the day-to-day management of the Company's business operations to Management under the stewardship of Mr Dion Tan Yong Chien, the Group MD and Mr Jared Ang Tzer Shen, the Group Executive Director.

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

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

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

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

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

The Investment Committee assists the Board to review any proposed acquisition or disposal of undertakings and assets as well as major investments of the Group including any new ventures of the Group that exceed the threshold of 1% of the Group's shareholders' fund based on the latest audited consolidated financial statements of the Group. The Investment Committee also assists the Board to monitor and oversee the Group's digital strategies and technology solutions and to receive and consider Information Management reports on digital strategies.

In order to strengthen the Board's oversight of Management (in addition to the above), the Board has the following agenda items at its quarterly meeting:

- to review reports of the operations of the Group (Northern, Central and Southern regions) by Senior Management;
- to review reports of the status of marketing and sales of the Group prepared by the Deputy Chief Executive Officer/Executive Director, Sales & Marketing (Non-Board member of Tropicana);
- to review reports on the development of material litigation(s) and/or any new material litigation of the Group by the Executive Director, Group Legal (Non-Board member of Tropicana); and
- to review reports of the operations of Tropicana Gardens Mall prepared by the Managing Director, Group Assets Management.

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

(i) Nomination Committee

As at the date of this Statement, the Nomination Committee consists of three (3) members, all of whom are Independent Non-Executive Directors. The composition of the Nomination Committee is as follows:

Name	Position	Designation
Datuk Wira Lye Ek Seang	Chairman	Independent Non-Executive Director
Encik Mohd Najib Bin Abdul Aziz	Member	Independent Non-Executive Director
Ms Alice Dora Boucher	Member	Independent Non-Executive Director

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

New Appointment to the Board and Senior Management

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

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

As at the date of this Statement, the Nomination Committee had considered and recommended the appointment of Dato' Mohamad Lotfy Bin Mohamad Noh and Datuk Tan Mann Chai, JP as Independent Non-Executive Directors of the Company, and the appointment of Mr Lim Lai Seng as Managing Director/Chief Financial Officer of the Company.

The Nomination Committee had reviewed Dato' Mohamad Lotfy Bin Mohamad Noh and Datuk Tan Mann Chai, JP's profile and curriculum vitae, the qualification and the disclosure of their other directorships and had considered their background, academic qualifications, skills, experiences, time commitment and competencies prior to their appointment as Independent Non-Executive Directors of the Company guided by the Fit & Proper Policy adopted by the Group. The Nomination Committee had also reviewed the profile and curriculum vitae, the qualification of all senior positions.

Diversity and Inclusion Policy

Diversity is integrated across our Diversity and Inclusion Policy, and Tropicana strives for the importance of diversity in the workplace and inclusive culture that respects and values each other's difference and promotes equality and diversity. Appointments of the Board and Management of Tropicana are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender. Director appointed should be able to devote the required time to serve the Board effectively. The Board would consider the existing Board positions held by a Director. Any appointment that may cast doubt on the integrity and governance of Tropicana would be avoided.

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

In assessing the suitable candidate for appointment to the Board and Key Personnel in the Group, the Nomination Committee and the Board also accord due consideration to gender diversity, age, required mix of skills, knowledge and experience, cultural background and other qualities, including core competencies and integrity. The Board recognises the challenges in achieving the right balance of gender diversity on the Board. This will be done over time, taking into account the present size of the Board, the valuable knowledge and experience of the present Board members and the evolving challenges to the Company over time. Currently, the Board has two (2) female Directors i.e., Ms Alice Dora Boucher and Madam Vivienne Cheng Chi Fan.

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

Annual Board Evaluation

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

In FY2022, the Board through the Nomination Committee conducted annual evaluation exercise internally and facilitated by the Group Company Secretary, consisting of the following:

- (a) Evaluation of the Board effectiveness as a whole;
- (b) Evaluation of the Board Committees performance;
- (c) Individual Directors' Self and Peer Performance Evaluation;
- (d) Audit Committee Assessment; and
- (e) Independent Non-Executive Director Self Evaluation.

The criteria on the evaluation of the Board as a whole related to, amongst others, the appropriate composition and Committees in correspondence to the Board's oversight duties and the development of the Company's strategy, the Board has the right mix of skills and experience to optimise performance and strategy, and the roles and responsibilities of the Board and individual Directors are clearly defined in the Board Charter.

The criteria for the evaluation of the Board Committees related to, inter alia, whether all the Board Committees have the right number of members in its composition, whether each Board Committee properly discharges its duties and responsibilities, and whether all Board Committees provide useful information and recommendations that assist the Board to make better decisions, and consequently make Board meetings more efficient and effective.

The criteria on the Individual Directors' Self and Peer Performance Evaluation related to, such as, whether the Director shares his information or insights, applies analytical and conceptual skills to the decision-making process, provides realism and practical advices to Board's deliberations, as well as assesses and links short-term issues to the long-term strategy of the Company.

The criteria on the Audit Committee Assessment related to, among other things, whether the Audit Committee's actions reflect independence from Management, ethical behaviour, and the best interests of shareholders, and whether there is appropriate consideration of the Company's financial reporting risks and the related internal controls, which are reflected in the Audit Committee's discussions and agenda items.

In terms of the assessment of the Independent Non-Executive Director Self Evaluation, each Independent Non-Executive Director has conducted a self-evaluation of his/her independence based on the criteria of independence as defined under Paragraph 1.01 of the MMLR of Bursa Securities. In addition, each Independent

Non-Executive Director self-checked his/her ability to advise the Board on matters relating to any existing transactions where conflict of interests exist and on matters requiring deliberation by Directors such as related party transactions. Each Independent Non-Executive Director also verified and declared his/her tenure of service as an Independent Non-Executive Director in the Company. In addition, the Board has included the following as part of the process of the evaluation of the Board:

- (a) Questionnaires are prepared via Google Forms;
- (b) Collation of results and preparation of findings and actions;
- (c) Deliberations in the Nomination Committee's and the Board's meetings.

All assessments and evaluations carried out by the Nomination Committee were properly documented. The outcome and summary results of the Evaluation of the Board effectiveness as a whole, Evaluation of the Board Committees performance, Individual Directors' Self and Peer Performance Evaluation, Audit Committee Assessment, and Independent Non-Executive Director Self Evaluation for the FY2022 were tabled to the Nomination Committee for recommendation before reporting the same to the Board for notation. The Board viewed that its current composition is sufficient to meet the needs, objectives and aspirations of the Company.

From the evaluation, the Board recognised the importance to promote gender diversity, the Company is committed to actively working towards having more female Directors on the Board.

Redesignation as Senior Independent Non-Executive Director

The Board had on 30 November 2021 approved the redesignation of Dato' Dr Teo Tong Kooi (resigned on 20 January 2023) as the Senior Independent Non-Executive Director of the Company. Subsequent to his resignation, the Board is in the midst of looking for a suitable candidate to be appointed as the Senior Independent Non-Executive Director of the Company. As part of good governance practices, the appointment of Senior Independent Non-Executive Director is made on the basis of suitability in terms of relevant industrial experiences, qualifications, expertise and any other criteria that the Board thinks fit, in determining the eligibility of a Director as a Senior Independent Non-Executive Director in view of the size and complexity of the Group's businesses. The Board had also taken into account the policy of inclusion and diversity under the MCCG. In manifesting the Board's commitment towards sound governance, the Board has benchmarked its Senior Independent Non-Executive Director's TOR against the relevant promulgations as well as other duties and responsibilities and conflicts of interest. The TOR shall be reviewed by the Board on a regular basis as it deems appropriate to reflect good governance practices and/or any regulatory compliances.

The principal responsibilities covered in the TOR of Senior Independent Non-Executive Director, including but are not limited to the following:

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

Retention of Independent Non-Executive Director

The Board Charter indicates the restriction for the tenure of an Independent Non-Executive Director to a cumulative term of nine (9) years. An Independent Non-Executive Director may continue to serve on the Board upon reaching the nine (9) year term limit subject to the Independent Non-Executive Director's redesignation as a Non-Independent Non-Executive Director. In the event that the Board intends to retain the Director as an Independent Non-Executive Director after the latter has served a cumulative term of nine (9) years, the Board must justify the decision and seek shareholders' approval annually at the general meeting through a two-tier voting process in accordance to Practice 5.3 of the MCCG. In justifying the decision, the Nomination Committee is entrusted to assess the Director's suitability to continue as an Independent Non-Executive Director based on the criteria of independence.

Currently, none of the Independent Non-Executive Directors of Tropicana has served for more than nine (9) years.

Activities of the Nomination Committee during FY2022

The Nomination Committee met four (4) times during FY2022. The Nomination Committee had carried out and discharged its main duties as below:

- (a) Reviewed the summary results of the evaluations on the Board effectiveness as a whole, Board Committees performance, Individual Directors' Self and Peer Evaluation, Independent Directors' Self Evaluation, and Audit Committee Members' Self Evaluation.
- (b) Reviewed and recommended to the Board for approval, the extract of Nomination Committee report in the Corporate Governance Overview Statement for inclusion in the Annual Report 2021.

- (c) Reviewed and recommended to the Board for approval, the re-election of Directors in accordance with Clauses 112 and 113 of the Company's Constitution at the Forty-Third Annual General Meeting ("43rd AGM") held on 23 June 2022. The Directors who are eligible for re-election have completed the Fit & Proper Policy Compliance Checklist to declare that he/she is a fit and proper person to act as a Director of the Company.
- (d) Reviewed and recommended to the Board for approval, the proposed appointments of Dato' Mohamad Lotfy Bin Mohamad Noh and Datuk Tan Mann Chai, JP as Independent Non-Executive Directors of Tropicana and the proposed promotion of Tan Sri Dato' Sri Mohamad Fuzi Bin Harun as Chairman of Tropicana. Both Dato' Mohamad Lotfy Bin Mohamad Noh and Datuk Tan Mann Chai, JP have completed their respective Fit & Proper Policy Compliance Checklist to declare that they are a fit and proper person to act as a Director of the Company prior to their appointments as Directors of the Company.
- (e) Reviewed and recommended to the Board for approval, the proposed changes of the TOR of the Nomination Committee.
- (f) Considered and recommended to the Board for approval, the changes to the compositions of the Board Committees following the resignations and appointments of Directors of the Company.
- (g) Reviewed and recommended to the Board for approval, the proposed Fit & Proper Policy for Appointment and Re-Election of Directors of the Group.

(ii) Remuneration Committee

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

Name	Position	Designation
Dato' Mohamad Lotfy Bin Mohamad Noh (Appointed w.e.f. 20 March 2023)	Chairman	Independent Non-Executive Director
Datuk Wira Lye Ek Seang	Member	Independent Non-Executive Director
Encik Mohd Najib Bin Abdul Aziz	Member	Independent Non-Executive Director
Madam Vivienne Cheng Chi Fan (Appointed w.e.f. 20 March 2023)	Member	Independent Non-Executive Director

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

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

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

The Remuneration Committee met three (3) times during FY2022 and the Remuneration Committee had reviewed and recommended the following matters to the Board for approval:

- (a) Proposed 2022 salary increments and bonuses for the financial year ended 31 December 2021 for the Executive Directors, Senior Management and the employees of the Company and its group of companies;
- (b) Proposed remuneration packages payable to the newly appointed Directors of the Company;
- (c) Proposed changes of the TOR of the Remuneration Committee; and
- (d) Proposed payment of the Directors' remuneration to the Non-Executive Directors for the financial year ended 31 December 2021.

The remuneration paid to the top five (5) key Senior Management personnel for FY2022 are as follows:

Remuneration Range	Name of Key Senior Management
1,450,000-1,500,000	Ms Lee Sor Phaik

The remuneration of the other top four (4) key Senior Management personnel namely, Tan Sri Dato' Tan Chee Sing, Mr Lee Han Ming (resigned from the Board of Tropicana on 1 May 2022), Mr Dion Tan Yong Chien and Mr Jared Ang Tzer Shen, who are also Executive Directors of the Company, have been disclosed under the Directors' Remuneration section.

Directors' Remuneration

The details of the remuneration of the Directors of the Company comprising remuneration received/receivable from the Company and its subsidiaries during FY2022 are as follows:

No	Name	Directorate	Company (RM'000)							Group (RM'000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	Independent Director	237	5	-	-	-	-	242	237	5	-	-	-	-	242
2	Tan Sri Dato' Tan Chee Sing	Executive Director	-	-	4,574	363	-	244	5,181	-	-	10,118	803	-	3,648	14,569
3	Mr Dion Tan Yong Chien	Executive Director	-	-	1,435	109	-	206	1,750	-	-	1,435	109	-	206	1,750
4	Mr Jared Ang Tzer Shen	Executive Director	-	-	932	74	-	131	1,137	-	-	932	74	-	131	1,137
5	Dato' Dickson Tan Yong Loong	Non-Executive Non-Independent Director	150	5	-	-	-	-	155	150	5	-	-	-	-	155
6	Encik Mohd Najib Bin Abdul Aziz	Independent Director	206	19	-	-	-	-	225	206	19	-	-	-	-	225
7	Datuk Wira Lye Ek Seang	Independent Director	182	15	-	-	-	-	197	182	15	-	-	-	-	197
8	Ms Alice Dora Boucher	Independent Director	195	14	-	-	-	-	209	195	14	-	-	-	-	209
9	Madam Vivienne Cheng Chi Fan	Independent Director	185	10	-	-	-	-	195	185	10	-	-	-	-	195
10	Dato' Sri Badrul Hisham Bin Abdul Aziz	Independent Director	150	5	-	-	-	-	155	150	5	-	-	-	-	155
11	Dato' Mohamad Lotfy Bin Mohamad Noh (Appointed w.e.f. 25 August 2022)	Independent Director	55	4	-	-	-	-	59	55	4	-	-	-	-	59
12	Datuk Tan Mann Chai, JP (Appointed w.e.f. 5 September 2022)	Independent Director	48	-	-	-	-	-	48	48	160	-	-	-	7	215
13	Tan Sri Dr Lim Wee Chai (Resigned on 11 January 2022)	Non-Executive Non-Independent Director	7	-	-	-	-	-	7	7	-	-	-	-	-	7
14	Mr Lee Han Ming (Resigned on 1 May 2022)	Executive Director	-	-	592	272	-	122	986	-	-	1,788	272	-	279	2,339
15	Datuk Siw Chun A/P Eam (Resigned on 18 August 2022)	Independent Director	106	7	-	-	-	-	113	106	7	-	-	-	-	113
16	Dato' Dr Teo Tong Kooi (Resigned on 20 January 2023)	Independent Director	218	11	-	-	-	-	229	218	11	-	-	-	-	229

(iii) Pricing Committee

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

Name	Position	Designation
Encik Mohd Najib Bin Abdul Aziz	Chairman	Independent Non-Executive Director
Mr Dion Tan Yong Chien	Member	Group MD
Mr Jared Ang Tzer Shen	Member	Group Executive Director
Datuk Wira Lye Ek Seang	Member	Independent Non-Executive Director
Ms Alice Dora Boucher	Member	Independent Non-Executive Director

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

(iv) Investment Committee

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

Name	Position	Designation
Datuk Wira Lye Ek Seang	Chairman	Independent Non-Executive Director
Mr Dion Tan Yong Chien	Member	Group MD
Encik Mohd Najib Bin Abdul Aziz	Member	Independent Non-Executive Director
Mr Jared Ang Tzer Shen	Member	Group Executive Director
Dato' Mohamad Lotfy Bin Mohamad Noh (Appointed w.e.f. 25 August 2022)	Member	Independent Non-Executive Director

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

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

V. Board Meeting and Meetings Attendance

The Board meets at least once every quarter on a scheduled basis and additional meetings will be convened as and when deemed necessary by the Board. The quarterly Board meetings are scheduled in advance at the commencement of the financial year to allow the Directors to plan their appointments ahead and to facilitate full attendance at Board meetings. All proceedings, deliberations and conclusions of Board meetings are minuted by the Group Company Secretary and are confirmed by the Board members at the next Board meeting and subsequently signed by the Chairman as the correct record of proceedings of the meeting, or signed by the Chairman of the meeting at which the proceedings were held.

A total of five (5) Board meetings were held during FY2022 and the attendances of each Board member are set out as below:

Director	Designation	Attendance of Board Meetings
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun*	Independent Non-Executive Chairman	5/5
Tan Sri Dato' Tan Chee Sing	Group Executive Vice Chairman	5/5
Mr Dion Tan Yong Chien	Group MD	5/5
Mr Jared Ang Tzer Shen	Group Executive Director	5/5
Dato' Dickson Tan Yong Loong	Group Non-Independent Non-Executive Director	5/5
Encik Mohd Najib Bin Abdul Aziz	Independent Non-Executive Director	5/5
Datuk Wira Lye Ek Seang	Independent Non-Executive Director	4/5
Ms Alice Dora Boucher	Independent Non-Executive Director	5/5
Madam Vivienne Cheng Chi Fan	Independent Non-Executive Director	5/5
Dato' Sri Badrul Hisham Bin Abdul Aziz	Independent Non-Executive Director	5/5
Dato' Mohamad Lotfy Bin Mohamad Noh (Appointed w.e.f. 25 August 2022)	Independent Non-Executive Director	1/1 [@]
Datuk Tan Mann Chai, JP (Appointed w.e.f. 5 September 2022)	Independent Non-Executive Director	1/1 [@]
Tan Sri Dr Lim Wee Chai (Resigned on 11 January 2022)	Non-Independent Non-Executive Chairman	0/0 [#]

Director	Designation	Attendance of Board Meetings
Mr Lee Han Ming (Resigned on 1 May 2022)	Group CEO	2/2 [#]
Datuk Siw Chun A/P Eam (Resigned on 18 August 2022)	Independent Non-Executive Director	3/3 [#]
Dato' Dr Teo Tong Kooi (Resigned on 20 January 2023)	Senior Independent Non-Executive Director	5/5 [#]

Note:

* Promoted from Independent Non-Executive Director to Independent Non-Executive Chairman on 19 January 2022.

@ Reflects the number of meetings held during FY2022 after his appointment as Director.

Reflects the number of meetings held during FY2022 prior to his/her resignation as Director.

All the existing Directors as at the date of this Statement have complied with the minimum requirement of 50% attendance in respect of Board meetings held in FY2022 as stipulated in the MMLR of Bursa Securities. In the intervals between Board meetings, for any matters requiring Board's decisions, Board's approvals are obtained through written resolutions in circulation. The resolutions passed by way of such resolutions in circulation were then noted by the Board in the next quarterly Board meeting.

The Directors are expected to allocate sufficient time to the Company to perform their duties effectively, including being prepared for the meetings and contributing effectively to the businesses of the Company. Directors of the Company must not hold directorships in more than five (5) public-listed companies and they should notify the Board of any change of their directorships.

VI. Company Secretaries

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

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

Other primary responsibilities of the Company Secretaries include:

- advising the Board and Management on governance issues;
- ensuring compliance with MMLR of Bursa Securities and related statutory obligations;
- attending the Board, Board Committees and general meetings and ensuring the Board meeting procedures are followed as well as a proper recording of minutes;
- ensuring the proper maintenance of statutory registers and records;

- assisting the Chairman in the preparation and conduct of meetings;
- updating the Directors on any new changes and developments to the statutory or regulatory requirements concerning their duties and responsibilities as well as those concerning the Company;
- regularly update and keep the Board and Management informed of the requirements in dealing with the securities of the Company during the closed period and non-closed period; and
- assisting the communications between the Board and Management.

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

VII. Ethics and Codes

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

VIII. Board Charter

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

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

A copy of the Board Charter is available on the Company's website at <https://www.tropicanaCorp.com.my/corporate-governance>.

IX. Whistleblowing Policies and Procedures

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

The WBP is available on the Company’s website at <https://www.tropicanacorp.com.my/corporate-governance>.

X. Anti-Bribery and Anti-Corruption (“ABAC”) Policy and Policies & Procedures for Gifts and Hospitality

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

On 1 August 2022, the Group has adopted its Policies & Procedures for Gifts and Hospitality which set out the responsibilities of those working for the Group in observing and upholding the Group’s stance against bribery and corruption when giving and receiving gifts and hospitality. This policy also aims to provide information and guidance to recognise bribery and corruption issues when giving and receiving gifts and hospitality and the procedures to deal with such issues.

Both of the abovementioned policies are available on the Company’s website at <https://www.tropicanacorp.com.my/corporate-governance>.

XI. Supply of Information

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

All Directors are provided with reports and other relevant information in a timely manner, covering various aspects of the Group’s operations and performance. The Board is also provided with the agenda item at least seven (7) days prior to the meetings and a set of board papers prior to the Board meetings to allow sufficient time for the Directors to peruse, review, consider and deliberate on the issues and, where necessary, to obtain further information and explanations to facilitate informed decision-making in compliance with Guidance 1.6 of the MCCG.

Management is responsible for furnishing the Board with all information that may assist the Board in discharging its responsibilities and facilitating informed decision-making. The in-

house Group Company Secretary attends all Board meetings and ensures that accurate and adequate records of the proceedings of the Board meetings and decisions made are properly recorded. Senior Management of the Group, External Auditors and advisors are also invited to attend Board meetings on specific items on the agenda which require clarification and professional advice. The Board is also briefed on the latest updates on the Group’s business activities.

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

XII. Appointment and Re-Election to the Board

In line with new Paragraph 15.01A of the MMLR of Bursa Securities, a formal Fit & Proper Policy for Appointment and Re-Election of Directors (“FPP”) was adopted on 21 April 2022. The purpose of the FPP is to assess the nominated and re-elected Directors in accordance with the fit and proper criteria set out therein. The FPP has been designed as a practice guide for the appointment and re-election of Directors to assist the Nomination Committee to discharge their duties and functions in the Board nomination and re-election process of Directors.

The FPP has recommended four (4) criteria in assessing the Board nomination and re-election of Directors as follows:

- (A) Probity, personal integrity and reputation;
- (B) Competence and capacity;
- (C) Financial integrity; and
- (D) Time and commitment.

The FPP is available on the Company’s website at <https://www.tropicanacorp.com.my/corporate-governance>.

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

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

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

XIII. Directors' Training

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

Dato' Mohamad Lotfy Bin Mohamad Noh and Datuk Tan Mann Chai, JP who were appointed as Directors during FY2022, had attended the MAP prior or subsequent to their appointments, to facilitate themselves with comprehensive understanding of the roles and responsibilities as director, key obligations of listed companies and director under MMLR of Bursa Securities as well as the importance of corporate governance.

The training programmes attended by the Directors of the Company during FY2022 are listed below:

Name of Directors	Title of Training Programmes/Seminars
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	Sustainability Strategy... Simplified!
Tan Sri Dato' Tan Chee Sing	Sustainability Strategy... Simplified!
Mr Dion Tan Yong Chien	Sustainability Strategy... Simplified!
Mr Jared Ang Tzer Shen	Sustainability Strategy... Simplified!
Dato' Dickson Tan Yong Loong	Sustainability Strategy... Simplified!
Encik Mohd Najib Bin Abdul Aziz	1) Sustainability Strategy... Simplified! 2) Audit Committee Conference 2022
Datuk Wira Lye Ek Seang	1) Sustainability Strategy... Simplified! 2) Bursa Malaysia Immersive Session: The Board “Agender”
Ms Alice Dora Boucher	1) Sustainability Strategy... Simplified! 2) Bursa Malaysia Immersive Session: The Board “Agender”
Madam Vivienne Cheng Chi Fan	Sustainability Strategy... Simplified!
Dato' Sri Badrul Hisham Bin Abdul Aziz	1) TCFD Climate Disclosure Training Programme 2) Sustainability Strategy... Simplified!
Dato' Mohamad Lotfy Bin Mohamad Noh* (Appointed w.e.f. 25 August 2022)	—
Datuk Tan Mann Chai, JP (Appointed w.e.f. 5 September 2022)	MAP
Mr Lee Han Ming (Resigned on 1 May 2022)	—
Datuk Siw Chun A/P Eam (Resigned on 18 August 2022)	—
Dato' Dr Teo Tong Kooi (Resigned on 20 January 2023)	Sustainability Strategy... Simplified!

Note:

* Although Dato' Mohammad Lotfy Bin Mohamad Noh was not able to attend a structure training programme during the financial year under review due to his personal exigencies. He continued to gain updates through the briefing by the Company Secretary as well as communications with other Directors and through his work exposures.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is responsible for ensuring the financial statements of the Company and the Group are drawn up in accordance with the Financial Reporting Standards and the Act so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2022 and of their financial performance and cash flows for the year then ended.

The Board is committed to providing a clear, balanced and comprehensive meaningful assessment of the Group's financial performance and prospects, primarily through the annual financial statements and quarterly announcements of results to shareholders. The Group's audited financial statements for FY2022 are presented on pages 143 to 281 in this Annual Report.

PRINCIPLE B: EFFECTIVE AUDIT, RISK MANAGEMENT AND INTERNAL CONTROL

I. Audit Committee

As at the date of this Statement, the Audit Committee consists of three (3) members, all of whom are Independent Non-Executive Directors and one (1) of whom is a qualified Accountant. The composition of the Audit Committee are as follows:

Name	Position	Designation
Encik Mohd Najib Bin Abdul Aziz	Chairman	Independent Non-Executive Director
Madam Vivienne Cheng Chi Fan	Member	Independent Non-Executive Director
Ms Alice Dora Boucher	Member	Independent Non-Executive Director

The Audit Committee members possess the financial knowledge and commercial experience to meet the needs of the Board in fulfilling its fiduciary responsibilities in terms of the Group's financial reporting practices, accounting policies, internal controls and in assessing the suitability and independence of the Group's External and Internal Auditors. The Chairman of the Audit Committee is an Independent Non-Executive Director and is not the Chairman of the Board. In line with MCCG, the Company had revised the TOR of the Audit Committee on 21 April 2022 to include that no former audit partner could be appointed as a Director (including member of the Audit Committee) before observing a cooling-off period of at least three (3) years.

During FY2022, the External Auditors had confirmed to the Audit Committee members of their independence throughout the conduct of the audit engagement for FY2022 with the Company in accordance with the independence criteria set out under the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants.

The Audit Committee met five (5) times during FY2022. The activities of the Audit Committee for FY2022 are reported in the Audit Committee Report as set out on page 138 in this Annual Report.

Relationship with External Auditors

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

During FY2022, the Audit Committee had invited the External Auditors to its meeting held on 21 February 2022 to report the audit findings in respect of the true and fair view of the Group's audited financial statements for the financial year ended 31 December 2021 ("AFS 2021"), and to report the audit results of the AFS 2021 at its meeting held on 14 April 2022, as well as the Audit Planning Memorandum for the Group's financial statements for FY2022 at its meeting held on 16 November 2022.

The Audit Committee also met with the External Auditors without the presence of the Executive Directors and Management of the Company or the Group twice on 21 February 2022 and 16 November

2022, in order to provide the External Auditors with an avenue to candidly express any concerns they may have, including those relating to their ability to perform their work without restraint or interference.

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

II. Risk Management and Sustainability Committee

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

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

Name	Position	Designation
Ms Alice Dora Boucher (Promoted as Chairperson on 20 March 2023)	Chairperson	Independent Non-Executive Director
Madam Vivienne Cheng Chi Fan	Member	Independent Non-Executive Director
Mr Dion Tan Yong Chien	Member	Group MD
Mr Jared Ang Tzer Shen	Member	Independent Non-Executive Director
Datuk Wira Lye Ek Seang (Appointed on 20 March 2023)	Member	Independent Non-Executive Director

The responsibilities of the Risk Management and Sustainability Committee for risk and sustainability oversight include, amongst others, to ensure that sustainability and risk management frameworks are embedded and consistently adopted throughout the Group, provision of oversight on sustainability initiatives in line with the purpose, values and strategy of the Group and to ensure compliance with external requirements.

The Risk Management and Sustainability Committee held four (4) meetings during FY2022 to review the quarterly risk profiles of the Group.

Risk Management and Internal Control

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

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

The Group's Statement on Risk Management and Internal Control for FY2022 is set out on pages 132 to 137 in this Annual Report.

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

Communications with Shareholders and Relationship with Investors

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

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

General Meetings

The Company's AGMs are the principal forum for dialogue and interaction with its shareholders at which the shareholders are annually informed and updated on current developments of the Group. The Board presents an overview of the performance of businesses in the Group and encourages shareholders to participate in the question and answer sessions. The Board members, Senior Management and the Company's External Auditors as well as advisors, if applicable, are present to respond to the shareholders' questions during the meeting. The notice and agenda of the AGM together with the proxy form are given to shareholders at least twenty-eight (28) days before the AGM of the Company, which gives shareholders sufficient time to prepare themselves to attend the AGM of the Company or to appoint a proxy to attend and vote on their behalf. Each item of special businesses included in the notice of AGM is accompanied by an explanatory statement for the proposed resolution to facilitate the full understanding and evaluation of the issues involved.

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

During the 43rd AGM of the Company held on 23 June 2022 and the Extraordinary General Meeting ("EGM") of the Company held on 13 December 2022, shareholders were briefed on the voting procedures and the results of the poll were verified by the independent scrutineer, Commercial Quest Sdn Bhd. The poll voting was conducted via electronic means and the results of the voting were displayed on the screen. The results of all resolutions proposed at the 43rd AGM of the Company and the EGM of the Company were subsequently announced to Bursa Securities on the same day respectively.

In line with MCGG, the minutes of the 43rd AGM and EGM were made available on the Company's website at <https://www.tropicana.com.my/reports-and-presentations> within thirty (30) business days after meetings.

COMPLIANCE WITH MCGG

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

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

KEY FOCUS AREAS AND FUTURE PRIORITIES

The Board is committed to ensuring good corporate governance and practices are implemented and maintained throughout the Group.

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

This Statement together with the CG Report were approved by the Board on 26 April 2023.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad:

1) STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

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

During the financial year ended FY2022, the Company had issued the Perpetual Sukuk and the utilisation of the proceeds raised is as follows:

Tranche No.	Date of Issuance	Amount (RM)	Tenure Year	Utilisation of Proceeds
3	8 April 2022	130,000,000	5	(a) To refinance existing financing/debt obligations (whether in whole or in part) of the Issuer and/or its subsidiaries, associated companies and/or jointly controlled entities; and/or (b) To finance working capital requirements, investments, capital expenditure and/or general corporate purposes of the Issuer and/or its subsidiaries, associated companies and/or jointly controlled entities.

2) AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable to the External Auditors and/or affiliates by the Company and the Group for FY2022 are as follows: (to furnish once the fees have been confirmed)

	Group (RM)	Company (RM)
Audit Fee	1,497,000	437,000
Non-Audit Fee	25,000	25,000
Total	1,522,000	462,000

3) MATERIAL CONTRACTS INVOLVING DIRECTORS AND MAJOR SHAREHOLDERS

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

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

In line with paragraph 15.26(b) of the Main Market Listing Requirements of *Bursa Malaysia Securities Berhad*, and guided by the Statement on Risk Management & Internal Control Guidelines for Directors of Listed Issuers, the Board is committed to preserve and uphold a sound system of risk management and internal controls as well as good corporate governance throughout Tropicana Corporation Berhad (“**TCB**” or “**Company**”) and its subsidiaries (“**the Group**”).

RESPONSIBILITIES OF THE BOARD

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

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

During FY 2022, the Risk Management and Sustainability Committee (“**RMSC**”) reviewed, appraised and assessed the controls and action in place to mitigate and manage the overall Group’s risk exposure, as well as raised issues of concerns and recommended mitigating actions. The RMSC had presented a summary of its deliberations and decisions to the Board on a quarterly basis.

During the financial year, the adequacy and effectiveness of the system of internal controls was reviewed by the Audit Committee in relation to the internal audits conducted by Group Internal Audit, as well as

control issues reported by the external auditors. The Audit Committee deliberated on the audit issues and the actions taken by Management, and a summary of these deliberations has been presented to the Board.

KEY FEATURES OF THE RISK MANAGEMENT FRAMEWORK

The Group’s systems of risk management and internal controls include several key features to safeguard assets, shareholder interests and business operations throughout the reporting year:

Risk Management Framework

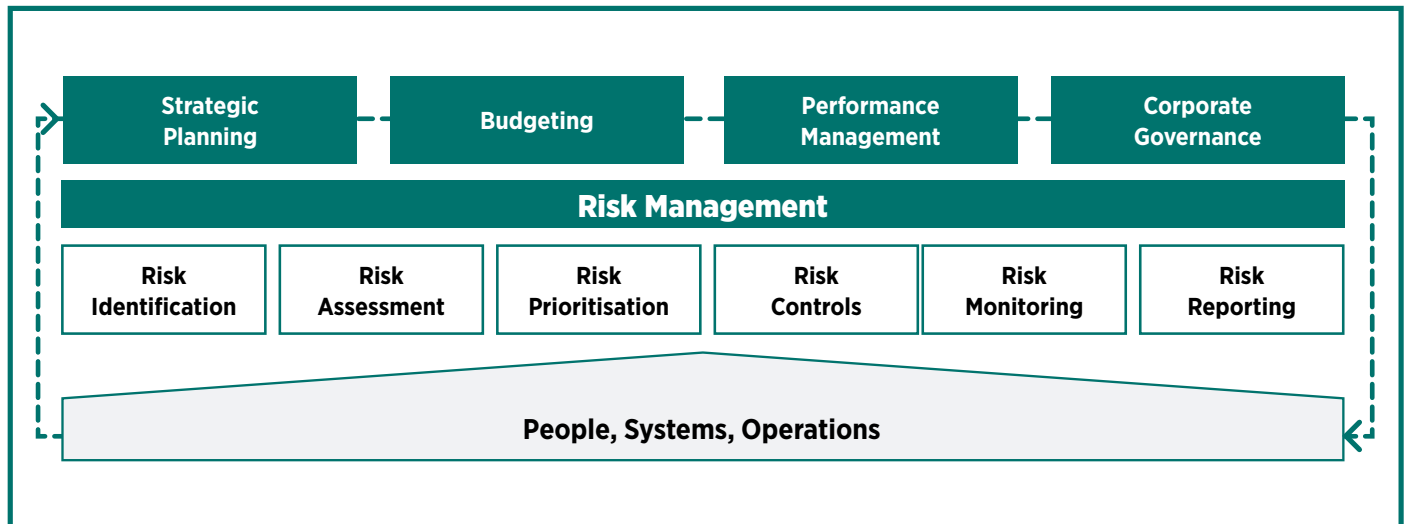
The Group strives to inculcate an organisational culture of risk awareness and management across all business processes and strategic planning. The risk appetite has been set by the Board and expect management to operate and ensure the risk management framework is established to provide a strong foundation for proactive risk considerations to be applied throughout business processes and decision making.

The Board affirms its endorsement of the Group’s risk management framework and continuously oversees the management of organisational risks and opportunities with the support of the RMSC through periodic reviews on the integrity of systems and controls that are in place to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks which is aligned with ISO 31000:2018 Risk Management. Objectives of the Risk Management Framework include, but are not exclusive to:

- Provision for decision makers to make informed business decisions within the tolerable risk threshold while leveraging on potential opportunities;
- Guidance on a structured approach to identifying, classifying, reporting, managing and monitoring risks;
- Clear reporting structure on a timely manner; and
- Systematic review on key risks to evaluate the effectiveness of internal controls and any proposed action plans for further mitigation.

Primary responsibility and accountability on ensuring the risk management framework and internal controls are applied across the Group is overseen by the Group Managing Director and supported by the Group Executive Director, as well as the rest of the members in the RMSC. The Board receives reasonable assurance on the effectiveness of the Group’s risk management practices and internal control systems as reported and advised by the RMSC.

Risk Management Framework



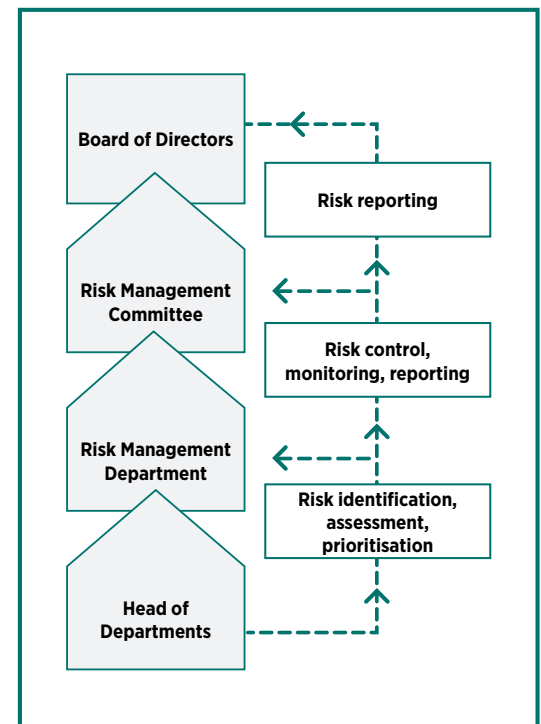
Risk Elements and Its Description

Roles and Responsibilities	
Risk Monitoring & Reporting	<ul style="list-style-type: none"> Monitor, report and perform actions to give insights into the strengths and weaknesses of risk management.
Risk Control	<ul style="list-style-type: none"> Risk control involves identifying the range of options for treating risk, assessing those options, preparing risk treatment plans, and implementing those plans.
Risk Identification, Assessment, Prioritisation	<ul style="list-style-type: none"> Identify and assess the risk implications of all actions it undertakes in relation to both existing and proposed activities, systems, and procedures. All risks identified will be evaluated and documented, determine which risk should be addressed first depending on the risk's likelihood and its potential impact.

Risk Management Process

The RMSC comprises representatives from the Board of Directors, and Group Managing Director who are guided by formalised risk reporting and operational feedback provided by the Risk Management Department. The overall risk reporting process is conducted on a quarterly basis with emphasis on three key focus areas:

- Risk Register, encompassing significant and potential risks;
- Risk rating, recording changes in risk status upon the implementation of mitigation measures; and
- The Group Risk Profile, highlighting significant risks and mitigating controls pertinent to the operations of the Group.



Throughout the financial year, any significant risks highlighted by respective Head of Departments within the organisation are monitored and analysed by the Risk Management Department and reported to the RMSC for their deliberation and management decision. The Board endorses a clear and defined risk organisation structure that outlines key responsibilities held by respective groups as defined below:

Roles and Responsibilities of Risk Organisation

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

RISK MANAGEMENT OUTLOOK 2022

The opening of economic and social sectors propelled the Malaysian economy out of its economic trough in the third quarter of 2021, putting it on a path to recovery in 2022. Businesses are slowly returning to normality as owners are eager to restart and resume operations back to pre-COVID state. However, the recovery in late December 2021 and early 2022 was hindered by the worst flooding in decades, in certain regions. The effects of these two major events have affected the general picture of the Malaysian property market which include interruptions to the Group’s financial performance, property sales, delayed project deliverables, resource constraints, and others. The Group aims to limit exposure through suitable risk management measures, with the following risks being the most common throughout FY2022:

Key Risks and Its Mitigation Strategy Throughout 2022

Key Risks	Description	Mitigation Strategy
Building Materials Price Increase	<ul style="list-style-type: none"> Building Materials price increase due to a combination of many factors: <ol style="list-style-type: none"> 1. Production volume has significantly declined due to electricity rationing in China (the hub of manufacturing) 2. Raw material shortage causes disruptions in the supply chain 3. Huge amount of backlogs for orders received prior to lockdown 	<ul style="list-style-type: none"> Having a specific division that can search for alternate sources and new suppliers
Environmental Risk	<ul style="list-style-type: none"> Pollution incidents on site Extreme weather events 	<ul style="list-style-type: none"> Regular site sustainability assessments and mitigating controls in place Raise awareness of dangers during extreme weather events and modify our strategy to reduce risks

Key Risks	Description	Mitigation Strategy
Liquidity Risk	<ul style="list-style-type: none"> Project delays Supply chain issues 	<ul style="list-style-type: none"> Annual budgeting process participated by all heads of department resulting in a more accurate projection of funding needs of the Group Review of cash flow forecast is carried out on a weekly basis and monitoring 12 months rolling cash flow on monthly basis To diversify funding source/lender Review existing projects' cash flow requirements
Poor Market Outlook	<ul style="list-style-type: none"> The property market remains challenging though it has improved since the transition to the COVID-19 endemic phase High inflation risk due to the Russia-Ukraine war Political instability in Malaysia 	<ul style="list-style-type: none"> Rebalance product mix to incorporate more owner-occupier products and affordable landed residential with strong local demand Commitment to integrating technology into our operations and using digital tools to minimise business interruption Online sales tools to help sales staff and agents sell online Strengthen digital marketing efforts using videos, advertisements, contests, and partner promotions Arrange SPA signing via courier of documentation & video conferencing with lawyers Offer customers appealing sales packages, financing solutions, and incentives to overcome home-buying difficulties

RISK MANAGEMENT INTEGRATION WITH SUSTAINABILITY

The Risk Management Department continues to align sustainability reporting and efforts with the Group's entire business operations throughout the financial year as sustainability has affected all parts of the Group, including risk. Environmental, Social, and Governance (ESG) metrics are used to evaluate the Group's social responsibility and sustainability performance. The Group, with Board permission, remains to report material sustainability matters in accordance with regulatory requirements, as revealed on pages 56 to 61 of the Sustainability Statement.

KEY INTERNAL CONTROL SYSTEMS AND STRUCTURE

The Board and Management of the Group has put in place the following key internal controls to ensure that the Group's objectives and operational effectiveness:

Board Committee

In undertaking its oversight function, the Board is supported by six Board Committees whose responsibilities are outlined by specific terms of reference and authority assigned for areas within their scope. The Committees are:



The Board Committees report to the Board and in line with their respective terms of reference and authorisation of limits granted by the Board, the Board Committees will either approve or propose recommendations for the Board's decisions. The structure, terms of reference of these committees are periodically reviewed to ensure that they remain effective and aligned to the Group's needs.

Board Meetings

Board Meetings are held quarterly with a formal meeting agenda on matters for deliberation and discussion. Board papers are distributed prior to the Board meetings and Board members are provided with access to all relevant information.

Group and Organisational Structure

The Group has an organisation structure that clearly defines the reporting lines, roles and responsibilities, accountability and authority from Board and Management to operational levels. The effectiveness of the organisational structure is assessed regularly and enhancements will be implemented as and when necessary.

Regular management and operation meetings are conducted by Senior Management which comprises the Deputy Chief Executive Officer, Group Managing Director, Group Executive Director, Managing Directors, Executive Directors and divisional heads.

Annual budgets for the Group are scrutinised and approved by the Board. These budgets are used to monitor the actual versus budget as well against prior period's performance with major variances being analysed and subsequent management action taken as necessary.

Authority Limits and Approved Policies

The Group has instituted clearly defined organisational roles, responsibilities and authorities via the approved Discretionary Authority Limits ("DAL") and Standard Operating Procedures. The DAL is reviewed on a periodic basis and updated in line with changes in the organisation.

Standard Operating Procedures are documented and formalised and is continuously reviewed to ensure compliance with internal controls, relevant laws and regulations. These have been communicated to all levels and are easily accessible via the Group's internal employee portal.

Internal control activities have been established in all business segments within the Group with clearly defined lines of responsibilities, authority limits for procurement and capital expenditure, awarding of contracts, approving operating expenditures and other significant transactions, segregation of duties, performance monitoring and safeguarding of assets.

Integrity Management

An Anti-Bribery and Corruption policy and procedures that is aligned with the Malaysian Anti-Corruption Act 2009, adopted since 22 May 2020, was reviewed and approved by the Board of Directors on 28 July 2022.

A Whistleblowing Policy adopted since 1 June 2017, was reviewed and approved by Board of Directors on 28 July 2022. The policy provides clarity of oversight of the whistleblowing process, protection and confidentiality to whistle blowers. The policy sets out a protocol for employees and stakeholders to raise genuine possibilities of improprieties, malpractices and misconduct within the Group for remedial action.

A Gift and Hospitality Policy has been established and approved by the Board of Directors on 28 July 2022. This policy sets out the responsibilities in observing and upholding the Group's stance against bribery and corruption when giving and receiving gifts and hospitality.

The abovementioned policies are available for reference on the Company's website at <https://www.tropicana.com.my/corporate-governance>

Quality Management System

An Integrated Management System ("QMS") consisting of ISO 9001:2015 has been established and implemented to continuously provide high quality products. The QMS documents the Group's best business practices, focused on specific requirements and expectation of purchasers, complies to regulations and improves the overall performance of the Company.

The QMS quality manual and policies and procedures are available for reference to all levels and are easily accessible via the Group's internal employee portal.

Information and Communication Technology

The Group's Information and Communication policies and procedures prescribes the requirements to maintain an adequate level of security of IT system, information and hardware used to support the Group's activities. The IT infrastructure is adequately protected against unauthorised access and security threats. Several dedicated layers of external and internal protections have been established, i.e. firewall with advanced network protection, email protection from spam and malware, and multifactor authentication to strengthen users' access. The policies and procedures are available for reference to all levels and are easily accessible via the Group's internal employee portal.

Human Resource Management

The established Human Resource policies and procedures provide clear guidelines with regards to recruitment, human resource development and performance appraisal to enhance employee's competency levels have been disseminated to all employees. The policies and procedures are reviewed on a periodic basis to ensure they remain relevant, and appropriate controls are in place to manage operational risks and compliance with regulatory requirements (where applicable). The policies and procedures are available for reference to all levels and are easily accessible via the Group's internal employee portal.

The Group also identifies training and development programmes and schedules for employees to acquire the necessary knowledge and competency to meet their performance and job expectations as well as

to inculcate the Group's culture of continuous learning. A performance management system has been established to assist in the alignment of employees, resources and systems to meet the Group's strategic goals.

Internal Audit

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

To ensure the adequacy of coverage, internal audit assignments are prioritised based on the results of the risk management exercise, audit cycle and discussions with Senior Management. The Annual Internal Audit Plan is presented to the Audit Committee for approval.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysia Institute of Accountants ("MIA") for inclusion in the Annual Report of the Group for the year ended 31 December 2022, and reported to the Board that nothing has come to their attention that causes them to believe the statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Guidelines, nor is the Statement factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon.

CONCLUSION

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

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

This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board of Directors dated 26 April 2023.

AUDIT COMMITTEE REPORT

THE BOARD OF DIRECTOR OF TROPICANA CORPORATION BERHAD (“**TROPICANA**” OR “**THE COMPANY**”) IS PLEASED TO PRESENT THE REPORT OF THE AUDIT COMMITTEE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (“**FY2022**”).

The Audit Committee was established in line with the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) to function as a committee of the Board of Directors to assist and support the Board in fulfilling its fiduciary responsibilities in accordance with the Terms of Reference (“**TOR**”) of the Audit Committee of the Company and to assist the Board in reviewing the adequacy and integrity of the Group’s financial administration and reporting as well as internal controls.

MEMBERS OF THE AUDIT COMMITTEE

The Audit Committee consists of four (4) following members, who each satisfy the “independence” requirements contained in the Listing Requirements of Bursa Securities:

	Total Number of Meetings	Number of Meetings Attended
Encik Mohd Najib Bin Abdul Aziz (Chairman/Independent Non-Executive Director)	5	5/5
Madam Vivienne Cheng Chi Fan (Member/Independent Non-Executive Director)	5	5/5
Ms Alice Dora Boucher (Member/Independent Non-Executive Director)	5	5/5
Dato’ Dr Teo Tong Kooi (Member/Senior Independent Non-Executive Director) (Resigned on 20 January 2023)	5	4/5

The Audit Committee is chaired by Encik Mohd Najib Bin Abdul Aziz whom is independent and possesses the necessary skills, capabilities and attributes to ensure that all Audit Committee meetings are efficiently conducted by fostering open discussions with all members of the Audit Committee on the agenda items during meetings so as to facilitate thorough considerations of all subject matters presented to the Audit Committee.

All members of the Audit Committee are Independent Non-Executive Directors and are financially literate. The composition of the Audit Committee is in compliance with Paragraphs 15.09 and 15.10 of the Listing Requirements of Bursa Securities and Step-up Practice 9.4 of

the Malaysian Code of Corporate Governance. The profiles of the Audit Committee members are disclosed on pages 106 to 111.

TERM OF REFERENCE

The Audit Committee has discharged its functions and duties under a written TOR of the Audit Committee containing provisions that address the requirements imposed by Bursa Securities. The TOR was reviewed by the Audit Committee on 14 April 2022 and approved by the Board of Directors on 21 April 2022.

The TOR is available for reference on the Company’s website at <https://www.tropicana.com.my/corporate-governance>

MEETINGS OF THE AUDIT COMMITTEE

The Audit Committee held five (5) meetings during the FY2022. Details of the member’s attendance at the meetings held are disclosed in the table above.

The Executive Directors of the Board, which included the Group Managing Director, Group Executive Director, Deputy Chief Executive Officer, and Senior Management attended the Audit Committee meetings held in FY2022 upon invitation by the Chairman of the Audit Committee. The Group’s Head of Internal Audit attended all the Audit Committee meetings. The External Auditors were also invited to attend three (3) of these meetings.

The External Auditors as well as the Internal Auditors were invited to the Audit Committee meetings in 2022 to report on the statutory audit respect of the financial statements for the financial year 2021, and progress of the audit plan for years 2021 and 2022 respectively. Detailed internal audit reports, together with Management’s responses were circulated to the Audit Committee members, Group Managing Director and Deputy Chief Executive Officer, and significant issues were discussed at the Audit Committee Meetings.

Upon conclusion of each meeting, the Group Company Secretary prepared a report which summarised the main discussion points and decisions of the Audit Committee to be tabled at the immediate following Board Meeting. The Chairman of the Audit Committee reported to the Board the activities that it had undertaken and the key recommendations for the Board’s consideration and decision. Minutes of each Audit Committee meeting were recorded and tabled for confirmation at the next Audit Committee meeting and subsequently presented to the Board for notation.

The Audit Committee also had a private discussion with the External Auditors two (2) times during the financial year without the presence of Management during meetings held on 21 February 2022 and 16 November 2022.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE DURING THE YEAR

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

The activities of the Audit Committee for the FY2022 with regard to matters relating to the financial statements of the Group and External Auditors were as follows:

- Reviewed the unaudited quarterly financial results including its related Bursa Securities' announcement and press statements, the consolidated annual audited financial statements of the Company and the Group, prior to recommending the same to the Board for approval, focusing particularly on:
 - the overall performance and prospects of the Group;
 - the changes and implementation of major accounting policies and practices and the auditor's report highlighting the key audit matters and the implications on the Group;
 - compliance with accounting standards and other legal requirements; and
 - significant accounting and audit matters raised by the External Auditors in the financial statements and the corresponding judgement made by the Management.
- Discussed significant accounting and audit issues in respect of the financial statements of the Company for the financial year ended 31 December 2021 ("FY2021") with the External Auditors and assessed the actions and procedures taken by the External Auditors in respect to those areas.
- Reviewed the performance of the External Auditors, by taking into consideration their suitability, objectivity and independence, in relation to their competency, audit quality and resource capacity in performing the audit of the Group and recommended their re-appointment to the Board. The annual assessment was performed by Group Finance Department and the External Auditors have reconfirmed to the Audit Committee their independence in carrying out the audit for the financial statements of the Group for the financial year ended 31 December 2021 vide the report of audit results submitted to the Audit Committee as well confirmation obtained at the Audit Committee meeting.

The Board had recommended the re-appointment of Ernst & Young PLT as External Auditors of the Company for FY2022 at the Company's 43th Annual General Meeting held on 23 June 2022 which was approved by the shareholders.

- Reviewed the audit planning memorandum for FY2022 with the External Auditors' including the adequacy of the external audit team. The areas of audit emphasis and action plans were discussed in length with the External Auditors and the Management to ensure that adequate actions were carried out to ascertain compliance with the relevant accounting standards, prior to finalising the audited financial statements of the Group. Received the declaration of independence in writing by the External Auditors in respect of the audit for FY2022.

- Reviewed the amount of audit and non-audit fees paid or payable by the Group and its subsidiaries to the External Auditors for FY2021. The total amount of both the audit and non-audit for FY2022 was compared against the previous year and any increase or decrease in fees was appropriately justified by the Management, taking into consideration the implementation of MFRS framework, level of activities of the Group, inflationary factors and reference to the fees payable by other companies in the same industry.
- Held two (2) private sessions on 21 February 2022 and 16 November 2022 with the External Auditors without the presence of the Executive Directors and Management, to review key issues within their sphere of coverage and responsibilities in regards to the Audit of the Financial Statements of the Group for FY2021 and FY2022. It was noted that Audit Committee members had confirmed that they did not have any knowledge of fraud within the Group.

The activities of the Audit Committee for the FY2022 with regard to matters relating to internal audit function, internal controls and operations were as follows:

- Reviewed the internal audit reports prepared by the Internal Auditors and provided constructive feedback in ensuring the adequacy and effectiveness of the internal control system of the Group. Where appropriate, the Audit Committee directed the Management to rectify and improve control procedures. The Audit Committee also monitored the progress of the agreed upon action plans taken by Management to close the audit findings.
- Reviewed the business plan for the financial years 2022-2024 for recommendations to the Board for approval.
- Reviewed the Audit Committee report, Statement of Risk Management and Internal Control and the Additional Compliance Information to ensure adherence to legal and regulatory reporting requirements and appropriate resolution of accounting matters requiring judgement and recommended the same to the Board for approval.
- Reviewed the proposed amendments to the Terms of Reference of the Audit Committee for recommendations to the Board for approval.
- Reviewed and approved the Internal Audit Plan for FY2022 proposed by the Internal Auditors to ensure adequate scope and coverage of the Group's activities based on identified and assessed key risk areas. Also considered the adequacy of the manpower sufficiency of the internal audit team to perform the activities envisaged in the internal audit plan.
- Reviewed the procedures for recurrent related party transactions for purposes of ensuring that the processes and controls were in place to ensure that recurrent related party transactions were not more favourable to the related parties than those generally available to the public and were not to the detriment of the minority shareholders.

INTERNAL AUDIT FUNCTION

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

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

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

During the financial year, the key activities performed by GIA included the following:

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

This included the conduct of the following audits:

- a) Project Implementation and Management;
- b) Marketing and Sales;
- c) Sales and Credit Administration;
- d) Property Management;
- e) Mall Operations;
- f) Resort Management: Membership Department;
- g) Data Access and Data Management; and
- h) Management of fixed assets and building materials.

During FY2022, internal audit reports which incorporates key control issues, significant risks, recommendations to improve on matters raised during the course of the audits and managements comments and remedial actions were issued and tabled to the Audit Committee. None of the audit findings have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Company’s Annual Report.

- Prepared the annual audit plan for deliberation and approval by the Audit Committee.
- Performed follow up procedures on the implementation of agreed upon action plans to ensure that necessary actions have been taken/ are being taken as recommended.
- Reviewed recurring related party transactions on a quarterly basis on the adequacy, appropriateness and compliance of existing established procedures on monitoring of recurrent related party transactions.
- Reviewed on ad-hoc basis, areas where there were concerns that affected financial reporting, internal controls and governance. In an effort to provide value added services, GIA also provided additional assurance and advisory services upon request by Management in relation to compliance, governance, risk management and internal controls.

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

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

The operational costs incurred by GIA for the financial year 2022 amounted RM985,791 (2021: RM927,163).

The Audit Committee Report is made in accordance with a resolution of the Board dated 26 April 2023.

ART OF COLLABORATION

Our unflinching union is how we
keep the Art of Collaboration alive

05

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STATEMENT OF DIRECTORS' RESPONSIBILITY

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

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

In preparing the financial statements, the Directors have:

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

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

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

DIRECTORS' REPORT

The directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2022.

PRINCIPAL ACTIVITIES

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

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

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

RESULTS

	Group RM'000	Company RM'000
Loss net of tax for the financial year	(410,597)	(31,835)
(Loss)/profit attributable to:		
Owners of the parent	(435,587)	(73,983)
Holders of perpetual bond	42,148	42,148
Non-controlling interests	(17,158)	-
	(410,597)	(31,835)

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued ordinary share capital from RM2,046,168,000 to RM2,677,890,000 through the issuance of 526,435,000 new ordinary shares at an issue price of RM1.20 each pursuant to the conversion of 526,435,000 irredeemable convertible preference shares ("ICPS") by the conversion ratio of 1 unit ICPS to 1 new ordinary share.

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

On 8 April 2022, the Company issued a total of RM130 million in nominal value of senior ranking Perpetual Sukuk ("Sukuk Musharakah") pursuant to a Sukuk Musharakah Programme ("Perpetual bond") of up to RM2 billion in nominal value. The Perpetual bond is established to raise funds as and when required to be utilised for Shariah-compliant purposes which include refinancing existing financing/debt obligations (whether in whole or in part), and/or to finance working capital requirements, investments, capital expenditure and/or general corporate purposes of the Group. The salient terms of the Perpetual bond are disclosed in Note 30 to the financial statements.

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

DIRECTORS' REPORT

DIRECTORS

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

Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	
Tan Sri Dato' Tan Chee Sing	
Dion Tan Yong Chien	
Jared Ang Tzer Shen	
Dato' Dickson Tan Yong Loong	
Mohd Najib Bin Abdul Aziz	
Datuk Wira Lye Ek Seang	
Alice Dora Boucher	
Vivienne Cheng Chi Fan	
Dato' Sri Badrul Hisham Bin Abdul Aziz	(Appointed on 25 August 2022)
Dato' Mohamad Lotfy Bin Mohamad Noh	(Appointed on 5 September 2022)
Datuk Tan Mann Chai, JP	(Resigned on 11 January 2022)
Tan Sri Dr Lim Wee Chai	(Resigned on 1 May 2022)
Lee Han Ming	(Resigned on 18 August 2022)
Datuk Siw Chun A/P Eam	(Resigned on 20 January 2023)
Dato' Dr Teo Tong Kooi	

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

Tan Sri Dato' Lim Kang Hoo	
Tan Sri Datuk Seri Lim Keng Cheng	
Dato' Avinderjit Singh A/L Harjit Singh	
Dato' Gan Nyap Liou @ Gan Nyap Liow	
Dato' Haji Ismail Bin Karim	
Dato' Mahmud Bin Abbas	(Appointed on 1 March 2023)
Dato' Ng Tian Sang @ Ng Kek Chuan	
Dato' Tan Kim Kuan	
Datuk Hj Md Afendi Bin Hamdan	
Datuk Lim Keng Guan	
Tengku Muzzammil Bin Tengku Makram	(Appointed on 9 September 2022)
Ang Pei-Chern	
Azlina Binti Jaapar	(Appointed on 1 March 2023)
Chin Kok Ping	
Ching Hong Tat	
Chua Guit Hong	
Diana Tan Sheik Ni	
Dillon Tan Yong Chin	
Din Tan Yong Chia	
Gan Lian Hock	(Appointed on 30 September 2022)
Hafez Mohd Hashim Bin Razman Md Hashim	
Howard Ng How Er	
Jeffrey Tan Siew Yang	
Khoo Thian Shyang	(Appointed on 20 June 2022)
Kua Seng Aik	(Appointed on 30 September 2022)
Lee Gia Yuann	
Lee Sor Phaik	
Liew Voon Keong	
Lim Chen Heng	
Lim Fang Ching	(Appointed on 12 September 2022)
Lok Chee Yean	
Low Yung Hui	

DIRECTORS (CONT'D.)

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

Md Kamarzan Bin Md Rais	(Appointed on 1 March 2023)
Mohd Suriga Bin Md Sachari	
Mohd Zapi Bin Abdullah	
Norazreen Binti Kamar	(Appointed on 23 March 2022)
Phuar Bee Ling	
Saliza Binti Hussein	(Appointed on 23 March 2022)
Tan Chien Chyi	
Tan Chien Wen	
Tan Chien Yih	
Tan Teow Keat	
Wan Mohd Fauzi Bin Wan Nawang	(Appointed on 23 March 2022)
Wong Weng Keong Allan	
Yew Kong Chee	(Appointed on 1 March 2023)
Liew Kong Min	(Resigned on 6 January 2022)
Lim Kee Boon	(Resigned on 6 January 2022)
Dato' Br. Paul Ho Kok Chee	(Resigned on 11 January 2022)
Tang Chee Heng	(Resigned on 11 January 2022)
Kamarul Anuar Bin Mohamad Kamar	(Resigned on 4 March 2022)
Foo Ken Nee	(Resigned on 30 March 2022)
Dato' Zainuddin Bin Ya'acob	(Resigned on 30 June 2022)
Hii Pik Lin	(Resigned on 12 August 2022)
Dato' Seri Dr. Chen Chaw Min	(Resigned on 9 September 2022)
Wong Khai Shiuan	(Resigned on 12 September 2022)
Loh Wen Ni	(Appointed on 15 August 2022 and resigned on 20 September 2022)
Lee Han Ming	(Resigned on 15 December 2022)
Wan Khim Fai	(Resigned on 31 December 2022)
Tan Sri Dato' Nik Hashim Bin Nik Abdul Rahman	(Resigned on 1 January 2023)
Quek Ting Chin	(Resigned on 15 February 2023)
Idris Bin Ishak	(Resigned on 1 March 2023)
Mohamad Surur Bin Ahmad Thayar	(Resigned on 1 March 2023)
Nor Azlina Binti Amran	(Resigned on 1 March 2023)
Tan Hwa Chuan	(Appointed on 10 January 2022 and resigned on 7 April 2023)
Ung Lay Ting	(Resigned on 19 April 2023)

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 36 to the financial statements.

The directors' benefits are as follows:

	Group RM'000	Company RM'000
Salaries, bonus and other emoluments	33,414	8,461
Contributions to defined contribution plan	3,104	687
Fees	2,373	1,739
	38,891	10,887

DIRECTORS' REPORT

DIRECTORS' INTERESTS

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

Tropicana Corporation Berhad				
Number of ordinary shares				
	At 1 January 2022	Acquired	Disposed	At 31 December 2022
Direct interest				
Tan Sri Dato' Tan Chee Sing	359,462,475	36,500,000	-	395,962,475
Jared Ang Tzer Shen	4,517	-	-	4,517

Tropicana Corporation Berhad				
Number of ordinary shares				
	At 1 January 2022	Converted	Disposed	At 31 December 2022
Deemed interest				
Tan Sri Dato' Tan Chee Sing ¹	554,553,421	211,435,499	(36,500,000)	729,488,920
Jared Ang Tzer Shen ²	231,651	-	-	231,651

Tropicana Corporation Berhad				
Number of ICPS				
	At 1 January 2022	(Disposed)/ acquired	Converted	At 31 December 2022
Deemed interest				
Tan Sri Dato' Tan Chee Sing ³	871,291,034	(401,766,542)	(211,435,499)	258,088,993
Dion Tan Yong Chien ⁴	31,095,059	21,766,542	-	52,861,601

¹ Deemed interest by virtue of his interests in Aliran Firasat Sdn Bhd, Golden Diversity Sdn Bhd, Impeccable Ace Sdn Bhd and T Shares 1 Sdn Bhd pursuant to Section 8 of the Companies Act 2016 and spouse and child's interests pursuant to Section 59(11) of the Companies Act 2016.

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

³ Deemed interest by virtue of his interests in T Shares 1 Sdn Bhd, Dasen Resources Sdn Bhd and DIT Sdn Bhd pursuant to Section 8 of the Companies Act 2016 and spouse's interest in DIT Sdn Bhd pursuant to Section 59(11) of the Companies Act 2016.

⁴ Deemed interest by virtue of his interest in DIT Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

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

DIRECTORS' INDEMNITY

During the financial year, the total amount of indemnity coverage and insurance premium paid for directors and officers of the Group and of the Company were RM30,000,000 and RM68,910 respectively.

TREASURY SHARES

During the financial year, the Company repurchased 2,255,300 of its issued ordinary shares from the open market at an average price of RM1.0363 per share. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

As at 31 December 2022, the number of treasury shares held are 31,600,043 ordinary shares. Such treasury shares are held at carrying amount of RM28,440,000 and further relevant details are disclosed in Note 28(b) to the financial statements.

OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
 - (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (CONT'D.)

(f) In the opinion of the directors:

- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year; as the plan to address the Group's liquidity constraints, set out in Note 2.1 to the financial statements, is expected to be achievable; which will or may substantially affect the ability of the Group or of the Company to meet their obligations when they fall due;
- (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the provision for foreseeable losses on land held for sales as disclosed in Note 43 to the financial statements; and
- (iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT AND SUBSEQUENT EVENTS

In addition to the significant events disclosed elsewhere in this report, other significant and subsequent events are disclosed respectively in Notes 43 and 44 to the financial statements.

AUDITORS

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

Auditors' remunerations of the Group and of the Company are RM1,497,000 and RM437,000 respectively.

INDEMNIFICATION OF AUDITORS

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

Signed on behalf of the Board in accordance with a resolution of the directors dated 26 April 2023.

Dion Tan Yong Chien

Jared Ang Tzer Shen

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Dion Tan Yong Chien and Jared Ang Tzer Shen, being two of the directors of Tropicana Corporation Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 157 to 284 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 26 April 2023.

Dion Tan Yong Chien

Jared Ang Tzer Shen

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Lim Lai Seng, being the officer primarily responsible for the financial management of Tropicana Corporation Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 157 to 284 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Lim Lai Seng
at Petaling Jaya in the State of
Selangor Darul Ehsan on 26 April 2023

Lim Lai Seng
[MIA 15154]

Before me,
Commissioner of Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TROPICANA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Tropicana Corporation Berhad, which comprise the statements of financial position as at 31 December 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 157 to 284.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

BASIS FOR OPINION

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

INDEPENDENCE AND OTHER ETHICAL RESPONSIBILITIES

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

KEY AUDIT MATTERS

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

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

Going concern assessment

As disclosed in Note 32 to the financial statements, the Group and the Company have obligations to repay the Tranche 2 of Sukuk Wakalah of RM465.5 million in June 2023 and Tranche 4 of Sukuk Wakalah of RM179 million in October 2023. In addition, term loans amounted to RM477.2 million will be due for repayment throughout 2023.

KEY AUDIT MATTERS (CONT'D.)**Going concern assessment (cont'd.)**

The consolidated financial statements of the Group and of the Company have been prepared on a going concern basis. As disclosed in Note 2.1 to the financial statements, the directors have prepared a cash flow forecast as part of the assessment to demonstrate the Group's and the Company's ability to meet their loan repayment obligations for the next twelve months after the reporting date and to continue as a going concern.

We identified the going concern assessment as an area requiring audit focus because the assessment is highly subjective as it requires significant management judgements and largely based on the expectations of and estimates made by management of future cash flow needs. Critical to the going concern assessment are the Group's and the Company's ability to secure the required financing, and to sell certain assets to raise the necessary funds to meet the loan repayment obligations.

How have our audit addressed this matter

In addressing this area of audit focus, we performed amongst others, the following procedures to assess the Group's and Company's ability to continue meeting their payment obligations:

- We had discussions with the directors to understand the business plans and their plans to address the loan repayment obligations for the next twelve months after the reporting date;
- We evaluated the estimates made by the directors in respect of revenue and major operating costs against the Group's business plans, historical results and expected selling prices;
- We evaluated the ability of the Group to sell certain land held for development and property, plant and equipment to raise the necessary funds by sighting to the signed letters of offer from identified buyers;
- We evaluated the ability of the Group and of the Company to secure additional financing by obtaining the indicative term sheets and letters of offer from the financial institutions;
- We sighted evidence of the additional cash injection by a major shareholder subsequent to year end; and
- We evaluated the adequacy of disclosures in respect of this matter.

Revenue and cost of sales in respect of property development activities

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

A significant proportion of the Group's revenues and profits are derived from property development contracts which span more than one accounting period. For the financial year ended 31 December 2022, property development revenue from ongoing projects of RM448,891,000 and cost of sales of RM297,719,000 accounted for approximately 48% and 60% of the Group's revenue and cost of sales respectively. For these property development contracts where revenue is recognised over time, the Group uses the input method in determining the percentage of completion, which is based on the actual cost incurred to date on the property development project over the total budgeted cost for the respective development projects in accounting for the progress towards complete satisfaction of the Group's performance obligation.

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TROPICANA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

KEY AUDIT MATTERS (CONT'D.)

Revenue and cost of sales in respect of property development activities (cont'd.)

(Refer to Note 4 and Note 5 to the financial statements) (cont'd.)

How have our audit addressed this matter

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

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

Valuation of investment properties

(Refer to Note 17 to the financial statements)

The carrying value of the Group's investment properties as at 31 December 2022 was RM1,457,968,000, representing 16% and 12% of the Group's total non-current assets and total assets respectively. The Group adopts fair value model for its investment properties. When estimating the fair value of a property, the objective is to estimate the price that would be received from the sale of the investment property in an orderly transaction between market participants at the reporting date under current market conditions. In addition, the fair value should reflect, among other things, the property related data used as input to the valuation model and other assumptions that market participants would use when pricing the investment property under current market conditions, which are highly judgmental. Accordingly, we consider this to be an area of audit focus.

KEY AUDIT MATTERS (CONT'D.)**Valuation of investment properties (cont'd.)**

(Refer to Note 17 to the financial statements) (cont'd.)

How have our audit addressed the matter

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

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

Valuation of land held for sale

(Refer to Note 16(c) to the financial statements)

As of 31 December 2022, the Group's land held for sale, which is classified as inventories, had a carrying amount of RM743,574,000, representing 6% of the Group's total assets. The Group recognized an inventory write-down to its net realizable value, amounting to RM370,066,000, which represents 78% of the Group's loss before tax during the financial year.

The estimates of net realizable values are based on the estimated selling price at the time the estimate is made, as well as the estimated costs of completion and costs necessary to make the sale. These estimates involve some degree of subjectivity, so we consider this area to be an audit focus.

How have our audit addressed the matter

Our audit procedures in evaluating management's assessment of net realizable values of land held for sale included, among others, the following procedures:

- We obtained an understanding of the management process in estimating the net realizable value of the land held for sale;
- We evaluated the assumption applied in the estimated selling price by comparing the selling price stated in the sale and purchase agreement; and
- We evaluated the key assumptions applied in estimating the estimated costs of completion by examining documentary evidence, such as letters of awards issued to contractors, to support the estimated costs of completion. We also evaluated the reasonableness of the key assumptions used by comparing to the Group's historical experience and relevant market data.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TROPICANA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

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 Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the information included in the annual report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

Auditors' responsibilities for the audit of the financial statements (cont'd.)

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TROPICANA CORPORATION BERHAD (INCORPORATED IN MALAYSIA)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 18 to the financial statements.

OTHER MATTERS

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

Ernst & Young PLT

202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
26 April 2023

Ong Chee Wai

No. 02857/07/2024 J
Chartered Accountant

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue	4	942,557	876,015	20,462	42,229
Cost of sales	5	(492,830)	(513,618)	(16,782)	(18,721)
Gross profit		449,727	362,397	3,680	23,508
Other income	6	28,917	92,191	381	729
Selling and marketing expenses		(32,767)	(23,442)	-	-
Administrative expenses		(330,248)	(285,837)	(16,834)	(18,521)
Other expenses		(411,927)	(27,230)	(31)	(3,622)
Operating (loss)/profit		(296,298)	118,079	(12,804)	2,094
Finance income	7	11,096	6,549	141,493	121,289
Finance costs	8	(193,412)	(201,451)	(160,427)	(164,752)
Share of results of joint ventures		10,682	22,254	-	-
Share of results of an associate		(4,428)	18,587	-	-
Loss before tax	9	(472,360)	(35,982)	(31,738)	(41,369)
Income tax benefit/(expense)	12	61,763	5,909	(97)	(597)
Loss net of tax for the financial year		(410,597)	(30,073)	(31,835)	(41,966)
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent period					
Foreign currency translation		(324)	265	-	-
Total comprehensive loss		(410,921)	(29,808)	(31,835)	(41,966)
(Loss)/profit attributable to:					
Owners of the parent		(435,587)	(52,171)	(73,983)	(64,599)
Holders of perpetual bond		42,148	22,633	42,148	22,633
Non-controlling interests		(17,158)	(535)	-	-
		(410,597)	(30,073)	(31,835)	(41,966)
Total comprehensive (loss)/income attributable to:					
Owners of the parent		(435,911)	(51,906)	(73,983)	(64,599)
Holders of perpetual bond		42,148	22,633	42,148	22,633
Non-controlling interests		(17,158)	(535)	-	-
		(410,921)	(29,808)	(31,835)	(41,966)
Loss per share attributable to owners of the parent (sen per share)					
- Basic	13	(24.73)	(3.60)		
- Diluted	13	(17.97)	(2.14)		

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

STATEMENTS OF FINANCIAL POSITION - GROUP

AS AT 31 DECEMBER 2022

	Note	2022 RM'000	2021 RM'000
Assets			
Non-current assets			
Property, plant and equipment	15	822,208	756,666
Biological assets	14	2,879	1,469
Inventories	16	6,293,893	7,071,745
Investment properties	17	1,457,968	1,505,658
Right-of-use assets	35	161,847	141,079
Investment in an associate	19	110,043	114,471
Investments in joint ventures	20	290,487	300,825
Other investments	21	887	887
Intangible assets	22	5,965	6,424
Deferred tax assets	31	216,951	150,665
Trade and other receivables	23	5,436	5,223
		9,368,564	10,055,112
Current assets			
Biological assets	14	-	17
Inventories	16	1,231,325	566,007
Trade and other receivables	23	305,019	485,324
Contract cost assets	25	229,571	120,399
Contract assets	24	298,312	230,152
Tax recoverable		22,068	15,927
Cash and bank balances	26	649,884	638,603
Other investments	21	174,630	166,700
		2,910,809	2,223,129
Asset classified as held for sale	27	-	17,500
		2,910,809	2,240,629
Total assets		12,279,373	12,295,741

	Note	2022 RM'000	2021 RM'000
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	28	2,677,890	2,046,168
Irredeemable convertible preference shares	30	466,258	1,004,593
Treasury shares	28	(28,440)	(26,103)
Other reserves	29	1,152,841	1,611,486
		4,268,549	4,636,144
Perpetual bond	30	660,004	527,791
Non-controlling interests		826,458	820,182
Total equity		5,755,011	5,984,117
Non-current liabilities			
Deferred tax liabilities	31	479,284	507,147
Borrowings	32	2,420,194	3,371,167
Trade and other payables	33	539,467	516,818
Irredeemable convertible preference shares	30	70,339	164,193
Contract liabilities	34	129,739	133,206
Lease liabilities	35	7,925	5,609
		3,646,948	4,698,140
Current liabilities			
Borrowings	32	1,352,771	544,636
Trade and other payables	33	1,392,304	1,000,254
Irredeemable convertible preference shares	30	4,921	9,814
Contract liabilities	34	117,054	47,216
Tax payable		6,526	8,340
Lease liabilities	35	3,838	3,224
		2,877,414	1,613,484
Total liabilities		6,524,362	6,311,624
Total equity and liabilities		12,279,373	12,295,741

STATEMENT OF FINANCIAL POSITION - COMPANY

AS AT 31 DECEMBER 2022

	Note	2022 RM'000	2021 RM'000
Assets			
Non-current assets			
Property, plant and equipment	15	513	816
Right-of-use assets	35	128	886
Investments in subsidiaries	18	3,026,636	3,041,090
Other investments	21	887	887
Deferred tax assets	31	154	380
Trade and other receivables	23	855,889	1,500,389
		3,884,207	4,544,448
Current assets			
Trade and other receivables	23	2,232,448	1,573,914
Tax recoverable		658	467
Cash and bank balances	26	199,198	46,548
		2,432,304	1,620,929
Total assets		6,316,511	6,165,377
Equity and liabilities			
Equity			
Share capital	28	2,677,890	2,046,168
Irredeemable convertible preference shares	30	466,258	1,004,593
Treasury shares	28	(28,440)	(26,103)
Other reserves	29	261,674	335,657
		3,377,382	3,360,315
Perpetual bond	30	660,004	527,791
Total equity		4,037,386	3,888,106
Non-current liabilities			
Borrowings	32	996,067	1,701,600
Irredeemable convertible preference shares	30	70,339	164,193
Lease liabilities	35	—	344
		1,066,406	1,866,137
Current liabilities			
Borrowings	32	759,223	121,414
Trade and other payables	33	448,432	279,318
Irredeemable convertible preference shares	30	4,921	9,814
Lease liabilities	35	143	588
		1,212,719	411,134
Total liabilities		2,279,125	2,277,271
Total equity and liabilities		6,316,511	6,165,377

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

STATEMENTS OF CHANGES IN EQUITY - GROUP

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Attributable to owners of the parent									
	— Non-distributable —					Distributable				
	Irredeemable convertible preference shares		Treasury shares		Foreign currency translation reserve	Retained earnings	Total reserves	Total	Perpetual bond	Non-controlling interests
	Share capital	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	Note 28	Note 30	Note 28	Note 29(a)	Note 29(b)	Note 29(b)	Note 29(b)	Note 30	Note 30	
At 1 January 2022	2,046,168	1,004,593	(26,103)	156	1,611,330	1,611,486	4,636,144	527,791	820,182	5,984,117
Total comprehensive loss	-	-	-	(324)	(435,587)	(435,911)	(435,911)	-	(17,158)	(453,069)
Distribution for the financial year	-	-	-	-	-	-	-	42,148	-	42,148
Distribution paid for the financial year	-	-	-	-	-	-	-	(39,935)	-	(39,935)
Transactions with owners:										
Conversion of ICPS to ordinary shares	631,722	(538,335)	-	-	-	-	93,387	-	-	93,387
Issuance of preference shares to non-controlling interests	-	-	-	-	-	-	-	-	5,600	5,600
Issuance of perpetual bond	-	-	-	-	-	-	-	130,000	-	130,000
Acquisition of non-controlling interests	-	-	-	-	(22,734)	(22,734)	(22,734)	-	17,834	(4,900)
Purchase of treasury shares	-	-	(2,337)	-	-	-	(2,337)	-	-	(2,337)
Total transactions with owners	631,722	(538,335)	(2,337)	-	(22,734)	(22,734)	68,316	130,000	23,434	221,750
At 31 December 2022	2,677,890	466,258	(28,440)	(168)	1,153,009	1,152,841	4,268,549	660,004	826,458	5,755,011

STATEMENTS OF CHANGES IN EQUITY - GROUP

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONT'D.)

	Attributable to owners of the parent									
	Irredeemable convertible preference shares					Foreign currency translation reserve				
	Non-distributable					Distributable				
	Share capital	Treasury shares	Retained earnings	Total reserves	Total	Perpetual bond	Non-controlling interests	Total equity		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
	Note 28	Note 30	Note 28	Note 29(a)	Note 29(b)	Note 30				
At 1 January 2021	2,044,322	1,004,593	(6,882)	(109)	1,664,257	1,664,148	4,706,181	252,613	800,512	5,759,306
Total comprehensive income/(loss)	-	-	-	265	(52,171)	(51,906)	(51,906)	-	(535)	(52,441)
Distribution for the financial year	-	-	-	-	-	-	-	22,633	-	22,633
Distribution paid for the financial year	-	-	-	-	-	-	-	(17,455)	-	(17,455)
Transactions with owners:										
Issuance of ordinary shares	1,846	-	-	-	-	-	1,846	-	-	1,846
Issuance of preference shares to non-controlling interests	-	-	-	-	-	-	-	-	19,403	19,403
Issuance of perpetual bond	-	-	-	-	-	-	-	270,000	-	270,000
Non-controlling interests contribution	-	-	-	-	-	-	-	-	49	49
Change in stake	-	-	-	-	(804)	(804)	(804)	-	804	-
Acquisition of non-controlling interests	-	-	-	-	48	48	48	-	(51)	(3)
Purchase of treasury shares	-	-	(19,221)	-	-	-	(19,221)	-	-	(19,221)
Total transactions with owners	1,846	-	(19,221)	-	(756)	(756)	(18,131)	270,000	20,205	272,074
At 31 December 2021	2,046,168	1,004,593	(26,103)	156	1,611,330	1,611,486	4,636,144	527,791	820,182	5,984,117

STATEMENT OF CHANGES IN EQUITY - COMPANY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Attributable to owners of the parent						
	Non-distributable			Distributable			
	Irredeemable convertible preference shares			Treasury shares	Retained earnings	Total reserves	Total equity
	Share capital	RM'000	Note 28	RM'000	RM'000	RM'000	RM'000
	Note 28	Note 30	Note 28	Note 28	Note 29(b)	Note 30	Note 30
At 1 January 2022							
Total comprehensive loss	2,046,168	1,004,593	(26,103)	335,657	335,657	335,657	3,888,106
Distribution for the financial year	-	-	-	(73,983)	(73,983)	(73,983)	(73,983)
Distribution paid for the financial year	-	-	-	-	-	-	42,148
Transactions with owners:							
Conversion of ICPS to ordinary shares	631,722	(538,335)	-	-	-	-	93,387
Issuance of perpetual bond	-	-	-	-	-	-	130,000
Purchase of treasury shares	-	-	(2,337)	-	-	-	(2,337)
Total transactions with owners	631,722	(538,335)	(2,337)	-	-	-	221,050
At 31 December 2022	2,677,890	466,258	(28,440)	261,674	261,674	261,674	4,037,386
At 1 January 2021							
Total comprehensive loss	2,044,322	1,004,593	(6,882)	400,256	400,256	400,256	3,694,902
Distribution for the financial year	-	-	-	(64,599)	(64,599)	(64,599)	(64,599)
Distribution paid for the financial year	-	-	-	-	-	-	22,633
Transactions with owners:							
Issuance of ordinary shares	1,846	-	-	-	-	-	(17,455)
Issuance of perpetual bond	-	-	-	-	-	-	270,000
Purchase of treasury shares	-	-	(19,221)	-	-	-	(19,221)
Total transactions with owners	1,846	-	(19,221)	-	-	-	252,625
At 31 December 2021	2,046,168	1,004,593	(26,103)	335,657	335,657	335,657	3,888,106

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

STATEMENTS OF CASH FLOWS - GROUP

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	2022 RM'000	2021 RM'000
Cash flows from operating activities		
Loss before tax	(472,360)	(35,982)
Adjustments for:		
Depreciation of property, plant and equipment	33,041	32,020
Depreciation of right-of-use assets	6,061	5,014
Amortisation of intangible assets	459	456
Amortisation of deferred license fees	(5,603)	(4,697)
Amortisation of security retainers accumulation fund	11	11
Finance income	(11,096)	(6,549)
Finance costs	193,412	201,451
Share of results of an associate	4,428	(18,587)
Share of results of joint ventures	(10,682)	(22,254)
Unrealised profit arising from transaction with a joint venture	199	199
Unrealised foreign exchange gain, net	(685)	(83)
Unrealised returns on security retainers accumulation fund	(224)	29
Gain on a bargain purchase	-	(18,219)
Dividend income from other investments	(855)	(9,265)
Reversal of impairment loss on trade and other receivables	(2,830)	(3,566)
(Gain)/loss on disposal of:		
- property, plant and equipment, net	(12)	(770)
- investment property	-	10,000
- quoted shares	(49,836)	(15,083)
- asset classified as held for sale, net	459	-
Fair value loss/(gain) on:		
- investment properties, net	3,510	(19,960)
- quoted shares	12,309	(27,386)
- biological assets	-	62
Impairment loss on:		
- property, plant and equipment	4,101	-
- trade and other receivables	8,616	11,514
- intangible assets	-	2,353
Reversal of impairment loss on property, plant and equipment	-	(2,560)
Property, plant and equipment written off	174	82
Net cash (used in)/generated from operating activities carried forward	(287,403)	78,230

	2022 RM'000	2021 RM'000
Cash flows from operating activities		
Net cash (used in)/generated from operating activities brought forward	(287,403)	78,230
Overprovision of property development costs in prior years	(34,965)	(31,517)
Inventories written down	375,723	2,930
Bad debts written off	884	498
Land held for property development written off	4,045	-
Loss on lease termination	351	-
Right-of-use assets written off	-	262
Biological assets written off	17	185
Operating profit before working capital changes	58,652	50,588
Changes in working capital:		
Trade and other receivables ¹	173,635	37,503
Contract cost assets	45,033	129,075
Contract assets	(62,557)	69,405
Inventories ²	(421,439)	(524,339)
Biological assets	(1,410)	(45)
Trade and other payables	324,871	165
Contract liabilities	66,371	1,165
Cash generated from/(used in) operations	183,156	(236,483)
Finance costs paid	(167,489)	(207,745)
Net taxes paid	(40,341)	(88,998)
Net cash used in operating activities	(24,674)	(533,226)
Cash flows from investing activities		
Purchase of property, plant and equipment	(84,501)	(13,985)
Purchase of investment properties	(5,126)	(23,668)
Proceeds from disposal of property, plant and equipment	122	902
Proceeds from disposal of investment property	-	103,000
Proceeds from disposal of asset held for sale	17,041	-
Proceeds from disposal of quoted shares	101,909	68,335
Net cash outflow on acquisition of subsidiaries	-	(113,088)
Acquisition of quoted shares	(72,312)	(41,592)
Acquisition of non-controlling interest	(4,900)	(3)
Advances to a joint venture	(1,646)	(442)
Finance costs paid	-	(55)
Finance income received	11,096	6,549
Dividend income received	23,322	9,265
Net cash used in investing activities	(14,995)	(4,782)

STATEMENTS OF CASH FLOWS - GROUP

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONT'D.)

	2022 RM'000	2021 RM'000
Cash flows from financing activities		
Payment of borrowing costs	(8,172)	(10,904)
Repayment of principal portion of lease liabilities	(1,289)	(3,599)
Prepaid lease	(622)	(3,783)
Advances from a shareholder	115,151	-
Drawdown from a borrowings	350,896	782,370
Repayment of borrowings	(499,744)	(755,854)
Proceeds from issuance of perpetual bond	130,000	270,000
Proceeds from issuance of Islamic Medium Term Notes (Placement)/uplift of debt service reserve, escrow accounts and deposits with licensed banks not available for use	- (182,179)	293,000 13,498
Proceeds from issuance of shares to non-controlling interests	5,600	19,452
Proceeds from issuance of ordinary shares	-	1,846
Purchase of treasury shares	(2,337)	(19,221)
Perpetual bond distribution paid	(39,935)	(17,455)
Net cash (used in)/generated from financing activities	(132,631)	569,350
Net (decrease)/increase in cash and cash equivalents	(172,300)	31,342
Effects of foreign exchange rate changes	(324)	265
Cash and cash equivalents at beginning of financial year	435,699	404,092
Cash and cash equivalents at end of financial year (Note 26)	263,075	435,699

¹ Included in trade and other receivables are deposits paid for the acquisitions of land amounting to RM nil (2021: RM33,454,000).

² Included in inventories are cash consideration paid for the acquisitions of land amounting to RM nil (2021: RM362,245,000).

STATEMENT OF CASH FLOWS - COMPANY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	2022 RM'000	2021 RM'000
Cash flows from operating activities		
Loss before tax	(31,738)	(41,369)
Adjustments for:		
Depreciation of property, plant and equipment	329	376
Depreciation of right-of-use assets	399	667
Finance income	(141,493)	(121,289)
Finance costs	160,427	164,752
Right-of-use assets written off	-	173
Gain on lease termination	(14)	-
Loss on disposal of investments in subsidiaries, net	-	3,082
Dividend income received	(3,121)	(21,754)
Operating loss before working capital changes	(15,211)	(15,362)
Changes in working capital:		
Trade and other receivables	(27,101)	(200,293)
Trade and other payables	68,335	(178,337)
Cash generated from/(used in) operations	26,023	(393,992)
Finance costs paid	(147,719)	(97,436)
Net tax paid	(62)	(549)
Net cash used in operating activities	(121,758)	(491,977)
Cash flows from investing activities		
Purchase of property, plant and equipment	(26)	(71)
Dividend income	3,121	21,754
Finance income received	141,493	121,289
Subscription of additional shares in subsidiaries, net of expenses	(4,900)	(54,127)
Net cash generated from investing activities	139,688	88,845
Cash flows from financing activities		
Drawdown from borrowings	2,300	70,000
Repayment of borrowings	(71,750)	(211,227)
Advances from a shareholder	115,151	-
Perpetual bond distribution paid	(39,935)	(17,455)
Proceeds from issuance of perpetual bond	130,000	270,000
Proceeds from issuance of Islamic Medium Term Notes	-	293,000
Proceeds from issuance of ordinary shares	-	1,846
(Placement)/uplift of debt service reserve, escrow accounts and deposits		
with licensed banks not available for use	(152,742)	11,544
Purchase of treasury shares	(2,337)	(19,221)
Repayment of principal portion of lease liabilities	(435)	(840)
Net cash (used in)/generated from financing activities	(19,748)	397,647
Net decrease in cash and cash equivalents	(1,818)	(5,485)
Cash and cash equivalents at beginning of financial year	(17,509)	(12,024)
Cash and cash equivalents at end of financial year (Note 26)	(19,327)	(17,509)

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1. CORPORATE INFORMATION

Tropicana Corporation Berhad (“**the Company**”) is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company is located at Unit 1301, Level 13, Tropicana Gardens Office Tower, No. 2A, Persiaran Surian, Tropicana Indah, 47810 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries, associate and joint ventures are disclosed in Notes 18, 19 and 20 respectively. There have been no significant changes in the nature of these principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 April 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

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

The Group and the Company recorded loss before of tax of RM472,360,000 (2021: RM35,982,000) and RM31,738,000 (2021: RM41,369,000) respectively during the financial year ended 31 December 2022, as well as negative net operating cash flows of RM24,674,000 (2021: RM533,226,000) and RM121,758,000 (2021: RM491,977,000) respectively. These conditions may affect the ability of the Group and of the Company to meet its financial obligations as and when they fall due. In particular, as disclosed in Note 32, the Group and the Company have obligations to repay the Tranche 2 of Sukuk Wakalah of RM465.5 million in June 2023 and Tranche 4 of Sukuk Wakalah of RM179 million in October 2023. In addition, term loans amounted to RM477.2 million will be due for repayment throughout 2023.

In response to the aforementioned, the Group and the Company have executed several actions to address the cash flow requirements. The Directors have prepared a cash flow forecast as part of the assessment on whether the Group and the Company will be able to meet their loan repayment obligations for the next twelve months after the reporting date and to continue as a going concern. Critical to the going concern assessment are the Directors’ expectations to achieve the following:

- Estimated net cash inflow forecasted to be generated from its operating activities and disposal of identified assets during the financial year ending 2023;
- Additional term loans from banks amounted to RM300 million;
- Additional project financing for certain development projects as forecasted;
- Conversion of cash injection from a major shareholder into equity and/or long term debt; and
- Utilisation of available undrawn credit facilities of RM451 million and/or the issuance of the additional tranches under the Perpetual Sukuk Programme.

Based on the cash flow forecast which incorporates the actions taken to date, the Directors concluded that there is no material uncertainty on the Group’s and the Company’s ability to continue as going concerns. The Directors have accordingly prepared the financial statements of the Group and the Company on a going concern basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

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

The accounting policies adopted by the Group and the Company are consistent with those of the previous financial year, except for the adoption of the following new MFRSs and Amendments to MFRSs:

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

MFRS 1: First-time Adoption of MFRS - Subsidiary as a First-time Adopter (Amendments to MFRS 1)	1 January 2022
MFRS 3: Reference to the Conceptual Framework (Amendments to MFRS 3)	1 January 2022
MFRS 9: Financial Instruments - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities (Amendments to MFRS 9)	1 January 2022
MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use (Amendments to MFRS 116)	1 January 2022
MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137)	1 January 2022
MFRS 141: Agriculture - Taxation in Fair Value Measurements (Amendments to MFRS 141)	1 January 2022

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

2.3 Standards issued but not yet effective

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

MFRS 101: Classification of Liabilities as Current or Non-current (Amendments to MFRS 101)	1 January 2023
MFRS 101: Disclosure of Accounting Policies (Amendments to MFRS 101)	1 January 2023
MFRS 108: Definition of Accounting Estimates (Amendments to MFRS 108)	1 January 2023
MFRS 17: Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendments to MFRS 17)	1 January 2023
MFRS 112: Deferred Tax related to Assets and Liabilities arising from a single transaction (Amendments to MFRS 112)	1 January 2023
MFRS 16: Lease Liability in a Sale and Leaseback (Amendments to MFRS 16)	1 January 2024
MFRS 101: Non-current Liabilities with Covenants (Amendments to MFRS 101)	1 January 2024
MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)	Deferred

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at reporting date. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i) power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) exposure, or rights, to variable returns from its investment with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) the contractual arrangement with the other vote holders of the investee;
- (ii) rights arising from other contractual arrangements; and
- (iii) the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group transactions, balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. When the Group loses control over a subsidiary, the Group would derecognise all assets (including goodwill), liabilities and non-controlling interests at their carrying amount of the subsidiary and to recognise the fair value of the consideration received.

The gain or loss on disposal is calculated as the difference between:

- (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.5 Business combinations and goodwill

Business combinations are accounted for using the acquisition method of accounting. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at fair value at the acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its fair value at the acquisition date and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 139 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised in either profit or loss or as a change to OCI. If the contingent consideration is not within scope of MFRS 139, it is measured in accordance with the appropriate MFRSs. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units ("CGU") that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.6 Financial instruments - initial recognition and subsequent measurement

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

(a) Financial assets

Initial recognition and measurement

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

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

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

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

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

Subsequent measurement

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.6 Financial instruments - initial recognition and subsequent measurement (contd.)

(a) Financial assets (cont'd.)

Subsequent measurement (contd.)

Financial assets at amortised cost (debt instruments)

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

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

The Group's and the Company's financial assets at amortised cost are disclosed in Note 37.

Financial assets at fair value through profit or loss

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

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

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

Derecognition

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.6 Financial instruments - initial recognition and subsequent measurement (cont'd.)

(a) Financial assets (cont'd.)

Derecognition (cont'd.)

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

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

Impairment of financial assets

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

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

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

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

(b) Financial liabilities

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.6 Financial instruments - initial recognition and subsequent measurement (cont'd.)

(b) Financial liabilities (cont'd.)

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Gains or losses on liabilities held for trading are recognised in the statement of comprehensive income.

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

Loans and borrowings

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

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

Derecognition

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

(c) Offsetting of financial instruments

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

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the assets to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, for which the Group and the Company is obligated to incur, if applicable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.7 Property, plant and equipment (cont'd.)

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

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

Construction in-progress are not depreciated as these assets are not yet available for use.

A bearer plant is a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales. The bearer plants of the Group are fish, fruits, vegetables and poultry. Immature bearer plants are measured at accumulated costs of planting of bearer plants, similar to accounting for a self-constructed item of property, plant and equipment. Bearer plants are classified as immature until it is available for harvest. At that point, bearer plants are measured at amortised cost and depreciated over their useful life.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

- Freehold buildings: 20 to 50 years
- Leasehold buildings: 20 to 50 years
- Golf course: 99 years
- Plant and machineries: 5 to 20 years
- Office furniture, fittings and equipment: 4 to 10 years
- Motor vehicles: 5 years
- Bearer plants: 25 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

2.8 Inventories

(a) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is carried at lower of cost and net realisable value.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.8 Inventories (cont'd.)

(b) Property development costs

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

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

(c) Completed development properties

Completed development properties represent completed residential properties and commercial properties.

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

(d) Consumable stores and spares

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

The cost of raw materials comprises all costs of purchase plus the cost of bringing the inventories to their present location and condition.

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

2.9 Investment properties

Investment properties are properties which are held either to earn rentals or for capital appreciation or for both and are not substantially occupied by the Group. Investment properties also include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual evaluation performed by an accredited external, independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the profit or loss in the period of derecognition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.9 Investment properties (cont'd.)

If the Group determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably determinable when construction is completed, the Group shall measure that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). Once the Group is able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, the Group shall measure that property at its fair value.

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

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

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

2.10 Impairment of non-financial assets

The carrying amount of assets, except for financial assets (excluding investments in subsidiaries, associate and joint ventures), inventories, deferred tax assets, investment properties measured at fair value and non-current assets (or disposal groups) held for sale, are reviewed at the reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The value in use calculation is based on a discounted cash flow ("DCF") model. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group.

The impairment loss is recognised in profit or loss immediately except for a property previously revalued when the revaluation was taken to OCI up to the amount of any previous revaluation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.10 Impairment of non-financial assets (cont'd.)

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation surplus.

The following asset has specific characteristics for impairment testing:

Goodwill that has an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that the goodwill might be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment loss on goodwill is not reversed in subsequent periods.

2.11 Contract assets and contract liabilities

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

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

2.12 Contract cost assets

(a) Incremental costs of obtaining a contract

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

(b) Costs to fulfill a contract

The costs incurred in fulfilling a contract with a customer who is not within the scope of other MFRSs, such as MFRS 102: Inventories, MFRS 116: Property, Plant and Equipment and MFRS 138: Intangible Assets, are recognised as contract cost assets when all of the following criteria are met:

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.12 Contract cost assets (cont'd.)

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

Impairment loss is recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:

- the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
- the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

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

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

2.13 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.14 Cash and cash equivalents

Cash and bank balances comprise cash at banks, cash in hand and short-term deposits with a maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of statements of cash flows, cash and cash equivalents, if any, consist of cash and bank balances, net of outstanding bank overdrafts as they are considered an integral part of the Group's and of the Company's cash management.

2.15 Share capital and Sukuk Musharakah ("Perpetual bond")

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

Ordinary shares are recorded at the nominal value. Interim dividends to shareholders are recognised in equity in the period in which they are declared. Final dividends are recognised upon approval of shareholders in a general meeting.

The transaction costs of an equity transaction are accounted for as a deduction from equity. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction, which would otherwise have been avoided.

The Group measures a liability to distribute non cash assets as a dividend to the owners of the parent at fair value of the assets to be distributed. The carrying amount of the dividend is remeasured at the end of each reporting period and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Group recognises the difference, if any, between the carrying amounts of the assets distributed and the carrying amount of the liability in profit or loss.

When issued shares of the Company are repurchased, the consideration paid, including any attributable transaction costs, is presented as a change in equity. Repurchased shares that have not been cancelled are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in profit or loss on the sale, reissuance or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount of the treasury shares is shown as a movement in equity.

Perpetual bond is classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity. Perpetual bond holders' entitlement is accounted for as an appropriation in equity and the distribution is recognised in the period in which it is paid.

2.16 Irredeemable convertible preference shares ("ICPS")

ICPS is a financial instrument that contains both a liability and an equity component that can be converted to share capital at the option of the holder, when the number of shares to be issued does not vary with changes in their fair value.

The proceeds are first allocated to the liability component, determined based on the fair value of a similar liability that does not have a conversion feature or similar associated equity component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition the liability component of the ICPS is measured at amortised cost using the effective interest method. The equity component of the ICPS is not remeasured subsequent to initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.16 Irredeemable convertible preference shares ("ICPS") (cont'd.)

Interest and losses and gains relating to the ICPS is recognised in profit or loss. On conversion, the ICPS is reclassified to equity, no gain or loss is recognised on conversion.

2.17 Biological assets

Biological assets are measured on initial recognition and at subsequent reporting dates at fair value less estimated costs to sell, unless fair value cannot be reliably measured. Changes in fair value are recognised in profit or loss as part of cost of sales. Costs related to growing the biological assets and harvesting the biological assets are expensed as incurred.

2.18 Subsidiaries

A subsidiary is an entity over which the Group has all of the following:

- (i) power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) exposure, or rights, to variable returns from its investment with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

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

2.19 Investments in an associate and joint ventures

An associate is an entity in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associate and joint ventures are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.19 Investments in an associate and joint ventures (cont'd.)

The statement of comprehensive income reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture. The Group recognises the excess of the unrealised profit over the carrying amount of the associate as deferred income.

The aggregate of the Group's share of profit or loss of an associate and joint venture is shown on the face of the statement of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interest in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investments in its associate or joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investments in the associate or joint ventures are impaired. If there is such evidence, the Group calculates the amount of impairment loss as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss as 'Share of results of an associate and joint venture' in the Group's statement of comprehensive income.

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

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

2.20 Leases

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

(a) As lessee

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.20 Leases (cont'd.)

(a) As lessee (cont'd.)

(i) Right-of-use assets

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

- Leasehold land: leasehold period between 92 years to 875 years
- Premises: 2 years to 30 years
- Motor vehicles: 5 years
- Plant and machineries: 7 years
- Office equipment: 5 years

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

(ii) Lease liabilities

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

In calculating the present value of lease payments, the Group and the Company use their incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. MFRS 16 requires certain adjustments to be expensed, while others are added to the cost of the related right-of-use asset.

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

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

(b) As lessor

Leases in which the Group and the Company do not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term. Lease income is recognised over the lease term on a straight-line basis. Contingent rents are recognised as revenue in the period in which they are earned.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.21 Borrowing costs

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

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

2.22 Taxes

Income taxes include all domestic and foreign taxes on taxable profit. Income taxes also include other taxes, such as real property gain taxes payable on disposal of properties, if any.

Taxation in profit or loss comprises current and deferred tax.

(a) Income tax - current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

(b) Income tax - deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associate and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.22 Taxes (cont'd.)

(b) Income tax - deferred tax (cont'd.)

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associate and joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax would be recognised as income or expense and included in profit or loss for the period unless the tax relates to items that are credited or charged in the same or a different period, directly to equity, in which the deferred tax will be charged or credited directly to equity.

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

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

When SST is incurred, SST is recognised as part of the expense or cost of acquisition of the asset as SST is not recoverable.

Whereas, revenue is recognised net of the amount of SST billed as it is payable to the taxation authority. SST payable to the taxation authority is included as part of payables in the statements of financial position.

2.23 Provisions

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.24 Sinking fund

Sinking fund of the Group is established for the purpose of covering periodic major repairs or capital replacements costs in the golf and country resort of the Group. A fraction of 10% of monthly subscription fees received from the members during the financial year are credited to this account.

The amount credited into the sinking fund account during the financial year is subsequently paid to a fund which is kept in a separate trust account and administered by a Trustee.

Monies in the sinking fund are invested by the Trustee. Any income arising out of the investment is accrued to the fund.

2.25 Deferred license fees

License fees are received upon admission of new members to the golf and country resort of the Group, and are recognised in the profit or loss over the remaining terms of the membership licenses, which would be expiring on 9 October 2051.

2.26 Employee benefits

(a) Short term benefits

Wages, salaries, other monetary and non-monetary benefits are measured on an undiscounted basis and are accrued in the period in which the associated services are rendered by employees of the Group and of the Company.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non accumulating compensated absences such as sick leave are recognised when absences occur and they lapse if the current period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the Group and the Company.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined contribution plan

The Group and the Company participate in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.27 Foreign currencies

The individual financial statements of each entity within the Group are measured using the currency of the primary economic environment in which the entity operates. The financial statements of the Group are presented in Ringgit Malaysia, which is also the Company's functional currency.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.27 Foreign currencies (cont'd.)

(a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Any goodwill arising from the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising from the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

(b) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Ringgit Malaysia at the rate of exchange prevailing at the reporting date and their profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

2.28 Revenue

(a) Revenue from property development

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

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.28 Revenue (cont'd.)

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

This is generally established when:

- the promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and
- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

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

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

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

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

(b) Revenue from construction contracts

Under such contracts, the Group is engaged in professional landscape construction and management services. These contracts may include multiple promises to the customers and therefore accounted for as separate performance obligations. The fair value of the revenue, which is based on fixed price under the agreement will be allocated based on relative stand-alone selling price of the considerations of each of the separate performance obligations.

The Group recognises construction revenue over time as the project being constructed has no alternative use to the Group and it has an enforceable right to the payment for performance completed to date. The stage of completion is measured using the input method, which is based on the total actual construction cost incurred to date as compared to the total budgeted costs for the respective construction projects.

(c) Sale of goods

Revenue from sale of goods such as sale of completed properties, land and building materials is measured at fair value of the consideration receivable and is recognised upon the transfer of significant control of the goods to the customer.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.28 Revenue (cont'd.)

(d) Recreation and resort operations

Revenue from recreational club operations including subscription fees but excluding club membership fees are recognised when the services are rendered. The payment of the transaction price is due immediately upon delivery of the services. Recreational club membership fees which are received upfront are recognised on a straight-line basis over the tenure of the respective memberships.

(e) Rental of hotel rooms

Revenue from rental of hotel rooms, sale of food and beverages and other related income are recognised upon provision of the services.

(f) Dividend income

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

(g) Interest income

Interest income is recognised by using the EIR method.

(h) Rental income

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

(i) Management and maintenance fees

Management and maintenance fees are recognised when services are rendered.

(j) Private school operations

Tuition fees are recognised over the school term period, whereas enrolment, registration, resource and other fees are recognised as revenue when no significant uncertainty as to its collectibility exists.

(k) Revenue from electricity

Revenue for electricity supply activities includes an assessment of electricity supplied to customers between the date of the last meter reading and the financial year end of the Group (unread and unbilled). Electricity revenue is recognised over time by the Group when electricity is consumed by customers.

2.29 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are disclosed in Note 42, including the factors used to identify the reportable segments and the measurement basis of segment information.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.30 Contingencies

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

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

2.31 Fair value measurement

The Group and the Company measure financial instruments such as derivatives and non-financial assets such as investment properties, at fair value at each reporting date. The fair values of financial instruments measured at amortised cost are disclosed in Note 38.

The fair value of an asset or a liability, is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

The Group and the Company measure the fair value of an asset or a liability by taking into account the characteristics of the asset or liability if market participants would take these characteristics into account when pricing the asset or liability. The Group and the Company have considered the following characteristics when determining fair value:

- (a) The condition and location of the assets; and
- (b) Restrictions, if any, on the sale or use of the assets.

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

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

The fair value of a financial or non-financial liability or an entity's own equity instrument assumes that:

- (a) A liability would remain outstanding and the market participant transferee would be required to fulfil the obligation. The liability would not be settled with the counterparty or otherwise extinguished on the measurement date; and
- (b) An entity's own equity instrument would remain outstanding and the market participant transferee would take on the rights and responsibilities associated with the instrument. The instrument would not be cancelled or otherwise extinguished on the measurement date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.31 Fair value measurement (cont'd.)

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

- (a) Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities
- (b) Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (c) Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

2.32 Earnings per share

The Group presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS for the financial year is calculated by dividing profit or loss attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year. Diluted EPS for the financial year is calculated by adjusting profit or loss attributable to owners of the parent by the weighted average number of ordinary shares and ICPS outstanding for the effects of all dilutive potential ordinary shares.

2.33 Current and non-current classification

The Group and the Company present their assets and liabilities in the statements of financial position based on current/non-current classification.

An asset is current when:

- It is expected to be realised or intended to be sold or consumed within the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled within the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. All other liabilities are classified as non-current.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

3.1 Key sources of estimation uncertainty

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

(a) Property development

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

Significant judgement is required in determining the measure of progress, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the property development costs. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of the Group's land held for property development, property development cost and contract cost assets are disclosed in Note 16(a), Note 16(b) and Note 25 respectively.

(b) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profit together with future tax planning strategies. The total unrecognised tax losses, unutilised capital allowances, unused investment tax allowances and other deductible temporary differences of the Group are disclosed in Note 12.

(c) Provision of expected credit loss of trade receivables, other receivables and contract assets

The Group and the Company assess the credit risk at each reporting date, whether there have been significant increases in credit risk since initial recognition on an individual basis. To determine whether there is a significant increase in credit risks, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtors and default or significant delay in payments.

Where there is a significant increase in credit risk, the Group and the Company determine the lifetime expected credit loss by considering the loss given default and the probability of default assigned to each counterparty customer. The financial assets are written off either partially or full when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-offs.

The carrying amounts of the trade and other receivables and contract assets are disclosed in Notes 23 and 24 respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

3.1 Key sources of estimation uncertainty (cont'd.)

(d) Fair valuation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the profit or loss. Significant judgement is required in determining the fair value which may be derived based on different valuation methods. In making the judgement, the Group engaged independent valuation specialists to determine the fair values as disclosed in Note 17.

(e) Income tax

Significant judgement and estimates are used in arriving at taxable profits for the year and for prior years, including assessing the deductibility of expense items for tax purposes. Management are guided by tax laws/cases on such instances. Management believes that all deductions claimed, in arriving at taxable profits for current and prior years, are appropriate and justifiable.

(f) Inventories

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

Significant judgement is required in arriving at the net realisable value, particularly the estimated selling price of inventories in the ordinary course of the business. The Group has considered all available information, including but not limited to property market conditions, locations of property inventories and target buyers.

Details of inventories are disclosed in Note 16.

3.2 Judgement made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following judgements, apart from there involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

4. REVENUE

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers	829,208	811,315	17,341	20,475
Revenue from other sources:				
- Rental and related income from investment properties	59,515	39,076	-	-
- Dividend income from subsidiaries (Note 36(a))	-	-	3,121	21,754
- Dividend income from other investments	855	9,265	-	-
- Gain on disposal of quoted shares	49,836	15,083	-	-
- Others	3,143	1,276	-	-
	942,557	876,015	20,462	42,229

Disaggregation of the revenue from contracts with customers:

Major goods and services

Sale of development properties	552,957	650,847	-	-
Sale of land	67,699	23,903	-	-
Sale of building materials	11,386	9,470	-	-
Revenue from recreation and resort operations	52,449	35,876	-	-
Property management and maintenance fees	1,431	6,578	-	-
Revenue from private school operations	43,852	47,067	-	-
Revenue from landscape services	2,376	3,339	-	-
Revenue from hotel operations	92,339	30,339	-	-
Revenue from electricity	4,719	3,896	-	-
Management fees from subsidiaries (Note 36(a))	-	-	17,341	20,475
Revenue from contracts with customers	829,208	811,315	17,341	20,475

Geographical market

Malaysia	829,208	811,315	17,341	20,475
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Timing of revenue recognition

- at a point in time	310,518	252,454	17,341	20,475
- over time	518,690	558,861	-	-
	829,208	811,315	17,341	20,475

Revenue from contracts with customers of the Group includes RM31,763,000 (2021: RM25,988,000) that was included in contract liabilities at the beginning of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

5. COST OF SALES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cost of development properties:				
- current year	297,719	360,693	-	-
- overprovision of property development costs in prior years	(34,965)	(31,517)	-	-
Cost of land sold	41,113	6,724	-	-
Cost of inventories sold	66,720	79,169	-	-
Cost of building materials sold	10,011	7,700	-	-
Cost of services rendered:				
- recreation and resort operations	21,209	13,161	-	-
- property management and maintenance fees	3,421	7,303	-	-
- investment properties	15,987	11,121	-	-
- landscape services	1,518	2,292	-	-
- private school operations	20,088	22,434	-	-
- hotel operations	43,567	19,632	-	-
- management fees	-	-	16,782	18,721
- energy cost	4,167	12,392	-	-
Others	2,275	2,514	-	-
	492,830	513,618	16,782	18,721

6. OTHER INCOME

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Gain on a bargain purchase (Note 18(a)(xxiii))	-	18,219	-	-
Reversal of impairment loss on trade and other receivables	2,830	3,566	-	-
Reversal of impairment loss on property, plant and equipment (Note 15)	-	2,560	-	-
Management fees	15,635	12,114	-	-
Rental income	6,220	5,093	360	573
Late payment interest	842	1,845	-	-
Gain on disposal of:				
- property, plant and equipment	12	843	-	-
- investment on a subsidiary	-	-	-	60
Gain on lease termination	-	-	14	-
Fair value gain on investment properties, net (Note 17)	-	19,960	-	-
Fair value gain on quoted shares	-	27,386	-	-
Forfeiture of deposits	1,172	291	-	-
Bad debts recovered	100	133	-	-
Net unrealised foreign exchange gain	685	83	-	-
Others	1,421	98	7	96
	28,917	92,191	381	729

7. FINANCE INCOME

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Finance income from:				
- deposits with licensed banks	5,987	2,224	197	358
- Housing Development Accounts	1,364	1,437	-	-
- amounts due from subsidiaries (Note 36(a))	-	-	140,456	120,721
- others	3,745	2,888	840	210
	11,096	6,549	141,493	121,289

8. FINANCE COSTS

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Finance costs on:				
- amounts due to subsidiaries (Note 36(a))	-	-	49,845	52,305
- borrowings	167,489	174,104	97,874	97,436
- unwinding of discount on trade and other payables	117	1,027	-	-
- amortisation of borrowing costs (Note 32)	12,456	11,784	-	878
- accretion of interest on ICPS (Note 30)	12,689	14,090	12,689	14,090
- accretion of lease liabilities interest (Note 35(b))	661	446	19	43
	193,412	201,451	160,427	164,752

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9. LOSS BEFORE TAX

The following amounts have been included in arriving at loss before tax:

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Employee benefits expenses (Note 10)	206,997	180,026	17,223	19,094
Auditors' remuneration:				
- audit fee	1,497	1,401	437	414
- non-audit fee	25	72	25	56
Depreciation of property, plant and equipment (Note 15)	33,041	32,020	329	376
Depreciation of right-of-use assets (Note 35)	6,061	5,014	399	667
Amortisation of intangible assets (Note 22)	459	456	-	-
Amortisation of deferred license fees (Note 34(a))	(5,603)	(4,697)	-	-
Amortisation of security retainers accumulation fund (Note 23(b)(i))	11	11	-	-
Unrealised returns on security retainers accumulation fund (Note 23(b)(i))	(224)	29	-	-
Fair value loss on investment properties, net (Note 17)	3,510	-	-	-
Fair value loss on quoted shares	12,309	-	-	-
Fair value loss on biological assets (Note 14)	-	62	-	-
Impairment loss on:				
- property, plant and equipment (Note 15)	4,101	-	-	-
- trade and other receivables	8,616	11,514	-	-
- intangible assets (Note 22)	-	2,353	-	-
Property, plant and equipment written off	174	82	-	-
Biological assets written off (Note 14)	17	185	-	-
Loss on lease termination	351	-	-	-
Right-of-use assets written off	-	262	-	173
Loss on disposal of:				
- investments in subsidiaries	-	-	-	3,142
- investment property	-	10,000	-	-
- property, plant and equipment	-	73	-	-
- asset classified as held for sale	459	-	-	-
Net loss on foreign exchange:				
- realised	144	52	31	19
Inventories written down	375,723	2,930	-	-
Bad debts written off	884	498	-	-
Direct operating expenses arising from investment properties	15,987	11,121	-	-
Management fees charged by a subsidiary (Note 36(a))	-	-	6,585	7,589
Land held for property development written off (Note 16(a))	4,045	-	-	-
Expenses relating to short-term leases	63	84	-	-
Expenses relating to low-value assets	206	208	-	-

Included in auditors' remuneration of the Company amounting to RM287,000 (2021: RM275,000) is borne and paid by the Company on behalf of its subsidiaries.

10. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Salaries, bonus and other emoluments	142,787	128,135	14,062	15,739
Contributions to defined contribution plan	16,576	14,000	1,112	1,255
Other benefits	47,634	37,891	2,049	2,100
Total employee benefits expenses (Note 9)	206,997	180,026	17,223	19,094
Less: Amount included in cost of sales	(57,410)	(43,200)	(15,321)	(17,226)
Included in administrative expenses	149,587	136,826	1,902	1,868

Included in employee benefits expenses of the Group and of the Company are directors' remuneration amounting to RM38,891,000 (2021: RM40,615,000) and RM10,887,000 (2021: RM13,187,000) respectively as disclosed in Note 11.

11. DIRECTORS' REMUNERATION

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Directors of the Company				
Executive:				
Salaries, bonus and other emoluments	17,350	19,059	8,366	10,283
Contributions to defined contribution plan	1,092	1,169	687	784
	18,442	20,228	9,053	11,067
Non-executive:				
Fees	1,739	2,052	1,739	1,987
Other emoluments	262	614	95	133
	2,001	2,666	1,834	2,120
Total directors' remuneration of the Company	20,443	22,894	10,887	13,187
Directors of the subsidiaries				
Executive:				
Salaries, bonus and other emoluments	15,724	15,412	-	-
Contributions to defined contribution plan	2,012	1,783	-	-
	17,736	17,195	-	-
Non-executive:				
Fees	634	427	-	-
Other emoluments	78	99	-	-
	712	526	-	-
Total directors' remuneration of the subsidiaries	18,448	17,721	-	-
Total directors' remuneration (Notes 10 and 36(e))	38,891	40,615	10,887	13,187

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

11. DIRECTORS' REMUNERATION (CONT'D.)

Analysis of directors' remuneration:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Total executive directors' remuneration	36,178	37,423	9,053	11,067
Total non-executive directors' remuneration	2,713	3,192	1,834	2,120
Total directors' remuneration	38,891	40,615	10,887	13,187

The aggregate remuneration of directors of the Company are analysed into appropriate bands as follows:

	Group		Company	
	Number of directors 2022	2021	Number of directors 2022	2021
Executive directors:				
RM950,001 - RM1,000,000	1	-	1	-
RM1,100,001 - RM1,150,000	1	-	1	-
RM1,150,001 - RM1,200,000	-	1	-	1
RM1,750,001 - RM1,800,000	1	-	1	-
RM1,900,001 - RM1,950,000	-	-	-	1
RM2,000,001 - RM2,050,000	-	1	-	1
RM2,350,001 - RM2,400,000	-	1	-	-
RM5,150,001 - RM5,200,000	-	-	1	-
RM5,900,001 - RM5,950,000	-	-	-	1
RM14,550,001 - RM14,600,000	1	-	-	-
RM14,600,001 - RM14,650,000	-	1	-	-
Non-executive directors:				
RM1 - RM50,000	1	-	2	1
RM50,001 - RM100,000	1	2	1	1
RM100,001 - RM150,000	1	1	1	1
RM150,001 - RM200,000	4	5	4	5
RM200,001 - RM250,000	5	3	4	3
RM250,001 - RM300,000	-	-	-	1
RM750,001 - RM800,000	-	1	-	-

12. INCOME TAX (BENEFIT)/EXPENSE

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
Malaysian income tax	45,816	71,942	13	303
(Over)/underprovision in prior years	(13,477)	3,974	(142)	(23)
	32,339	75,916	(129)	280
Real property gain tax:				
Current financial year	47	12,230	-	-
Overprovision in prior years	-	(502)	-	-
	47	11,728	-	-
Deferred tax (Note 31):				
Origination and reversal of temporary differences	(107,986)	(99,790)	233	312
Under/(over)provision in prior year	13,837	6,237	(7)	5
	(94,149)	(93,553)	226	317
Total income tax (benefit)/expense	(61,763)	(5,909)	97	597

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2021: 24%) of the estimated assessable loss for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

12. INCOME TAX (BENEFIT)/EXPENSE (CONT'D.)

The reconciliation between tax (benefit)/expense and the product of accounting loss multiplied by the applicable corporate tax rate are as follows:

	2022 RM'000	2021 RM'000
Group		
Loss before tax	(472,360)	(35,982)
Taxation at Malaysian statutory tax rate of 24% (2021: 24%)	(113,366)	(8,636)
Tax incentive and income not subject to tax	(7,116)	(4,937)
Expenses not deductible for tax purposes	40,347	10,006
Effect on income taxed under real property gain tax	1,643	465
Deferred tax recognised at different tax rate	(773)	(5,079)
Deferred tax assets not recognised	23,818	2,398
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(5,175)	(33)
Share of results of joint ventures	(2,564)	(5,341)
Share of results of an associate	1,063	(4,461)
Underprovision of deferred tax in prior year	13,837	6,237
(Over)/underprovision of tax expense in prior years	(13,477)	3,974
Overprovision of real property gain tax in prior years	-	(502)
Income tax benefit	(61,763)	(5,909)
Company		
Loss before tax	(31,738)	(41,369)
Taxation at Malaysian statutory tax rate of 24% (2021: 24%)	(7,617)	(9,929)
Income not subject to tax	(749)	(5,449)
Expenses not deductible for tax purposes	8,612	15,993
(Over)/underprovision of deferred tax in prior year	(7)	5
Overprovision of tax expense in prior years	(142)	(23)
Income tax expense	97	597

Tax savings during the financial year arising from:

	Group	
	2022 RM'000	2021 RM'000
Utilisation of previously unused tax losses and unabsorbed capital allowances	21,563	138

12. INCOME TAX (BENEFIT)/EXPENSE (CONT'D.)

The following are deferred tax assets which have not been recognised by the Group as they have arisen in companies that have a recent history of losses or in companies where future taxable profit may be insufficient to trigger the utilisation of these items.

	Group	
	2022	2021
	RM'000	RM'000
Unused tax losses	55,056	71,251
Unabsorbed capital allowances	957	94,229
Unused investment tax allowances	151,799	151,799
Other deductible temporary differences	188,090	942
	395,902	318,221

Tax losses for which the tax effects have not been recognised in the financial statements:

	Group	
	2022	2021
	RM'000	RM'000
Unused tax losses:		
- Expiring in 2029	369	369
- Expiring in 2030	23,077	40,333
- Expiring in 2031	21,893	30,549
- Expiring in 2032	9,717	-
	55,056	71,251

The Malaysia Finance Act gazetted on 27 December 2018 has imposed a time limitation to restrict the carry forward of the unutilised tax losses for Malaysia entities. Based on the latest Malaysian Finance Act gazetted on 31 December 2022, the time limit for the carry forward of the unutilised tax losses has been extended from 7 years to 10 years.

The unutilised tax losses accumulated up to the year of assessment 2018 are allowed to be carried forward for 10 consecutive years of assessment (i.e. from years of assessment 2019 to 2028) and any balance of the unutilised losses thereafter shall be disregarded.

Deferred tax assets have not been recognised in respect of unabsorbed capital allowances and unused tax losses because it is probable that the future taxable profit of certain loss-making subsidiaries would not be available against which the tax losses and unabsorbed capital allowances can be utilised.

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13. LOSS PER SHARE

Basic

Basic loss per share is calculated by dividing net loss for the financial year, attributable to owners of the parent, by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2022	2021
	RM'000	RM'000
Net loss attributable to owners of the parent	(435,587)	(52,171)
	Number of shares ('000)	
	2022	2021
Weighted average number of ordinary shares for basic earnings per share computation	1,761,181	1,449,993
Basic loss per share (sen)	(24.73)	(3.60)

Diluted

Diluted loss per share is calculated by dividing the net loss for the financial year, attributable to owners of the parent, by the weighted average number of ordinary shares and ICPS outstanding during the financial year adjusted for the dilutive effects of all potential ordinary shares.

	Group	
	2022	2021
	RM'000	RM'000
Net loss attributable to owners of the parent	(435,587)	(52,171)
	Number of shares ('000)	
	2022	2021
Weighted average number of ordinary shares for basic earnings per share computation	1,761,181	1,449,993
Effect of conversion of ICPS to ordinary shares	663,220	982,386
Weighted average number of ordinary shares for diluted earnings per share computation	2,424,401	2,432,379
Diluted loss per share (sen)	(17.97)	(2.14)

There were no other transactions involving ordinary shares or potential ordinary shares since the reporting date and the date of authorisation of these financial statements.

14. BIOLOGICAL ASSETS

	Timber RM'000	Fish RM'000	Total RM'000
Group			
At 1 January 2022	1,469	17	1,486
Additions	1,410	-	1,410
Write off (Note 9)	-	(17)	(17)
At 31 December 2022	2,879	-	2,879
At 1 January 2021	-	219	219
Acquisition of subsidiaries	1,469	-	1,469
Additions	-	45	45
Write off (Note 9)	-	(185)	(185)
Fair value loss on biological asset (Note 9)	-	(62)	(62)
At 31 December 2021	1,469	17	1,486
		2022 RM'000	2021 RM'000
Represented by:			
Current		-	17
Non-current		2,879	1,469
		2,879	1,486

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

15. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land	Freehold buildings	Leasehold buildings	Construction in-progress	Golf course	Plant and machineries	Office furniture, fittings and equipment	Motor vehicles	Bearer plants	Total
Cost	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2022	74,671	501,359	284,473	668	54,512	36,163	116,170	9,263	2,764	1,080,043
Additions	-	-	474	75,315	26	885	7,505	35	261	84,501
Disposals	-	-	(65)	-	-	-	(82)	(594)	-	(741)
Write off	-	-	-	-	-	(510)	(1,811)	-	-	(2,321)
Reclassification	-	-	650	(1,806)	148	-	1,008	-	-	-
Transfer from investment properties (Note 17)	-	-	26,306	-	-	-	-	-	-	26,306
Adjustments ¹	-	(7,839)	-	-	-	-	-	-	-	(7,839)
At 31 December 2022	74,671	493,520	311,838	74,177	54,686	36,538	122,790	8,704	3,025	1,179,949
Accumulated depreciation										
At 1 January 2022	-	33,640	80,167	-	23,648	29,640	66,499	7,918	8	241,520
Depreciation (Note 9)	-	9,364	9,400	-	957	1,608	11,058	620	34	33,041
Disposals	-	-	(11)	-	-	-	(26)	(594)	-	(631)
Write off	-	-	-	-	-	(508)	(1,639)	-	-	(2,147)
At 31 December 2022	-	43,004	89,556	-	24,605	30,740	75,892	7,944	42	271,783
Accumulated impairment losses										
At 1 January 2022	-	81,626	-	231	-	-	-	-	-	81,857
Impairment loss (Note 9)	-	-	4,041	-	-	-	60	-	-	4,101
At 31 December 2022	-	81,626	4,041	231	-	-	60	-	-	85,958
Carrying amount	74,671	368,890	218,241	73,946	30,081	5,798	46,838	760	2,983	822,208

¹ During the financial year, the Group has finalised certain costs incurred for its freehold and leasehold buildings and arising therefrom, RM7,839,000 (2021: RM6,002,000) was adjusted against other payables.

15. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Group	Freehold land	Freehold buildings	Leasehold buildings	Construction in-progress	Golf course	Plant and machineries	Office furniture, fittings and equipment	Motor vehicles	Bearer plants	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost										
At 1 January 2021	74,671	503,963	281,271	432	54,494	34,387	114,557	12,006	2,309	1,078,090
Additions	-	262	339	7,829	18	1,774	3,018	318	427	13,985
Disposals	-	-	-	-	-	(116)	(119)	(3,241)	-	(3,476)
Write off	-	-	-	-	-	(616)	(10,147)	-	-	(10,763)
Acquisition of a subsidiary	-	-	7,422	-	-	-	607	180	-	8,209
Reclassifications	-	(1,423)	-	(7,593)	-	734	8,254	-	28	-
Adjustments ¹	-	(1,443)	(4,559)	-	-	-	-	-	-	(6,002)
At 31 December 2021	74,671	501,359	284,473	668	54,512	36,163	116,170	9,263	2,764	1,080,043
Accumulated depreciation										
At 1 January 2021	-	24,019	70,874	-	22,694	28,690	66,547	10,303	-	223,127
Depreciation (Note 9)	-	9,621	9,293	-	954	1,664	9,823	657	8	32,020
Disposals	-	-	-	-	-	(114)	(55)	(3,175)	-	(3,344)
Write off	-	-	-	-	-	(600)	(10,081)	-	-	(10,681)
Acquisition of a subsidiary	-	-	-	-	-	-	265	133	-	398
At 31 December 2021	-	33,640	80,167	-	23,648	29,640	66,499	7,918	8	241,520
Accumulated impairment losses										
At 1 January 2021	-	84,186	-	231	-	-	-	-	-	84,417
Reversal (Note 6)	-	(2,560)	-	-	-	-	-	-	-	(2,560)
At 31 December 2021	-	81,626	-	231	-	-	-	-	-	81,857
Carrying amount	74,671	386,093	204,306	437	30,864	6,523	49,671	1,345	2,756	756,666

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

15. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	Office furniture, fittings and equipment RM'000	Motor vehicles RM'000	Total RM'000
Company			
Cost			
At 1 January 2022	4,995	1,068	6,063
Additions	26	-	26
At 31 December 2022	5,021	1,068	6,089
Accumulated depreciation			
At 1 January 2022	4,732	515	5,247
Depreciation (Note 9)	117	212	329
At 31 December 2022	4,849	727	5,576
Carrying amount	172	341	513
Cost			
At 1 January 2021	4,924	1,068	5,992
Additions	71	-	71
At 31 December 2021	4,995	1,068	6,063
Accumulated depreciation			
At 1 January 2021	4,568	303	4,871
Depreciation (Note 9)	164	212	376
At 31 December 2021	4,732	515	5,247
Carrying amount	263	553	816

(a) The carrying amounts of property, plant and equipment pledged as securities for borrowings as disclosed in Note 32 are as follows:

	Group	
	2022 RM'000	2021 RM'000
Freehold land and buildings	368,469	389,926
Leasehold buildings	213,366	196,581
Golf course	30,081	30,864
	611,916	617,371

15. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

- (b) Finance costs capitalised during the financial year under property, plant and equipment of the Group amounted to RM2,820,000 (2021: RM Nil).
- (c) During the financial year, two subsidiaries of the Group, Tropicana Residences Sdn Bhd and Tropicana Macalister Avenue (Penang) Sdn Bhd, carried out a review of the recoverable amount of its hotel buildings. The recoverable amount of the hotel buildings of RM485,000,000 was determined based on its fair value less costs to sell. The fair value was determined based on valuations performed by accredited independent valuers who are specialists in valuing hotel buildings.

Description of valuation techniques used and key inputs to determine the fair value of the hotel buildings:

	Valuation techniques	Significant unobservable inputs	Range
Hotel buildings	Income approach	Gross operating profit	15.9% to 24.8%
		Occupancy rate	67% to 85%
		Capitalisation rate	6%
		Average monthly income	RM1,000,000 to RM1,430,000

- (d) During the financial year, the cash outflow on acquisition of property, plant and equipment of the Group and of the Company amounted to RM84,501,000 (2021: RM13,985,000) and RM26,000 (2021: RM71,000) respectively.

16. INVENTORIES

	Group	
	2022 RM'000	2021 RM'000
Non-current		
Land held for property development	6,293,893	7,071,745
Current		
Completed development properties	150,823	215,714
Consumable stores and spares	2,397	2,057
Property development costs	334,531	322,879
Land held for sales	743,574	25,357
	1,231,325	566,007
Total inventories	7,525,218	7,637,752

Included in total inventories of the Group are inventories carried at the lower of cost and net realisable value amounting to RM709,360,000 (2021: RM7,885,000).

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

16. INVENTORIES (CONT'D.)**(a) Land held for property development**

	Group	
	2022	2021
	RM'000	RM'000
Cost		
At 1 January		
Freehold land	4,371,084	3,739,402
Leasehold land	2,700,661	2,778,138
	7,071,745	6,517,540
Additions	429,829	555,570
Acquisition of a subsidiary	—	108,031
Transfer to property development costs (Note 16(b))	(87,671)	(106,863)
Transfer to land held for sales (Note 16(c))	(1,115,965)	(2,533)
Write off (Note 9)	(4,045)	—
At 31 December	6,293,893	7,071,745

Finance costs capitalised during the financial year under land held for property development amounted to RM46,240,000 (2021: RM33,641,000).

(b) Property development costs

	Group	
	2022	2021
	RM'000	RM'000
Cost		
At 1 January	322,879	366,644
Development costs incurred	88,822	80,576
Acquisition of a subsidiary	—	73,521
Transfers from/(to):		
Land held for property development (Note 16(a))	87,671	106,863
Completed development properties	(10,636)	(93,203)
Contract cost assets (Note 25)	(154,205)	(207,495)
Disposals	—	(4,027)
At 31 December	334,531	322,879

(c) Land held for sales

	Group	
	2022	2021
	RM'000	RM'000
Cost		
At 1 January	25,357	20,318
Additions	13,431	5,203
Transfer from land held for property development (Note 16(a))	58,363	2,533
Disposals	(41,113)	(2,697)
At 31 December	56,038	25,357

16. INVENTORIES (CONT'D.)**(c) Land held for sales (cont'd.)**

	Group 2022 RM'000	2021 RM'000
Lower of cost and net realisable value		
At 1 January	-	-
Transfer from land held for property development (Note 16(a))	1,057,602	-
Inventories written down	(370,066)	-
At 31 December	687,536	-
	743,574	25,357

Certain inventories with carrying amount of RM6,065,979,000 (2021: RM5,863,966,000) are pledged as securities for bank borrowings as disclosed in Note 32.

17. INVESTMENT PROPERTIES

	Freehold land and buildings RM'000	Leasehold land and buildings RM'000	Construction in-progress ("CIP") RM'000	Total RM'000
Group				
At 1 January 2022	124,318	1,286,880	94,460	1,505,658
Additions	59	2,411	2,656	5,126
Fair value adjustment:				
- gain/(loss) (Note 9)	10,751	(14,261)	-	(3,510)
Transfer to property, plant and equipment (Note 15)	-	(26,306)	-	(26,306)
Transfer to right-of-use assets (Note 35(a))	-	(23,000)	-	(23,000)
At 31 December 2022	135,128	1,225,724	97,116	1,457,968
At 1 January 2021	255,460	1,243,288	115,733	1,614,481
Additions	1,559	17,848	4,316	23,723
Fair value adjustment:				
- (loss)/gain (Note 6)	(2,201)	22,161	-	19,960
Reclassification	-	25,589	(25,589)	-
Transfer to asset classified as held for sale (Note 27)	(17,500)	-	-	(17,500)
Adjustment ¹	-	(22,006)	-	(22,006)
Disposal	(113,000)	-	-	(113,000)
At 31 December 2021	124,318	1,286,880	94,460	1,505,658

¹ In the previous financial year, the Group has finalised certain costs incurred for its leasehold land and buildings and arising therefrom RM22,006,000 was adjusted against other payables.

In the previous financial year, finance costs capitalised under investment properties under construction amounted to RM55,000.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

17. INVESTMENT PROPERTIES (CONT'D.)

The carrying amounts of the investment properties pledged as securities for bank borrowings as disclosed in Note 32 are as follows:

	Group	
	2022	2021
	RM'000	RM'000
Freehold land and buildings	134,866	126,500
Leasehold land and buildings	1,200,810	1,238,571
Construction in-progress	15,073	12,468
	1,350,749	1,377,539

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Investment properties are stated at fair value, which had been determined based on valuations as at 31 December 2022 and 31 December 2021 performed by accredited independent valuers who are specialists in valuing these types of investment properties. The fair value of the properties had been determined using the cost method, comparison method and investment method depending on the nature of the properties.

Included in the construction in-progress amounting to RM97,116,000 (2021: RM94,460,000) is stated at cost as management believes that the fair value cannot be reliably determined due to the nature and the amount of remaining project risks.

Fair value hierarchy disclosures for investment properties is disclosed in Note 38.

Reconciliation of fair values:

	Freehold land and buildings RM'000	Leasehold land and buildings RM'000	CIP RM'000	Total RM'000
At 1 January 2022	124,318	1,286,880	-	1,411,198
Additions	59	2,411	-	2,470
Re-measurement recognised in profit or loss	10,751	(14,261)	-	(3,510)
Transfer to property, plant and equipment (Note 15)	-	(26,306)	-	(26,306)
Transfer to right-of-use assets (Note 35(a))	-	(23,000)	-	(23,000)
At 31 December 2022	135,128	1,225,724	-	1,360,852
At 1 January 2021	255,460	1,243,288	25,589	1,524,337
Additions	1,559	17,848	-	19,407
Re-measurement recognised in profit or loss	(2,201)	22,161	-	19,960
Reclassification	-	25,589	(25,589)	-
Transfer to asset classified as held for sale (Note 27)	(17,500)	-	-	(17,500)
Adjustment ¹	-	(22,006)	-	(22,006)
Disposals	(113,000)	-	-	(113,000)
At 31 December 2021	124,318	1,286,880	-	1,411,198

17. INVESTMENT PROPERTIES (CONT'D.)

Description of valuation techniques used and key inputs to valuation on investment properties:

Valuation techniques		Significant unobservable inputs	Range	
			2022	2021
Commercial building	Investment method *	Estimated rental value	RM3.00 to RM9.00	RM1.00 to
		per sqft per month		RM6.00
		Long-term vacancy rate		5% to 10%
		Yield rate		3.75% to 8%
Commercial building	Cost method **	Estimated construction costs	RM16 to RM184	RM18 to RM235
Land	Comparison method	The comparison method entails analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location, visibility, size and tenure.	-35% to 50%	-30% to 30%

* The investment method entails determining the net annual income by deducting the annual outgoings from the gross annual income and capitalising the net income by a suitable rate of return consistent with the type and quality of the investment to arrive at the market value of the subject property.

** Buildings are valued by reference to the current estimates on construction costs to erect equivalent buildings, taking into consideration of similar accommodation in terms of size, construction, finishes, contractors' overheads, fees and profits. Appropriate adjustments are then made for the factors of obsolescence and existing physical condition of the building.

18. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022 RM'000	2021 RM'000
Unquoted shares, at cost	3,378,282	3,392,736
Discount on amounts due from subsidiaries	47,910	47,910
	3,426,192	3,440,646
Less: Accumulated impairment losses	(399,556)	(399,556)
	3,026,636	3,041,090

	Company	
	2022 RM'000	2021 RM'000
Movement in the accumulated impairment losses:		
At 1 January/31 December	399,556	399,556

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022	2021	2022	2021
			%	%	%	%
Advent Nexus Sdn Bhd	Malaysia	Investment holding	100	100	—	—
Arah Pelangi Sdn Bhd	Malaysia	Property development	100	100	—	—
Bakat Rampai Sdn Bhd (“BRSB”)	Malaysia	Investment holding	100	100	—	—
Subsidiaries of BRSB:						
Dicorp Land Sdn Bhd	Malaysia	Property development	100	100	—	—
Tropicana City Sdn Bhd (“TCSB”)	Malaysia	Property development and property investment	100	100	—	—
Subsidiaries of TCSB:						
Dicasa Management Services Sdn Bhd	Malaysia	Property management and maintenance services	100	100	—	—
Tropicana City Management Sdn Bhd	Malaysia	Property management services	100	100	—	—
Tropicana Kajang Hill Sdn Bhd	Malaysia	Property development	100	100	—	—
Tropicana Parking Sdn Bhd	Malaysia	Management of car parking facilities	100	100	—	—
Tropicana Indah Realty Sdn Bhd (“TIRSB”)	Malaysia	Investment holding	100	100	—	—
Subsidiary of TIRSB:						
Tropicana Indah Sdn Bhd	Malaysia	Property development, property investment, distribution and sales of electricity	70	70	30	30
Bestari Golden Sdn Bhd	Malaysia	Property investment and investment holding	100	100	—	—
Bestari Violet Sdn Bhd	Malaysia	Property investment and investment holding	100	100	—	—

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022 %	2021 %	2022 %	2021 %
Bestari Zamrud Sdn Bhd	Malaysia	Property investment and investment holding	100	100	-	-
BK Utilities Sdn Bhd	Malaysia	Water treatment and water supply	100	100	-	-
Blackforest Realty Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Daya Petaling Sdn Bhd	Malaysia	Property investment	100	100	-	-
Greenforest Realty Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Greenhouse Farm and Fishery Sdn Bhd	Malaysia	Agriculture, fishery and trading	100	100	-	-
Island Sands Property Management Sdn Bhd (fka Paradise Entertainment Hub Sdn Bhd)	Malaysia	Property development, investment holding and property management services	100	-	-	-
Marvelscape Sdn Bhd	Malaysia	Investment holding and property development	100	100	-	-
Megaxis Sdn Bhd ("MSB")	Malaysia	Investment holding	100	100	-	-
Subsidiaries of MSB:						
Tropicana Coliseum (Ipoh) Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Tropicana Lido Development Sdn Bhd	Malaysia	Property investment and investment holding	100	100	-	-
Tropicana Paisley Sdn Bhd ("TPSLSB")	Malaysia	General trading, investment holding and property	100	100	-	-

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022	2021	2022	2021
			%	%	%	%
Subsidiary of TPSLSB:						
Tencomurni Sdn Bhd	Malaysia	Business timber logging and trading of round wood in an unprocessed form	100	100	–	–
Tropicana Plaza Sdn Bhd (“TPLSB”)	Malaysia	Property investment and investment holding	100	100	–	–
Subsidiary of TPLSB:						
Mesatria Sdn Bhd	Malaysia	Business timber logging and trading of round wood in an unprocessed form	100	100	–	–
Tropicana Property Services Sdn Bhd	Malaysia	Investment holding	100	100	–	–
Tropicana Saujana Sdn Bhd (“TSSB”)	Malaysia	Investment holding	100	100	–	–
Subsidiary of TSSB:						
Alam Tiasa Sdn Bhd	Malaysia	Business timber logging and trading of round wood in an unprocessed form	100	100	–	–
Myxon (M) Sdn Bhd	Malaysia	Construction	100	100	–	–
Pixelcloud Sdn Bhd (“PSB”)	Malaysia	Investment holding	100	100	–	–
Subsidiary of PSB:						
Cenang Resort Sdn Bhd	Malaysia	Property investment and property development	100	100	–	–
Purple Pumkie Organic Farm Sdn Bhd	Malaysia	Organic farming and growing of vegetables	100	100	–	–
Raintree Realty Sdn Bhd	Malaysia	Property development and property investment	100	100	–	–

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022 %	2021 %	2022 %	2021 %
Suasana Metro Sdn Bhd	Malaysia	Property investment and development activities	70	70	30	30
Suci Padu Resources Sdn Bhd	Malaysia	Property development	100	100	-	-
Supreme Converge Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Tropicana Acehub Sdn Bhd ("TAHSB")	Malaysia	Investment holding	100	100	-	-
Subsidiary of TAHSB:						
Lido Waterfront Boulevard Sdn Bhd	Malaysia	Property investment and development activities	65	65	35	35
Tropicana Alam Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Aman Sdn Bhd ("TASB")	Malaysia	Property development	100	100	-	-
Subsidiary of TASB:						
Sapphire Step Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Aurora Property Pte Ltd *	Singapore	Real estate developers	100	-	-	-
Tropicana Bestari Development Sdn Bhd	Malaysia	Property investment and investment holding	100	100	-	-
Tropicana Bestari Properties Sdn Bhd	Malaysia	Property investment and investment holding	100	100	-	-
Tropicana Bestari Silver Sdn Bhd (fka Bestari Silver Sdn Bhd)	Malaysia	Property investment and investment holding	100	100	-	-
Tropicana Building Materials Sdn Bhd	Malaysia	Trading of building materials	100	100	-	-

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022	2021	2022	2021
			%	%	%	%
Tropicana Business Consulting (Shenzhen) Pte Ltd *	People's Republic of China	Provision of consultancy services for related services on conference and exhibitions	100	100	-	-
Tropicana Central Department Store Sdn Bhd	Malaysia	Management and operation of department store	100	100	-	-
Tropicana Central Garden Mall Sdn Bhd	Malaysia	Management and operation of mall	100	100	-	-
Tropicana Cheras Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Collections (MM2H) Sdn Bhd	Malaysia	Provision of MM2H application services	100	100	-	-
Tropicana Corporate Solutions Sdn Bhd	Malaysia	Provision of treasury management, fund management, cash management, investment management, financing and debt management, financial risk management and any other related services	100	100	-	-
Tropicana Credit & Leasing Sdn Bhd	Malaysia	Money lending and credit financing services	100	100	-	-
Tropicana Danga Bay Land Sdn Bhd ("TDBLSB")	Malaysia	Investment holding	100	100	-	-
Subsidiaries of TDBLSB:						
Desiran Realiti Sdn Bhd	Malaysia	Investment holding and share trading	100	100	-	-
Tropicana Danga Bay Sdn Bhd	Malaysia	Property development, investment holding and property investment	60	60	40	40

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022	2021	2022	2021
			%	%	%	%
Tropicana Danga Cove Holding Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Tropicana Danga Lagoon Development Sdn Bhd ("TDLDSB")	Malaysia	Property investment, development activities and investment holding	100	100	-	-
Subsidiaries of TDLDSB:						
Tropicana Danga Lagoon Land Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Danga Lapanbelas Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Danga Lagoon Garden Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Danga Lagoon Sdn Bhd ("TDLSB")	Malaysia	Property development and investment holding	100	100	-	-
Subsidiary of TDLSB:						
Tropicana Lagoon Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Danga Senibong Holding Sdn Bhd ("TDSHSB")	Malaysia	Investment holding	100	100	-	-
Subsidiaries of TDSHSB:						
Sehati Rakyat Sdn Bhd	Malaysia	Real estate activities, property development and investment, land acquisition, construction, trading, consultancy and advisory	100	100	-	-
Sejahtera Rakyat Sdn Bhd	Malaysia	Real estate activities, property development and investment, land acquisition, construction, trading, consultancy and advisory	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022	2021	2022	2021
			%	%	%	%
Subsidiaries of TDSHSB:						
Sejati Rakyat Sdn Bhd	Malaysia	Real estate activities, property development and investment, land acquisition, construction, trading, consultancy and advisory	100	100	–	–
Selesa Rakyat Sdn Bhd	Malaysia	Real estate activities, property development and investment, land acquisition, construction, trading, consultancy and advisory	100	100	–	–
Sempurna Rakyat Sdn Bhd	Malaysia	Real estate activities, property development and investment, land acquisition, construction, trading, consultancy and advisory	100	100	–	–
Tropicana Development (Johor Bahru) Sdn Bhd	Malaysia	Property development	100	100	–	–
Tropicana Development (Penang) Sdn Bhd	Malaysia	Property agent and investment holding	100	100	–	–
Tropicana Development (Sabah) Sdn Bhd	Malaysia	Property investment	100	100	–	–
Tropicana Development (Sg. Besi) Sdn Bhd	Malaysia	Property development and investment holding	100	100	–	–
Tropicana Education Management Sdn Bhd	Malaysia	Property investment	85	85	15	15
Tropicana Entertainment and Retail Sdn Bhd	Malaysia	Recreation and retails investment	100	–	–	–
Tropicana Firstwide Sdn Bhd	Malaysia	Property investment, development activities and agriculture business	100	100	–	–

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022 %	2021 %	2022 %	2021 %
Tropicana Gloves Sdn Bhd	Malaysia	Manufacturing, distribution, wholesaling and trading of all types of gloves	100	100	-	-
Tropicana Golf & Country Resort Berhad ("TGCRB")	Malaysia	Property development, sale of land, recreation and resort	100	100	-	-
Subsidiaries of TGCRB:						
Spring Garden Star Sdn Bhd	Malaysia	Operating of Chinese Restaurant	51	51	49	49
Tropicana Cuisines Catered Sdn Bhd	Malaysia	Food and beverage, event organiser and operating of restaurants	100	100	-	-
Tropicana Desa Mentari Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Management Services Sdn Bhd	Malaysia	Property management and maintenance services	100	100	-	-
Tropicana Sungai Buloh Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana GP Views Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Harapan Sdn Bhd	Malaysia	Property development, provision of project management, sales and marketing services	100	100	-	-
Tropicana Healthcare Supplies Sdn Bhd	Malaysia	Nitrile examination glove and face mask	100	100	-	-
Tropicana Innovative Landscape Sdn Bhd	Malaysia	Provision of landscape services	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022	2021	2022	2021
			%	%	%	%
Tropicana Inspirasi Sdn Bhd ("TINSB")	Malaysia	Investment holding	100	100	-	-
Subsidiaries of TINSB:						
Tropicana Inspirasi Impian Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Inspirasi Indah Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Investment Consulting Pte Ltd *	People's Republic of China	Investing consultation, business information consultation, enterprise management consultation and exhibition service	100	100	-	-
Tropicana Jaya Sdn Bhd	Malaysia	Investment holding and property investment	100	100	-	-
Tropicana Kemayan Development Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Tropicana Kiara Lestari Development Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Kiara Lestari Land Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Lahad Datu Development Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Land (Sandakan) Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Land Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Landmark Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Landmark Education Sdn Bhd	Malaysia	Provision of education services, property investment and investment holding	100	100	-	-

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022	2021	2022	2021
			%	%	%	%
Tropicana Laris Sdn Bhd	Malaysia	Investment holding	99	99	1	1
Tropicana Lingkaran Utama Sdn Bhd ("TLUSB")	Malaysia	Property investment, development activities and investment holding	100	100	-	-
Subsidiary of TLUSB:						
Tropicana Southern Gallery Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Macalister Avenue (Penang) Sdn Bhd	Malaysia	Hotels operations, property development and property investment	100	100	-	-
Tropicana Makmur Arif Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Cahaya Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Duta Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Erat Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Gagah Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Irama Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Peluang Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022	2021	2022	2021
			%	%	%	%
Tropicana Marketplace Sdn Bhd ("TMPSB")	Malaysia	Provision of sales and marketing activities	100	100	-	-
Subsidiary of TMPSB:						
Marketplace (Hong Kong) Limited *	Hong Kong	Provisional sales and marketing activities and consultancy services	100	100	-	-
Tropicana Mentari Development Sdn Bhd ("TMDSB")	Malaysia	Investment holding	100	100	-	-
Subsidiaries of TMDSB:						
Tropicana Sierra Sdn Bhd	Malaysia	Property development	100	100	-	-
Urban Discovery Sdn Bhd	Malaysia	Investment holding and property investment	100	100	-	-
Tropicana Metro Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Metropark Sdn Bhd ("TMSB")	Malaysia	Property development	100	100	-	-
Subsidiary of TMSB:						
Tropicana Gems Education Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Privilege (M) Sdn Bhd	Malaysia	Loyalty programme	100	100	-	-
Tropicana Properties (Klang) Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Properties (Sabah) Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Properties (Sandakan) Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Property Management Sdn Bhd	Malaysia	Property management services	100	100	-	-

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022 %	2021 %	2022 %	2021 %
Tropicana Rahang Development Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Tropicana Residences Sdn Bhd	Malaysia	Hotel operations, property development and property investment	100	100	-	-
Tropicana Resort Holding Sdn Bhd ("TRHSB")	Malaysia	Investment holding	100	100	-	-
Subsidiary of TRHSB:						
Tropicana Danga Bay Resort Sdn Bhd	Malaysia	Property development and property investment	60	60	40	40
Tropicana Rhythm Crest Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Sadong Jaya Development Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Sanctuary Development Sdn Bhd	Malaysia	Property investment and development activities	70	70	30	30
Tropicana Scenic Development Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Serdang Suria Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Seri Aliran Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Bakat Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Damai Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Dutaan Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Fauna Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022	2021	2022	2021
			%	%	%	%
Tropicana Seri Irama Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Jalur Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Jutaa Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Meranti Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Nipah Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Orkid Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Peluang Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Resak Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Riang Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Segak Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Sena Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Tabah Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Tujuan Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Shared Services Sdn Bhd	Malaysia	Provision of management services and publication in magazine	100	100	-	-

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group [#]		Effective interest held by non-controlling interests [#]	
			2022	2021	2022	2021
			%	%	%	%
Tropicana Sinaran Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana SJII Education Management Sdn Bhd	Malaysia	Provision of education services	100	51	-	49
Tropicana Solar Sdn Bhd	Malaysia	Solar business	100	-	-	-
Tropicana Subang South Development Sdn Bhd	Malaysia	Property development and investment holding	100	100	-	-
Tropicana Tawau Development Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Wisma TT Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Ultimate Support Sdn Bhd	Malaysia	Provision of network application services	100	100	-	-
Valley Talent Solutions Sdn Bhd	Malaysia	Investment holding	99	99	1	1

All subsidiaries are audited by Ernst & Young PLT, Malaysia except as indicated below:

* Audit by firms other than Ernst & Young PLT

Equals to the proportion of voting rights held

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Financial information of subsidiaries that have material non-controlling interests are provided below. The financial information presented below are amounts before inter-company elimination:

(i) Summarised statements of financial position

	TISB 2022 RM'000	TISB 2021 RM'000	TDBSB 2022 RM'000	TDBSB 2021 RM'000	TSDSB 2022 RM'000	TSDSB 2021 RM'000	LWBSB 2022 RM'000	LWBSB 2021 RM'000
Non-current assets	1,180,255	1,166,332	387,715	382,718	90,256	83,548	914,575	885,103
Current assets	248,114	280,247	92,403	98,523	194	749	34,736	37,415
Non-current liabilities	(421,681)	(491,685)	–	–	–	–	(7,976)	(16,650)
Current liabilities	(244,373)	(231,345)	(22,254)	(21,783)	(146,609)	(132,525)	(843,331)	(798,984)
Net assets/(liabilities)	762,315	723,549	457,864	459,458	(56,159)	(48,228)	98,004	106,884

(ii) Summarised statements of comprehensive income

	TISB 2022 RM'000	TISB 2021 RM'000	TDBSB 2022 RM'000	TDBSB 2021 RM'000	TSDSB 2022 RM'000	TSDSB 2021 RM'000	LWBSB 2022 RM'000	LWBSB 2021 RM'000
Revenue	152,333	95,543	2,442	–	–	–	–	–
Profit/(loss) net of tax for the financial year	18,244	40,458	(1,987)	(6,815)	(7,931)	(6,855)	(8,880)	(13,432)
Profit/(loss) attributable to owners of the parent	12,771	28,321	(1,192)	(4,089)	(5,552)	(4,798)	(5,772)	(8,731)
Profit/(loss) attributable to non-controlling interests	5,473	12,137	(795)	(2,726)	(2,379)	(2,057)	(3,108)	(4,701)
Total comprehensive income/(loss)	18,244	40,458	(1,987)	(6,815)	(7,931)	(6,855)	(8,880)	(13,432)
Transaction with non-controlling interests: Issuance of redeemable preference shares	5,600	19,400	–	–	–	–	–	–

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Financial information of subsidiaries that have material non-controlling interests are provided below. The financial information presented below are amounts before inter-company elimination: (cont'd.)

(iii) Summarised statements of cash flows

	TISB 2022 RM'000	TISB 2021 RM'000	TDBSB 2022 RM'000	TDBSB 2021 RM'000	TSDSB 2022 RM'000	TSDSB 2021 RM'000	LWBSB 2022 RM'000	LWBSB 2021 RM'000
Net cash generated from/ (used in) operating activities	10,352	(109,536)	(2,454)	(972)	(559)	(229)	(5,111)	6,816
Net cash (used in)/generated from investing activities	(892)	(442)	(15)	(14)	-	-	-	19
Net cash (used in)/generated from financing activities	(9,540)	127,878	-	(5)	-	-	-	(7,387)
Net (decrease)/increase in cash and cash equivalents	(80)	17,900	(2,469)	(991)	(559)	(229)	(5,111)	(552)
Cash and cash equivalents at beginning of financial year	82,785	64,885	13,157	14,148	597	826	5,400	5,952
Cash and cash equivalents at end of financial year	82,705	82,785	10,688	13,157	38	597	289	5,400

(a) Group restructuring

During the financial year, the Group and the Company executed and completed an internal Group restructuring scheme involving the following:

- (i) On 4 January 2022, the Company acquired the balance of 4,900,000 ordinary shares in Tropicana SJII Education Management Sdn Bhd ("TSEM") for a total cash consideration of RM4,900,000. Following the completion of the acquisition, TSEM has become a wholly-owned subsidiary of the Company.

The additional interest acquired in TSEM is as follows:

	RM'000
Cash consideration paid to non-controlling shareholders	4,900
Carrying value of the additional interest in TSEM	17,834
Difference recognised in retained earnings	22,734

- (ii) On 24 January 2022, the Company divested its 1 ordinary share in Tropicana Property Services Sdn Bhd ("TPSSB") representing 100% of the total paid-up capital, for a total cash consideration of RM1 to Megaxis Sdn Bhd ("MSB"). Accordingly, TPSSB has become a wholly-owned subsidiary of MSB, which in turn is an indirect wholly-owned subsidiary of the Company.
- (iii) On 14 February 2022, the Company had incorporated a wholly-owned subsidiary, Tropicana Entertainment and Retail Sdn Bhd with 1 ordinary share representing 100% of total paid-up capital, for a total cash consideration of RM1.
- (iv) On 20 June 2022, the Company had incorporated a wholly-owned subsidiary, Tropicana Solar Sdn Bhd with 1 ordinary share representing 100% of total paid-up capital, for a total cash consideration of RM1.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(a) Group restructuring (cont'd.)

During the financial year, the Group and the Company executed and completed an internal Group restructuring scheme involving the following: (cont'd.)

- (v) On 15 August 2022, the Company had incorporated a wholly-owned subsidiary, Island Sands Property Management Sdn Bhd (fka Paradise Entertainment Hub Sdn Bhd) with 100 ordinary shares representing 100% of total paid-up capital, for a total cash consideration of RM100.
- (vi) On 27 October 2022, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Resort Holding Sdn Bhd by cancelling 67,993 Redeemable Non-Cumulative Preference Shares ("**RNCPS**"), all of which are held by the Company amounting to RM67,993.
- (vii) On 28 October 2022, Tropicana Indah Realty Sdn Bhd ("**TIRSB**") completed the capitalisation of debts amounting to RM13,066,667 owed by its 70% owned subsidiary, Tropicana Indah Sdn Bhd by way of issuance of RNCPS at an issue price of RM1 each. Subsequent to the capitalisation, the Company also completed the capitalisation of debts amounting to RM13,066,667 owed by TIRSB by way of issuance of RNCPS at an issue price of RM1 each.
- (viii) On 31 October 2022, the Company had partially redeemed the RNCPS issued by Tropicana Kajang Hill Sdn Bhd ("**TKHSB**") for RM17,505,045 by offsetting of amounts owing by the Company to TKHSB.
- (ix) On 14 November 2022, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Danga Cove Holding Sdn Bhd by cancelling 14,848,101 RNCPS, all of which are held by the Company amounting to RM14,848,101.
- (x) On 29 November 2022, the Company had incorporated a wholly-owned subsidiary, Tropicana Aurora Property Pte Ltd with 100 ordinary shares representing 100% of total paid-up capital, for a total consideration of RM329.

The following group restructuring took place in the previous financial year:

- (i) The Company injected total additional working capital of RM2,587,000 into Tropicana Investment Consulting Pte Ltd, a wholly-owned subsidiary of the Company.
- (ii) The Company completed the capitalisation of debts amounting to RM47,266,666 owed by several subsidiaries to the Company by way of issuance of Redeemable Non-Cumulative Preference Shares ("**RNCPS**") issued by these subsidiaries at an issue price of RM1 each.
- (iii) On 25 January 2021, the Company had incorporated a wholly-owned subsidiary, Tropicana Landmark Education Sdn Bhd ("**TLESB**") with 1 ordinary share representing 100% of total paid-up capital, for a total cash consideration of RM1.
- (iv) On 12 March 2021, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Development (Sabah) Sdn Bhd by cancelling 19,400,000 Class-B Ordinary Shares, all of which are held by the Company amounting to RM19,400,000.
- (v) On 2 April 2021, the Company disposed its entire 1 ordinary share representing 100% of the total paid-up capital in Spring Garden Star Sdn Bhd ("**SGSSB**") to Tropicana Golf & Country Resort Berhad ("**TGCRB**"), a wholly-owned subsidiary of the Company, for a total cash consideration of RM1.
- (vi) On 19 April 2021, TGCRB subscribed for 50,999 of the total 99,999 new ordinary shares allotted by SGSSB, for a total cash consideration of RM50,999. Following the completion of the share subscriptions, SGSSB has become a 51% owned subsidiary of TGCRB, which in turn is an indirect 51% owned subsidiary of the Company.

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(a) Group restructuring (cont'd.)

The following group restructuring took place in the previous financial year: (cont'd.)

- (vii) On 20 April 2021, TGCRB had incorporated a wholly-owned subsidiary, Tropicana Cuisines Catered Sdn Bhd ("**TCCSB**") with 2 ordinary shares representing 100% of the total paid-up capital, for a total cash consideration of RM2. With this incorporation, TCCSB has become a wholly-owned subsidiary of TGCRB, which in turn is an indirect wholly-owned subsidiary of the Company.
- (viii) On 5 May 2021, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Danga Bay Land Sdn Bhd by cancelling 2,199,999 RNCPS, all of which are held by the Company amounting to RM2,199,999.
- (ix) On 3 June 2021, Tropicana Inspirasi Sdn Bhd ("**TINSB**") subscribed all 48,900 new ordinary shares each allotted by Tropicana Inspirasi Impian Sdn Bhd ("**TIMSB**") and Tropicana Inspirasi Indah Sdn Bhd ("**TIISB**"), for the subscription price of RM48,900 each. Following the completion of the share subscriptions, TIMSB and TIISB have become 99.90% owned subsidiaries of TINSB, which in turn are the indirect 99.90% owned subsidiaries of the Company.
- (x) On 18 June 2021, the Company has partially redeemed the RNCPS issued by Tropicana Kajang Hill Sdn Bhd ("**TKHSB**") for RM24,159,652 by offsetting of amounts owing by the Company to TKHSB.
- (xi) On 19 July 2021, TINSB acquired the balance of 49 ordinary shares each in TIMSB and TIISB, for a total cash consideration of RM49. Following the completion of the acquisitions, TIMSB and TIISB both have become wholly-owned subsidiaries of TINSB, which in turn are the indirect wholly-owned subsidiaries of the Company.
- (xii) On 17 August 2021, the Company had incorporated a wholly-owned subsidiary, Tropicana Gloves Sdn Bhd with 1,000,000 ordinary shares representing 100% of total paid-up capital, for a total consideration of RM1,000,000.
- (xiii) On 10 September 2021, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Properties (Klang) Sdn Bhd by cancelling 26,248,000 Class-B Ordinary Shares, all of which are held by the Company amounting to RM26,248,000.
- (xiv) On 18 October 2021, the Company subscribed all 999,999 new ordinary shares allotted by TLESB, for a total consideration of RM999,999.
- (xv) On 21 October 2021, Tropicana Development (Johor Bahru) Sdn Bhd ("**TDJBSB**"), a wholly-owned subsidiary of the Company, had incorporated 5 wholly-owned subsidiaries, namely Sehati Rakyat Sdn Bhd ("**STIRSB**"), Sejahtera Rakyat Sdn Bhd ("**SRARSB**"), Sejati Rakyat Sdn Bhd ("**SJTIRSB**"), Selesa Rakyat Sdn Bhd ("**SSARSB**") and Sempurna Rakyat Sdn Bhd ("**SNARSB**") with 100 ordinary shares representing 100% of total paid-up capital, for a total cash consideration of RM100 each.
- (xvi) On 22 October 2021, the Company had incorporated 3 wholly-owned subsidiaries, namely Blackforest Realty Sdn Bhd, Greenforest Realty Sdn Bhd and Raintree Realty Sdn Bhd with 1 ordinary share representing 100% of total paid-up capital, for a total cash consideration of RM1 for each.
- (xvii) On 30 August 2021, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Coliseum (Ipoh) Sdn Bhd by cancelling 480,000 ordinary shares, all of which are held by the Company amounting to RM480,000.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(a) Group restructuring (cont'd.)

The following group restructuring took place in the previous financial year: (cont'd.)

(xviii) On 1 November 2021, Tropicana Plaza Sdn Bhd ("TPLSB"), a wholly-owned subsidiary of the Company, acquired 200,000 ordinary shares of Mesatria Sdn Bhd ("MSSB") representing 100% of the total paid-up capital for a total cash consideration of RM1,866,000. Following the completion of the acquisition, MSSB has become a wholly-owned subsidiary of TPLSB, which in turn is an indirect wholly-owned subsidiary of the Company. The effects of the acquisition to the financial statements are disclosed at Note 18(a)(xix).

(xix) On 2 November 2021, Tropicana Paisley Sdn Bhd ("TPSLB") and Tropicana Saujana Sdn Bhd ("TSSB"), both wholly-owned subsidiaries of the Company, acquired 200,100 ordinary shares in Tencomurni Sdn Bhd ("TSB") and 200,000 ordinary shares in Alam Tiasa Sdn Bhd ("ATSB") representing 100% of the total paid-up capital for total cash considerations of RM1,866,000 and RM1,402,000 respectively. Following the completion of the acquisitions, TSB and ATSB have become wholly-owned subsidiaries of TPSLB and TSSB respectively, which in turn are the indirect wholly-owned subsidiaries of the Company.

The effects of the acquisition to the financial statements are as follow:

	Carrying amount			Fair value
	MSSB RM'000	TSB RM'000	ATSB RM'000	RM'000
Biological assets	734	-	735	1,469
Other receivables	17	17	13	47
Total assets	751	17	748	1,516
Other payables	(814)	(80)	(794)	(1,688)
Total liability	(814)	(80)	(794)	(1,688)
Net identifiable liability	(63)	(63)	(46)	(172)
				2021 RM'000
Fair value of net identifiable liability, representing Group's interest in fair value of net identifiable liabilities				(172)
Goodwill on acquisition				5,306
Total purchase consideration				5,134
The effect of the acquisition on cash flow is as follows:				
				2021 RM'000
Cash and cash equivalents of subsidiaries acquired				-
Less: Consideration settled in cash				(5,134)
Net cash outflow on acquisition				(5,134)

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)**(a) Group restructuring (cont'd.)**

The following group restructuring took place in the previous financial year: (cont'd.)

- (xx) On 9 November 2021, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Sinaran Sdn Bhd by cancelling 5,372,730 Class-B Ordinary Shares, all of which are held by the Company amounting to RM5,372,730.
- (xxi) On 29 November 2021, the Company had incorporated 4 wholly-owned subsidiaries, namely Bestari Golden Sdn Bhd, Tropicana Bestari Silver Sdn Bhd (fka Bestari Silver Sdn Bhd), Bestari Violet Sdn Bhd and Tropicana Bestari Properties Sdn Bhd with 1 ordinary share representing 100% of total paid-up capital, for a total cash consideration of RM1 each.
- (xxii) On 30 November 2021, the Company had incorporated a wholly-owned subsidiary, Tropicana Bestari Development Sdn Bhd with 1 ordinary share representing 100% of total paid-up capital, for a total cash consideration of RM1.
- (xxiii) On 3 December 2021, Pixelcloud Sdn Bhd ("PSB"), a wholly-owned subsidiary of the Company, acquired 167 ordinary shares representing 100% of the total paid-up capital in Cenang Resort Sdn Bhd ("CRSB"), for a total purchase consideration of RM109,300,000. Following the completion of the acquisition, CRSB has become a wholly-owned subsidiary of PSB, which in turn is an indirect wholly-owned subsidiary of the Company.
- (xxiii) The effects of the acquisition of CRSB to the financial statements are as follow:

	Carrying amount RM'000	Fair value RM'000
Property, plant and equipment	7,811	7,811
Inventories	61,472	181,552
Trade and other receivables	264	264
Contract cost assets	448	1,284
Contract assets	893	893
Cash and bank balances	1,346	1,346
Total assets	72,234	193,150
Deferred tax liabilities	-	(29,020)
Borrowings	(34)	(34)
Trade and other payables	(36,577)	(36,577)
Total liabilities	(36,611)	(65,631)
Net identifiable assets	35,623	127,519
		2021 RM'000
Fair value of net identifiable assets, representing Group's interest in fair value of net identifiable assets		127,519
Gain on a bargain purchase (Note 6)		(18,219)
Total purchase consideration		109,300

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(a) Group restructuring (cont'd.)

The following group restructuring took place in the previous financial year: (cont'd.)

(xxiii) The effects of the acquisition of CRSB to the financial statements are as follow: (cont'd.)

The effect of the acquisition on cash flow is as follows:

	2021 RM'000
Cash and cash equivalents of subsidiary acquired	1,346
Less: Consideration settled in cash	(109,300)
Net cash outflow on acquisition	(107,954)

(xxiv) On 6 December 2021, the Company divested its 20,000 ordinary shares in Tropicana Coliseum (Ipoh) Sdn Bhd ("TCISB") and 2 ordinary shares in TPSSLB respectively representing 100% of the total paid-up capital, for a total cash consideration of RM1 each to its wholly-owned subsidiary, Megaxis Sdn Bhd ("MSB"). Accordingly, TCISB and TPSSLB have become wholly-owned subsidiaries of MSB, which in turn are the indirect wholly-owned subsidiaries of the Company.

(xxv) On 6 December 2021, TINSB divested its 2,000,000 ordinary shares in TSSB representing 100% of the total paid-up capital, for a total cash consideration of RM1 to MSB. Accordingly, TSSB has become a wholly-owned subsidiary of MSB, which in turn is an indirect wholly-owned subsidiary of the Company.

(xxvi) On 13 December 2021, the Company divested its 1,000,000 ordinary shares in Tropicana Plaza Sdn Bhd ("TPLSB") representing 100% of the total paid-up capital, for a total cash consideration of RM1 to MSB. Accordingly, TPLSB has become a wholly-owned subsidiary of MSB, which in turn is an indirect wholly-owned subsidiary of the Company.

(xxvii) On 14 December 2021, the Company had incorporated a wholly-owned subsidiary, Bestari Zamrud Sdn Bhd with 1 ordinary share representing 100% of total paid-up capital, for a total consideration of RM1.

(xxviii) On 20 December 2021, the Company had incorporated a wholly-owned subsidiary, Tropicana Privilege (M) Sdn Bhd with 10,000 ordinary shares representing 100% of total paid-up capital, for a total consideration of RM10,000.

(xxix) On 23 December 2021, the Company divested its 2 ordinary shares in Tropicana Lido Development Sdn Bhd ("TLDSB") representing 100% of the total paid-up capital, for a total cash consideration of RM1 to MSB. Accordingly, TLDSB has become a wholly-owned subsidiary of MSB, which in turn is an indirect wholly-owned subsidiary of the Company.

(xxx) On 30 December 2021, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Danga Senibong Holding Sdn Bhd ("TDSHSB") by cancelling 274,500 RNCPS, all of which are held by the Company amounting to RM274,500.

(xxxi) On 30 December 2021, TDSHSB, a wholly-owned subsidiary of the Company, acquired SSARSB, SNARSB, SRARSB, STIRSB and SJTIRSB with 100 ordinary shares representing 100% of the total paid-up capital, for a total cash consideration of RM100 each from TDJBSB. Following the completion of the acquisitions, SSARSB, SNARSB, SRARSB, STIRSB and SJTIRSB have become wholly-owned subsidiaries of the TDSHSB, which in turn are the indirect wholly-owned subsidiaries of the Company.

19. INVESTMENT IN AN ASSOCIATE

	Group	
	2022	2021
	RM'000	RM'000
Unquoted shares, at costs	151,552	151,552
Share of post-acquisition results and reserves	525	11,976
Unrealised profit arising from sale of land to associate	(42,034)	(49,057)
	110,043	114,471

Details of the associate are as follows:

Name of associate	Country of incorporation	Principal activity	Equity interest held (%)	
			2022	2021
Agile Tropicana Development Sdn Bhd ("ATROP")	Malaysia	Property development	30	30

The associate has been accounted for using the equity method of accounting.

The summarised financial information of the associate is as follows:

	Group	
	2022	2021
	RM'000	RM'000
Non-current assets	3,159	3,982
Current assets	848,154	952,602
Non-current liabilities	(262,334)	(296,212)
Current liabilities	(82,055)	(115,278)
Net assets	506,924	545,094
Revenue	241,509	213,409
(Loss)/profit before tax	(34,224)	37,214
(Loss)/profit after tax, representing total comprehensive (loss)/income	(38,170)	29,599
Group's share of results	(11,451)	7,870
Reversal of unrealised profits	7,023	10,717
Adjusted Group's share of results	(4,428)	18,587

The associate had no contingent liabilities or capital commitments as at 31 December 2022 or 31 December 2021.

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20. INVESTMENTS IN JOINT VENTURES

	Group	
	2022 RM'000	2021 RM'000
Unquoted shares, at cost	144,243	144,243
Amount due from a joint venture	2,725	1,079
Share of post-acquisition results and reserves	175,018	164,336
Dividend received from joint ventures during the financial year	(22,467)	-
Unrealised profits arising from transaction with a joint venture	(9,032)	(8,833)
	290,487	300,825
Represented by:		
Share of net assets	290,487	300,825

The amount due from a joint venture represents outstanding amount arising from the Group's proportionate share in the advances and working capital to the joint venture. The amount due from the joint venture is unsecured, non-interest bearing and is not repayable within the next twelve (12) months. The Group views these advances as part of the Group's investment in the joint venture.

Details of the joint ventures are as follows:

Name of joint ventures	Country of incorporation	Principal activities	Equity interest held (%)	
			2022	2021
Tropicana Danga Cove Sdn Bhd ("TDCSB")	Malaysia	Property development and property investment	50	50
Tropicana Temokin Sdn Bhd ("TTSB")	Malaysia	Property development	51	51

All the joint ventures have been accounted for using the equity method of accounting.

(a) Summarised financial information of joint ventures that are material to the Group are set out below. The summarised financial information represents the amounts in the financial statements of the joint ventures and not the Group's share of those amounts.

(i) Summarised statement of financial position

	TTSB		TDCSB	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current assets	37	348	482,761	504,953
Current assets	69,934	66,362	132,453	231,019
Non-current liabilities	(15,977)	(23,271)	(21,406)	(24,329)
Current liabilities	(29,310)	(24,195)	(38,011)	(129,622)
Net assets	24,684	19,244	555,797	582,021

20. INVESTMENTS IN JOINT VENTURES (CONT'D.)

- (a) Summarised financial information of joint ventures that are material to the Group are set out below. The summarised financial information represents the amounts in the financial statements of the joint ventures and not the Group's share of those amounts. (cont'd.)

- (ii) Summarised statement of comprehensive income

	TTSB		TDCSB	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue	48,434	28,943	66,471	133,572
Profit before tax	5,429	3,783	28,227	50,566
Profit after tax, representing total comprehensive income	2,602	2,910	18,709	41,540

- (iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in joint ventures:

	TTSB		TDCSB	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Net assets as at 1 January	19,244	15,858	582,021	540,481
Profit for the financial year	2,602	2,910	18,709	41,540
	21,846	18,768	600,730	582,021
Dividend paid during the financial year	-	-	(44,933)	-
Intra-group transaction elimination	2,838	476	-	-
Net assets as at 31 December	24,684	19,244	555,797	582,021
Interests in joint venture	51%	51%	50%	50%
Carrying amount of Group's interest in joint ventures	12,589	9,814	277,898	291,011

- (b) The joint ventures had no contingent liabilities as at 31 December 2022 and 31 December 2021.

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21. OTHER INVESTMENTS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At FVTPL				
Non-current				
Transferable corporate golf club memberships	887	887	887	887
Current				
Money market fund investment	4,981	-	-	-
Quoted shares	169,649	166,700	-	-
	174,630	166,700	-	-
Total other investments	175,517	167,587	887	887

22. INTANGIBLE ASSETS

	Goodwill RM'000	Software RM'000	Licenses with indefinite useful lives RM'000	Total RM'000
Group				
At 1 January 2022/31 December 2022	25,829	2,293	25,643	53,765
Amortisation and impairment				
At 1 January 2022	20,523	1,175	25,643	47,341
Amortisation (Note 9)	-	459	-	459
At 31 December 2022	20,523	1,634	25,643	47,800
Carrying amount	5,306	659	-	5,965
At 1 January 2021	20,523	2,293	25,643	48,459
Additions	5,306	-	-	5,306
At 31 December 2021	25,829	2,293	25,643	53,765
Amortisation and impairment				
At 1 January 2021	18,170	719	25,643	44,532
Amortisation (Note 9)	-	456	-	456
Impairment loss during the financial year (Note 9)	2,353	-	-	2,353
At 31 December 2021	20,523	1,175	25,643	47,341
Carrying amount	5,306	1,118	-	6,424

22. INTANGIBLE ASSETS (CONT'D.)

In the previous financial year, an impairment loss of RM2,353,000 has been recognised in the profit or loss of the Group subsequent to the goodwill assessment exercise.

(a) Key assumptions used in value-in-use calculations

The recoverable amounts of the CGUs have been determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

(i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margin is the average rate achieved in the financial year immediately before the budgeted year increased for expected efficiency improvements.

(ii) Pre-tax discount rate

The discount rates used are pre-tax ranging from 7% to 8% (2021: 7% to 8%) and reflect specific risks relating to the relevant segments.

(b) Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the CGUs, management believes that no reasonable possible change in any of the above key assumptions would cause the carrying amounts of the unit to materially differ from its recoverable amount.

23. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current				
Other receivables				
Security retainers accumulation fund (Note 23(b)(i))	5,436	5,223	-	-
Amount due from a subsidiary (Note 23(b)(ii))	-	-	855,889	1,500,389
	5,436	5,223	855,889	1,500,389
Current				
Trade receivables				
Third parties	204,095	281,798	-	-
Amounts due from subsidiaries	-	-	26,168	20,039
Less: Accumulated impairment losses	(7,075)	(13,877)	-	-
Trade receivables, net	197,020	267,921	26,168	20,039

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

23. TRADE AND OTHER RECEIVABLES (CONT'D.)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Other receivables				
Sundry receivables	73,232	129,027	13,972	20,797
Deposits (Note 23(b)(iii))	43,943	94,536	118	123
Prepayments	9,474	7,432	-	-
Amounts due from subsidiaries (Note 23(b)(ii))	-	-	2,201,027	1,541,794
Amounts due from joint ventures (Note 23(b)(ii))	2,215	788	22	20
Less: Accumulated impairment losses (Note 23(b)(v))				
- Sundry receivables	(20,865)	(14,380)	(8,859)	(8,859)
	107,999	217,403	2,206,280	1,553,875
	305,019	485,324	2,232,448	1,573,914
Total trade and other receivables	310,455	490,547	3,088,337	3,074,303

(a) Trade receivables

The Group's and the Company's normal trade credit term ranges from 7 to 180 days (2021: 7 to 180 days) and 30 days (2021: 30 days) respectively. Other credit terms are assessed and approved on a case-to-case basis. Trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

Ageing analysis of trade receivables

The ageing analysis of the Group's and of the Company's trade receivables are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Neither past due nor impaired	97,803	176,283	291	1,456
1 to 30 days past due but not impaired	23,432	26,408	1,557	1,475
31 to 60 days past due but not impaired	2,637	16,303	1,352	1,754
61 to 90 days past due but not impaired	2,973	3,779	1,593	1,850
91 to 120 days past due but not impaired	2,865	1,570	1,628	1,822
More than 121 days past due but not impaired	67,310	43,578	19,747	11,682
Total past due but not impaired	99,217	91,638	25,877	18,583
Impaired	7,075	13,877	-	-
	204,095	281,798	26,168	20,039

23. TRADE AND OTHER RECEIVABLES (CONT'D.)**(a) Trade receivables (cont'd.)**Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group and the Company.

None of the Group's and of the Company's trade receivables that are neither past due nor impaired have been renegotiated during the current and the previous financial year.

Receivables that are past due but not impaired

The receivables that are past due but not impaired are mainly related to the progress billings to be settled by the end-buyers' financiers. However, the directors are of the opinion that these debts should be realised in full without material losses in the ordinary course of business as the legal title to the properties sold remain with the Group and the Company until the purchase consideration is fully paid.

Receivables that are impaired

The Group's trade receivables that are individually impaired at the reporting date and the movement of the accumulated impairment losses is as follows:

	Group	
	Individually impaired	
	2022	2021
	RM'000	RM'000
Trade receivables - nominal amount	7,075	13,877
Less: Accumulated impairment losses	(7,075)	(13,877)
	-	-

Movement in the accumulated impairment losses:

	Group	
	2022	2021
	RM'000	RM'000
At 1 January	13,877	7,250
Charge for the financial year	1,987	10,193
Reversal of impairment loss	(2,686)	(3,566)
Write off	(6,103)	-
At 31 December	7,075	13,877

Trade receivables that are individually determined to be impaired at the end of the financial year relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

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23. TRADE AND OTHER RECEIVABLES (CONT'D.)

(b) Other receivables

(i) Security retainers accumulation fund

	Group	
	2022 RM'000	2021 RM'000
At 1 January	5,223	5,263
Unrealised returns (Note 9)	224	(29)
	5,447	5,234
Less: Amortisation for the financial year (Note 9)	(11)	(11)
At 31 December	5,436	5,223

The security retainers accumulation fund of the golf and country resort of the Group relates to the unamortised portion of the single premium paid for the purchase of a Group Endowment with Profits' policy from a local insurer in 1994 and the unrealised returns accrues annually to this policy on a cumulative basis.

The total accumulated returns together with the insured sum will only be received upon maturity of the said policy on 2 October 2051. The purpose of this scheme is to provide the Group with funds to repay the security retainers received from members of the golf and country resort of the Group, who were registered prior to January 1993, at the end of their membership license term on 9 October 2051.

(ii) Amounts due from subsidiaries and joint ventures

The amounts due from subsidiaries of the Company amounting to RM1,500,000,000 (2021: RM1,500,000,000) bore interest ranging from 5.45% to 5.80% (2021: 5.45% to 5.80%) per annum during the financial year. The balances of the amount are non-trade in nature, unsecured, non-interest bearing and have no fixed terms of repayment except for these amounts classified as non-current which are not expected to be repaid within the next twelve months. Further details on related party transactions are disclosed in Note 36.

The amounts due from joint ventures are non-trade in nature, unsecured, non-interest bearing and have no fixed terms of repayment.

(iii) Included in deposits of the Group was deposits paid for the acquisition of land and buildings amounting to RM nil (2021: RM33,454,000).

(iv) The Group and the Company have no significant concentration of credit risk included under sundry receivables that may arise from exposures to a single debtor or to group of debtors except for amounts due from subsidiaries.

23. TRADE AND OTHER RECEIVABLES (CONT'D.)**(b) Other receivables (cont'd.)**

(v) Accumulated impairment loss

Movement as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At 1 January	14,380	13,059	8,859	8,859
Charge for the financial year	6,629	1,321	-	-
Reversal for the financial year	(144)	-	-	-
At 31 December	20,865	14,380	8,859	8,859

24. CONTRACT ASSETS

	Group	
	2022 RM'000	2021 RM'000
Accrued billings in respect of sales of development properties	296,974	227,418
Amounts due from contract customers (Note 24(a))	1,338	2,734
Total contract assets	298,312	230,152

(a) Amounts due from contract customers

	Group	
	2022 RM'000	2021 RM'000
Aggregate cost incurred to date	34,878	34,517
Attributable profits	8,779	8,482
	43,657	42,999
Less: Progress billings	(42,319)	(40,265)
Amounts due from contract customers	1,338	2,734

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25. CONTRACT COST ASSETS

	Group	
	2022 RM'000	2021 RM'000
Contract cost assets		
Costs to fulfill a contract	170,172	81,786
Costs to obtain contracts with customers	59,399	38,613
	229,571	120,399
	Group	
	2022 RM'000	2021 RM'000
Costs to fulfill a contract		
At 1 January	81,786	23,890
Additions	217,530	191,670
Transfer from inventories (Note 16(b))	154,205	207,495
Acquisition of a subsidiary	-	1,049
Amortisation for the financial year	(283,349)	(342,318)
At 31 December	170,172	81,786
Costs to obtain contracts with customers		
At 1 January	38,613	16,805
Additions	35,156	39,948
Acquisition of a subsidiary	-	235
Amortisation for the financial year	(14,370)	(18,375)
At 31 December	59,399	38,613

Certain costs to fulfill a contract with carrying amount of RM57,303,000 (2021: RM45,904,000) are pledged as securities for bank borrowings as disclosed in Note 32.

26. CASH AND BANK BALANCES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Deposits with licensed banks	111,820	97,777	16,636	16,410
Cash in hand and at banks	538,064	540,826	182,562	30,138
Cash and bank balances (Note 46)	649,884	638,603	199,198	46,548
For the purpose of statements of cash flows:				
Cash and bank balances	649,884	638,603	199,198	46,548
Less:				
- Cash and bank balances not available for use	(366,869)	(184,690)	(198,585)	(45,843)
- Bank overdrafts (Note 32)	(19,940)	(18,214)	(19,940)	(18,214)
Total cash and cash equivalents	263,075	435,699	(19,327)	(17,509)

26. CASH AND BANK BALANCES (CONT'D.)

The interest rates for the deposits with licensed banks range from 1.25% to 2.70% (2021: 1.20% to 2.25%) per annum and the maturities of deposits as at the end of the financial year range from 1 to 365 days (2021: 1 to 365 days).

Included in cash at banks of the Group are amounts of RM170,895,000 (2021: RM214,804,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and are therefore restricted from use in other operations.

Cash and bank balances not available for use of the Group and of the Company are:

- (i) Deposits of the Group held in trust by a trustee of RM17,707,000 (2021: RM19,827,000) for golf course members' subscription fees.
- (ii) Deposits of the Group and of the Company amounting to RM12,143,000 (2021: RM8,501,000) and RM889,000 (2021: RM874,000) respectively which are pledged as securities for bank guarantees granted to the Group and to the Company.
- (iii) Deposits of the Group and of the Company amounting to RM81,762,000 (2021: RM63,866,000) and RM15,747,000 (2021: RM15,536,000) respectively which are pledged as securities for banking facilities granted to the Group and the Company.
- (iv) Placements of debt service reserve and escrow accounts of the Group and of the Company amounting to RM255,257,000 (2021: RM92,496,000) and RM181,949,000 (2021: RM29,433,000) respectively which are pledged as securities for term loans, revolving credits, perpetual bond and Islamic Medium Term Notes granted to the Group and the Company.

27. ASSET CLASSIFIED AS HELD FOR SALE

	Group	
	2022	2021
	RM'000	RM'000
At 1 January	17,500	-
Transfer from investment properties (Note 17)	-	17,500
Disposals	(17,500)	-
At 31 December	-	17,500

On 31 December 2021, Tropicana Metro Sdn Bhd, a wholly-owned subsidiary, entered into a sale and purchase agreement to dispose a freehold land with a 4-storey commercial building known as "Metro Klang" in Selangor and another piece of freehold land for a total cash consideration amounting to RM17,500,000. The said disposal has been duly completed during the financial year. Accordingly, loss on disposal of RM459,000 was recognised in the profit or loss upon fulfillment of conditions precedent on 27 June 2022.

The freehold land and building with aggregate carrying amounts of RM nil (2021: RM17,500,000) are pledged as securities for bank borrowings as disclosed in Note 32.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

28. SHARE CAPITAL AND TREASURY SHARES

	Number of ordinary shares		Amount			
	Share capital (Issued)		Share capital		Treasury shares	
	2022 '000	2021 '000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Group and Company						
At 1 January	1,472,425	1,470,425	2,046,168	2,044,322	(26,103)	(6,882)
Issuance of ordinary shares						
- pursuant to private placement	-	2,000	-	1,846	-	-
- pursuant to conversion of ICPS (Note 30)	526,435	-	631,722	-	-	-
Purchase of treasury shares	-	-	-	-	(2,337)	(19,221)
At 31 December	1,998,860	1,472,425	2,677,890	2,046,168	(28,440)	(26,103)

(a) Share capital

During the financial year, the Company increased its issued ordinary share capital from RM2,046,168,000 to RM2,677,890,000 through the issuance of 526,435,000 new ordinary shares at an issue price of RM1.20 each pursuant to the conversion of 526,435,000 ICPS by the conversion ratio of 1 unit ICPS to 1 new ordinary share.

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

(b) Treasury shares

During the financial year, the Company repurchased 2,255,300 of its issued ordinary shares from the open market at an average price of RM1.0363 per share. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

As at 31 December 2022, the number of treasury shares held are 31,600,043 ordinary shares. Such treasury shares are held at carrying amount of RM28,440,000 (2021: RM26,103,000).

29. OTHER RESERVES

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of presentation currency of the Group.

(b) Retained earnings

The entire retained earnings of the Company are available for distribution as single-tier dividends.

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND

Irredeemable Convertible Preference Shares

The value of Irredeemable Convertible Preference Shares ("ICPS") has been split into the liability component and equity component. The ICPS are accounted for in the statements of financial position of the Group and of the Company as follows:

	Number of ICPS '000	Equity component RM'000	Liability component RM'000	Total RM'000
Group and Company				
At 1 January 2022	982,386	1,004,593	174,007	1,178,600
Conversion to ordinary shares (Note 28)	(526,435)	(538,335)	(93,387)	(631,722)
Accretion of interest on ICPS (Note 8)	-	-	12,689	12,689
Dividend payable	-	-	(18,049)	(18,049)
At 31 December 2022	455,951	466,258	75,260	541,518
At 1 January 2021	982,386	1,004,593	177,600	1,182,193
Accretion of interest on ICPS (Note 8)	-	-	14,090	14,090
Dividend payable	-	-	(17,683)	(17,683)
At 31 December 2021	982,386	1,004,593	174,007	1,178,600

The salient terms of the ICPS were as follows:

(a) Issue

The ICPS shall be irredeemable convertible preference shares and each ICPS confers on the ICPS Holder for the time being the rights, privileges and restriction set out in this Constitution.

(b) Dividend

The ICPS in the share capital carries an annual cumulative preferential dividend at the following rates:

Period	Rate
From the Issue Date up to and including the first (1 st) anniversary	1.0% based on the Issue Price of the ICPS
From the date after the first (1 st) anniversary up to and including the second (2 nd) anniversary	1.5% based on the Issue Price of the ICPS
From the date after the second (2 nd) anniversary up to and including the fifth (5 th) anniversary	2.0% based on the Issue Price of the ICPS
From the date after the fifth (5 th) anniversary up to the Market Day immediately preceding the tenth (10 th) anniversary from the Issue Date (" Maturity Date ")	3.0% based on the Issue Price of the ICPS

Subject to availability of profits and compliance with the Act, the dividend in respect of the ICPS will be payable in arrears on a semi-annual basis. To the extent that the dividends or any part thereof is not declared or paid on a semi-annual basis, after the date on which the ICPS are first issued, it will continue to accumulate and be declared and paid on a cumulative basis no later than the Maturity Date, subject to availability of profits and compliance with the Act.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND (CONT'D.)

Irredeemable Convertible Preference Shares (cont'd.)

The salient terms of the ICPS were as follows: (cont'd.)

(c) Ranking of the ICPS

The ICPS will upon allotment and issue, rank equally amongst themselves, and will rank ahead in priority to the holders of the ordinary shares and all other classes of shares (if any) in the Company, in respect of payment out of the assets of the Company upon any liquidation, dissolution or winding up of the Company, provided always that the Board approves such payment out of the assets of the Company on this basis and further affirms the priority of payment to the ICPS Holder.

The ICPS will rank subordinated to all the Company's creditors in respect of payment of debt and payments out of assets of the Company upon liquidation, dissolution, or winding up of the Company.

Notwithstanding anything to the contrary herein, the Board shall not issue any preference shares (other than additional ICPS) which rank equally with or in priority to, the ICPS unless the issue of such securities has first been approved by the ICPS Holders by way of an ordinary resolution of such holders.

(d) Conversion

(i) Entitlement to Convert

Each ICPS Holder shall, on any Market Day during the period commencing on the Issue Date and ending on the Maturity Date be entitled to require the Company to convert all or any of the ICPS registered in his name into such number of fully converted ordinary shares in the share capital of the Company, without the payment of any consideration (cash or otherwise), at the conversion ratio as at that date referred in Clause 20A(d)(ii) herein, by giving a notice to convert to the Company under Clause 20A(d)(iii).

Any remaining ICPS that are not converted by the Maturity Date shall be automatically converted into new ordinary shares based on the conversion ratio during the 2nd Conversion Period.

No fraction of ordinary shares arising on conversion of the ICPS will be allotted to the ICPS Holder entitled thereto and any such fraction will be rounded down.

(ii) Conversion Ratio

The conversion ratio is fixed as follows:

- for conversion at any time during the period from the Issue Date up to the fifth (5th) anniversary, the conversion ratio will be one (1) ICPS for one (1) ordinary share; and
- for conversion at any time during the period after the fifth (5th) anniversary of the Issue Date up to the Maturity Date, the conversion ratio will be five (5) ICPS for six (6) ordinary shares.

The conversion ratio will be subject to any necessary adjustments from time to time, at the determination of the Board, in the event of any alteration to the Company's share capital, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever being effected, in accordance with the provisions of the Constitution of the Company. The Company will give notice in writing to the ICPS holders of its intention to make such adjustments to the conversion ratio.

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND (CONT'D.)

Irredeemable Convertible Preference Shares (cont'd.)

The salient terms of the ICPS were as follows: (cont'd.)

(d) Conversion (cont'd.)

(ii) Conversion Ratio (cont'd.)

If the conversion results in a fractional entitlement to new ordinary shares, such fractional entitlement will be disregarded and no refund or credit, whether in the form of ICPS, cash or otherwise, will be given in respect of the disregarded fractional entitlement.

(iii) Conversion Process

The conversion of the ICPS shall be exercised by ICPS Holder delivering a duly completed and signed notice to convert to the share registrar of the Company.

The notice to convert shall be in such form as may be prescribed from time to time by the Company or in accordance with Applicable Laws ("**Conversion Notice**").

A holder of ICPS who has issued a Conversion Notice ("**Converting ICPS Holder**") shall furnish to the Company such supporting documents or information as may be prescribed by the Company or as may be required under Applicable Laws.

The duly completed and valid Conversion Notice shall be irrevocable after receipt thereof by the share registrar of the Company and the right to receive any preferential dividends referred to in the Constitution relating to the ICPS that have been converted into ordinary shares shall cease as from the date of issue and allotment of the new ordinary shares.

Subject to Applicable Laws, within eight (8) Market Days from the date of receipt by the Company of a Conversion Notice or such other period as may be prescribed or allowed by the Exchange, the Company shall:

- allot and issue to the relevant Converting ICPS Holders, such number of ordinary shares to which such holders are entitled to receive, credited as fully paid-up ("**Conversion Shares**"), and shall cause the Securities Account of the said holders to be credited with such number of Conversion Shares;
- despatch a notice of allotment to the relevant Converting ICPS Holders in respect of the Conversion Shares; and
- make an application to the Exchange for the listing of and quotation for the Conversion Shares.

(e) Ranking of the new ordinary shares

The new ordinary shares to be issued upon conversion of the ICPS shall, upon allotment and issue, rank equally in all respects with the existing issued ordinary shares including the entitlements to dividends, rights, allotments or other distributions, except that the new ordinary shares shall not be entitled to any dividends, rights, allotments and/or other distributions of which may be declared, made or paid, the entitlement date is before the date of allotment of such new ordinary shares.

(f) Redemption

The ICPS shall not be redeemable.

(g) Transferability

The ICPS shall be transferable and shall be subject to the same provisions of transferability of ordinary shares as are set out in the Constitution of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND (CONT'D.)

Irredeemable Convertible Preference Shares (cont'd.)

The salient terms of the ICPS were as follows: (cont'd.)

(h) Meeting and Voting Rights

Each ICPS Holder shall have the right to receive notices, annual reports and audited financial statements and attending in person or proxy, at any general meetings of the Company but shall not be entitled to speak, vote, move resolutions in any way except at a meeting convened in respect of any proposal or resolution made:

- (i) when the dividend or part of the dividend on the ICPS is in arrears for more than six (6) months;
- (ii) on a proposal to reduce the Company's share capital;
- (iii) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
- (iv) on a proposal that affects the rights and privileges attached to the ICPS;
- (v) on a proposal to wind up the Company; and
- (vi) during the winding up of the Company.

The abovementioned proposal shall subject to the sanction of a resolution passed at a separate meeting of the ICPS Holders. A separate meeting of ICPS Holders shall be convened in respect of the abovementioned proposal or resolution, for the ICPS Holders to speak and vote at such meeting. To every such separate meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, except that in the case of having only one ICPS Holder, one ICPS Holder personally present at a meeting shall constitute a quorum.

(i) Variation of Rights

No alteration, variation, amendment, addition, deletion or substitution to the provisions of this Clause 20A shall be made unless the Company shall have obtained the written consent of the ICPS Holders representing not less than seventy-five per cent (75%) of the total voting rights of the ICPS Holder or the sanction of a special resolution passed at a separate meeting of the ICPS Holders.

While any ICPS remains unconverted into ordinary shares, no resolution shall be passed for reducing the share capital of the Company, unless the Company shall have obtained the written consent of the ICPS Holders representing not less than seventy-five per cent (75%) of the total voting rights of the ICPS Holder or the sanction of a special resolution passed at a separate meeting of the ICPS Holders.

To every such separate meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply except that in the case of having only one ICPS Holder, one ICPS Holder personally present at a meeting shall constitute a quorum.

(j) Priority in winding up

On winding up or repayment of capital, the ICPS Holder shall be entitled to repayment of the capital paid up on these ICPS (together with a sum equal to any arrears or deficiency of the fixed dividend, whether declared or earned or not, calculated down to the date of the return of capital) in priority to any payment to the holders of the ordinary shares.

(k) Listing Status

The ICPS will not be listed on the Main Market of the Exchange. The new ordinary shares in the Company to be issued upon the conversion of ICPS will be listed and quoted on the Main Market of the Exchange.

(l) Governing Law

The ICPS will be governed under the laws of Malaysia.

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND (CONT'D.)**Perpetual bond**

	Group and Company	
	2022	2021
	RM'000	RM'000
At 1 January	527,791	252,613
Issuance of perpetual bond	130,000	270,000
Distribution for the financial year	42,148	22,633
Distribution paid for the financial year	(39,935)	(17,455)
At 31 December	660,004	527,791

On 8 April 2022, the Company issued a total of RM130 million in nominal value of senior ranking Perpetual Sukuk (“**Sukuk Musharakah**”) pursuant to a Sukuk Musharakah Programme (“**Perpetual bond**”) of up to RM2 billion in nominal value. The Perpetual bond is established to raise funds as and when required to be utilised for Shariah-compliant purposes which include refinancing existing financing/debt obligations (whether in whole or in part), and/or to finance working capital requirements, investments, capital expenditure and/or general corporate purposes of the Group.

The salient features of the Perpetual bond were as follows:

- (i) the Perpetual bond is issued under the Shariah principle of Musharakah.
- (ii) perpetual in tenure, where the Company has a call option to redeem the Perpetual bond at the end of the 5th year and on each periodic distribution date thereafter.
- (iii) the Company also has the option to redeem the Perpetual bond upon the occurrence of an Accounting Event, Tax Event and/or any Stepped Up Event.
- (iv) the expected periodic distribution up to year 5 is 7% per annum payable semi-annually. If the Company does not exercise its option to redeem at the end of the 5th year, the periodic distribution increases by 2% per annum in year 6 and subsequently the periodic distribution increases by 1% per annum in year 7 onwards and subject to a maximum rate of 15% per annum.
- (v) deferred periodic distribution, if any, will be cumulative and shall be added for the purpose of calculating the Additional Periodic Distribution Amount.
- (vi) payment obligations on the Perpetual bond will at all times, rank ahead of the holders of Junior Obligations of the Company and rank pari passu with all other present and future unsecured, unconditional and unsubordinated obligations of the Company.
- (vii) Accounting Event

If as a result of any changes or amendments to the Malaysian Financial Reporting Standards (“**MFRS**”) in Malaysia or any other accounting standards that may replace MFRS for the purposes of the Issuer’s consolidated financial statements, the Sukuk Musharakah are no longer recorded, or will no longer be recorded entirely as “equity” pursuant to the Relevant Accounting Standard, an Accounting Event shall have occurred.

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30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND (CONT'D.)

Perpetual bond (cont'd.)

The salient features of the Perpetual bond were as follows: (cont'd.)

(viii) Tax Event

If the Issuer has or will become obliged to pay additional amounts of tax ("**Additional Amounts**") or increase the payment of such Additional Amounts or the Expected Periodic Distribution Amount made by the Issuer would not in the immediately following Periodic Distribution Date be fully tax deductible by the Issuer for Malaysian income tax purposes as a result of:

- (a) any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements of Malaysia) or any political subdivision or any authority thereof or therein having power to tax; or
- (b) any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements.

Which change or amendment is made public on or after the issue date of the relevant Sukuk Musharakah and such obligations cannot be avoided by the Issuer taking reasonable measures available to it, then a Tax Event shall have occurred.

(ix) Stepped Up Event

The Periodic Distribution Rate of the Sukuk Musharakah shall be stepped up to the Maximum Rate from the expiry of 45 days period from the date any of the Stepped Up Events first occurred until such Stepped Up Event ceases to subsist.

(x) Optional Deferral of Distribution

The Company may, at its sole discretion, opt to (i) defer the periodic distribution or (ii) further defer any outstanding arrears of deferred periodic distribution, provided that it has not during the last six months declared or paid any dividend or payment or other distributions in respect of or redeem or repurchase its ordinary shares or any other securities of the Company ranking junior to or pari passu with the Perpetual Sukuk. The deferred periodic distribution, if any, will be cumulative and will not earn additional profits (i.e. there will be no compounding of the periodic distribution being deferred). There is no limit as to the number of times the expected periodic amount and the arrears of deferred periodic distribution can be deferred.

Notwithstanding the optional deferral stipulated in above, all outstanding arrears of deferred periodic distribution shall be due and payable within 15 days from the date the Company declared or paid any dividend or payment or other distributions in respect of or redeem or repurchase its ordinary shares or any other securities of the Company ranking junior to or pari passu with the Perpetual Sukuk.

(xi) Optional Redemption

The Company may, at its sole discretion, redeem at par, at the relevant exercise price on date to be determined prior to each issuance of the Sukuk Musharakah where the Optional Redemption may first be exercised by the Issuer.

31. DEFERRED TAX LIABILITIES/(ASSETS)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At 1 January	356,482	421,015	(380)	(697)
Acquisition of a subsidiary	-	29,020	-	-
Recognised in profit or loss (Note 12)	(94,149)	(93,553)	226	317
At 31 December	262,333	356,482	(154)	(380)

Deferred income tax as at 31 December relates to the following:

	Accelerated capital allowances RM'000	Contract liabilities RM'000	Provision for liabilities RM'000	Unused tax losses and unabsorbed capital allowances RM'000	Unrealised profit from transactions RM'000	Others RM'000	Total RM'000
Group							
Deferred tax assets:							
At 1 January 2022	(48,413)	(4,095)	(79,816)	(93,580)	(50,580)	(48,895)	(325,379)
Recognised in profit or loss	14,814	507	(14,100)	(78,514)	1,251	(26,399)	(102,441)
At 31 December 2022	(33,599)	(3,588)	(93,916)	(172,094)	(49,329)	(75,294)	(427,820)
At 1 January 2021	(1,680)	(14,964)	(73,273)	(55,243)	(39,012)	(27,242)	(211,414)
Recognised in profit or loss	(46,733)	10,869	(6,543)	(38,337)	(11,568)	(21,653)	(113,965)
At 31 December 2021	(48,413)	(4,095)	(79,816)	(93,580)	(50,580)	(48,895)	(325,379)

	Fair value adjustment on business combination RM'000	Fair value changes to investment properties RM'000	Property development costs RM'000	Total RM'000
Group				
Deferred tax liabilities:				
At 1 January 2022	526,673	68,586	86,602	681,861
Recognised in profit or loss	(17,156)	(402)	25,850	8,292
At 31 December 2022	509,517	68,184	112,452	690,153
At 1 January 2021	497,653	56,994	77,782	632,429
Recognised in profit or loss	-	11,592	8,820	20,412
Acquisition of a subsidiary	29,020	-	-	29,020
At 31 December 2021	526,673	68,586	86,602	681,861

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31. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D.)

Deferred income tax as at 31 December relates to the following: (cont'd.)

	Provision for liabilities RM'000
Company	
Deferred tax asset:	
At 1 January 2022	(443)
Recognised in profit or loss	237
At 31 December 2022	(206)
At 1 January 2021	(759)
Recognised in profit or loss	316
At 31 December 2021	(443)
	Accelerated capital allowances RM'000
Deferred tax liability:	
At 1 January 2022	63
Recognised in profit or loss	(11)
At 31 December 2022	52
At 1 January 2021	62
Recognised in profit or loss	1
At 31 December 2021	63

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Presented after appropriate offsetting as follows:				
Deferred tax assets	(216,951)	(150,665)	(154)	(380)
Deferred tax liabilities	479,284	507,147	-	-
	262,333	356,482	(154)	(380)

32. BORROWINGS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current				
Secured:				
Bridging loans	2,640	-	-	-
Revolving credits	138,000	145,000	-	-
Term loans	1,439,805	1,747,742	140,567	201,600
Islamic Medium Term Notes (Note 32(a))	855,500	1,500,000	855,500	1,500,000
Less: Unamortised borrowing costs	(15,751)	(21,575)	-	-
	2,420,194	3,371,167	996,067	1,701,600
Current				
Secured:				
Bridging loans	2,156	-	-	-
Revolving credits	146,210	175,160	32,050	71,000
Term loans	475,068	292,082	62,733	32,200
Islamic Medium Term Notes (Note 32(a))	644,500	-	644,500	-
Bank overdrafts (Note 26)	19,940	18,214	19,940	18,214
Margin account	76,317	69,060	-	-
Less: Unamortised borrowing costs	(11,420)	(9,880)	-	-
	1,352,771	544,636	759,223	121,414
Total borrowings				
Secured:				
Bridging loans	4,796	-	-	-
Revolving credits	284,210	320,160	32,050	71,000
Term loans	1,914,873	2,039,824	203,300	233,800
Islamic Medium Term Notes (Note 32(a))	1,500,000	1,500,000	1,500,000	1,500,000
Bank overdrafts (Note 26)	19,940	18,214	19,940	18,214
Margin account	76,317	69,060	-	-
Less: Unamortised borrowing costs	(27,171)	(31,455)	-	-
	3,772,965	3,915,803	1,755,290	1,823,014
Unamortised borrowing costs:				
At 1 January	31,455	32,335	-	878
Incurred during the year	8,172	10,904	-	-
Amortisation for the year (Note 8)	(12,456)	(11,784)	-	(878)
At 31 December	27,171	31,455	-	-
Maturities of borrowings:				
Not later than 1 year	1,364,191	554,516	759,223	121,414
Later than 1 year and not later than 5 years	2,192,000	2,792,442	946,267	1,451,800
More than 5 years	243,945	600,300	49,800	249,800
Less: Unamortised borrowing costs	(27,171)	(31,455)	-	-
Total	3,772,965	3,915,803	1,755,290	1,823,014

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32. BORROWINGS (CONT'D.)

The range of interest rates per annum at the reporting date for borrowings were as follows:

	2022 %	2021 %
Bridging loans	4.49 - 5.14	-
Revolving credits	3.63 - 6.95	3.60 - 5.95
Term loans	3.75 - 10.50	3.75 - 6.33
Islamic Medium Term Notes	5.45 - 5.80	5.45 - 5.80
Bank overdrafts	4.75 - 5.05	4.90 - 5.20
Margin account	3.40 - 6.45	3.40 - 5.45

The borrowings of the Group and of the Company are secured by certain assets of the Group and of the Company as follows:

- (a) fixed charge over certain property, plant and equipment as disclosed in Note 15;
- (b) fixed charge over certain inventories as disclosed in Note 16;
- (c) fixed charge over certain investment properties as disclosed in Note 17;
- (d) fixed charge over certain contract cost assets as disclosed in Note 25;
- (e) fixed charge over certain assets classified as held for sale as disclosed in Note 27;
- (f) fixed charge over certain right-of-use assets as disclosed in Note 35;
- (g) legal assignment of all cashflows, sale or tenancy agreements, insurance policies, construction contracts, construction guarantees and performance bonds in relation to certain projects developed by subsidiaries;
- (h) fixed and floating charge over the assets of certain subsidiaries;
- (i) specific debentures creating fixed and floating charges over certain Charged Properties of the Company and certain subsidiaries of the Group; and
- (j) corporate guarantees provided by the Company.

Other information on financial risks of borrowings are disclosed in Note 39.

	Company	
	2022 RM'000	2021 RM'000
Unsecured corporate guarantees given to banks for credit facilities granted to:		
- Subsidiaries	2,093,202	2,169,404
- Joint ventures	956	36,564
- Associate	78,532	88,795
	2,172,690	2,294,763

32. BORROWINGS (CONT'D.)

Fair value of all unexpired corporate guarantees given to bank for credit facilities granted to subsidiaries, joint ventures and associate was assessed to be RM nil (2021: RM nil) at the inception of issuance of the guarantees due to the likelihood of the guaranteed party defaulting is nil within the guaranteed period.

As at reporting date, the Group has the following undrawn banking facilities:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Banking facilities obtained by:				
- Company	60,260	42,286	60,260	42,286
- Subsidiaries	391,029	290,670	-	-
- Joint ventures	7,847	48,397	-	-
- Associate	79,762	179,762	-	-

(a) Islamic Medium Term Notes

On 22 April 2020, the Company had lodged the proposed establishment of a rated Islamic Medium Term Notes Programme of up to RM1.5 billion in nominal value based on the Shariah principles of Wakalah Bi Al-Istithmar and Murabahah (via Tawarruq arrangement) ("**Sukuk Wakalah Programme**") with the Securities Commission Malaysia ("**SC**") pursuant to the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework (issued by the SC on 9 March 2015 and revised on 26 November 2019, as amended from time to time).

The Sukuk Wakalah Programme allows for the issuance of rated and senior ranking sukuk ("**Sukuk Wakalah**") from time to time, with flexibility for the Company to issue secured and/or unsecured Sukuk Wakalah subject to the aggregate outstanding nominal amount of the Sukuk Wakalah not exceeding RM1.5 billion at any point in time.

The Company had issued the Sukuk Wakalah as follows:

Tranche No	Date of issuance	Amount RM'000	Yield-to-maturity (per annum)	Tenure year
1	14 May 2020	200,000	5.80%	7
2	30 June 2020	465,500	5.50%	3
2	30 June 2020	123,500	5.65%	5
3	3 September 2020	100,000	5.65%	5
4	8 October 2020	179,000	5.45%	3
4	8 October 2020	139,000	5.65%	5
5	15 April 2021	133,200	5.65%	5
5	15 April 2021	49,800	5.80%	7
6	8 June 2021	110,000	5.45%	3
		1,500,000		

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32. BORROWINGS (CONT'D.)

(a) Islamic Medium Term Notes (cont'd.)

The Sukuk Wakalah is secured by third party legal charge over the lands held under inventories as disclosed in Note 16 and Financial Service Reserve Account as disclosed in Note 26.

According to Sukuk subscription agreements, the Group and the Company is required to deposit and/or cause to be deposited into the designated account and amount equivalent to the principal payment due and payable under respective tranches which shall be built up in accordance with the build-up schedule.

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

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

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

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

(b) Changes in liabilities arising from financing activities

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
At 1 January	3,897,589	3,577,159	1,804,800	1,652,149
Cash flows	(148,848)	319,516	(69,450)	151,773
Acquisition of a subsidiary	-	34	-	-
Others	4,284	880	-	878
At 31 December	3,753,025	3,897,589	1,735,350	1,804,800

The "Others" represent transactions involving amortisation of borrowing costs.

33. TRADE AND OTHER PAYABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-current				
Trade payables				
Third parties (Note 33(a)(i))	388,042	344,772	-	-
Other payables				
Other payables and deposits	7,492	31,942	-	-
Accruals	22,439	24,429	-	-
Security retainers (Note 33(b)(i))	2,778	2,591	-	-
Sinking fund reserves (Note 33(b)(ii))	8,320	7,113	-	-
Provisions (Note 33(c))	110,396	105,971	-	-
	151,425	172,046	-	-
	539,467	516,818	-	-
Current				
Trade payables (Note 33(a)(ii))				
Third parties	542,125	331,176	-	-
Retention sum	82,180	74,138	-	-
	624,305	405,314	-	-
Other payables				
Other payables and deposits	333,606	355,800	4,275	1,490
ICPS dividend payable	16,012	95	16,012	95
Accruals	205,666	112,211	15,418	15,035
Amounts due to: (Note 33(b)(iii))				
- Subsidiaries	-	-	259,850	224,972
- Non-controlling interests	12,246	12,246	-	-
- Joint venture	3,779	3,492	-	-
Amounts due to shareholders	155,842	40,161	152,877	37,726
Provisions (Note 33(c))	40,848	70,935	-	-
	767,999	594,940	448,432	279,318
	1,392,304	1,000,254	448,432	279,318
Total trade and other payables	1,931,771	1,517,072	448,432	279,318

(a) Trade payables**(i) Trade payables (non-current)**

This amount relates to the vendor's entitlement payable by subsidiaries arising from the acquisition of land over the period of the development projects, which is approximately 6 to 20 years.

(ii) Trade payables (current)

The normal trade credit term granted to the Group ranges from 30 to 90 days (2021: 30 to 90 days) from the date of invoice and progress claim. The retention sum is repayable upon expiry of the defect liability period of 12 to 18 months (2021: 12 to 18 months).

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33. TRADE AND OTHER PAYABLES (CONT'D.)**(b) Other payables****(i) Security retainers**

Security retainers are funds collected from members of the golf and country resort of the Group who joined prior to January 1993. These security retainers are refundable to the members on cessation of membership, i.e., upon the expiry of the term of the membership license on 9 October 2051 or upon revocation (i.e., termination of the membership at its discretion at any time before the expiry date).

	Group	
	2022	2021
	RM'000	RM'000
At 1 January	2,591	2,408
Unwinding of discount	367	273
Termination	(180)	(90)
At 31 December	2,778	2,591

(ii) Sinking fund reserves

	Group	
	2022	2021
	RM'000	RM'000
At 1 January	7,113	9,845
Additions	1,792	1,739
Claims made during the financial year	(585)	(4,471)
At 31 December	8,320	7,113

Sinking fund of the Group is established for the purpose of covering periodic major repairs or capital replacements costs in the golf and country resort of the Group. A fraction of 10% of monthly subscription fees received from members during the year are credited to this reserve.

(iii) Amounts due to subsidiaries, non-controlling interests and joint venture

Amounts due to subsidiaries, non-controlling interests and joint venture are mainly unsecured, non-interest bearing and repayable on demand.

(iv) Other payables

Other payables are mainly unsecured, non-interest bearing and have no fixed terms of repayment.

(v) Amounts due to shareholders

Amounts due to shareholders are mainly unsecured, non-interest bearing and repayable on demand.

33. TRADE AND OTHER PAYABLES (CONT'D.)**(c) Provisions**

The movements in provisions are as follows:

	Provision for development cost (i) RM'000	Provision for foreseeable losses (ii) RM'000	Total RM'000
Group			
At 1 January 2022	114,130	62,776	176,906
Provision during the financial year	36,923	4,091	41,014
Reversal of provision during the financial year	(43,700)	(313)	(44,013)
Utilised during the financial year	(22,663)	–	(22,663)
At 31 December 2022	84,690	66,554	151,244
At 1 January 2021	97,083	44,824	141,907
Provision during the financial year	41,082	18,808	59,890
Reversal of provision during the financial year	(21,771)	(856)	(22,627)
Utilised during the financial year	(2,264)	–	(2,264)
At 31 December 2021	114,130	62,776	176,906

(i) Provision for development costs

Provision for development costs is in respect of development projects undertaken by its subsidiaries as they had a present obligation as a result of a past event and it was probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

(ii) Provision for foreseeable losses

Provision for foreseeable losses represents the present obligation for losses expected to be incurred for construction contracts.

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34. CONTRACT LIABILITIES

	Group	
	2022 RM'000	2021 RM'000
Non-current		
Deferred license fees (Note 34(a))	129,739	133,206
Current		
Deferred license fees (Note 34(a))	5,603	4,697
Deferred income (Note 34(b))	17,226	14,151
Contract liabilities from property development (Note 34(c))	94,225	28,368
	117,054	47,216
Total contract liabilities	246,793	180,422

(a) Deferred license fees

	Group	
	2022 RM'000	2021 RM'000
Cost		
At 1 January	223,915	220,953
Additions	3,042	2,962
At 31 December	226,957	223,915
Accumulated amortisation		
At 1 January	86,012	81,315
Amortisation during the financial year (Note 9)	5,603	4,697
At 31 December	91,615	86,012
Carrying amount	135,342	137,903
Represented by:		
Current	5,603	4,697
Non-current	129,739	133,206
	135,342	137,903

The deferred license fees refer to accrual and amortisation of license fees over 40 years which will expire on 9 October 2051.

(b) Deferred income

The deferred income of the Group is mainly in respect of advance tuition fees received by the private school operator. It will be recognised as revenue upon services performed.

34. CONTRACT LIABILITIES (CONT'D.)**(c) Contract liabilities from property development**

	Group	
	2022 RM'000	2021 RM'000
At 1 January	28,368	27,127
Revenue recognised during the financial year	(12,915)	(4,213)
Progress billings issued during the financial year	78,772	5,454
At 31 December	94,225	28,368

Revenue from property development activities are recognised over time using the input method, which is based on the actual incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

35. LEASES**(a) Right-of-use assets**

	Leasehold land RM'000	Premises RM'000	Motor vehicles RM'000	Plant and machineries RM'000	Office equipment RM'000	Total RM'000
Group Cost						
At 1 January 2022	175,457	5,688	10,251	2,154	474	194,024
Additions	-	2,334	2,267	-	-	4,601
Transfer from investment properties (Note 17)	23,000	-	-	-	-	23,000
Write off	-	(657)	(912)	-	-	(1,569)
Termination	-	(967)	-	-	-	(967)
At 31 December 2022	198,457	6,398	11,606	2,154	474	219,089
Accumulated depreciation						
At 1 January 2022	47,439	1,535	3,178	441	352	52,945
Depreciation (Note 9)	2,026	1,541	2,077	323	94	6,061
Write off	-	(657)	(912)	-	-	(1,569)
Termination	-	(195)	-	-	-	(195)
At 31 December 2022	49,465	2,224	4,343	764	446	57,242
Carrying amount	148,992	4,174	7,263	1,390	28	161,847

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35. LEASES (CONT'D.)**(a) Right-of-use assets (cont'd.)**

	Leasehold land RM'000	Premises RM'000	Motor vehicles RM'000	Plant and machineries RM'000	Office equipment RM'000	Total RM'000
Group						
Cost						
At 1 January 2021	175,457	6,779	4,595	2,154	474	189,459
Additions	-	1,178	5,892	-	-	7,070
Write off	-	(2,269)	(236)	-	-	(2,505)
At 31 December 2021	175,457	5,688	10,251	2,154	474	194,024
Accumulated depreciation						
At 1 January 2021	45,413	2,472	1,914	118	257	50,174
Depreciation (Note 9)	2,026	1,243	1,327	323	95	5,014
Write off	-	(2,180)	(63)	-	-	(2,243)
At 31 December 2021	47,439	1,535	3,178	441	352	52,945
Carrying amount	128,018	4,153	7,073	1,713	122	141,079
				Premises RM'000	Motor vehicles RM'000	Total RM'000
Company						
Cost						
At 1 January 2022				996	403	1,399
Termination				(431)	-	(431)
At 31 December 2022				565	403	968
Accumulated depreciation						
At 1 January 2022				224	289	513
Depreciation (Note 9)				318	81	399
Termination				(72)	-	(72)
At 31 December 2022				470	370	840
Carrying amount				95	33	128

35. LEASES (CONT'D.)**(a) Right-of-use assets (cont'd.)**

	Premises RM'000	Motor vehicles RM'000	Total RM'000
Cost			
At 1 January 2021	1,368	639	2,007
Additions	996	–	996
Write off	(1,368)	(236)	(1,604)
At 31 December 2021	996	403	1,399
Accumulated depreciation			
At 1 January 2021	1,045	232	1,277
Depreciation (Note 9)	547	120	667
Write off	(1,368)	(63)	(1,431)
At 31 December 2021	224	289	513
Carrying amount	772	114	886

Certain leasehold land of the Group with carrying amount of RM122,887,000 (2021: RM11,442,000) are pledged as securities for bank borrowings as disclosed in Note 32.

(b) Lease liabilities

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At 1 January	8,833	8,699	932	733
Additions	3,979	3,287	–	996
Accretion of interest (Note 8)	661	446	19	43
Termination	(421)	–	(373)	–
Payments	(1,289)	(3,599)	(435)	(840)
At 31 December	11,763	8,833	143	932
Represented by:				
Current	3,838	3,224	143	588
Non-current	7,925	5,609	–	344
	11,763	8,833	143	932
Maturities of lease liabilities:				
Not later than 1 year	3,838	3,224	143	588
Later than 1 year and not later than 5 years	6,451	3,808	–	344
More than 5 years	1,474	1,801	–	–
	11,763	8,833	143	932

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36. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the related parties took place at terms agreed between the parties during the financial year:

(a) Transactions with subsidiaries

	2022 RM'000	2021 RM'000
Company		
Dividend income from subsidiaries (Note 4)	3,121	21,754
Management fees from subsidiaries (Note 4)	17,341	20,475
Finance income on amounts due from subsidiaries (Note 7)	140,456	120,721
Management fees charged by a subsidiary (Note 9)	(6,585)	(7,589)
Finance costs on amounts due to subsidiaries (Note 8)	(49,845)	(52,305)

(b) Transactions with entities related to Tan Sri Dato' Tan Chee Sing (Major shareholder of the Company)

	2022 RM'000	2021 RM'000
Group		
Advances to the Group	115,151	-
Rental income receivable/received	7,650	6,282
COVID-19-related rent concessions	-	(5,975)
Security charges receivable/received	55	121
Utilities charges receivable/received	-	112
Transportation cost payable/paid	(1,475)	(675)
Entertainment expenses payable/paid	(246)	(172)
Gift expense payable/paid	(959)	(1,129)
Recruitment expenses payable/paid	-	(26)
Marketing expenses payable/paid	(1,498)	(830)
Company		
Transportation cost payable/paid	(1,475)	(675)
Entertainment expenses payable/paid	(246)	(151)
Gift expense payable/paid	(903)	(1,059)

36. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D.)

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the related parties took place at terms agreed between the parties during the financial year: (cont'd.)

(c) Transactions with entities related to Tan Sri Dato' Tan Chee Yioun ("Tan Sri Vincent Tan"), who is the brother of Tan Sri Dato' Tan Chee Sing

	2022 RM'000	2021 RM'000
Group		
Rental income receivable/received	1,263	808
Telephone charges payable/paid	(2)	(3)
Insurance charges payable/paid	(1,011)	(534)
Gift expense payable/paid	-	(4)
Company		
Telephone charges payable/paid	(1)	(1)
Insurance charges payable/paid	(28)	(7)
Gift expense payable/paid	-	(1)

(d) Sale of development properties

	2022 RM'000	2021 RM'000
Group		
Sales of development properties to certain directors of subsidiaries	14,571	-

The directors are of the opinion that all the above transactions were entered into in the normal course of business and have been established under terms that are no less favourable than those obtainable in transactions with unrelated parties.

Information regarding outstanding balances arising from related party transactions as at 31 December 2022 and 31 December 2021 are disclosed in Note 23(b)(ii) and Note 33(b)(iii).

NOTES TO THE FINANCIAL STATEMENTS

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36. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D.)

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the related parties took place at terms agreed between the parties during the financial year: (cont'd.)

(e) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly. The key management personnel includes all the directors of the Group and certain members of senior management of the Group.

The remuneration of directors and other members of key management during the financial year were as follows:

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Salaries, bonus and other emoluments	37,856	37,155	8,461	10,416
Contributions to defined contribution plan	3,646	3,194	687	784
Fees	2,373	2,479	1,739	1,987
	43,875	42,828	10,887	13,187

Included in the total key management personnel are:

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Directors' remuneration (Note 11)	38,891	40,615	10,887	13,187

37. FINANCIAL INSTRUMENTS

Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies of the Group and of the Company described how the class of financial instruments are measured, and how income and expenses, including fair value gains and losses are recognised. The following table analysed the financial assets and financial liabilities in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	Financial assets at amortised cost RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Group				
31 December 2022				
Assets				
Other investments	-	175,517	-	175,517
Trade and other receivables				
- Non-current	5,436	-	-	5,436
- Current (excluding prepayments)	295,545	-	-	295,545
Cash and bank balances	649,884	-	-	649,884
Total financial assets	950,865	175,517	-	1,126,382
Total non-financial assets				11,152,991
Total assets				12,279,373
Liabilities				
Borrowings				
- Non-current	-	-	2,420,194	2,420,194
- Current	-	-	1,352,771	1,352,771
Trade and other payables				
- Non-current	-	-	539,467	539,467
- Current	-	-	1,392,304	1,392,304
Lease liabilities				
- Non-current	-	-	7,925	7,925
- Current	-	-	3,838	3,838
ICPS				
- Non-current	-	-	70,339	70,339
- Current	-	-	4,921	4,921
Total financial liabilities	-	-	5,791,759	5,791,759
Total non-financial liabilities				732,603
Total liabilities				6,524,362

NOTES TO THE FINANCIAL STATEMENTS

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37. FINANCIAL INSTRUMENTS (CONT'D.)**Classification of financial instruments (cont'd.)**

	Financial assets at amortised cost RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Group				
31 December 2021				
Assets				
Other investments	-	167,587	-	167,587
Trade and other receivables				
- Non-current	5,223	-	-	5,223
- Current (excluding prepayments)	477,892	-	-	477,892
Cash and bank balances	638,603	-	-	638,603
Total financial assets	1,121,718	167,587	-	1,289,305
Total non-financial assets				11,006,436
Total assets				12,295,741
Liabilities				
Borrowings				
- Non-current	-	-	3,371,167	3,371,167
- Current	-	-	544,636	544,636
Trade and other payables				
- Non-current	-	-	516,818	516,818
- Current	-	-	1,000,254	1,000,254
Lease liabilities				
- Non-current	-	-	5,609	5,609
- Current	-	-	3,224	3,224
ICPS				
- Non-current	-	-	164,193	164,193
- Current	-	-	9,814	9,814
Total financial liabilities	-	-	5,615,715	5,615,715
Total non-financial liabilities				695,909
Total liabilities				6,311,624

37. FINANCIAL INSTRUMENTS (CONT'D.)**Classification of financial instruments (cont'd.)**

	Financial assets at amortised cost RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Company				
31 December 2022				
Assets				
Other investments	-	887	-	887
Trade and other receivables				
- Non-current	855,889	-	-	855,889
- Current (excluding prepayments)	2,232,448	-	-	2,232,448
Cash and bank balances	199,198	-	-	199,198
Total financial assets	3,287,535	887	-	3,288,422
Total non-financial assets				3,028,089
Total assets				6,316,511
Liabilities				
Borrowings				
- Non-current	-	-	996,067	996,067
- Current	-	-	759,223	759,223
Trade and other payables - current	-	-	448,432	448,432
Lease liabilities - current	-	-	143	143
ICPS				
- Non-current	-	-	70,339	70,339
- Current	-	-	4,921	4,921
Total financial liabilities	-	-	2,279,125	2,279,125
Total non-financial liabilities				-
Total liabilities				2,279,125

NOTES TO THE FINANCIAL STATEMENTS

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37. FINANCIAL INSTRUMENTS (CONT'D.)**Classification of financial instruments (cont'd.)**

	Financial assets at amortised cost RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Company				
31 December 2021				
Assets				
Other investments	-	887	-	887
Trade and other receivables				
- Non-current	1,500,389	-	-	1,500,389
- Current (excluding prepayments)	1,573,914	-	-	1,573,914
Cash and bank balances	46,548	-	-	46,548
Total financial assets	3,120,851	887	-	3,121,738
Total non-financial assets				3,043,639
Total assets				6,165,377
Liabilities				
Borrowings				
- Non-current	-	-	1,701,600	1,701,600
- Current	-	-	121,414	121,414
Trade and other payables - current	-	-	279,318	279,318
Lease liabilities				
- Non-current	-	-	344	344
- Current	-	-	588	588
ICPS				
- Non-current	-	-	164,193	164,193
- Current	-	-	9,814	9,814
Total financial liabilities	-	-	2,277,271	2,277,271
Total non-financial liabilities				-
Total liabilities				2,277,271

38. FAIR VALUE MEASUREMENT**Determination of fair values of financial instruments**

The fair values of financial instruments measured at amortised cost are derived as follows:

Non-current financial instruments

- Estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date; or

Current financial instruments

- Reasonable approximation of their carrying values as they are either floating rate financial instruments which are repriced to market interest rates, short-term in nature or are repayable on demand.

The fair value measurement hierarchies used to measure assets and liabilities carried at fair value in the statements of financial position are as follows:

- (a) Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities
- (b) Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (c) Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
31 December 2022				
Assets measured at fair value:				
Hotel buildings	-	-	485,000	485,000
Other investments	174,630	-	887	175,517
Investment properties	-	-	1,360,852	1,360,852
31 December 2021				
Assets measured at fair value:				
Hotel buildings	-	-	485,000	485,000
Other investments	166,700	-	887	167,587
Investment properties	-	-	1,411,198	1,411,198

Description of valuation techniques used and key inputs to valuation on investment properties is as disclosed in Note 17.

There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Managing Director/Chief Financial Officer. The Risk Management Committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. Credit risks with respect to trade receivables are limited as the legal title to the properties sold remain with the Group until the purchase consideration is fully paid. As for other receivables, the credit risk is minimised via dealing with counterparties with appropriate credit, payment histories and other relevant information. For cash and bank balances, the Group and the Company minimise credit risk by dealing exclusively with reputable financial institutions.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position. If necessary, the Group may obtain collaterals from counter-parties as a means of mitigating losses in the event of default.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	2022		2021	
	RM'000	% of total	RM'000	% of total
Group				
Property development and property management	180,799	89%	248,670	88%
Property investment, recreation and resort	12,155	6%	18,604	7%
Investment holding and others	11,141	5%	14,524	5%
	204,095	100%	281,798	100%

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)**(b) Liquidity risk (cont'd.)**

The Group's and the Company's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with several banks so as to ensure that all operating, investing and financing needs are met.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
Group				
Financial liabilities				
2022				
Trade and other payables	1,482,565	506,193	97,555	2,086,313
Lease liabilities	4,259	6,947	1,635	12,841
ICPS	10,940	60,679	31,348	102,967
Borrowings	1,541,473	2,470,219	262,338	4,274,030
Total undiscounted financial liabilities	3,039,237	3,044,038	392,876	6,476,151
2021				
Trade and other payables	1,140,889	337,598	222,893	1,701,380
Lease liabilities	3,722	7,950	2,056	13,728
ICPS	33,391	118,869	103,151	255,411
Borrowings	735,650	3,169,312	634,277	4,539,239
Total undiscounted financial liabilities	1,913,652	3,633,729	962,377	6,509,758
Company				
Financial liabilities				
2022				
Trade and other payables	448,432	-	-	448,432
Lease liabilities	144	-	-	144
ICPS	10,940	60,679	31,348	102,967
Borrowings	837,374	1,058,130	50,750	1,946,254
Total undiscounted financial liabilities	1,296,890	1,118,809	82,098	2,497,797
2021				
Trade and other payables	279,318	-	-	279,318
Lease liabilities	619	349	-	968
ICPS	33,391	118,869	103,151	255,411
Borrowings	216,089	1,632,750	258,366	2,107,205
Total undiscounted financial liabilities	529,417	1,751,968	361,517	2,642,902

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's primary interest rate risk relates to interest-bearing borrowings.

The investments in financial assets including fixed deposits are mainly short-term in nature and they are not held for speculative purposes.

The Group manages its interest rate exposure by using a mix of fixed and floating rate debts and actively reviewing its debt portfolio, taking into account the investment holding period and nature of its assets.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the Group's and of the Company's loss before tax (through the impact on floating rate borrowings).

	2022 RM'000	2021 RM'000
Group		
Borrowings denominated in Ringgit Malaysia		
Interest rates increase by 25 basis point		
Loss before tax will be higher by	9,500	9,868
Interest rates decrease by 25 basis point		
Loss before tax will be lower by	(9,500)	(9,868)
Company		
Borrowings denominated in Ringgit Malaysia		
Interest rates increase by 25 basis point		
Loss before tax will be higher by	4,388	4,558
Interest rates decrease by 25 basis point		
Loss before tax will be lower by	(4,388)	(4,558)

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from balances in other payables in a currency other than the functional currencies of the Group. The foreign currencies in which these transactions are denominated in are US Dollar, Singapore Dollar and Renminbi.

The Group's foreign currency risk management objective is to minimise foreign currency exposure that gives rise to economic impact, both at transaction and reporting period translation levels. The Group and the Company are not exposed to significant foreign currency risk as the majority of the Group's and of the Company's transactions, assets and liabilities are denominated in the functional currencies of the respective entities within the Group.

40. OPERATING LEASE ARRANGEMENTS**The Group as lessor**

The Group has entered into non-cancellable operating lease agreements on its investment property portfolio. These leases have remaining non-cancellable lease terms of between 1 to 10 years.

Future minimum rentals receivable under non-cancellable operating leases at the reporting date are as follows:

	Group	
	2022	2021
	RM'000	RM'000
Not later than 1 year	32,307	48,059
Later than 1 year and not later than 5 years	16,737	34,991
Later than 5 years	100	-
	49,144	83,050

41. CAPITAL COMMITMENTS

	Group	
	2022	2021
	RM'000	RM'000
Capital expenditure:		
Approved and contracted for:		
- Property, plant and equipment	24,245	18,746
- Investment properties	9,182	14,329
	33,427	33,075
Approved and not contracted for:		
- Property, plant and equipment	14,200	-
- Investment properties	3,622	2,533
	17,822	2,533
Total capital commitments	51,249	35,608

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

42. SEGMENTAL INFORMATION

Business segments:

For management purposes, the Group is organised into business units based on their business segments, and has three reportable operating segments as follows:

- | | |
|--|--|
| (i) Property development and property management (“ PDPM ”) | - Development of residential and commercial properties. |
| (ii) Property investment, recreation and resort (“ PIRR ”) | - Management and operation of hotels, resort, golf course, club house and investments in commercial and other properties. |
| (iii) Investment holding and others (“ IH ”) | - Investment income, landscape services, management and operation of private school and other operations which are not sizeable to be reported separately. |

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segmental performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are allocated to operating segments.

42. SEGMENTAL INFORMATION (CONT'D.)

Segmental information by business segments:

	PDPM		PIRR		IH		Adjustments and eliminations		Note	Total	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000		2022 RM'000	2021 RM'000
Revenue and expenses											
Revenue											
External sales	626,800	685,224	204,303	105,291	111,454	85,500	-	-		942,557	876,015
Inter-segment	31,292	14,538	24,482	18,981	130,975	134,157	(186,749)	(167,676)	(A)	-	-
Total revenue	658,092	699,762	228,785	124,272	242,429	219,657	(186,749)	(167,676)		942,557	876,015
Results											
Finance income	17,001	6,525	2,556	4,063	331,864	283,445	(340,325)	(287,484)		11,096	6,549
Depreciation and amortisation	(9,556)	(8,570)	(25,593)	(24,077)	(16,521)	(15,627)	12,109	10,784		(39,561)	(37,490)
Share of results of an associate	(4,428)	18,587	-	-	-	-	-	-		(4,428)	18,587
Share of results of joint ventures	10,682	22,254	-	-	-	-	-	-		10,682	22,254
Other non-cash items	(322,572)	26,175	(6,549)	(20,474)	(23,772)	21,370	(55,170)	19,034	(B)	(408,063)	46,105
Segment (loss)/profit	(367,125)	71,979	(28,139)	(83,858)	22,179	(33,848)	(99,275)	9,745	(C)	(472,360)	(35,982)
Assets											
Investment in an associate	151,552	151,552	-	-	-	-	(41,509)	(37,081)		110,043	114,471
Investments in joint ventures	144,243	144,243	-	-	-	-	146,244	156,582		290,487	300,825
Additions to non-current assets	502,490	635,724	8,650	19,267	119,330	33,749	(106,413)	(83,086)	(D)	524,057	605,654
Segment assets	9,022,214	8,607,789	2,565,333	2,587,937	11,597,249	11,032,058	(10,905,423)	(9,932,043)		12,279,373	12,295,741
Segment liabilities	5,720,132	5,066,975	2,386,122	2,366,611	6,525,017	6,146,132	(8,106,909)	(7,268,094)		6,524,362	6,311,624

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

42. SEGMENTAL INFORMATION (CONT'D.)

Inter-segment revenue is eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented below:

Notes: Nature of adjustments and eliminations to arrive at the amounts reported in the consolidated financial statements

A. Inter-segment revenues are eliminated on consolidation.

B. Other non-cash items include the following items as presented in the respective notes to the financial statements:

	2022 RM'000	2021 RM'000
Unrealised profit arising from transactions with:		
- a joint venture	199	199
- an associate	(7,023)	(10,717)
Unrealised returns on security retainers accumulation fund	(224)	29
Bad debts written off	884	498
Bad debts recovered	(100)	(133)
Reversal of impairment loss on trade and other receivables	(2,830)	(3,566)
Reversal of impairment loss on property, plant and equipment	-	(2,560)
Amortisation of deferred license fees	(5,603)	(4,697)
Amortisation of security retainers accumulation fund	11	11
Impairment loss on:		
- property, plant and equipment	4,101	-
- trade and other receivables	8,616	11,514
- intangible assets	-	2,353
Property, plant and equipment written off	174	82
Biological assets written off	17	185
Loss on lease termination	351	-
(Gain)/loss on disposal of:		
- property, plant and equipment, net	(12)	(770)
- investment property	-	10,000
- quoted shares	(49,836)	(15,083)
- asset classified as held for sale, net	459	-
Gain on a bargain purchase	-	(18,219)
Fair value loss/(gain) on investment properties, net	3,510	(19,960)
Fair value loss/(gain) of quoted shares	12,309	(27,386)
Fair value loss on biological assets	-	62
Net unrealised foreign exchange gain	(685)	(83)
Inventories written down	375,723	2,930
Land held for property development written off	4,045	-
Overprovision of property development costs in prior years	(34,965)	(31,517)
Unwinding of discount on trade and other payables	117	1,027
Amortisation of borrowing costs	12,456	11,784
Accretion of interest on ICPS	12,689	14,090
Accretion of lease liabilities interest	661	446

42. SEGMENTAL INFORMATION (CONT'D.)

Inter-segment revenue is eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented below: (cont'd.)

Notes: Nature of adjustments and eliminations to arrive at the amounts reported in the consolidated financial statements (cont'd.)

- C. The following items are (deducted from)/added to segment profit to arrive at loss before tax presented in the consolidated statement of comprehensive income:

	2022 RM'000	2021 RM'000
Share of results of an associate	(4,428)	18,587
Share of results of joint ventures	10,682	22,254
Finance costs	(193,412)	(201,451)

- D. Additions to non-current assets consist of:

	2022 RM'000	2021 RM'000
Property, plant and equipment (Note 15)	84,501	13,985
Land held for property development (Note 16(a))	429,829	555,570
Investment properties (Note 17)	5,126	23,723
Intangible assets (Note 22)	–	5,306
Right-of-use assets (Note 35(a))	4,601	7,070
	524,057	605,654

43. SIGNIFICANT EVENTS

The following is a summary of material disposals of properties by the Group's subsidiaries during the financial year ended 31 December 2022:

- (a) During the financial year, Tropicana Aman Sdn Bhd ("TASB"), a wholly-owned subsidiary of the Group has entered into few sale and purchase agreements as follows:
- (i) On 23 June 2020, TASB entered into a sale and purchase agreement with Pertini Vista Sdn Bhd, for the disposal of two plots of subdivided leasehold land known as Plot 4 and Plot 5, measuring approximately 6,273 square metres in Selangor for a total consideration of RM8,078,000. Accordingly, gain on disposal of RM5,192,000 was recognised in the profit or loss upon fulfillment of conditions precedent on 15 November 2022.
 - (ii) On 26 June 2020, TASB entered into a sale and purchase agreement with Pertini Vista Sdn Bhd, for the disposal of a plot of subdivided leasehold land known as Plot 3, measuring approximately 6,095 square metres in Selangor for a total consideration of RM8,222,000. Accordingly, gain on disposal of RM4,530,000 was recognised in the profit or loss upon fulfillment of conditions precedent on 21 July 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

43. SIGNIFICANT EVENTS (CONT'D.)

The following is a summary of material disposals of properties by the Group's subsidiaries during the financial year ended 31 December 2022: (cont'd.)

- (a) During the financial year, Tropicana Aman Sdn Bhd (“**TASB**”), a wholly-owned subsidiary of the Group has entered into few sale and purchase agreements as follows: (cont'd.)
 - (iii) On 30 September 2020, TASB entered into a sale and purchase agreement with Chevron Malaysia Limited, for the disposal of a parcel of leasehold land measuring approximately 6,677 square metres in Selangor for a total consideration of RM9,200,000. Accordingly, gain on disposal of RM4,688,000 was recognised in the profit or loss upon fulfillment of conditions precedent on 18 October 2022.
 - (iv) On 9 October 2020, TASB entered into a sale and purchase agreement with Kiharta Land Sdn Bhd, for the disposal of a parcel of leasehold land measuring approximately 44,967 square metres in Selangor for a total consideration of RM37,000,000. Accordingly, gain on disposal of RM9,303,000 was recognised in the profit or loss upon fulfillment of conditions precedent on 7 July 2022.
 - (v) On 30 December 2022, TASB entered into a sale and purchase agreement with Ancubic Valley Sdn Bhd, for disposal of a parcel of leasehold land with category of land use “bangunan” measuring approximately 134,400 square metres in Selangor for a total consideration of RM134,540,000. Accordingly, the provision of foreseeable losses for the disposal of RM161,594,000 was recognised in the profit or loss. The said disposal will be completed in the financial year ending 31 December 2023.
- (b) On 31 December 2021, Tropicana Metro Sdn Bhd, a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with Metro Excelsior Sdn Bhd, for the disposal of a piece of freehold land with a 4-storey commercial building known as “Metro Klang”, measuring approximately 7,864 square metres and another piece of freehold land, measuring approximately 1,037 square metres in Selangor for a total consideration of RM17,500,000. These land and building were recognised as assets classified as held for sale in the previous financial year. Accordingly, loss on disposal of RM459,000 was recognised in the profit or loss upon fulfillment of conditions precedent on 17 June 2022.
- (c) On 8 August 2022, Tropicana Desa Mentari Sdn Bhd, an indirect wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with KSL Development Sdn Bhd, for the disposal of part of 13 parcels of freehold lands measuring approximately 340,288 square metres in Johor for a total consideration of RM109,885,000. Accordingly, the provision of foreseeable losses for the disposal of RM136,990,000 was recognised in the profit or loss. The said disposal will be completed in the financial year ending 31 December 2023.
- (d) On 12 September 2022, Tropicana GP Views Sdn Bhd, a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with KSL Medini Development Sdn Bhd, for the disposal of 10 parcels of freehold lands measuring approximately 218,085 square metres in Johor for a total consideration of RM102,936,000. The said disposal will be completed in the financial year ending 31 December 2023.

44. SUBSEQUENT EVENTS

- (i) On 16 January 2023, the Company increased its issued ordinary share capital from RM2,677,890,000 to RM2,767,890,000 through the issuance of 75,000,000 new ordinary shares at an issue price of RM1.20 each pursuant to the conversion of 75,000,000 ICPS by the conversion ratio of 1 unit ICPS to 1 new ordinary share.
- (ii) On 3 February 2023, Tropicana GP Views Sdn Bhd, a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with KSL Medini Development Sdn Bhd, for the disposal of part of 111 parcels of freehold lands measuring approximately 43,908 square metres in Johor for a total consideration of RM21,268,000. The said disposal will be completed in financial year ending 31 December 2023.
- (iii) On 20 March 2023, the Company increased its issued ordinary share capital from RM2,767,890,000 to RM2,851,890,000 through the issuance of 70,000,000 new ordinary shares at an issue price of RM1.20 each pursuant to the conversion of 70,000,000 ICPS by the conversion ratio of 1 unit ICPS to 1 new ordinary share.
- (iv) On 29 March 2023, the Company increased its issued ordinary share capital from RM2,851,890,000 to RM2,861,970,000 through the issuance of 8,400,000 new ordinary shares at an issue price of RM1.20 each pursuant to the conversion of 8,400,000 ICPS by the conversion ratio of 1 unit ICPS to 1 new ordinary share.

45. MATERIAL LITIGATION

- (i) On 26 August 2013, the Company received an order from the Arbitral Tribunal to add the Company as a party to the arbitration proceedings between Dijaya-Malind JV (Mauritius) Limited (“**DMML**”), Dijaya-Malind Properties (India) Private Limited (“**DMPPL**”) and Starlite Global Enterprise (India) Limited (“**SGEIL**”) (“**Order**”).

The arbitration proceedings were previously instituted by DMML and DMPPL against SGEIL to seek the return of the deposit sum and damages arising from termination of the Deed of Novation cum Joint Development Agreement.

The Company appealed to the City Civil Court of Hyderabad against the Order which was dismissed on 2 June 2014. As our legal counsel opines the Order was erroneous and wrong in law, the Company has filed a further appeal to the High Court of Judicature of Andhra Pradesh and is pending hearing date to be set.

- (ii) On March 2021, Tropicana Corporation Berhad (“**TCB**”) was served with a claim for alleged relocation costs of RM25 million from Austin Powder Asia Pacific Inc (“**AP**”) in relation to a Corporate Guarantee dated 2 July 2015 (“**CG**”) provided by TCB to AP (“**Claim**”). The CG was provided by TCB pursuant to a Share Purchase Agreement dated 15 April 2015 and Supplement to Share Purchase Agreement dated 29 June 2015 between AP, Tropicana Tenaga Kimia Sdn Bhd (now known as Tropicana Saujana Sdn Bhd, a subsidiary of TCB) (“**TSSB**”) and one Mr Onn Hoe Sing in relation to the disposal of the shares held by TSSB in Tenaga Kimia Sdn Bhd.

TCB is resisting the baseless Claim and has duly filed its defence on 17 May 2021 and also filed an application to strike out the Claim on 22 July 2021. As at the reporting date, the Claim is on-going and the next return date before the court is scheduled on 17 May 2023.

TCB has been advised by its legal counsel that it has a fair chance of defeating the Claim and the possibility of winning the case is subjected to evidence and documents from both parties as well as interpretation of the same by the court. No provision for any liability has been made to TCB’s financial statements for the financial year ended 31 December 2022 as the Board is confident with a positive outcome of the suit.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

46. CAPITAL MANAGEMENT

The primary objective of the Group's and of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2022 and 31 December 2021.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total equity. The Group and the Company include within net debt, loans and borrowings less cash and bank balances.

	Group		Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Borrowings (Note 32)	3,772,965	3,915,803	1,755,290	1,823,014
Less: Cash and bank balances (Note 26)	(649,884)	(638,603)	(199,198)	(46,548)
Net debt	3,123,081	3,277,200	1,556,092	1,776,466
Total equity	5,755,011	5,984,117	4,037,386	3,888,106
Gearing ratio	0.54	0.55	0.39	0.46

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/company to another.

ANALYSIS OF SHAREHOLDINGS

AS AT 23 MARCH 2023

ORDINARY SHARES

Class of shares	: Ordinary shares
Listing status	: Quoted on the Main Market of Bursa Malaysia Securities Berhad
Total issued shares	: 2,143,861,049 ordinary shares
Treasury shares	: 31,600,043 treasury shares held by the Company
Voting rights	: One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Sizes of Shareholdings	No. of Holders	% of Holders	Total Holdings	% of Holdings
1 to 99	2,193	25.68	75,412	#
100 to 1,000	602	7.05	187,269	0.01
1,001 to 10,000	4,380	51.29	13,641,722	0.65
10,001 to 100,000	1,127	13.20	26,288,462	1.24
100,001 to 105,613,049*	237	2.78	2,072,068,141	98.10
105,613,050 and above**	0	0.00	0	0.00
Total	8,539	100.00	2,112,261,006[@]	100.00

Notes:

Negligible

* Less than 5% of issued ordinary shares

** 5% and above of issued ordinary shares

@ exclude a total of 31,600,043 treasury shares retained by the Company as per record of depositors as at 23 March 2023

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

(excluding bare trustees)

Names	No. of Ordinary Shares Held			
	Direct Interest	%	Deemed Interest	%
Tan Sri Dato' Tan Chee Sing	435,962,475	20.64	687,898,316 ⁽¹⁾	32.57
Aliran Firasat Sdn Bhd	287,184,845	13.60	–	–
T Shares 1 Sdn Bhd	171,435,499	8.12	–	–
Tan Sri Dr Lim Wee Chai	161,144,737	7.63	–	–
Golden Diversity Sdn Bhd	146,933,397	6.96	–	–

Notes:

⁽¹⁾ Deemed interest by virtue of his interests in Aliran Firasat Sdn Bhd, Golden Diversity Sdn Bhd, Impeccable Ace Sdn Bhd and T Shares 1 Sdn Bhd pursuant to Section 8 of the Companies Act 2016 ("Act").

ANALYSIS OF SHAREHOLDINGS

AS AT 23 MARCH 2023

DIRECTORS' SHAREHOLDINGS IN ORDINARY SHARES AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Names	Direct Interest	No. of Ordinary Shares Held		Deemed Interest	%
			%		
Tan Sri Dato' Tan Chee Sing	435,962,475		20.64	689,488,920 ⁽²⁾	32.64
Jared Ang Tzer Shen	4,517		#	231,651 ⁽³⁾	0.01

Notes:

Negligible

⁽²⁾ Deemed interest by virtue of his interests in Aliran Firasat Sdn Bhd, Golden Diversity Sdn Bhd, Impeccable Ace Sdn Bhd and T Shares 1 Sdn Bhd pursuant to Section 8 of the Act, and spouse and child's interests pursuant to Section 59(11) of the Act.⁽³⁾ Deemed interest by virtue of Section 59 (11) of the Act held through spouse.

THIRTY LARGEST REGISTERED ORDINARY SHAREHOLDERS ACCORDING TO THE RECORD OF DEPOSITORS

(Without aggregating the securities from different securities accounts belonging to the same depositor)

No.	Names of Holders	No. of Ordinary Shares	%
1.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for T Shares 1 Sdn Bhd	96,000,000	4.54
2.	Lim Wee Chai	86,540,745	4.10
3.	UOBM Nominees (Tempatan) Sdn Bhd United Overseas Bank Nominees (Pte) Ltd for Tan Chee Sing	77,579,692	3.67
4.	Million Effort Sdn Bhd	75,000,000	3.55
5.	Affin Hwang Nominees (Asing) Sdn Bhd Pledged Securities Account for Mettiz Capital Limited	70,000,000	3.31
6.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Sejuta Dimensi Sdn Bhd (MY4489)	70,000,000	3.31
7.	Emerald Dove Sdn Bhd	70,000,000	3.31
8.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Aliran Firasat Sdn Bhd (001)	64,181,612	3.04
9.	RHB Nominees (Tempatan) Sdn Bhd Bank of China (Malaysia) Berhad Pledged Securities Account for Aliran Firasat Sdn Bhd	63,955,827	3.03
10.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Aliran Firasat Sdn Bhd (M3438B)	62,878,500	2.98
11.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd	62,229,091	2.95
12.	T Shares 1 Sdn Bhd	57,935,499	2.74
13.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Aliran Firasat Sdn Bhd (MGN-TCS0010M)	52,848,500	2.50
14.	RHB Nominees (Tempatan) Sdn Bhd Lim Wee Chai	46,498,630	2.20
15.	Mampat Jasa Sdn Bhd	45,610,000	2.16

THIRTY LARGEST REGISTERED ORDINARY SHAREHOLDERS ACCORDING TO THE RECORD OF DEPOSITORS

(Without aggregating the securities from different securities accounts belonging to the same depositor)

No.	Names of Holders	No. of Ordinary Shares	%
16.	AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing	44,300,000	2.10
17.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (8118939)	41,030,692	1.94
18.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Impeccable Ace Sdn Bhd	35,833,697	1.70
19.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Impeccable Ace Sdn Bhd (51231662809C)	34,616,961	1.64
20.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Enhance Summer Sdn Bhd	34,566,549	1.64
21.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (MY3438)	32,520,000	1.54
22.	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (DT'S OD3)	32,322,876	1.53
23.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing	29,476,058	1.40
24.	HSBC Nominees (Asing) Sdn Bhd Societe Generale Paris	28,981,022	1.37
25.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (MGN-TCS0010M)	28,731,668	1.36
26.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Bank AG Singapore PWM for Lim Wee Chai	28,105,362	1.33
27.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing	28,000,000	1.33
28.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd (51405769502A)	27,912,446	1.32
29.	AMSEC Nominees (Tempatan) Sdn Bhd KGI Securities (Singapore) Pte Ltd for Tan Chee Sing (130309)	27,492,655	1.30
30.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (021)	27,447,351	1.30
Total		1,482,595,433	70.19

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES HOLDINGS

AS AT 23 MARCH 2023

Class of Shares	: Irredeemable Convertible Preference Shares ("ICPS")
Listing status	: Unquoted on the Main Market of Bursa Malaysia Securities Berhad
Total Issued ICPS	: 310,950,594 ICPS
Voting Rights	: The ICPS holders shall carry no right to vote at any general meeting of the Company except for the following circumstances:
	(a) when the dividend or part of the dividend on the ICPS is in arrears for more than six (6) months;
	(b) on a proposal to reduce the Company's share capital;
	(c) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
	(d) a proposal that affects rights and privileges attached to the ICPS;
	(e) on a proposal to wind-up the Company; and
	(f) during the winding-up of the Company.

DISTRIBUTION OF ICPS HOLDINGS

Sizes of ICPS Holdings	No. of Holders	% of Holders	Total Holdings	% of Holdings
1 to 99	-	-	-	-
100 to 1,000	-	-	-	-
1,001 to 10,000	-	-	-	-
10,001 to 100,000	-	-	-	-
100,001 to less than 15,547,529*	1	33.33	8,400,000	2.70
15,547,530 and above**	2	66.67	302,550,594	97.30
Total	3	100.00	310,950,594	100.00

Notes:

* Less than 5% of issued ICPS

** 5% and above of issued ICPS

DIRECTOR'S ICPS HOLDING AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Name	Direct Interest	No. of ICPS Held	
		%	Deemed Interest
Tan Sri Dato' Tan Chee Sing	-	-	207,300,396 ⁽¹⁾
Dion Tan Yong Chien	-	-	103,650,198 ⁽²⁾

Notes:

⁽¹⁾ Deemed interest by virtue of his interests in Dasen Resources Sdn Bhd pursuant to Section 8 of the Companies Act 2016 ("Act").⁽²⁾ Deemed interest by virtue of his interest in Beta Assets Management Sdn Bhd and DIT Sdn Bhd pursuant to Section 8 of the Act.

LIST OF ICPS HOLDERS

No.	Name of Holders	No. of ICPS	%
1.	Dasen Resources Sdn Bhd	207,300,396	66.67
2.	DIT Sdn Bhd	95,250,198	30.63
3.	Beta Assets Management Sdn Bhd	8,400,000	2.70
Total		310,950,594	100.00

LIST OF PROPERTIES

AS AT 31 DECEMBER 2022

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2022 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
CENANG RESORT SDN BHD									
Part of H.S.(D) 1565, PT 375, Seksyen 4, Bandar Padang Mat Sirat, Langkawi, Kedah	Land under construction	Freehold	2021	-	2.11	-	34.09	57.50	Sep-21
Part of H.S.(D) 1565, PT 375, Seksyen 4, Bandar Padang Mat Sirat, Langkawi, Kedah	Land held for future development	Freehold	2021	-	3.17	-	29.93	86.96	Sep-21
PM 140, Lot 60216; and PM 138, Lot 60189, Seksyen 4, Bandar Padang Mat Sirat, Langkawi, Kedah	Land held for future development	Leasehold (99 years) expiring on 13.06.2117	2021	-	0.86	-	9.76	-	-
LIDO WATERFRONT BOULEVARD SDN BHD									
H.S.(D) 578204, PTB 24592; H.S.(D) 578205, PTB 24593; H.S.(D) 578206, PTB 24594; H.S.(D) 578207, PTB 24621; H.S.(D) 578208, PTB 24623; H.S.(D) 578209, PTB 24626; H.S.(D) 574553, PTB 24627; H.S.(D) 574554, PTB 24630; H.S.(D) 574555, PTB 24631; H.S.(D) 574556, PTB 24629; H.S.(D) 583862 to H.S.(D) 583866, PTB 24603 to PTB 24607; H.S.(D) 585065, PTB 24634; and H.S.(D) 573656, PTB 24130, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	-	83.57	-	914.57	1,786.08	Feb-19
SAPPHIRE STEP SDN BHD									
H.S.(D) 39240, PT 41265, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Tenby International School	Leasehold (99 years) expiring on 09.11.2110	2018*	5	10.43	154,817	77.00	77.00	Oct-22
SUASANA METRO SDN BHD									
HSM 3242 to HSM 3245; PTD 181994 to PTD 181997; GM 660, Lot 4446; and GM 661, Lot 4447, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	-	5.04	-	42.36	44.00	Feb-19

LIST OF PROPERTIES

AS AT 31 DECEMBER 2022

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2022 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA AMAN SDN BHD									
PN 112508, Lot 73427, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land under construction	Leasehold (99 years) expiring on 09.11.2110	2014	-	26.49	-	11.96	-	-
H.S.(D) 44380, PT 45110, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land under construction	Leasehold (99 years) expiring on 09.11.2110	2014	-	33.87	-	28.67	-	-
PN 112481, Lot 73401, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land under construction	Leasehold (99 years) expiring on 09.11.2110	2014	-	5.77	-	17.00	-	-
H.S.(D) 44831, PT 45111, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land under construction	Leasehold (99 years) expiring on 09.11.2110	2014	-	28.08	-	52.07	-	-
H.S.(D) 44382, PT 45112, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land held for investment	Leasehold (99 years) expiring on 09.11.2110	2014	-	5.80	-	44.50	44.50	Dec-22
PN 112506, Lot 73398, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land held for sale	Leasehold (99 years) expiring on 09.11.2110	2014	-	33.22	-	75.36	-	-
H.S.(D) 44633, PT 47826; H.S.(D) 44634, PT 47827; H.S.(D) 44632, PT 47825; PN 112507, Lot 73400; H.S.(D) 44384, PT 44514; H.S.(D) 44641, PT 47830; PN 112504, Lot 73396; PN 112503, Lot 73393; H.S.(D) 44639, PT 47823; and H.S.(D) 44640, PT 47824, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land held for future development	Leasehold (99 years) expiring on 09.11.2110	2014	-	79.04	-	263.79	-	-
PN 112506, Lot 73398, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Showcase	Leasehold (99 years) expiring on 09.11.2110	2015*	8	12,000	-	-	-	-

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2022 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA DANGA BAY SDN BHD									
GRN 562533, Lot 49318, Bandar Johor Bahru, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2010	-	21.80	-	297.81	-	-
H.S.(D) 577114, PTB 24234, Bandar Johor Bahru, Daerah Johor Bahru, Johor	Proposed mall development	Freehold	2010	-	6.68	-	82.04	-	-
H.S.(D) 577113, PTB 24233, Bandar Johor Bahru, Daerah Johor Bahru, Johor	Sales gallery & project office	Freehold	2012*	10	1.80	25,575	0.27	-	-
TROPICANA DANGA BAY RESORT SDN BHD									
GRN 536373, Lot 48460, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2014	-	5.97	-	89.24	-	-
TROPICANA DANGA LAGOON SDN BHD									
Lot 3432, 3433, 3434, 3435, 3440, 3441, 3442, 3443, 3445, 3446, 3447, 44998 and PTD 3997, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Leasehold (999 & 99 years) expiring on 17.01.2911 & 05.01.2091 & 30.12.2090	2012 & 2015 & 2018*	-	55.07 & 1.27 & 1.29	-	148.95	-	-
TROPICANA DANGA LAGOON DEVELOPMENT SDN BHD									
GM 850, Lot 559, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	-	5.00	-	27.03	39.00	Feb-19
TROPICANA DANGA LAGOON GARDEN SDN BHD									
HSM 3232, PTD 174019; HSM 3233, PTD 174020; HSM 3234, PTD 174021; HSM 3235, PTD 174022; HSM 3236, PTD 174023; HSM 3237, PTD 174024; HSM 3238, PTD 174025; HSM 3239, PTD 174026; HSM 3240, PTD 174027; and HSM 3241, PTD 174028, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	-	1.39	-	11.68	12.00	Feb-19
TROPICANA DANGA LAGOON LAND SDN BHD									
PM 123, Lot 44994, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Leasehold (99 years) expiring on 01.02.2091	2019	-	1.35	-	2.75	8.50	Feb-19

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Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2022 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA DANGA LAPANBELAS SDN BHD									
PM 45, Lot 44999, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Leasehold (99 years) expiring on 30.12.2090	2019	-	1.27	-	1.73	8.00	Feb-19
TROPICANA DESA MENTARI SDN BHD									
GM 808, Lot 339; GM 787, Lot 340; GM 809 to GM 810, Lot 342 to Lot 343; GRN 436669, Lot 795; and Part of GRN 105314, Lot 797, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2014	-	171.76	-	359.54	-	-
GM 800, Lot 313; GM 801, Lot 321; GM 802 to GM 806, Lot 324 to Lot 328; GM 786, Lot 337; Part of GRN 105314, Lot 797; and GM 1199 to GM 1202, Lot 65678 to Lot 65681, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for sale	Freehold	2014	-	84.09	-	38.65	-	-
TROPICANA DEVELOPMENT (SABAH) SDN BHD									
CL 215322660, Daerah Penampang, Sabah	5-Storey commercial building known as KGK Annex/ Penampang Point	Leasehold (99 years) expiring on 31.12.2080	2012	11.5	1.39	44,207	21.00	21.00	Dec-22
CL 215312922, Daerah Penampang, Sabah	3-Storey commercial building known as D Junction	Leasehold (99 years) expiring on 31.12.2070	2012	15	2.68	37,912	20.00	20.00	Dec-22
TROPICANA EDUCATION MANAGEMENT SDN BHD									
H.S.(D) 296471, PT 12687, Pekan Baru Sungai Buloh, Daerah Petaling, Selangor	St Joseph's Institution International School Malaysia (Tropicana PJ Campus)	Leasehold (99 years) expiring on 27.09.2106	2016*	6	6.07	418,084	189.54	232.00	Dec-22

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2022 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA FIRSTWIDE SDN BHD									
GM 369, Lot 663; GM 370, Lot 664; GM 338, Lot 805; GM 339, Lot 806; GM 620, Lot 807; GM 635, Lot 804; GRN 89120, Lot 917; GRN 89115, Lot 920; GRN 455001, Lot 1114; H.S.(D) 545, Lot 2217; H.S.(D) 546, Lot 2218; H.S.(D) 547, Lot 2219; H.S.(D) 560, Lot 2232; H.S.(D) 561, Lot 2233; H.S.(D) 562, Lot 2234; GM 432, Lot 801; GRN 89767 to GRN 89771, Lot 1355 to Lot 1359; H.S.(D) 554 to H.S.(D) 559, Lot 2226 to Lot 2231; H.S.(D) 569 to H.S.(D) 573, Lot 2241 to Lot 2245, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	-	294.00	-	459.11	586.29	Feb-19
TROPICANA GOLF & COUNTRY RESORT BERHAD									
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor	Club house	Leasehold (99 years) expiring on 25.10.2090	1994	29	14.92	197,492	46.03	-	-
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor	Staff quarter	Leasehold (99 years) expiring on 25.10.2090	1994	29	2.50	159,300	1.35	-	-
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor	Golf course	Leasehold (99 years) expiring on 25.10.2090	1994	-	220.36	-	30.08	-	-
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor	Golf course and club house land	Leasehold (99 years) expiring on 25.10.2090	1994	-	-	-	18.10	-	-
Lot 946, No Hakmilik 15851, Mukim Bandar Damansara, Daerah Petaling, Selangor	PPE	Leasehold (99 years) expiring on 25.10.2090	2012*	-	0.53	-	0.04	-	-
H.S. (D) 242691, Lot No. PT 9940, Pekan Baru Sungai Buloh, Daerah Petaling, Selangor	Land held for future development	Leasehold (99 years) expiring on 21.12.2106	2021	-	0.58	-	2.62	-	-

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Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2022 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA GP VIEWS SDN BHD									
H.S.(D) 15158, PTD 15260; H.S.(D) 15204, PTD 15306; H.S.(D) 15205, PTD 15308; H.S.(D) 15208, PTD 15311; H.S.(D) 15209, PTD 15312; H.S.(D) 15210, PTD 15313; H.S.(D) 15212, PTD 15315; H.S.(D) 15213, PTD 15317; H.S.(D) 15214, PTD 15334; H.S.(D) 15215, PTD 15335; H.S.(D) 15216, PTD 15336; H.S.(D) 15217, PTD 15337; H.S.(D) 15218, PTD 15338; H.S.(D) 15219, PTD 15339; H.S.(D) 15220, PTD 15340; H.S.(D) 15221, PTD 15341; H.S.(D) 15222, PTD 15342; H.S.(D) 15223, PTD 15343; H.S.(D) 15225, PTD 15345; H.S.(D) 15226, PTD 15346; H.S.(D) 15227, PTD 15347; and GM 1352, Lot 1045, Mukim Jeram Batu, Daerah Pontian, Johor	Land held for future development	Freehold	2019	-	76.26	-	348.28	363.95	Feb-19
GM 143 Lot 981; GM 142 Lot 982; GM 888 Lot 983; GM 890 Lot 984; GM 889 Lot 985; GM 887 Lot 986; GM 891 Lot 987; GM 413 Lot 994; GM 410 Lot 995; and GM 418 Lot 996, Mukim Jeram Batu, Daerah Pontian, Johor	Land held for sales	Freehold	2019	-	53.89	-	45.02	47.76	Feb-19
HS(D) 15095, PTD 15196; HS(D) 15096, PTD 15197; HS(D) 15097, PTD 15198; HS(D) 15098, PTD 15200; HS(D) 15099, PTD 15201; HS(D) 15100, PTD 15202; HS(D) 15101, PTD 15203; HS(D) 15102, PTD 15204; HS(D) 15103, PTD 15205; HS(D) 15104, PTD 15206; HS(D) 15105, PTD 15207; HS(D) 15106, PTD 15208; HS(D) 15107, PTD 15209; HS(D) 15108, PTD 15210; HS(D) 15109, PTD 15211; HS(D) 15110, PTD 15212;	Land held for sales	Freehold	2019	-	10.85	-	11.02	11.69	Feb-19

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LIST OF PROPERTIES

AS AT 31 DECEMBER 2022

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2022 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA GP VIEWS SDN BHD (CONT'D.)									
HS(D) 15166, PTD 15268; HS(D) 15167, PTD 15269; HS(D) 15168, PTD 15270; HS(D) 15169, PTD 15271; HS(D) 15170, PTD 15272; HS(D) 15171, PTD 15273; HS(D) 15172, PTD 15274; HS(D) 15173, PTD 15275; HS(D) 15174, PTD 15276; HS(D) 15175, PTD 15277; HS(D) 15176, PTD 15278; HS(D) 15177, PTD 15279; HS(D) 15178, PTD 15280; HS(D) 15179, PTD 15281; HS(D) 15180, PTD 15282; HS(D) 15181, PTD 15283; HS(D) 15182, PTD 15284; HS(D) 15183, PTD 15285; HS(D) 15184, PTD 15286; HS(D) 15185, PTD 15287; HS(D) 15186, PTD 15288; HS(D) 15187, PTD 15289; HS(D) 15188, PTD 15290; HS(D) 15189, PTD 15291; HS(D) 15190, PTD 15292; HS(D) 15191, PTD 15293; HS(D) 15192, PTD 15294; HS(D) 15193, PTD 15295; HS(D) 15194, PTD 15296; HS(D) 15195, PTD 15297; HS(D) 15196, PTD 15298; HS(D) 15197, PTD 15299; HS(D) 15198, PTD 15300; HS(D) 15199, PTD 15301; HS(D) 15200, PTD 15302; HS(D) 15201, PTD 15303; HS(D) 15202, PTD 15304; HS(D) 15203, PTD 15305; HS(D) 15211, PTD 15314; HS(D) 15224, PTD 15344; and HS(D) 15229, PTD 15199, Mukim Jeram Batu, Daerah Pontian, Johor									
H.S.(D) 15204, PTD 15306; H.S.(D) 15093, PTD 15194; and H.S.(D) 15094, PTD 15195; Mukim Jeram Batu, Daerah Pontian, Johor	Land under construction	Freehold	2019	-	16.39	-	3.64	23.00	Feb-19
H.S.(D) 15226, PTD 15346; and H.S.(D) 15227, PTD 15347, Mukim Jeram Batu, Daerah Pontian, Johor	Sales gallery	Freehold	2019	8	2.21	75,089	1.72	-	-

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2022 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA INDAH SDN BHD									
Lot 67275, Pekan Baru Sungai Buloh, Daerah Petaling, Selangor	Tropicana Gardens Office Tower	Leasehold (99 years) expiring on 25.04.2106	2020*	3	1.30	204,089	160.00	160.00	Dec-22
Lot 67275, Pekan Baru Sungai Buloh, Daerah Petaling, Selangor	Tropicana Gardens Mall	Leasehold (99 years) expiring on 25.04.2106	2019*	4	6.75	1,005,828	943.60	943.60	Dec-22
Lot 67274, Pekan Baru Sungai Buloh, Daerah Petaling, Selangor	Land under construction	Leasehold (99 years) expiring on 24.04.2106	1994	-	2.95	-	65.82	-	-
TROPICANA INSPIRASI IMPIAN SDN BHD									
H.S.(D) 2097, Lot No. PT 2134/118, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2021	-	102.00	-	201.40	-	-
TROPICANA INSPIRASI INDAH SDN BHD									
H.S.(D) 2099, Lot No. PT 2136/120, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2021	-	206.00	-	254.66	-	-
TROPICANA JAYA SDN BHD									
WA37-01, Windmill Upon Hills, Genting Permai, GRN 45410, Lot 42549, Mukim Bentong, Daerah Bentong, Pahang	Serviced apartment	Freehold	2020	3	5.57	127	1.10	1.10	Dec-22
WA38-01, Windmill Upon Hills, Genting Permai, GRN 45410, Lot 42549, Mukim Bentong, Daerah Bentong, Pahang	Serviced apartment	Freehold	2020	3	5.57	127	1.30	1.30	Dec-22
TROPICANA KAJANG HILL SDN BHD									
PT 38088, Bandar Batu 18, Semenyih, Daerah Ulu Langat, Selangor	Showcase	Freehold	2016*	6.5	2.00	45,717	16.50	16.50	Dec-22
PT 38089, Bandar Batu 18, Semenyih, Daerah Ulu Langat, Selangor	Land held for future development	Freehold	2012	-	6.98	-	114.65	-	-
TROPICANA KEMAYAN DEVELOPMENT SDN BHD									
PN 25820 to PN 25821; Lot 24131 to Lot 24132, Pekan Bukit Kepayang, Daerah Seremban, Negeri Sembilan	Land held for investment	Leasehold (99 years) expiring on 17.04.2095	2012	-	2.00	-	7.60	9.00	Mar-12

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TROPICANA KIARA LESTARI DEVELOPMENT SDN BHD									
GM 1799, Lot 2455; GM 1800, Lot 2457; GM 1801, Lot 2458; and GM 1774, Lot 2477, Mukim Batu, Daerah Segambut, Wilayah Persekutuan	Land held for future development	Freehold	2019	-	8.28	-	20.81	79.27	Feb-19
TROPICANA KIARA LESTARI LAND SDN BHD									
GM 1769, Lot 2475; GM 1264, Lot 2476; and GM 3217, Lot 2478, Mukim Batu, Daerah Segambut, Wilayah Persekutuan	Land held for future development	Freehold	2019	-	5.72	-	14.33	54.73	Feb-19
TROPICANA LAGOON SDN BHD									
PM 42, Lot 44996; and PM 43, Lot 44997, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Leasehold (99 years) expiring on 01.02.2091	2013	-	2.78	-	4.80	-	-
TROPICANA LAHAD DATU DEVELOPMENT SDN BHD									
CL 115355612, Daerah Lahad Datu, Sabah	Land held for investment	Leasehold (999 years) expiring on 08.05.2933	2012	-	1.25	-	2.57	2.57	Dec-22
TROPICANA LAND (SANDAKAN) SDN BHD									
CL 075318697, Daerah Sandakan, Sabah	Land held for investment	Leasehold (999 years) expiring on 09.07.2887	2012	-	1.52	-	3.73	3.50	Mar-12
TROPICANA LAND SDN BHD									
H.S.(D) 330120, PTD 123308; and GRN 422076, Lot 85652, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2012	-	5.00	-	20.94	-	-
TROPICANA LINGKARAN UTAMA SDN BHD									
GM 267, Lot 2366; and GM 1481, Lot 1037, Mukim Jeram Batu, Daerah Pontian, Johor	Land held for future development	Freehold	2019	-	11.08	-	20.69	22.78	Feb-19
TROPICANA MACALISTER AVENUE (PENANG) SDN BHD									
Lot 10015, Seksyen 13, Bandar George Town, Daerah Timor Laut, Pulau Pinang	Hotel development known as Courtyard by Marriott, Penang	Freehold	2020*	2	0.52	-	184.64	-	-
TROPICANA MAKMUR ARIF SDN BHD									
GRN 10094, Lot 10352, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	4.66	-	16.34	-	-

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TROPICANA MAKMUR CAHAYA SDN BHD									
GRN 4884, Lot 10361, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	29.04	-	67.36	-	-
TROPICANA MAKMUR DUTA SDN BHD									
GRN 10456, Lot 17676, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	6.52	-	15.07	-	-
TROPICANA MAKMUR ERAT SDN BHD									
GRN 10457, Lot 17677, Mukim Bentong, Daerah Bentong, Pahang	Land held for investment	Freehold	2020	-	4.68	-	59.00	59.00	Dec-22
TROPICANA MAKMUR GAGAH SDN BHD									
GRN 10458, Lot 17680; and GRN 10459, Lot 17681, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	4.83	-	10.62	-	-
TROPICANA MAKMUR IRAMA SDN BHD									
H.S.(D) 13926, PT 17223; and H.S.(D) 13927, PT 17224, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	13.73	-	31.92	-	-
TROPICANA MAKMUR PELUANG SDN BHD									
GRN 41275, Lot 40936; and GRN 41276, Lot 40937, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	2.86	-	7.35	-	-
TROPICANA METROPARK SDN BHD									
GRN 321052, Lot 72019; GRN 334474, Lot 72050; and GRN 321050, Lot 72017, Pekan Country Heights, Daerah Petaling, Selangor	Land held for future development	Freehold	2011	-	28.55	-	417.94	-	-
GRN 322254, PT42; and GRN 322255, PT43, Pekan Country Heights, Daerah Petaling, Selangor	Land under construction	Freehold	2011	-	8.54	-	148.06	-	-
GRN 321050, Lot 72017, Pekan Country Heights, Daerah Petaling, Selangor	Showcase	Freehold	2012*	10	-	22,098	0.37	-	-

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Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2022 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA PARKING SDN BHD									
Part of PN 97674, Lot 89556, Bandar Damansara, Daerah Petaling, Selangor	A stratified office lot accessorised with 1,223 car park bays within Tropicana Avenue	Leasehold (99 years) expiring on 22.9.2109	2016*	6	5.73	-	36.00	36.00	Dec-22
TROPICANA PROPERTIES (SABAH) SDN BHD									
CL 015106377, Daerah Kota Kinabalu, Sabah	3-Storey commercial building with basement	Leasehold (999 years) expiring on 30.12.2914	2012	11	0.23	17,709	8.00	8.00	Dec-22
(i) TL 017511830, (ii) TL 017511849, (iii) CL 015105674 and (iv) CL 015138860, Daerah Kota Kinabalu, Sabah	4-Storey commercial building known as Moretune	Leasehold (999 years) expiring on (i),(ii) & (iii)31.12.2913 (iv)31.12.2908	2012	12	0.86	27,288	12.00	12.00	Dec-22
CL 015562348, Daerah Kota Kinabalu, Sabah	4-Storey commercial building known as Magma	Leasehold (999 years) expiring on 26.08.2916	2012	25	0.45	17,137	8.00	8.00	Dec-22
TROPICANA PROPERTIES (SANDAKAN) SDN BHD									
(i) Suburban Lease 077902179, (ii) TL 077555081 and (iii) TL 077555161, Daerah Sandakan, Sabah	3-Storey commercial building	Leasehold (999 years) expiring on (i)01.04.2893 (ii)&(iii)31.12.2910	2012	12	1.88	32,637	10.55	10.55	Dec-22
TROPICANA RAHANG DEVELOPMENT SDN BHD									
GRN 233167, Lot 23858, Daerah Seremban, Negeri Sembilan	Land held for investment	Freehold	2012	-	2.42	-	4.80	4.84	Mar-12
TROPICANA RESIDENCES SDN BHD									
GRN 51952, Lot 194, Seksyen 58, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan	Hotel development known as W Kuala Lumpur	Freehold	2018*	4	0.53	-	265.14	-	-
TROPICANA RHYTHM CREST SDN BHD									
H.S.(D) 552, Lot 2224; H.S.(D) 553, Lot 2225; H.S.(D) 566, Lot 2238; H.S.(D) 567, Lot 2239; and H.S.(D) 568, Lot 2240, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	-	25.00	-	39.62	50.11	Feb-19
TROPICANA SANCTUARY DEVELOPMENT SDN BHD									
H.S.(D) 436855, PT MLO 348; and H.S.(D) 436856, PT MLO 349, Mukim Jelutong, Daerah Johor Bahru, Johor	Land held for future development	Leasehold	2018	-	329.15	-	90.26	645.00	Feb-19

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TROPICANA SERI ALIRAN SDN BHD									
GRN 323064, Lot 8322, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	10.00	-	23.48	-	-
TROPICANA SERI BAKAT SDN BHD									
GRN 323065, Lot 8323, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	16.90	-	37.52	-	-
TROPICANA SERI DAMAI SDN BHD									
GRN 323067, Lot 8325, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	2.88	-	7.20	-	-
TROPICANA SERI DUTAAN SDN BHD									
GRN 323056, Lot 8311, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for investment	Freehold	2020	-	3.01	-	12.00	12.00	Dec-22
TROPICANA SERI FAUNA SDN BHD									
GRN 323069, Lot 8327, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	5.27	-	11.48	-	-
TROPICANA SERI IRAMA SDN BHD									
GRN 323068, Lot 8326, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	1.99	-	4.37	-	-
TROPICANA SERI JALUR SDN BHD									
GRN 323059, Lot 8314; and GRN 323060, Lot 8315, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	4.09	-	9.38	-	-
TROPICANA SERI JUTAAN SDN BHD									
GRN 323053, Lot 8299, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	8.87	-	20.37	-	-

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TROPICANA SERI MERANTI SDN BHD									
GRN 323062, Lot 8317, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	9.87	-	22.31	-	-
TROPICANA SERI NIPAH SDN BHD									
GRN 323063, Lot 8318, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	2.12	-	5.17	-	-
TROPICANA SERI ORKID SDN BHD									
GRN 323055, Lot 8310, Mukim Batang Kali, Daerah of Ulu Selangor, Selangor	Land held for investment	Freehold	2020	-	2.31	-	9.00	9.00	Dec-22
TROPICANA SERI PELUANG SDN BHD									
GRN 323066, Lot 8324, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	3.00	-	6.96	-	-
TROPICANA SERI RESAK SDN BHD									
GRN 323057, Lot 8312, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for investment	Freehold	2020	-	6.67	-	21.00	21.00	Dec-22
TROPICANA SERI RIANG SDN BHD									
GRN 323054, Lot 8300, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	5.69	-	13.05	-	-
TROPICANA SERI SEGAK SDN BHD									
GRN 323061, Lot 8316, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	2.98	-	6.83	-	-
TROPICANA SERI SENA SDN BHD									
GRN 323058, Lot 8313, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	9.89	-	22.86	-	-
TROPICANA SERI TABAH SDN BHD									
GRN 323070, Lot 8329, Mukim Batang Kali, Daerah of Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	10.09	-	23.18	-	-

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TROPICANA SERI TUJUAN SDN BHD									
GRN 323071, Lot 8332, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	4.37	-	10.00	-	-
TROPICANA SIERRA SDN BHD									
H.S.(D) 19298, PT 24374, Mukim Bentong, Daerah Bentong, Pahang	Land under construction	Freehold	2018	-	3.57	-	45.25	3.73	Apr-18
H.S.(D) 19293, PT 24369; H.S.(D) 19294, PT 24370; H.S.(D) 19295, PT 24371; H.S.(D) 19296, PT 24372; H.S.(D) 19297, PT 24373; H.S.(D) 19298, PT 24374; H.S.(D) 19299, PT 24375; H.S.(D) 19300, PT 24376; H.S.(D) 19301, PT 24377; H.S.(D) 19302, PT 24378; H.S.(D) 19303, PT 24379; H.S.(D) 19304, PT 24380; and H.S.(D) 19305, PT 24381, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2018	-	88.79	-	49.54	74.27	Apr-18
TROPICANA SOUTHERN GALLERY SDN BHD									
GM 1361, Lot 1033; GM 1359, Lot 1034; and GM 2600, Lot 1038, Mukim Jeram Batu, Daerah Pontian, Johor	Land held for future development	Freehold	2019	-	27.80	-	32.86	57.22	Feb-19
TROPICANA SUNGAI BULOH SDN BHD									
GRN 37702, Lot 28478, Mukim Bentong, Daerah Bentong, Pahang	Serviced apartment	Freehold	1996*	26	-	1,465	0.21	0.21	Dec-22
TROPICANA TAWAU DEVELOPMENT SDN BHD									
TL 107504138, TL 107504147, TL 107504156, TL 107504165 and TL 107504174, Daerah Tawau, Sabah	Land held for investment	Leasehold (999 years) expiring on 31.12.2895	2012	-	0.80	-	7.00	7.00	Dec-22
URBAN DISCOVERY SDN BHD									
GRN 10415, Lot 17682; GRN 10416, Lot 17683; GRN 10417, Lot 17684; GRN 10418, Lot 17685; GRN 10419, Lot 17686; and GRN 10420, Lot 17687, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	3-Storey commercial building with a basement carpark	Freehold	2020*	30	0.33	-	20.00	20.00	Dec-22

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TROPICANA DANGA COVE SDN BHD ^^									
PTD 242402, PTD 242407, PTD 242411, PTD 242413, PTD 242416, PTD 242417, PTD 242422, PTD 242424, PTD 242425, PTD 242431, PTD 242432, PTD 242437 and PTD 242445 on Mukim Plentong, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2011 & 2012 & 2013 & 2015	-	44.97	-	284.07	-	-
PTD 242399 & PTD 242404 on Mukim Plentong, Daerah Johor Bahru, Johor	Land held for investment	Freehold	2011	-	13.16	-	195.86	195.86	Dec-22
PTD 242404 on Mukim Plentong, Daerah Johor Bahru, Johor	Showcase	Freehold	2015*	8	5.60	20,547	2.25	-	-
TROPICANA TEMOKIN SDN BHD ^^									
Jalan Harapan, GRN 22702 and GRN 45709, Lot 1 and Lot 4, Seksyen 1, Pekan Sungai Penchala, Daerah Petaling, Selangor	Land under construction	Freehold	2019	-	2.82	-	27.55	-	-

^^ Joint venture developments

GROUP DIRECTORY

CORPORATE OFFICES

HEAD OFFICE

TROPICANA CORPORATION BERHAD

Unit 1301, Level 13
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TROPICANA GRANDHILL

Property Gallery & Show Unit

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W www.tropicanaGrandhill.com

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TROPICANA DANGA COVE

Property Gallery & Show Unit

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Sat | 9:00am – 1:00pm
Sun & Public Holiday | Closed

SCHOOLS

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42500 Telok Panglima Garang, Selangor
T +603 8689 2088 / +601 0222 8096
(General Enquiries) &
+603 7624 2121 (Admissions Enquiries)
E tropicana@tenby.edu.my
W tenby.edu.my/tropicana-aman

Office Hours:

Term Time | 7:30am – 4:30pm
School Holiday | 9:00am – 4:30pm
Sat | 9:00am – 1:00pm

**Info correct at time of print. For more info,
refer to www.tropicanaCorp.com.my/contact-us**

NOTICE OF FORTY-FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Fourth Annual General Meeting (“**44th AGM**” or “**Meeting**”) of Tropicana Corporation Berhad (“**Tropicana**” or “**the Company**”) will be held on a **fully virtual basis** via Online Meeting Platform hosted on Securities Services ePortal at <https://sshsb.net.my/> provided by SS E Solutions Sdn Bhd, at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan on Friday, 23 June 2023 at 11:00 am or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

AS ORDINARY BUSINESS

- | | | |
|-----|--|---|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2022 together with the Reports of the Directors and the Auditors thereon. | Please refer to item 1 of Explanatory Notes to Ordinary Business |
| 2. | To re-elect the following Directors who retire in accordance with Clause 112 of the Company's Constitution and, being eligible, have offered themselves for re-election: | |
| 2.1 | Dato' Mohamad Lotfy Bin Mohamad Noh | Ordinary Resolution 1 |
| 2.2 | Datuk Tan Mann Chai, JP | Ordinary Resolution 2 |
| 3. | To re-elect the following Directors who retire by rotation in accordance with Clause 113 of the Company's Constitution and, being eligible, have offered themselves for re-election: | |
| 3.1 | Tan Sri Dato' Sri Mohamad Fuzi Bin Harun | Ordinary Resolution 3 |
| 3.2 | Mr Dion Tan Yong Chien | Ordinary Resolution 4 |
| 3.3 | Encik Mohd Najib Bin Abdul Aziz | Ordinary Resolution 5 |
| 4. | To approve the payment of Directors' fees to the Non-Executive Directors based on the fees structure as disclosed in item 3 of the Explanatory Notes to Ordinary Business from this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company to be held in year 2024. | Ordinary Resolution 6 |
| 5. | To approve the payment of meeting attendance allowance of RM1,000.00 per meeting day to each Non-Executive Director from this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company to be held in year 2024. | Ordinary Resolution 7 |
| 6. | To re-appoint Ernst & Young PLT as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 8 |

NOTICE OF FORTY-FOURTH ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following Ordinary Resolutions:

7. PROPOSED AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

Ordinary Resolution 9

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (**“the Act”**), the Company’s Constitution and the approvals from Bursa Malaysia Securities Berhad (**“Bursa Securities”**) and any other relevant governmental and/or regulatory authorities, the Directors of the Company be and are hereby authorised to allot and issue shares in the Company from time to time to such person(s) and upon such terms and conditions and for such purposes as the Directors of the Company may in their absolute discretion deem fit **PROVIDED THAT** the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being; as stipulated under Paragraph 6.03(1) of Bursa Securities Main Market Listing Requirements; **AND THAT** the Directors of the Company be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities and that such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company;

AND THAT pursuant to Section 85 of the Act to be read together with Clause 68 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking pari passu in all respects with the existing ordinary shares arising from the allotment and issuance of the shares pursuant to Section 75 and 76 of the Act.”

8. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

Ordinary Resolution 10

“THAT subject to Section 127 of the Act, the Company’s Constitution, the Listing Requirements of Bursa Securities and any other relevant authorities, the Directors of the Company be and are hereby authorised to purchase its own shares through Bursa Securities as may be determined by the Directors of the Company from time to time and upon such terms and conditions as the Directors of the Company may deem fit and expedient in the best interest of the Company **PROVIDED THAT:**

- (a) the aggregate number of shares, which may be purchased pursuant to this resolution, does not exceed ten per centum (10%) of the total number of issued shares of the Company at the time of purchase and **FURTHER PROVIDED THAT** the Company continues to maintain a public shareholding spread that is in compliance with the Listing Requirements of Bursa Securities after the shares are purchased;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company at the time of purchase;
- (c) upon the completion of the purchase of the shares of the Company, the Directors of the Company be authorised to deal with those shares in the following manners:
 - (i) cancel the shares so purchased; or
 - (ii) retain the shares so purchased as treasury shares; or

- (iii) retain part of the shares so purchased as treasury shares and cancel the remainder; or
- (iv) distribute the treasury shares as dividends to the shareholders and/or resell on Bursa Securities and/or transfer the shares or any of the shares as purchase consideration and/or cancel all or part of them; or
- (v) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements of Bursa Securities and any other relevant authority for the time being in force;

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

- (i) the conclusion of the next Annual General Meeting of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at the general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting of the Company;

whichever is the earlier;

AND THAT the Directors of the Company be authorised to take all such steps as are necessary or expedient to implement or to give effect to the purchases of the shares of the Company with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or permitted by the relevant authorities and/or deem fit by the Directors of the Company in the best interests of the Company."

9. **PROPOSED RENEWAL OF AUTHORITY TO ALLOT AND ISSUE ORDINARY SHARES IN TROPICANA CORPORATION BERHAD ("TROPICANA") ("TROPICANA SHARES") FOR THE PURPOSE OF TROPICANA'S DIVIDEND REINVESTMENT SCHEME ("DRS") THAT PROVIDES SHAREHOLDERS OF TROPICANA THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND ENTITLEMENTS IN NEW TROPICANA SHARES**

Ordinary Resolution 11

"THAT pursuant to the DRS as approved by the shareholders of the Company at the Thirty-Fourth Annual General Meeting of the Company held on 28 June 2013 and its subsequent renewals at the Annual General Meetings of the Company, approval be and is hereby given to the Company to allot and issue such number of new Tropicana Shares for the DRS from time to time as may be required to be allotted and issued pursuant to the DRS until the conclusion of the next Annual General Meetings of the Company upon such terms and conditions and to such persons as the Directors of the Company, may in their absolute discretion, deem fit and in the best interests of the Company **PROVIDED THAT** the issue price of the said new Tropicana Shares shall be fixed by the Directors of the Company at a discount of not more than ten per centum (10%) to the five (5) market days volume weighted average market price ("**VWAMP**") of Tropicana Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price;

NOTICE OF FORTY-FOURTH ANNUAL GENERAL MEETING

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds, undertakings and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments to the terms of the DRS as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments by the Directors of the Company as they may in their absolute discretion deem fit, necessary and/or expedient in the best interests of the Company.”

10. To transact any other business of which due notice shall have been given in accordance with the Act and the Company's Constitution.

By Order of the Board
TROPICANA CORPORATION BERHAD

CHUA SIEW CHUAN (SSM PC No. 201908002648) (MAICSA 0777689)
CHIN MUN YEE (SSM PC No. 201908002785) (MAICSA 7019243)
TAN GIN LING (SSM PC No. 201908002292) (MAICSA 7023190)
Company Secretaries

Petaling Jaya,
Selangor Darul Ehsan
28 April 2023

Notes:

1. For the purpose of determining a member who shall be entitled to participate at the 44th AGM of the Company, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at **15 June 2023** in accordance with Clause 80 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991. Only a depositor whose name appears in the Record of Depositors as at **15 June 2023** shall be entitled to participate and vote at the Meeting or appoint proxy(ies) to participate and/or vote on his/her behalf.
2. A member of the Company shall be entitled to appoint a proxy or proxies (subject always to a maximum of two (2) proxies) to participate, speak and vote in his/her stead at the 44th AGM of the Company. A proxy may but need not be a member of the Company. There is no restriction as to the qualification of proxy. As guided by the Securities Commission Malaysia's Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers that was first issued on 18 April 2020 and its subsequent amendments, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders, corporate representatives and proxies shall communicate with the main venue of the Meeting via real time submission of typed texts through a text box within Securities Services ePortal's platform during the live streaming of the Meeting as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders, corporate representatives and proxies may email their questions to eservices@sshsb.com.my during the Meeting. The questions and/or remarks submitted by the shareholders, corporate representatives and/or proxies will be broadcasted and responded to by the Chairman/Directors/relevant advisers during the Meeting.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991) which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
5. Where more than one (1) proxy is appointed to participate and vote at the Meeting, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which, the appointment shall be invalid.
6. Appointment of proxy and registration for remote participation and voting

The instrument appointing a proxy must be in writing under the hands of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation either under its common seal or under the hand of its officer or its duly authorised attorney.

To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be completed and deposited at the office of the Share Registrar of the Company, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time set for holding the Meeting or at any adjournment thereof. The proxy appointment may also be lodged electronically via Securities Services ePortal at <https://sshsb.net.my/>. The lodging of the Proxy Form does not preclude any shareholder from participating and voting remotely at the Meeting should any shareholder subsequently wishes to do so, provided a Notice of Termination of Authority to act as Proxy is given to the Company and deposited at the office of Share Registrar of the Company, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the time stipulated for holding the Meeting or any adjournment thereof. All resolutions set out in the Notice of 44th AGM are to be voted by poll.

Should you wish to personally participate at the Meeting remotely, please register electronically via Securities Services ePortal at <https://sshsb.net.my/> by the registration cut-off date and time. Please refer to the Administrative Guide on the Conduct of a Fully Virtual General Meeting ("**Administrative Guide**") for further details.

The Administrative Guide is available for download at <https://www.tropicanaacorp.com.my/reports-and-presentations>

NOTICE OF FORTY-FOURTH ANNUAL GENERAL MEETING

EXPLANATORY NOTES TO ORDINARY BUSINESS

1. Laying of Audited Financial Statements and Reports of the Directors and the Auditors thereon

In accordance with Section 340(1)(a) of the Companies Act 2016 (“the Act”), the Company is required to lay the Audited Financial Statements and the Reports of the Directors and the Auditors thereon at its Annual General Meeting. Hence, the Agenda item no. 1 above is not a business which requires a resolution to be put to vote by the shareholders. This Agenda item is for discussion and receipt only.

2. Ordinary Resolutions 1 – 5 – Re-election of Directors who retire in accordance with Clauses 112 and 113 of the Company’s Constitution

In accordance to Clause 112 of the Company’s Constitution, any Director appointed shall hold office until the next following Annual General Meeting of the Company and shall be eligible for re-election at such Meeting. A Director under this Clause shall not be taken into account in determining the Directors or the number of Directors to retire by rotation in Clause 113 of the Company’s Constitution.

Dato’ Mohamad Lotfy Bin Mohamad Noh and Datuk Tan Mann Chai, JP who retire in accordance with Clause 112 of the Company’s Constitution and who being eligible offer themselves for re-election.

Clause 113 of the Company’s Constitution provides that one-third (1/3) of the Directors (with the exception of Alternate Director) for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election. Out of the current Board size of twelve (12), two (2) are to retire in accordance with Clause 112 of the Company’s Constitution, thus three (3) out of ten (10) Directors are to retire by rotation in accordance with Clause 113 of the Company’s Constitution.

In line with Practice 6.1 of the Malaysian Code on Corporate Governance (“MCCG”) issued by the Securities Commission Malaysia on 28 April 2021, the Board of Directors (“Board”) has via its Nomination Committee undertakes a formal evaluation to determine each individual Director eligibility to stand for re-election at the 44th AGM of the Company which include the following:

- i) Self and peer performance evaluation such as priorities context of issues in line with corporate objective, provide realism and practical advice, and add value to Board meetings;
- ii) Independent Non-Executive Director self-evaluation such as length of service, independent of management and judgement and fulfill the criteria of independences; and
- iii) Level of independence demonstrated by the Independent Non-Executive Director, and his/her ability to act in the best interest of the Company in decision-making by providing annual declaration of independence.

Based on the evaluation results above, all individual Directors (including the retiring Directors) have fulfilled the performance evaluation required. In addition, all Independent Non-Executive Directors have also provided their annual declaration of independence. Hence, the Board approved the Nomination Committee’s recommendation that Dato’ Mohamad Lotfy Bin Mohamad Noh and Datuk Tan Mann Chai, JP who retire in accordance with Clause 112 of the Company’s Constitution and Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun, Mr Dion Tan Yong Chien and Encik Mohd Najib Bin Abdul Aziz, who retire by rotation in accordance with Clause 113 of the Company’s Constitution are eligible to stand for re-election. They had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board meeting.

In line with Bursa Securities announcement on 19 January 2022, Paragraph 15.01A of Bursa Securities Main Market Listing Requirements, and Fit and Proper Policy adopted by the Board of Directors of the Company during the year 2022, the Directors who eligible for re-election have completed their respective Fit & Proper Policy Compliance Checklist to declare that they are a fit and proper person to act as a Director of the Company.

3. **Ordinary Resolution 6 – Approval for Directors’ fees from this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company to be held in year 2024**

Section 230(1) of the Act requires the fees of the directors and any benefits payable to the directors of a public company shall be approved at a general meeting. Pursuant thereto, the Company is seeking the shareholders’ approval for the payment of Directors’ fees to the Non-Executive Directors from this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company to be held in year 2024 in accordance with the Directors’ fees structure as set out below:

Board of Directors (“Board”)/Board Committee	Fees (RM/year)			
	Chairman	Deputy Chairman	Senior Independent Director	Members
Board	240,000	180,000	165,000	150,000
Audit Committee	28,000	–	–	20,000
Risk Management & Sustainability Committee	19,000	–	–	13,000
Other Committees	10,000	–	–	6,000

The proposed Ordinary Resolution 6, if passed, will give approval to the Company to pay the Directors’ fees to the Non-Executive Directors on the basis as determined by the Board for their services as members of the Board and Board Committees.

EXPLANATORY NOTES TO SPECIAL BUSINESS

1. **Ordinary Resolution 9 – Proposed authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Act**

The general mandate sought by the Company under the proposed Ordinary Resolution 9 is to renew the previous general mandate granted to the Directors of the Company at the Forty-Third Annual General Meeting of the Company held on 23 June 2022 to allot and issue shares pursuant to Sections 75 and 76 of the Act. As at the date of this Notice of Meeting, no new share in the Company were issued under the previous general mandate, which will lapse at the conclusion of the 44th Annual General Meeting of the Company and hence, no proceeds raised therefrom.

The proposed Ordinary Resolution 9, if passed, will empower the Directors of the Company to issue and allot not more than ten per centum (10%) of the Company’s total number of issued shares (excluding treasury shares) for the time being speedily without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the Forty-Fifth Annual General Meeting (“45th AGM”) of the Company.

The proposed Ordinary Resolution, if passed, will exclude shareholder’s pre-emptive rights to be offered such new shares to be issued by the Company pursuant to this resolution.

Instances for which the Company may issue new shares under this general mandate include but not limited to the purpose(s) of complying with public shareholding spread requirements and raising funds through private placement for purposes of working capital requirement and/or allowing the entry of strategic partners.

2. **Ordinary Resolution 10 – Proposed renewal of authority for the Company to purchase its own shares**

The proposed Ordinary Resolution 10, if passed, will renew the shareholders' mandate for the Company to purchase and/or hold up to ten per centum (10%) of the total number of issued shares of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the 45th AGM of the Company.

Further information on this proposal is set out in the Share Buy-Back Statement dated 28 April 2023.

3. **Ordinary Resolution 11 – Proposed renewal of authority to allot and issue ordinary shares in Tropicana for the purpose of Tropicana's Dividend Reinvestment Scheme ("DRS") that provides shareholders of Tropicana the option to elect to reinvest their cash dividend entitlements in new ordinary shares in Tropicana**

The proposed Ordinary Resolution 11, if passed, will empower the Directors of the Company to allot and issue new ordinary shares in the Company in respect of dividends to be declared, if any, under the DRS. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the 45th AGM of the Company.

ADMINISTRATIVE GUIDE

TROPICANA CORPORATION BERHAD : FULLY VIRTUAL 44TH ANNUAL GENERAL MEETING ON 23 JUNE 2023

WHAT IS SECURITIES SERVICES ePORTAL?

Securities Services ePortal is an online platform that will allow both individual shareholders and body corporate shareholders through their appointed representatives, to

- Submit proxy form electronically : paperless submission
- Register for remote participation and voting at meetings
- Participate in meetings remotely via live streaming
- Vote online remotely on resolution(s) tabled at meetings

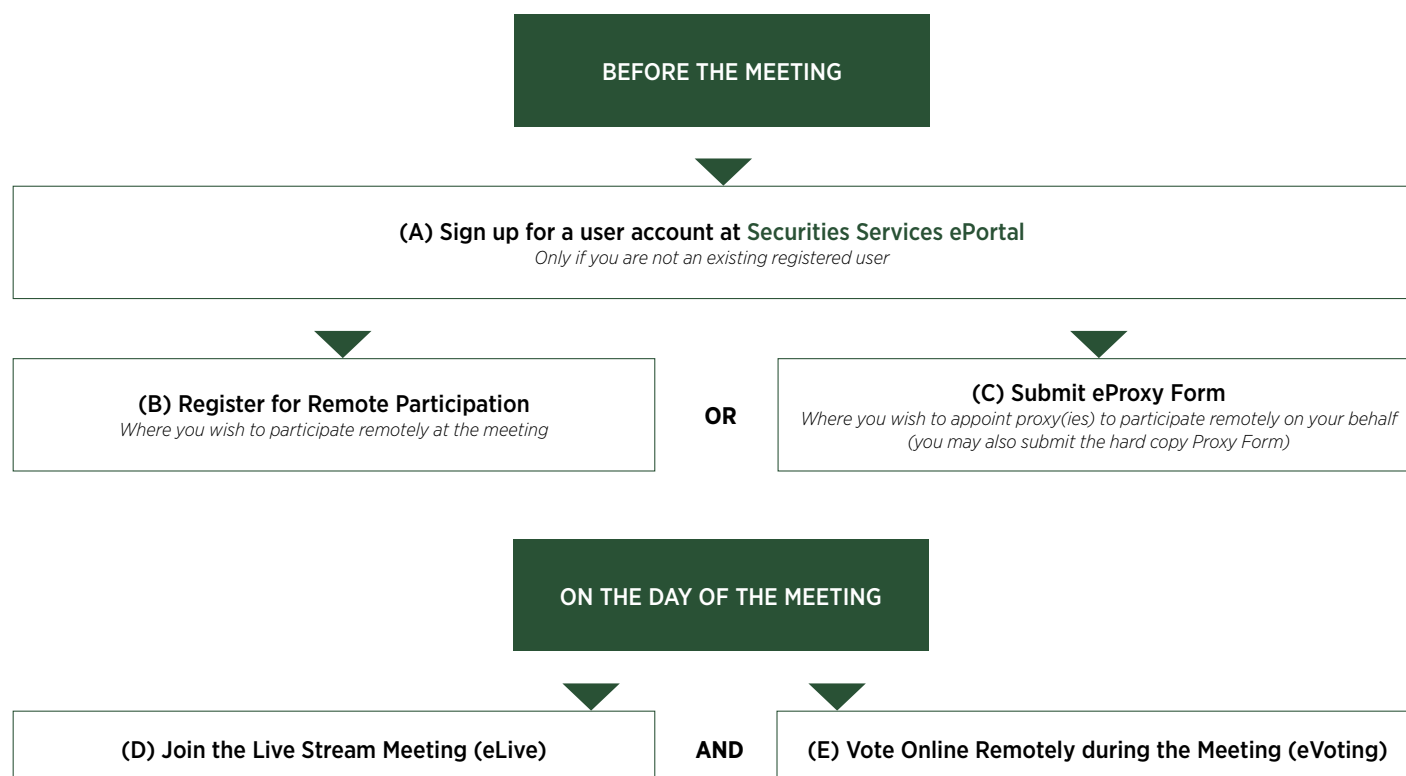
(referred to as “**eServices**”).

The usage of the ePortal is dependent on the engagement of the relevant eServices by Tropicana Corporation Berhad and is by no means a guarantee of availability of use, unless we are so engaged to provide. **All users are to read, agree and abide to all the Terms and Conditions of Use and Privacy Policy as required throughout the ePortal.**

Please note that the ePortal is best viewed on the latest versions of Chrome, Firefox, Edge and Safari.

REQUIRE ASSISTANCE?

Please contact Mr Wong Piang Yoong (DID: +603 2084 9168) or Ms Lee Pei Yeng (DID: +603 2084 9169) or Ms Rachel Ou (DID: +603 2084 9161) or our general line (DID: +603 2084 9000) to request for eServices Assistance during our office hours on Monday to Friday from 8:30 am to 12:15 pm and from 1:15 pm to 5:30 pm. Alternatively, you may email us at eservices@sshhsb.com.my.



ADMINISTRATIVE GUIDE

TROPICANA CORPORATION BERHAD : FULLY VIRTUAL 44TH ANNUAL GENERAL MEETING ON 23 JUNE 2023

BEFORE THE MEETING

(A) SIGN UP FOR A USER ACCOUNT AT SECURITIES SERVICES ePORTAL

- | | |
|---|---|
| <p>Step 1 Visit https://sshsb.net.my/</p> <p>Step 2 Sign up for a user account</p> <p>Step 3 Wait for our notification email that will be sent within one (1) working day</p> <p>Step 4 Verify your user account within seven (7) days of the notification email and log in</p> | <ul style="list-style-type: none"> • We require one (1) working day to process all user sign ups. If you do not have a user account with the ePortal, you will need to sign up for a user account by the deadlines stipulated below. • Your registered email address is your User ID. |
|---|---|

To register for the meeting under (B) below, please sign up for a user account by 21 JUNE 2023.

To submit eProxy Form under (C) below, please sign up for a user account by 19 JUNE 2023, failing which you may only be able to submit the hard copy proxy form.

This is a ONE TIME sign up only. If you already have a user account, please proceed to either (B) or (C) below.

(B) REGISTER FOR REMOTE PARTICIPATION AT THE MEETING

- Log in to <https://sshsb.net.my/> with your registered email and password.
- Look for **Tropicana Corporation Berhad** under Company Name and **44th AGM on 23 June 2023 at 11:00 am : Registration for Remote Participation** under Corporate Exercise / Event and click ">" to register for remote participation at the meeting.

- Step 1** Check if you are attending as:
- Individual shareholder
 - Corporate or authorised representative of a body corporate
- For body corporates, the appointed corporate / authorised representative has to upload the evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). All documents that are not in English or Bahasa Malaysia have to be accompanied by a certified translation in English in 1 file. The original evidence of authority and translation thereof, if required, have to be submitted at the office of Share Registrar, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia for verification before the registration closing date and time above.*
- Step 2** Submit your registration.
- All shareholders must register for remote participation at the meeting and are highly encouraged to register as early as possible and before the eLive access date and time [see (D) below] in order to ensure timely access to the meeting. Access shall be granted only to eligible shareholders in accordance with the General Meeting Record of Depositors as at 15 June 2023.
 - A copy of your eRegistration for remote participation can be accessed via **My Records** (refer to the left navigation panel).
 - Your registration will apply to **all the CDS account(s)** of each individual shareholder / body corporate shareholder that you represent. If you are both an individual shareholder and representative of body corporate(s), you need to register as an individual and also as a representative for each body corporate.
 - As the meeting will be conducted on a fully virtual basis, we highly encourage all shareholders to remotely participate and vote at the meeting, failing which, please appoint the Chairman of the meeting as proxy or your own proxy(ies) to represent you.

BEFORE THE MEETING

(C) SUBMIT ePROXY FORM

Meeting Date and Time

Friday, 23 June 2023 at 11:00 am

Proxy Form Submission Closing Date and Time

Wednesday, 21 June 2023 at 11:00 am

- Log in to <https://sshsb.net.my/> with your registered email and password.
- Look for **Tropicana Corporation Berhad** under Company Name and **44th AGM on 23 June 2023 at 11:00 am : Submission of Proxy Form** under Corporate Exercise / Event and click ">" to submit your proxy forms online for the meeting by the submission closing date and time above.

Step 1 Check if you are submitting the proxy form as:

- Individual shareholder
- Corporate or authorised representative of a body corporate

For body corporates, the appointed corporate / authorised representative is to upload the evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). All documents that are not in English or Bahasa Malaysia have to be accompanied by a certified translation in English in 1 file. The original evidence of authority and translation thereof, if required, have to be submitted at the office of Share Registrar, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia for verification before the proxy form submission closing date and time above.

Step 2 Enter your CDS account number or the body corporate's CDS account number. Then enter the information of your proxy(ies) and the proportion of your securities to be represented by your proxy(ies).

You may appoint the Chairman of the meeting as your proxy should you not able to participate remotely.

Step 3 Proceed to indicate how your votes are to be casted against each resolution.**Step 4** Review and confirm your proxy form details before submission.

- A copy of your submitted e-Proxy Form can be accessed via **My Records** (refer to the left navigation panel).
- You need to submit your e-Proxy Form for **every CDS account(s)** you have or represent.

PROXIES

All appointed proxies need not register for remote participation under (B) above but if they are not registered users of the ePortal, they will need to sign up as users of the ePortal under (A) above by 19 June 2023. PLEASE NOTIFY YOUR PROXY(IES) ACCORDINGLY.

Upon processing the proxy forms, we will grant the proxy access to remote participation at the meeting to which he/she is appointed for instead of the shareholder, provided the proxy must be a registered user of the ePortal, failing which, the proxy will not be able to participate at the meeting as the meeting will be conducted on a fully virtual basis.

ON THE DAY OF THE MEETING

Log in to <https://sshsb.net.my/> with your registered email and password

(D) JOIN THE LIVE STREAM MEETING (eLIVE)

Meeting Date and Time

Friday, 23 June 2023 at 11:00 am

eLive Access Date and Time

Friday, 23 June 2023 at 10:30 am

- Look for **Tropicana Corporation Berhad** under Company Name and **44th AGM on 23 JUNE 2023 at 11:00 am : Live Stream Meeting** under Corporate Exercise/Event and click ">" to join the meeting.
- The access to the live stream meeting will open on the abovementioned date and time.
- If you have any questions to raise, you may use the text box to transmit your question. The Chairman / Board / Management / relevant adviser(s) will endeavour to broadcast your question and their answer during the meeting. Do take note that the quality of the live streaming is dependent on the stability of the internet connection at the location of the user.

(E) VOTE ONLINE REMOTELY DURING THE MEETING (eVOTING)

Meeting Date and Time

Friday, 23 June 2023 at 11:00 am

eVoting Access Date and Time

Friday, 23 June 2023 at 11:00 am

- If you are already accessing the Live Stream Meeting, click **Proceed to Vote** under the live stream player.
OR
- If you are not accessing from the Live Stream Meeting and have just logged in to the ePortal, look for **Tropicana Corporation Berhad** under Company Name and **44th AGM on 23 June 2023 at 11:00 am : Remote Voting** under Corporate Exercise/Event and click ">" to remotely cast and submit the votes online for the resolutions tabled at the meeting.

Step 1 Cast your votes by clicking on the radio buttons against each resolution.

Step 2 Review your casted votes and confirm and submit the votes.

- The access to eVoting will open on the abovementioned date and time.
- Your votes casted will apply throughout all the CDS accounts you represent as an individual shareholder, corporate / authorised representative and proxy. Where you are attending as a proxy, and the shareholder who appointed you has indicated how the votes are to be casted, we will take the shareholder's indicated votes in the proxy form.
- The access to eVoting will close as directed by the Chairman of the meeting.
- A copy of your submitted eVoting can be accessed via **My Records** (refer to the left navigation panel).

PROXY FORM

*I/We:

Full name (in block capitals):	CDS Account No.:	No. of shares held:
Address:	NRIC/Passport/Registration No.:	
Contact:	Email:	

being a *member/members of TROPICANA CORPORATION BERHAD, do hereby appoint:

First Proxy "A"

Full name (in block capitals):	NRIC/Passport No.:	Proportion of shareholdings	
		No. of shares	%
Address:	Email:		
	Contact:		

*AND/OR

*Second Proxy "B"

Full name (in block capitals):	NRIC/Passport No.:	Proportion of shareholdings	
		No. of shares	%
Address:	Email:		
	Contact:		

or failing *him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Forty-Fourth Annual General Meeting of the Company ("44th AGM" or "Meeting") to be held on a fully virtual basis via Online Meeting Platform hosted on Securities Services ePortal at <https://sshsb.net.my/> provided by SS E Solutions Sdn Bhd on Friday, 23 June 2023 at 11:00 am or any adjournment thereof.

NO.	RESOLUTIONS		FOR	AGAINST
1.	Re-election of Dato' Mohamad Lotfy Bin Mohamad Noh as Director.	Ordinary Resolution 1		
2.	Re-election of Datuk Tan Mann Chai, JP as Director.	Ordinary Resolution 2		
3.	Re-election of Tan Sri Dato' Sri Mohamad Fuzi Bin Harun as Director.	Ordinary Resolution 3		
4.	Re-election of Mr Dion Tan Yong Chien as Director.	Ordinary Resolution 4		
5.	Re-election of Encik Mohd Najib Bin Abdul Aziz as Director.	Ordinary Resolution 5		
6.	Approval of the payment of Directors' fees to the Non-Executive Directors from this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.	Ordinary Resolution 6		
7.	Approval of the payment of meeting attendance allowance to each Non-Executive Director from this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.	Ordinary Resolution 7		
8.	Re-appointment of Ernst & Young PLT as Auditors and to authorise the Directors to fix their remuneration.	Ordinary Resolution 8		
9.	Authority to allot issue and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.	Ordinary Resolution 9		
10.	Renewal of authority for the Company to purchase its own shares.	Ordinary Resolution 10		
11.	Renewal of authority to issue and allot shares for the purpose of the Dividend Reinvestment Scheme.	Ordinary Resolution 11		

Please indicate with an "X" in the appropriate column above to show how you wish your votes to be cast. In the absence of specific directions, your proxy will vote or abstain from voting at his/her discretion.

*strike out whichever not applicable

Signature of Member(s)/Common Seal

Signed this _____ day of _____, 2023

Notes:-

1. For the purpose of determining a member who shall be entitled to participate at the 44th AGM of the Company, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at **15 June 2023** in accordance with Clause 80 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991. Only a depositor whose name appears in the Record of Depositors as at **15 June 2023** shall be entitled to participate and vote at the Meeting or appoint proxy(ies) to participate and/or vote on his/her behalf.
2. A member of the Company shall be entitled to appoint a proxy or proxies (subject always to a maximum of two (2) proxies) to participate, speak and vote in his/her stead at the 44th AGM of the Company. A proxy may but need not be a member of the Company. There is no restriction as to the qualification of proxy.

As guided by the Securities Commission Malaysia's Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers that was first issued on 18 April 2020 and its subsequent amendments, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders, corporate representatives, and proxies shall communicate with the main venue of the Meeting via real time submission of typed texts through a text box within Securities Services ePortal's platform during the live streaming of the Meeting as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders, corporate representatives and proxies may email their questions to eservices@sshsb.com.my during the Meeting. The questions and/or remarks submitted by the shareholders, corporate representatives and/or proxies will be broadcasted and responded by the Chairman/ Directors/relevant advisers during the Meeting.

3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991) which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.

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AFFIX
STAMP

The Share Registrar of TROPICANA CORPORATION BERHAD

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan

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5. Where more than one (1) proxy is appointed to participate and vote at the Meeting, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which, the appointment shall be invalid.
6. Appointment of proxy and registration for remote participation and voting

The instrument appointing a proxy must be in writing under the hands of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation either under its common seal or under the hand of its officer or its duly authorised attorney.

To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be completed and deposited at the office of the Share Registrar of the Company, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time set for holding the Meeting or at any adjournment thereof. The proxy appointment may also be lodged electronically via Securities Services ePortal at <https://sshsb.net.my/>. All resolutions set out in the Notice of 44th AGM are to be voted by poll.

The Administrative Guide on the Conduct of a Fully Virtual General Meeting is available for download at www.tropicana.com.my/reports-and-presentations



TROPICANA
PARADISE
GENTING HIGHLANDS

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