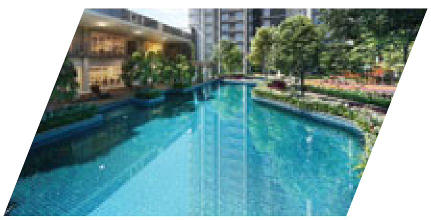
GLOMAC



# RESILIENCE AND **PROGRESS**

Annual Report 2023

## OUR VISION

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

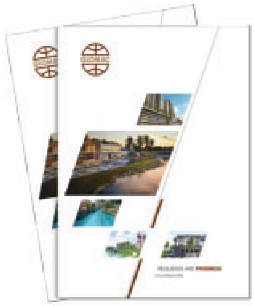
## OUR MISSION

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

## OUR WAY FORWARD

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

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



**Cover Rationale**

The theme, **Resilience and Progress** highlights the company's ability to navigate through challenges and adversities, emphasising its resilience and unwavering commitment to making progress despite the global economic headwinds.

Scan the QR Code by following these simple steps:

**Get it**
Download the "QR Code Reader" app from Google Play (Android Market), BlackBerry AppWorld, App Store (iOS/iPhone) or Windows Phone Store

**Run it**
Run the QR Code Reader app and point your camera at the QR Code

**Access it**
Get access to Glomac's website

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SCAN HERE to access to
**GLOMAC ANNUAL REPORT 2023**

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

# CORPORATE PROFILE


**Formed in 1988, Glomac has been driven by a powerful vision, unwavering passion, and relentless determination to create inspiring places to live and work in. Our commitment to quality and innovation has garnered the trust of our customers, investors, and partners alike.**

Since its listing on the Main Board of Bursa Malaysia Securities Berhad on 13 June 2000, Glomac Berhad has built an enviable reputation for consistently delivering on our promises and exceeding expectations.

Through our dedication, we have achieved a remarkable total sales value of close to RM9 billion to date, demonstrating our ability to create value for our stakeholders. For the financial year 2024, Glomac plans to launch an estimated of RM475 million worth of properties.

With a rich legacy of over three decades, Glomac has significantly contributed to the growth and transformation of the real estate landscape. Currently helmed by visionary Datuk Seri FD Iskandar bin Tan Sri Dato' Mohamed Mansor, Group Managing Director/Chief Executive Officer, Glomac Berhad now encompasses 57 subsidiaries, each contributing to every facet of the real estate business, including property development, investment, construction, management, and car park management

Glomac is firmly committed to elevating our presence and influence further. As a responsible and visionary property developer, we take pride in our accomplishments, which include the successful development of townships, residential, commercial, and mixed-use properties. Moreover, we are actively exploring new landbank opportunities and emerging markets, keeping a keen eye on the prime Greater KL area, where the Group is well established.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

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

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

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

**Dato' Ikhwan Salim bin Dato' Haji Sujak** Senior Independent Non-Executive Director *(Resigned on 1 July 2023)*

**Shan Choo** Independent Non-Executive Director

**Mohd Razlan bin Mohamed** Independent Non-Executive Director

**Mohd Adzahar bin Abdul Wahid** Independent Non-Executive Director *(Appointed on 1 June 2023)*

**Datuk Bazlan bin Osman** Independent Non-Executive Director *(Resigned on 31 March 2023)*

**Datuk Ali bin Abdul Kadir** Independent Non-Executive Director *(Retired on 19 October 2022)*

## AUDIT COMMITTEE

**Shan Choo**
Chairman
*(Redesignated from Member to Chairman on 19 October 2022)*

**Mohd Razlan bin Mohamed**
Member

**Mohd Adzahar bin Abdul Wahid**
Member
*(Appointed on 19 June 2023)*

**Datuk Bazlan bin Osman**
Member
*(Resigned on 31 March 2023)*

**Dato' Ikhwan Salim bin Dato' Haji Sujak**
Member
*(Resigned on 1 July 2023)*

## REMUNERATION & EMPLOYEES' SHARE SCHEME COMMITTEE

**Mohd Adzahar bin Abdul Wahid**
Chairman
*(Appointed on 1 July 2023)*

**Dato' Ikhwan Salim bin Dato' Haji Sujak**
Chairman
*(Resigned on 1 July 2023)*

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

**Shan Choo**
Member

## NOMINATION COMMITTEE

**Mohd Adzahar bin Abdul Wahid**
Chairman
*(Appointed on 1 July 2023)*

**Dato' Ikhwan Salim bin Dato' Haji Sujak**
Chairman
*(Resigned on 1 July 2023)*

**Mohd Razlan bin Mohamed**
Member

**Shan Choo**
Member

## RISK MANAGEMENT & SUSTAINABILITY COMMITTEE

**Mohd Razlan bin Mohamed**
Chairman
*(Redesignated from Member to Chairman on 30 November 2022)*

**Shan Choo**
Member
*(Redesignated from Chairman to Member on 30 November 2022)*

**Mohd Adzahar bin Abdul Wahid**
Member
*(Appointed on 19 June 2023)*

**Datuk Bazlan bin Osman**
Member
*(Resigned on 31 March 2023)*

**Dato' Ikhwan Salim bin Dato' Haji Sujak**
Member
*(Resigned on 1 July 2023)*

## COMPANY SECRETARIES

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

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

**Lilyrohayu Ab. Hamid @ Kassim**
MAICSA 7044674
SSM PC No. 202008001385
*(Resigned on 12 April 2023)*

## SHARE REGISTRAR

ShareWorks Sdn. Bhd.
[199101019611(229948-U)]
No.2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Tel : +603 6201 1120
Fax : +603 6201 3121
E-mail : ir@shareworks.com.my

## PRINCIPAL BANKERS

Al Rajhi Banking & Investment Corporation (Malaysia) Berhad
AmBank (M) Berhad
HSBC Amanah Malaysia Berhad
Malayan Banking Berhad

## REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

Level 15, Menara Glomac
Glomac Damansara
Jalan Damansara
60000 Kuala Lumpur
Tel : +603 7723 9000
Fax : +603 7729 7000
E-mail : ir@glomac.com.my

## AUDITOR

Deloitte PLT (AF0080)
(LLP0010145-LCA)
Level 16, Menara LGB
No.1 Jalan Wan Kadir
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel : +603 7610 8888
Fax : +603 7726 8986

## STOCK EXCHANGE

Main Market of Bursa Malaysia Securities Berhad
Stock Name : GLOMAC
Stock Code : 5020
Sector : Property

## WEBSITE

***https://www.glomac.com.my***

# CORPORATE STRUCTURE

## PROPERTY DEVELOPMENT & INVESTMENT

**100% Anugerah Armada Sdn. Bhd.**
Lot 13720, Pekan Kayu Ara

**100% Glomac Sutera Sdn. Bhd.**
Sri Saujana, Kota Tinggi, Johor

**100% Dunia Heights Sdn. Bhd.**
Proposed Residential Development in Sg. Boluh

**100% Glomac Vantage Sdn. Bhd.**
Taman Mahkota Laksamana, Seksyen III, Melaka

**100% Elmina Equestrian Centre (Malaysia) Sdn. Bhd.**
Saujana Utama V, Sg. Buloh

**100% Precious Quest Sdn. Bhd.**
Saujana Jaya, Kulai, Johor

**100% Glomac Alliance Sdn. Bhd.**
Lakeside Residences, Puchong

**100% Regency Land Sdn. Bhd.**
Saujana Utama III, Sg Buloh & Saujana Aman

**100% Glomac Consolidated Sdn. Bhd.**
Bukit Saujana, Sg. Buloh

**100% Glomac Kristal Sdn. Bhd.**
Glomac Centro, Petaling Jaya

**100% Glomac City Sdn. Bhd.**
Plaza Glomac, Kelana Jaya

**100% FDM Development Sdn. Bhd.**
121 Residences, Petaling Jaya

**100% Glomac Damansara Sdn. Bhd.**
Glomac Damansara, Kuala Lumpur

**100% Berapit Properties Sdn. Bhd.**
Glomac Cyberjaya 2, Cyberjaya

**100% Glomac Enterprise Sdn. Bhd.**
Sungai Buloh Country Resort, Sg. Buloh

**100% Kelana Kualiti Sdn. Bhd.**
Saujana Perdana, Sg. Buloh

**100% Glomac Nusantara Sdn. Bhd.**
Dataran Glomac, Kelana Jaya

**100% Magical Sterling Sdn. Bhd.**
Saujana KLIA, Sepang

**100% Glomac Jaya Sdn. Bhd.**
Glomac Cyberjaya, Cyberjaya

**51% Glomac Al Batha Sdn. Bhd.**
Menara Prestige

**100% Glomac Maju Sdn. Bhd.**
Suria Residen, Cheras

**51% Glomac Al Batha Mutiara Sdn. Bhd.**
(held through Glomac Al Batha Sdn. Bhd.)
Reflection Residences, Damansara

**100% Glomac Rawang Sdn. Bhd.**
Saujana Rawang, Rawang

**100% Glomac Segar Sdn. Bhd.**
Plaza @ Kelana Jaya

**100% Glomac Regal Sdn. Bhd.**
Suria Stonor, Kuala Lumpur

**100% Glomac Resources Sdn. Bhd.**
Galeria Hartamas, Kuala Lumpur

# CORPORATE STRUCTURE

## OTHER ACTIVITIES

## DORMANT

### PROPERTY INVESTMENT

100% **Glo Damansara Sdn. Bhd.**
Glo Damansara Mall.
Kuala Lumpur

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

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

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

100% **Kelana Centre Point Sdn. Bhd.**
Kompleks Kelana Centre Point,
Kelana Jaya

100% **Glomac Realty Sdn. Bhd.**
Glomac Business Centre,
Kelana Jaya

### INVESTMENT HOLDING

100% **Glomac Australia Pty Ltd.**

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

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

### CAR PARK MANAGEMENT

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

### MANAGEMENT SERVICES

100% **Glomac Group Management Services Sdn. Bhd.**

### CONSTRUCTION

100% **Glomac Bina Sdn. Bhd.**

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

### PROPERTY MANAGEMENT SERVICES

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

100% **Kelana Property Management Sdn. Bhd.**

### DORMANT

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

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

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

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

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

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

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

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

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

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

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

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

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

70% **FDA Sdn. Bhd.**

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

51% **Glomac Technology Sdn. Bhd.**

100% **Kelana Seafood Centre Sdn. Bhd.**

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

# BOARD OF DIRECTORS PROFILE

| | |
|---|---|
| Aged 83 | |
| Male | |
| Malaysian | |

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

Group Executive Chairman

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

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

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

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

Tan Sri Dato' FD Mansor attended all five (5) board meetings of the Company held during the financial year ended 30 April 2023.

# BOARD OF DIRECTORS PROFILE

| |
|---|
| Aged 72 |
| Male |
| Malaysian |

Group Executive Vice Chairman

## DATUK FONG LOONG TUCK

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

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

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

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

Datuk Richard attended all five (5) board meetings of the Company held during the financial year ended 30 April 2023.

# BOARD OF DIRECTORS PROFILE

Aged 55

Male

Malaysian

Member of Remuneration and Employees' Share Scheme Committee

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

Group Managing Director / Chief Executive Officer

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

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

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

Datuk Seri FD Iskandar was appointed as a Board Member of Construction Industry Development Board, Malaysia (CIDB) from 2018 to 2020 and was also appointed as the Chairman of the Construction Research Institute of Malaysia (CREAM) Board of Trustee from 2019 to 2021. He was also a member of the City Advisory Board for Dewan Bandaraya Kuala Lumpur (DBKL) from 2014 to 2019.

Datuk Seri FD Iskandar was the President of Real Estate and Housing Developers' Association (REHDA) Malaysia for two (2) terms from 2014 to 2018 and he was formerly the Chairman of REHDA Selangor for two (2) terms from 2006 to 2010. He has also served as the Chairman of the Special Taskforce to Facilitate Business (PEMUDAH), specialising in legal matters. Datuk Seri FD Iskandar has served as an Independent Director of Telekom Malaysia (TM) from 2013 to 2018. TM is Malaysia's broadband

# BOARD OF DIRECTORS PROFILE

champion and leading integrated information and communications. He was the Chairman of VADS Berhad; a wholly-owned subsidiary of Telekom Malaysia Berhad which services the IT and telecommunications industries from 2015 to 2018.

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

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

He also had more than 12 years experience as a Board member of Axis-REIT Managers Berhad, the management body of Axis-REIT which was the first REITs company listed on Bursa Malaysia.

Currently, he is also the Patron of REHDA Malaysia, and since 2014, he has been appointed as the Chairman of GreenRE Sdn. Bhd. and ESD Greentech Sdn. Bhd. (subsidiaries of REHDA Malaysia).

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

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

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

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

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

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

As a testament to his remarkable achievements and leadership in the property industry, Datuk Seri FD Iskandar was honoured under the special recognition awards category by ASEAN PROPERTY AWARDS MALAYSIA 2018-2019 by Des Prix Infinitus whereby he was awarded the Prestigious Leadership Excellence Award in March 2019. In May 2019, The Property Insight Prestigious Developer Awards 2019 presented the Best Industry Leadership to Datuk Seri FD Iskandar. In 2023, he received the REHDA Patron Award from REHDA Malaysia and the Malaysian Property Icon Leadership Award from FIABCI Malaysia and KSI Strategic Institute for Asia Pacific.

Datuk Seri FD Iskandar attended all five (5) board meetings of the Company held during the financial year ended 30 April 2023.

# BOARD OF DIRECTORS PROFILE

| |
|---|
| Aged 63 |
| Female |
| Malaysian |
| Chairman of Audit Committee |
| Member of Risk Management and Sustainability Committee |
| Member of Nomination Committee |
| Member of Remuneration and Employees' Share Scheme Committee |

## SHAN CHOO

Independent
Non-Executive Director

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

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

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

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

Shan Choo attended all five (5) board meetings of the Company held during the financial year ended 30 April 2023.

# BOARD OF DIRECTORS PROFILE

Independent
Non-Executive Director

**MOHD RAZLAN BIN MOHAMED**

| |
|---|
| Aged 57 |
| Male |
| Malaysian |
| Chairman of Risk Management and Sustainability Committee |
| Member of Audit Committee |
| Member of Nomination Committee |
| Member of Remuneration and Employees' Share Scheme Committee |

**Mohd Razlan Bin Mohamed ("Razlan") was appointed to the Board of Glomac Berhad on 27 May 2022. He holds a Bachelor's of Science degree (cum laude) in Civil and Environmental Engineering from Duke University, USA and an MBA in Finance & Marketing from Rice University, USA. He has a vast working experience in financial services industries serving the corporate banking, investment banking, credit rating and asset management sectors.**

Razlan was a corporate and investment banker during the early part of his career attached to Perwira Affin Merchant Bank, Bank of America (Malaysia), Maybank Investment Bank and MIMB Investment Bank. During his 13-year span in investment banking, he was responsible for debt and debt capital market products, arranging and executing various corporate loans, syndicated loans, project financings and private debt securities sukuk issuances.

Razlan was appointed as the Chief Executive Officer of Malaysian Rating Corporation (MARC) in 2007, where he held the post for 11 years until 2018. During his tenure at MARC, he served as a board member of Asia credit rating industry body, the Association of Credit Rating Agencies in Asia, as well as Director in two other international credit rating agencies, namely, Islamic International Rating Agency, Bahrain and ARC Rating SA, Portugal.

He had also served as Independent Non-Executive Director of an Islamic Bank, HSBC Amanah Malaysia Berhad, an asset management company, VCAP Asset Managers Sdn Bhd and as a Chairman of a tolled highway concession company, Senai-Desaru Expressway Berhad.

Currently, Razlan sits on the Board as an Independent Non-Executive Director of Bank Muamalat Malaysia Berhad, Universiti Teknologi Malaysia, Lembaga Pembiayaan Perumahan Sektor Awam (LPPSA), Amanah Raya Investment Management Sdn. Bhd., USAINS Holding Sdn. Bhd. and Pacific Trustees Group International Sdn. Bhd.

Razlan attended all five (5) board meetings of the Company held during the financial year ended 30 April 2023.

# BOARD OF DIRECTORS PROFILE

| |
|---|
| Aged 59 |
| Male |
| Malaysian |
| Chairman of Nomination Committee |
| Chairman of Remuneration and Employees' Share Scheme Committee |
| Member of Risk Management and Sustainability Committee |
| Member of Audit Committee |

**MOHD ADZAHAR BIN ABDUL WAHID**

Independent Non-Executive Director

**Mohd Adzahar bin Abdul Wahid ("Mohd Adzahar") was appointed to the Board of Glomac Berhad on 1 June 2023. He is a Fellow of the Association of Chartered Certified Accountants (United Kingdom), a Member of the Malaysian Institute of Accountants, and a Member of the Financial Planning Association of Malaysia. He is also a Member of the Harvard Business School Alumni of Malaysia.**

Mohd Adzahar is the Director of PMCare Sdn Bhd and also a Chartered Accountant by profession. He has accumulated more than 32 years of working experience in banking and financial services. He began his career as a Trainee Accountant/Auditor in Sagoo & Co Chartered Accountants, Shepherd's Bush London, after graduating from the Emile Woolf College, London in 1988 with ACCA. Upon coming back to Malaysia from London, he immediately joined Bumiputra Merchant Bankers Berhad from 1988 to 1994 with his last position as a Corporate Banking Manager. His responsibilities included securing and management of corporate debt, consisting of both direct lending and syndicated debts, project financing as well as treasury functions.

Subsequently, he joined Malaysian Helicopter Services Berhad (MHS) as a Corporate Finance Manager and one of the major tasks undertaken was to assist in raising the required financing for MHS in the acquisition of Malaysia Airlines Berhad besides ensuring the management accounts and annual report were timely produced. He was also responsible in monitoring the investments done by MHS and to evaluate any project/proposal put forward to MHS.

Upon leaving MHS in 1995, Mohd Adzahar then joined PMCare Sdn Bhd ("PMCare"), which is a Business Process Outsourcing entity specialising in medical management. As the Chief Executive Officer-cum-Executive Director, he was instrumental in the development of its Medicare Integrated Information Exchange, which is the backbone operating applications software of PMCare. PMCare is part of Sumitomo Corporation companies which was founded in Japan. PMCare was established in the year 1998 under HMO Pacific (1998) Sdn Bhd to take over the business and operations of HMO Pacific Sdn Bhd which was established in the year 1995. PMCare is registered with Kementerian Kesihatan Malaysia ("KKM") as a Managed Care Organisation or MCO.

In addition, he was also former Independent Non-Executive Director of Kencana Petroleum Berhad, Sapura Energy Berhad, Symphony House Berhad, Edra Global Energy Berhad and TH Plantations Berhad. He currently sits on the board of Cypark Resources Berhad.

Since Mohd Adzahar was appointed on 1 June 2023, he did not attend any board meeting of the Company during the financial year ended 30 April 2023.

**Additional information of the Directors:**

1. Tan Sri Dato' Mohamed Mansor bin Fateh Din and Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor has a family relationship.
2. Save as disclosed in this Annual Report, none of the Directors have:-
   i. Any family relationship with any directors/major shareholders of the Company;
   ii. Any conflict of interest with the Company;
   iii. Any conviction for offences within the past five years other than traffic offences; and
   iv. Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 April 2023.

# KEY SENIOR MANAGEMENT'S PROFILES

## ONG SHAW CHING

Chief Operating Officer

Aged 58,
Male,
Malaysian

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

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

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

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

## ZULKIFLY GARIB

Chief Operating Officer - Operations

Aged 62,
Male,
Malaysian

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

He graduated with a BSc. in Civil Engineering and is a Member of the Chartered Institute of Highways & Transportation, United Kingdom. He is also a registered Engineer with the Board of Engineers, Malaysia (BEM) and the Institute of Engineers Malaysia (IEM).

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

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

Zulkifly was Vice-President of the Real Estate and Housing Developers Association (REHDA), Malaysia for the term 2018-2020. He was Chairman of REHDA, Selangor from 2016-2020 and sat on the Board of the Selangor Housing & Property Board ("LPHS") from 2016-2022.

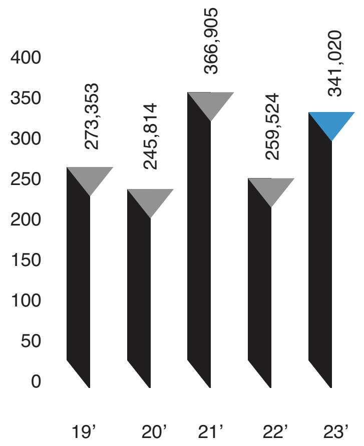
Prior to his appointment at Glomac, Zulkifly was Project Director with UEM Sunrise Berhad.

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

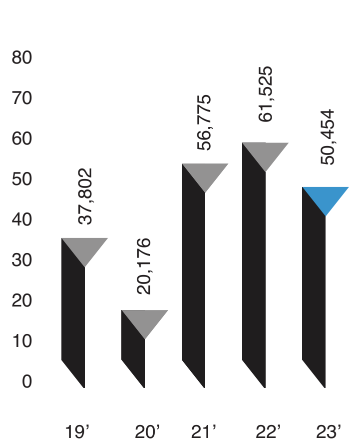
i. Has directorships in other public companies and listed issuers;
ii. Has any family relationship with any directors/major shareholders of the Company;
iii. Has any conflict of interest with the Company;
iv. Has any conviction for offences within the past five years other than traffic offences; and
v. Has any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 April 2023.

# 5-YEAR
# FINANCIAL HIGHLIGHTS

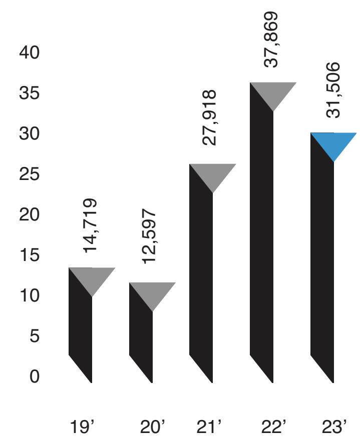
**Revenue**
(RM'000)



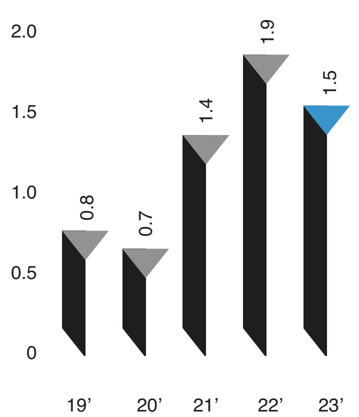

**Profit Before Tax**
(RM'000)



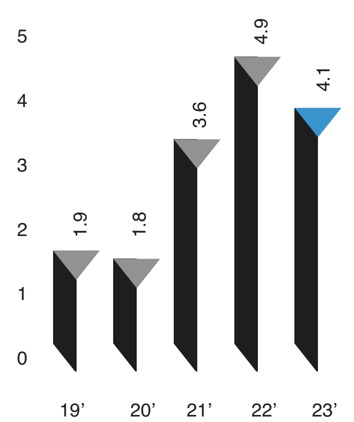

**Profit Attributable to Owners of the Company**
(RM'000)



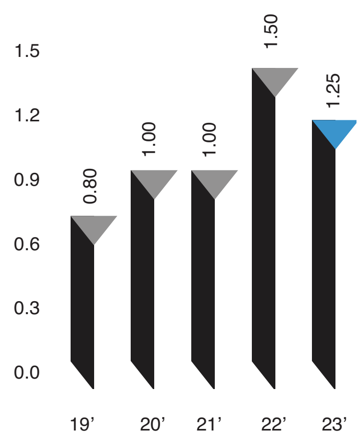

**Return on Total Assets**
(%)




**Basic Earnings per Share attributable to Owners of the Company**
(Sen)




**Net Dividend per Share**
(Sen)



# 5-YEAR FINANCIAL HIGHLIGHTS

| | 2023 RM'000 | 2022 RM'000 | 2021 RM'000 | 2020 RM'000 | 2019 RM'000 |
|---|---|---|---|---|---|
| Revenue | 341,020 | 259,524 | 366,905 | 245,814 | 273,353 |
| Profit Before Tax | 50,454 | 61,525 | 56,775 | 20,176 | 37,802 |
| Income Tax Expense | (17,807) | (18,912) | (25,322) | (2,779) | (23,083) |
| Profit for the Year | 32,647 | 42,613 | 31,453 | 17,397 | 14,719 |
| Profit Attributable to Owners of the Company | 31,506 | 37,869 | 27,918 | 12,597 | 14,719 |
| Non-controlling Interest | 1,141 | 4,744 | 3,535 | 4,800 | - |
| | 32,647 | 42,613 | 31,453 | 17,397 | 14,719 |
| **Assets, Liabilities and Equity** | | | | | |
| Total Assets | 2,036,622 | 1,962,583 | 1,960,423 | 1,909,608 | 1,899,692 |
| Total Liabilities | 792,166 | 737,502 | 790,240 | 762,068 | 774,832 |
| Paid-up Share Capital | 418,632 | 418,632 | 418,632 | 418,632 | 418,632 |
| Equity Attributable to Owners of the Company | 1,178,003 | 1,158,234 | 1,128,080 | 1,108,628 | 1,090,748 |
| Return on Shareholders' Funds Attributable to Owners of the Company | 2.7% | 3.3% | 2.5% | 1.1% | 1.3% |
| Return on Total Assets | 1.5% | 1.9% | 1.4% | 0.7% | 0.8% |
| Net Gearing Ratio (Times) | 0.16 | 0.23 | 0.24 | 0.27 | 0.31 |
| **Share Information** | | | | | |
| Net Assets Per Share Attributable to Owners of the Company (RM) | 1.53 | 1.51 | 1.47 | 1.56 | 1.40 |
| Basic Earnings Per Share Attributable to Owners of the Company (Sen) | 4.1 | 4.9 | 3.6 | 1.8 | 1.9 |
| Net Dividend Per Share (Sen) | 1.25 | 1.50 | 1.00 | 1.00 | 0.80 |
| Net Dividend Yield | 4.0% | 4.2% | 2.9% | 3.3% | 2.1% |
| Share Price (Sen) | 31.5 | 35.5 | 34.5 | 30.5 | 38.0 |

# SUSTAINABILITY STATEMENT

## ABOUT THIS STATEMENT

(GRI 102-1; GRI 102-3; GRI 102-4; GRI 102-13; GRI 102-46; GRI 102-52; GRI 102-53)

**Glomac Berhad (hereinafter referred to as "Glomac" or the "Group") is committed to sustainability and recognises the importance of responsible business practices in creating long-term value for its stakeholders and the environment. This sustainability statement serves as a testament to the Group's dedication to integrating sustainability into its core business operations and decision-making processes.**

In this statement, Glomac showcases its commitment to environmental stewardship, social responsibility, and corporate governance. The company acknowledges the interconnectedness of these pillars and the impact they have on the well-being of communities, the preservation of natural resources, and the overall resilience of the business.

Through this statement, Glomac aims to transparently communicate its sustainability goals, initiatives, and progress. It provides insights into the company's approach to sustainability, including its strategies, policies, and practices that address key sustainability challenges and opportunities.

Glomac's sustainability statement highlights its efforts to minimise environmental impacts, promote sustainable design and construction practices, and enhance energy efficiency throughout its operations. The company emphasises its dedication to reducing carbon emissions, managing waste responsibly, and conserving natural resources.

# SUSTAINABILITY STATEMENT

Furthermore, Glomac's commitment to social responsibility is showcased through its efforts to foster a safe and inclusive work environment, prioritise employee well-being, and support local communities. The statement outlines Glomac's initiatives to engage stakeholders, promote ethical conduct, and contribute positively to society.

The governance aspect of sustainability is also emphasised, as Glomac underscores its commitment to integrity, transparency, and accountability in all its business dealings. The company emphasises the importance of sound corporate governance practices, compliance with regulations, and upholding ethical standards.

Through its sustainability statement, Glomac aims to inspire and engage stakeholders, including employees, investors, customers, and partners, in its sustainability journey. It serves as a guiding document that reflects the Group's ongoing efforts to create sustainable value and make a positive impact on society and the environment.

## REPORTING FRAMEWORK

Glomac's annual Sustainability Statement showcases our commitment to fulfilling responsibilities to stakeholders and making meaningful contributions to sustainable development throughout the financial year 2023. Aligned with Bursa Malaysia Securities Main Market Listing Requirements and following the Global Reporting Initiatives ("GRI") reporting guidelines, our Sustainability Statement emphasises transparent sustainability reporting and our support for the United Nations Sustainable Development Goals ("UN SDGs").

We have not sought external assurance for the presented information, but we have collaborated with third parties to ensure accurate and reliable data collection, analysis, and computation, aligning with industry standards.

## REPORTING PERIOD

This statement encompasses the period from 1 May 2022 to 30 April 2023, serving as a comprehensive overview of our sustainability initiatives during this timeframe. For detailed information on material issues such as corporate governance, internal operations, and business activities, please refer to the corresponding sections in Glomac's Annual Report 2023 and other relevant mediums.

Sustainability is an ongoing journey, requiring continuous improvement in performance targets and achievements across all our divisions and operations. The data in this statement pertains to properties owned or managed by Glomac unless otherwise specified.

## FORWARD LOOKING STATEMENTS

This statement includes forward-looking statements based on the current assumptions and expectations of Glomac management. These statements pertain to our ESG targets, goals, commitments, programs, as well as other business plans, initiatives, and objectives. Such statements are often accompanied by terms like "expect", "anticipate", "forecast", "plan", "aim", or similar expressions.

Actual results may differ from the forecasted or expected consequences and effects of the forward-looking statements, even if they are largely achieved. Glomac does not guarantee or provide assurances regarding the achievement of these statements. We are not obligated to update the forward-looking statements to reflect future events or circumstances.

## FEEDBACK AND COMMENTS

This statement is included in Glomac's Annual Report, which can be accessed digitally on our corporate website ***https://www.glomac.com.my*** under the "Investor Relations" section. Printed copies are available upon request. We value your feedback on our sustainability approach and encourage you to share your comments by contacting us at:

Company Secretary
Level 15, Menara Glomac Glomac Damansara
Jalan Damansara 60000 Kuala Lumpur

Tel : +603 7723 9000
Fax : +603 7729 7000

# SUSTAINABILITY STATEMENT

## OUR REPORTING SCOPE & BOUNDARIES

Glomac's sustainability strategy encompasses multiple business segments. Unless specified otherwise, the sustainability information presented in the statement reflects the performance of the following assets within the Group:

| Segments | Companies |
|---|---|
| **Property Development** | 1) Kelana Kualiti Sdn Bhd<br>2) Glomac Segar Sdn Bhd<br>3) FDM Development Sdn Bhd<br>4) Glomac Alliance Sdn Bhd<br>5) Glomac Rawang Sdn Bhd<br>6) Magical Sterling Sdn Bhd<br>7) Precious Quest Sdn Bhd<br>8) Glomac Sutera Sdn Bhd |
| **Property Investment and Shopping Complex** | 9) Glo Damansara Sdn Bhd<br>10) Glomac Damansara Sdn Bhd |
| **Property Management Services** | 11) Glomac Property Services Sdn Bhd<br>12) Kelana Property Services Sdn Bhd |
| **Construction** | 13) Glomac Bina Sdn Bhd |

## SUSTAINABILITY HIGHLIGHTS

### FY2023 Highlights

#### Economic

- Implemented Key Performance Indicators (KPIs) to establish tangible and measurable ESG goals aimed at enhancing the Group's sustainability performance.
- Non-township projects are 100% awarded to local contractors and suppliers.

#### Environmental

- Implemented energy-efficient practices, including the use of green refrigerant gas, VRV air conditioning systems, LED lighting, and building automation, to reduce energy consumption and promote sustainability.

#### Social

- 100% local hiring across all operations of the Group.
- High achieving employees are recognised and rewarded through a special "token" payment, fostering a culture of excellence and acknowledging their valuable contributions.
- Zero lost time injury recorded for the Group in this reporting year.

#### Governance

- Zero reported incidents of whistleblowing, bribery, or corruption for FY2023.

# SUSTAINABILITY STATEMENT

## Glomac's Association Membership
(GRI 102-13)

| | |
|---|---|
| REHDA Malaysia | Real Estate and Housing Developers' Association |
| CIDB | Construction Industry Development Board |
| FIABCI Malaysia | International Real Estate Federation |
| PPK | Persatuan Pengurusan Kompleks Malaysia |

## Awards and Recognition

**Malaysian Property Icon Leadership Award**
received by Glomac Group MD/CEO

**REHDA Patron 2023**
received by Glomac Group MD/CEO

**StarProperty Real Estate Developer Awards 2023**
won by Glomac Berhad's Primrose Saujana KLIA

## OUR APPROACH TO SUSTAINABILITY

### Vision

To help improve the quality of life by providing a better place to live or work in and be recognised by our customers, shareholders and employees as a world-class property developer.

### Mission

To deliver outstanding service, quality products and value for money for our customers through dedication, innovation and passion.

### Stakeholder Groups

- Contractors/consultants/supply chain partners
- Customers (including tenants)
- Employees
- Shareholders and analysts
- Local community
- Regulators

### Economic

- Sustainable Economic Growth and Development
- Local Economic Impact and Job Creation
- Supply Chain Management and Local Sourcing
- Affordability

### Environmental

- Design and Innovation
- Resource Efficiency and Consumption

### Social

- Health, Safety and Well-Being
- Customer Engagement
- Employee Training and Development

### Governance

- Ethics and Integrity
- Regulatory Compliance

### Our Contribution to UN SDGs


### Sustainability Strategy

At Glomac, we are committed to sustainability in all aspects of our operations. We recognize the importance of balancing economic growth with social responsibility and environmental stewardship. Our sustainability strategy focuses on creating long-term value while minimizing our environmental impact and contributing positively to society.

# SUSTAINABILITY STATEMENT

## OUR CONTRIBUTION TO UN SDGs

At Glomac, we have embraced the United Nations Sustainable Development Goals (SDGs) as a framework for our sustainability efforts. We are committed to making a positive impact and contributing to the achievement of these global goals. By aligning our mission with six specific SDGs, we are implementing targeted initiatives and collaborating with stakeholders to drive positive change.

**3 GOOD HEALTH AND WELL-BEING**

- Prioritising residents' well-being by designing properties with shared green spaces for relaxation and social activities.
- Demonstrating a strong commitment to occupational health and safety, resulting in zero lost-time injuries reported.
- Promoting sustainable living by integrating energy-efficient designs and technologies in our residential developments.

**5 GENDER EQUALITY**

- The Group is committed to promoting gender diversity in its workforce and actively seeks to hire and retain talented women across all levels of the organization.
- We ensure equal opportunities for both men and women in recruitment, training, development, and promotion, fostering a fair and inclusive workplace culture.

**8 DECENT WORK AND ECONOMIC GROWTH**

- Demonstrating our commitment to local communities, we engage close to 100% local contractors and suppliers for our operations.
- Our organisation prioritises the development of strong employee relationships through various initiatives. Regular appreciation events and external training sessions are organised to foster meaningful connections between employees and management.
- We are committed to maintaining a safe and inclusive work environment. To achieve this, we have implemented a zero tolerance policy for discrimination and bullying. This policy is further reinforced by a comprehensive whistleblowing program that is in place throughout the entire company.

**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**

- Incorporating eco-friendly materials, energy-efficient systems, and waste reduction strategies in our projects.
- Embracing innovative solutions and leveraging technology for improved efficiency and sustainability.

**11 SUSTAINABLE CITIES AND COMMUNITIES**

- Creating integrated communities that combine residential, commercial, and recreational spaces to promote convenience, reduce commuting, and enhance quality of life.
- Developing affordable housing options to address the needs of diverse income groups and promote inclusive communities.
- Incorporating parks, open spaces, and community amenities within our developments to enhance well-being, promote social interactions, and support a healthy lifestyle.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

- Designing and constructing buildings with energy-efficient features, such as efficient lighting systems, at 121 Residences and Primrose , to minimize energy consumption and reduce greenhouse gas emissions.
- Prioritizing the use of sustainable and eco-friendly materials in construction and development projects, including recycled materials, responsibly sourced timber, and low-emission building.

# SUSTAINABILITY STATEMENT

**Sustainability Governance Structure**
(GRI 102-18, GRI 102-32)

Glomac's sustainability governance structure serves as a robust framework that underscores the organisation's unwavering dedication to incorporating sustainability principles at every level. By embedding sustainability into its corporate strategy, decision-making processes, and stakeholder engagement efforts, the Group demonstrates its commitment to responsible and sustainable business practices. This governance structure fosters a culture of accountability and transparency, empowering the company to consistently enhance its sustainability performance and drive positive impact for its stakeholders and the wider community.

Glomac Board of Directors

Group Managing Director

Board Risk Management & Sustainability Committee

Working Committee Business & Operation Unit

The sustainability initiatives of the Group are overseen by the Board of Directors, with the assistance of a dedicated Committee. This Committee consists of senior management members who are responsible for the formulation and implementation of sustainability strategies and relevant matters. The Board provides comprehensive review and evaluation of the strategic direction necessary to achieve Glomac's long-term goals for sustainable growth.

## MATERIALITY ASSESMENT

(GRI 102-47)

Glomac conducts a rigorous materiality assessment as part of its sustainability statement. This assessment involves the identification and evaluation of environmental, social, and governance ("ESG") issues that are most relevant and impactful to the company and its stakeholders. By engaging with internal and external stakeholders, conducting thorough research, and considering industry standards and best practices, Glomac determines the key issues that drive its sustainability agenda. This ensures that the sustainability statement focuses on addressing the material topics that are of utmost importance to the company's operations, stakeholders, and long-term success.

The Group follows a streamlined 3-step process for its materiality assessment, which helps identify and prioritise the most significant ESG issues for its sustainability initiatives:

**Review and Identity**

Glomac conducts a comprehensive review of its operations, stakeholder expectations, and industry trends to identify a broad range of potential ESG issues. This includes engaging with stakeholders, gathering feedback, and conducting research to understand the sustainability landscape and emerging concerns.

# SUSTAINABILITY STATEMENT

### Prioritisation

The identified ESG issues are then carefully evaluated and prioritised based on their significance and potential impact. This involves assessing the magnitude of each issue, considering its relevance to Glomac's business model, and analysing its alignment with stakeholder expectations. The prioritisation process ensures that the most material and relevant issues are given strategic focus and attention.

### Validation

The prioritised ESG issues undergo a validation process to ensure accuracy and alignment with Glomac's strategic objectives. This involves senior management and the sustainability team reviewing the assessment, validating the materiality of the issues, and confirming that they reflect the company's core values and sustainability commitments. The validation process helps ensure that the identified issues are robust and actionable.

### Stakeholder Engagement

| Key Stakeholder Group | Key Areas of Concern | Methods of Engagement | Frequency of Engagement |
|---|---|---|---|
| Employees | • Work environment and safety<br>• Employee engagements<br>• Training and development | • Regular team meetings<br>• Town hall meetings<br>• Performance reviews<br>• Training sessions | • Monthly<br>• Annually<br>• Half-yearly<br>• Quarterly |
| Customers/Buyers | • Customer service<br>• Affordability<br>• Product quality | • Customer service helpline and email support<br>• Product launches and customer events<br>• Company website | • Ad hoc<br>• Ad hoc<br>• Ad hoc |
| Shareholders and Analysts | • Financial performance and returns<br>• Long-term value creation | • Annual General Meeting<br>• Annual Report<br>• Company website<br>• Briefings | • Annual<br>• Annual<br>• Ad hoc<br>• Half-yearly |
| Contractors and Suppliers | • Quality delivery<br>• Occupational health and safety<br>• Fair and transparent pricing | • Tender processes<br>• Supplier performance evaluations<br>• Transparent selection process | • As per tender schedule<br>• As per tender schedule<br>• Ad hoc / 2 to 4 times annually |
| Government and Regulatory Authorities | • Regulatory compliance<br>• Job creation | • Corporate and financial disclosure framework activities | • Ad hoc |
| Local Communities | • Community well-being<br>• Environmental impact<br>• Affordable housing<br>• Community engagements | • Community engagements<br>• Community and cultural events | • Ad hoc<br>• Ad hoc |

## Materiality Matrix

Glomac utilises a comprehensive materiality assessment approach that includes the development of a materiality matrix. This matrix enables us to identify and prioritise the key environmental, social, and governance factors that are most significant to our stakeholders and business. By leveraging the insights from our materiality matrix, we are able to strategically focus our sustainability initiatives on the areas that have the greatest impact, ensuring that our actions align with the needs and expectations of our stakeholders and contribute to long-term value creation.

In our Sustainability Statement for FY2023, we have outlined the key areas of focus based on our materiality matrix, which encompasses 15 important sustainability matters. These priorities shape our commitment to responsible and sustainable practices, guiding our actions and reporting efforts for the year.

# SUSTAINABILITY STATEMENT

## DRIVING SUSTAINABLE ECONOMIC GROWTH

At Glomac, we are committed to advancing sustainable development in our business practices. We strive to foster economic growth and create long-term value by promoting job opportunities, supporting local entrepreneurship, and investing in sustainable industries. Our focus extends beyond financial gains as we also prioritise the development of vibrant and inclusive communities. Through our projects, we aim to build sustainable cities that provide affordable housing, resilient infrastructure, and access to green spaces. Additionally, we recognise the importance of responsible consumption and production, ensuring that our operations minimise waste, promote resource efficiency, and encourage sustainable lifestyles. By aligning with these principles, we contribute to a more sustainable future that enhances the well-being of communities and preserves the environment for generations to come.

### Financial Performance
(GRI 102; GRI 103; GRI 201)

| Items | Stakeholders | 2023 (RM'000) |
|---|---|---|
| Revenue from | | |
| - Sales of goods | | RM 341,020 |
| - Financial investments | | RM 3,522 |
| - Other operating income | | RM 1,276 |
| **Direct Economic Value Generated** | | **RM 345,818** |
| - Operating expenses | Local suppliers and contractors | (RM 191,695) |
| - Salaries and benefits | Employees | (RM 24,258) |
| - Payments to providers of capital | Shareholders and investors | (RM 11,513) |
| - Taxes | Government and authorities | (RM 26,198) |
| **Economic Value Distributed** | | **(RM 253,664)** |
| **Economic Value Retained** | | **RM 92,154** |

The Group remains committed to supporting employment security and career opportunities for our staff while contributing to the local economy through engaging local contractors and sourcing construction materials locally. In alignment with our corporate responsibility, we place a high priority on supporting local communities and economies. For all non-township projects, we strongly prioritize awarding 100% of our procurement contracts to local contractors and suppliers. Additionally, we recognise the importance of addressing climate change as a significant environmental and economic risk. We actively identify and mitigate climate-related challenges in our development projects, and we implement resource efficiency measures to reduce our carbon footprint. Further information on Glomac's performance can be found in our Annual Report.

### Affordability
(GRI 203)

In addition to collaborating with the Selangor Housing and Property Board ("LPHS") for the Rumah Selangorku housing policy, Glomac has implemented various affordable housing plans to cater to the diverse needs of homebuyers. Among our various projects, Seri Kenari in Saujana Perdana, Sg. Buloh stands out as a notable project. With the successful achievement of vacant possession ("VP") in August 2022, Seri Kenari represents a significant milestone in our development journey. Located in an appealing area, this project exemplifies our commitment to offering quality yet affordable homes. Featuring well-designed residential units, Seri Kenari provides comfortable living spaces that are within reach for individuals and families across different income levels. Additionally, it is worth mentioning that our Seri Kenanga project in Saujana Perdana, Sg. Buloh is currently a work-in-progress, reflecting our ongoing efforts to deliver exceptional housing options in the area.

**Supply Chain Management**
(GRI 103; GRI 204; GRI 308; GRI 414; GRI 417)

| | | |
|---|---|---|
| Quality | Adherence to deadlines | Reliability and additional support provided |

Glomac is committed to fostering a sustainable supply chain that supports local job creation. The Group prioritises the local community, including contractors, security providers, and waste management contractors, in its employment and sourcing practices. Contractors are subject to random and timely inspections to ensure compliance with standards. Following inspections, it was found that there were no major instances of non-compliance during the financial year. This demonstrates Glomac's dedication to maintaining high standards and promoting responsible business practices throughout its supply chain.

## EMPOWERING SUSTAINABLE GOVERNANCE

**Ethics and Integrity**
(GRI 102; GRI 103; GRI 205; GRI 206; GRI 307; GRI 419)

At Glomac, we prioritise ethics and integrity in all aspects of our operations. We adhere to a strong code of conduct that prohibits bribery, corruption, and unethical practices. We have implemented comprehensive policies and training programs to ensure compliance and promote ethical behavior among our employees. We believe that by upholding high ethical standards, we can build trust, maintain credibility, and contribute to sustainable business practices. Here are some of the Group policies established by Glomac:

| Policies | Purpose |
|---|---|
| Code of Conduct and Ethics | The Code of Conduct and Ethics applies to every employee within the Group and is an integral part of their Terms and Conditions of Service. It sets forth the expectation for employees to uphold a strong set of personal and professional values in all aspects of their work, business interactions, and decision-making. During the financial year, awareness and training programs were conducted for all 55 new hires to ensure they were adequately informed. It is the responsibility of employees to familiarise themselves with and have a comprehensive understanding of the Code's requirements and directives. |
| Anti-Bribery and Anti-Corruption Policy | The Group has a zero-tolerance approach towards corruption, fraud, and bribery. Our Anti-Bribery and Anti-Corruption (“ABAC”) Policy, aligned with relevant laws and regulations, applies to all employees, directors, and those in our value chain. Compliance with the policy is mandatory, supported by annual refresher training and declarations. We are committed to upholding the highest ethical standards across our business operations. During the financial year, a briefing was conducted for all employees, emphasising the policy's importance and its application to the Group's operations. The compliance rate for signing and adhering to the policy was 100%. |

# SUSTAINABILITY STATEMENT

| Policies | Purpose |
| --- | --- |
| Whistleblowing Policy | The Group upholds a culture of transparency and accountability through our Whistleblowing Policy and Procedure. We encourage all employees and those in our value chain to report any concerns related to unethical behavior or non-compliance. The policy ensures protection for whistleblowers, in accordance with relevant legislation. All reports are treated confidentially and without the risk of reprisal. Whistleblowers have the option to submit reports anonymously through various channels such as via dedicated email, telephone or mail. We are committed to addressing any reported issues promptly and taking appropriate actions to maintain the integrity of our operations. No reported cases were noted for the Group in FY2023. |
| Conflict of Interest Policy | The Group has a robust Conflict of Interest Policy that guides employees in identifying, preventing, and managing potential conflicts of interest. The policy emphasises the importance of acting in the company's best interests and avoiding situations that could compromise judgment. Employees are required to disclose any conflicts of interest, and appropriate measures are taken to address reported conflicts. Regular training programs ensure awareness and promote a culture of transparency and accountability. By upholding this policy, Glomac prioritises ethical conduct and fosters trust among stakeholders. |
| Health, Safety, and Environment ("HSE") Policy | The Group prioritises the health, safety, and environmental well-being of our employees, stakeholders, and the communities in which we operate. Our Health, Safety, and Environment Policy outlines our commitment to maintaining high standards and compliance with relevant laws and regulations. We implement robust safety protocols and provide regular training to mitigate risks and prevent accidents in our workplaces. We strive for environmentally responsible practices, including the efficient use of resources, waste reduction, and pollution prevention. Continuous monitoring, audits, and assessments ensure that our operations align with best practices for health, safety, and environmental sustainability. No reported incidents were noted for Glomac Berhad in FY2023.<br><br>**Note: For other subsidiaries, no details were kept on HSE as all projects were fully outsourced to main contractors.* |
| Data Protection and Privacy Policy | The Group values data protection and privacy. Our policy is designed to safeguard personal information, ensuring its security and confidentiality. We adhere to data protection laws, implement robust security measures, and handle data with utmost care and transparency. We regularly review and enhance our practices to maintain compliance and protect the privacy of individuals. No reported breaches were noted for the Group in FY2023. |
| Directors' Fit and Proper Policy | The Group upholds a Directors' Fit and Proper Policy to ensure the suitability and integrity of our directors. This policy sets clear criteria and standards for assessing qualifications, experience, and character. We conduct due diligence and maintain high ethical standards to ensure a capable and responsible board of directors. |

# SUSTAINABILITY STATEMENT

## CHAMPIONING ENVIRONMENTAL STEWARDSHIP

At Glomac, we are unwavering in our commitment to environmental stewardship and creating a sustainable future. We understand the pressing need to address environmental challenges and actively embrace responsible practices that minimise our ecological impact.

In line with this commitment, we are proud to announce the partnership between our subsidiary, Glomac Technology Sdn Bhd ("GTSB") with Tenaga Nasional Berhad ("TNB"), Malaysia's leading electricity utility company, through a Memorandum of Understanding ("MoU") for green technology. This collaboration allows us to harness TNB's expertise in green technology to enhance the sustainability of our projects.

Through our partnership with TNB and our dedication to sustainable practices, we aim to create a lasting legacy of a greener and healthier planet for future generations. Together, we can make a significant difference and build a sustainable world we can be proud of. By championing environmental stewardship and integrating sustainable initiatives into our operations, we strive to create a greener and more sustainable future.

*MoU between Glomac Technology Sdn Bhd and Tenaga Nasional Berhad*

### Design and Innovation
(GRI 203; GRI 304)

Glomac exercises various practices to minimise impact on the environment, ensuring that our operations and products/services have a minimal negative impact. In line with our commitment to green construction, we have implemented several initiatives at our development projects:

- Solar Pole Lights: As part of our efforts to harness renewable energy, we are planning to install six solar pole lights at the Saujana Jaya, Kulai Phase 1 housing project. This initiative promotes the use of sustainable energy sources.
- Rainwater Harvesting and Water Efficiency: We have incorporated rainwater harvesting systems in projects such as Glomac Centro, Reflection Residences, Plaza@Kelana Jaya, and 121 Residences. Additionally, water-efficient fittings are installed in all our projects to optimise water usage. Achieving GBI Certification for Glomac Centro and Reflection Residences showcases our commitment to sustainable building practices.
- GreenRe Certification: Our commitment to environmental sustainability is further reflected in our efforts to obtain GreenRe Certification. Plaza@Kelana Jaya and 121 Residences have attained GreenRe Bronze rating (provisional), highlighting their compliance with green building standards.

# SUSTAINABILITY STATEMENT

The Group has implemented infrastructure enhancements in the surrounding areas to improve accessibility for its developments. These improvements aim to create a more convenient and connected environment for residents and visitors alike. This includes upgrading the access road to the development and public roads in areas such as Plaza@Kelana Jaya and Lakeside Puchong. Additionally, residents of 121 Residences benefit from a direct connection to the LRT 3 through public access, providing convenient transportation options.

Our upcoming project, The Loop Puchong, is designed with a focus on sustainability and energy efficiency. It incorporates various eco-friendly features, such as solar energy harvesting for common area lighting, rainwater harvesting, LED lighting, and water-efficient sanitary fittings. Furthermore, we will integrate EV charging bays into the design to promote electric vehicle usage.

## Resource Efficiency and Consumption

(GRI 103; GRI 301; GRI 302; GRI 303; GRI 306)

At Glomac, our goal is to lead by example in resource efficiency and responsible consumption. We are dedicated to continuously improving our practices, exploring innovative solutions, and collaborating with industry partners to drive positive change in environmental sustainability. Together, we can create a more sustainable future for generations to come.

Our projects incorporate various initiatives to reduce material consumption and minimise waste generation. We believe that proper waste management is crucial, and we prioritise the collection and storage of recyclables at our construction sites. Through careful selection of reusable materials, our contractors contribute to waste reduction efforts.

We prioritise the use of reusable timber and aluminum system formwork at our construction sites, ensuring efficient utilisation of resources and minimising waste. These measures contribute to our commitment to sustainable construction practices and environmental stewardship.

Some of our notable projects are as follows:

a) Implementation of rainwater harvesting system:

- Plaza@Kelana Jaya
- Glomac Centro
- Reflection Residences
- 121 Residences

b) Sustainable lighting and waste management:

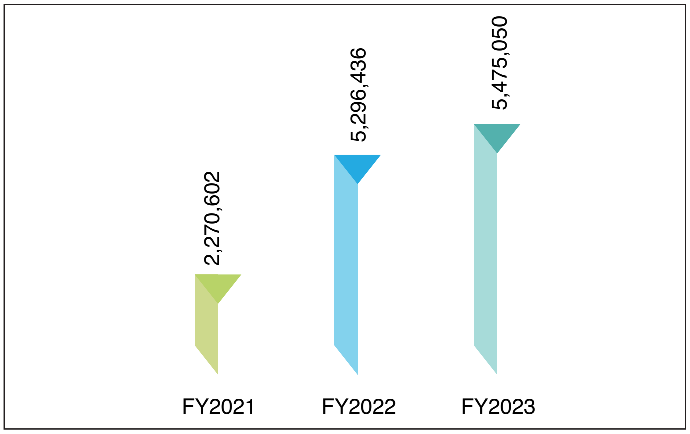
- Plaza@Kelana Jaya: Installation of LED lighting and provision of recycled bins.
- Glomac Centro: Pursuit of GBI (“Green Building Index”) certification.
- Reflection Residences: Pursuit of GBI (“Green Building Index”) certification.
- Plaza@Kelana Jaya: GreenRe Bronze rating achieved.
- 121 Residences: GreenRe Bronze rating achieved.

## Energy

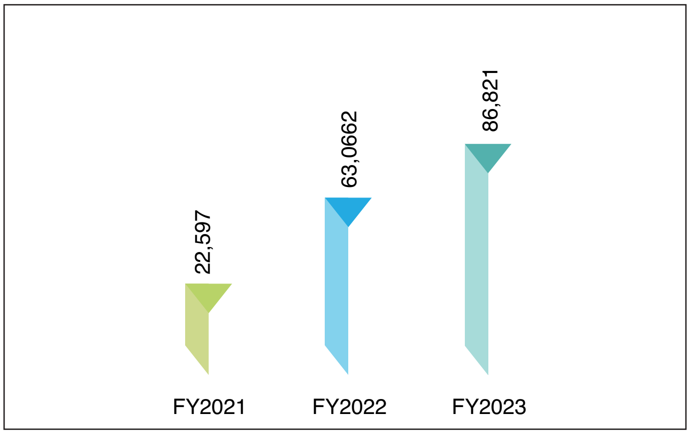
At Glomac, good energy management is not only about reducing costs and improving operational efficiency, but also about preserving our planet's resources and mitigating the effects of climate change. By embracing sustainable energy practices, we strive to make a positive impact on the environment while creating value for our stakeholders.

We are dedicated to reducing energy consumption in our production and operations. To achieve this, we practice measures such as turning off electricity during rest hours, maintaining air-conditioning temperature at 24 degrees Celsius, and implementing paper recycling and double-sided printing. These steps help us conserve energy and minimise wastage.

Electricity (kWh)




Water (m³)




Our target key performance indicator ("KPI") focuses on reducing overall electricity usage by 0.5% year over year ("YOY"). This target specifically applies to Menara Glomac ("HQ") and Glo Damansara. At Menara Glomac, we observed a 1.6% increase in electricity usage year over year, primarily due to extended work hours by personnel in anticipation of completing the KJ4 Project ("Plaza@Kelana Jaya") in the Sales Department and Project Development Division ("PDD"). Additionally, the Handing Over/Vacant Possession exercise contributed to the higher usage.

As for Glo Damansara, there was an 8% increase in electricity usage year over year, which can be attributed to the rise in footfall and the need to accommodate the increased demand. To address this, we upgraded from a single 800 ton/hr chiller unit to two units (800 ton/hr and 400 ton/hr) to cover non-active areas and support the expansion of existing tenants as well as accommodate new tenants. Out of the total electricity consumption of 5,475,050 kWh, a significant portion of 4,708,824 kWh can be attributed to the tenants at Glo Damansara. Electricity consumption rose due to an increase in tenancy rates compared to the previous year. This appears to be a positive indication of our improved occupancy rate. However, given that a significant portion of the space is now occupied by tenants, our capacity to impact usage remains restricted, as we lack direct control over their electricity consumption.

## Water

We believe that every drop counts, which is why we have implemented the "Every Drop Counts" ("EDC") practice. This initiative serves as a periodic reminder to our personnel about the importance of conserving water and reducing common area washing frequency. By limiting common area washing from weekly to monthly, we contribute to water conservation efforts.

We prioritise water-saving measures, including the installation of water-efficient fittings in accordance with GreenRe certification requirements. At Glo Damansara, electronic sensor taps have been installed to minimise water wastage.

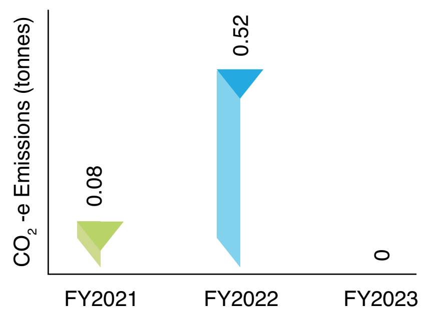
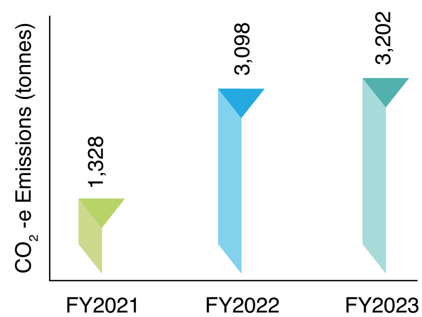
Regarding Menara Glomac, we are unable to provide a specific quantification of water usage despite the ongoing implementation of EDC practice. This is primarily due to the discovery of underground pipe leakages, which occurred three times during the financial year. However, necessary measures have been taken to rectify the issue.

As for Glo Damansara, there has been an increase in water usage corresponding to the rise in footfall. Out of the total water consumption of 86,821 $m^3$, a significant portion of 68,846 $m^3$ can be attributed to the tenants at Glo Damansara. Water consumption rose due to an increase in tenancy rates compared to the previous year. This appears to be a positive indication of our improved occupancy rate. However, given that a significant portion of the space is now occupied by tenants, our capacity to impact usage remains restricted, as we lack direct control over their water consumption.

# SUSTAINABILITY STATEMENT

### Greenhouse Gas Emissions (“GHG”)

In FY2023, Glomac remained committed to reducing greenhouse gas emissions, aligning its efforts with the internationally recognised GHG Protocol established by the World Business Council for Sustainable Development (“WBCSD”) and World Research Institute (“WRI”). This protocol categorizes emissions into direct and indirect classifications, serving as a framework for emissions accounting. By adopting this protocol, Glomac lays the foundation for future tracking and monitoring of emissions, with the aim of improving environmental performance and reducing operating costs associated with emissions.

| Scope | Category | Indicators Measured | Emissions Performance |
| --- | --- | --- | --- |
| **Scope 1** | Direct GHG Emissions | Diesel (Genset) |  |
| **Scope 2** | Indirect GHG Emissions | Electricity |  |
| **Scope 3** | Other Indirect GHG Emissions | Electricity | In FY2023, Glomac has yet to monitor Scope 3 emissions. However, recognising the importance of tracking and managing these emissions, Glomac plan to engage external consultants to guide them in data collection and monitoring practices going forward. By leveraging the expertise of external consultants, Glomac aims to establish robust systems for monitoring Scope 3 emissions and further enhance its sustainability initiatives. |

# SUSTAINABILITY STATEMENT

### Waste

Glomac recognises the importance of responsible waste management in achieving sustainability goals. We have implemented comprehensive waste management practices across our operations to minimise environmental impact and promote a circular economy.

Glomac continually explores waste reduction strategies to minimise waste generation at the source. This includes initiatives such as promoting the use of digital documentation, implementing paperless operations, and encouraging reusable products and packaging.

The Group also utilises the expertise of SWCorp ("Solid Waste and Public Cleansing Management Corporation") to manage its waste effectively. By engaging SWCorp, Glomac ensures that its waste management practices align with local regulations and guidelines, promoting responsible and sustainable waste handling. This partnership enables Glomac to handle and dispose of waste in an environmentally conscious manner, contributing to its commitment to sustainability.

### Driving Sustainability through Automation

In addition to Glomac's focus on digitalisation and IT enhancements in project management, their adoption of digital advertising and use of drones further contribute to sustainability. By utilising digital advertising platforms, Glomac reduces the need for physical advertising materials, leading to a reduction in paper waste and environmental impact. The use of drones enables efficient site monitoring and photography, minimising the need for physical visits and reducing carbon emissions associated with travel. These initiatives demonstrate Glomac's commitment to sustainable practices and their integration of technology for environmental benefits.

## FOSTERING SUSTAINABLE RELATIONSHIPS

At Glomac, we prioritise the cultivation of strong relationships that contribute to our sustainability goals. We are dedicated to building connections that promote sustainability and drive positive change.

### Delivering Product Excellence and Customer Engagement

Glomac adheres to a robust Project Quality Plan ("PQP") that meets industry standards and is agreed upon with consultants and contractors. Our Defects Monitoring System, integrated into our standard operating procedures ("SOPs"), enables efficient management of the Defects Liability Period ("DLP"). We value stakeholder feedback, actively collecting it through multiple channels and promptly addressing any concerns. We prioritise transparent communication with buyers and commercial property tenants, providing regular updates and conducting meetings to address operational matters and other areas of interest.

Since the Handing Over of Vacant Possession ("HOVP") in April 2023, Plaza@Kelana Jaya has accumulated over 200 customer feedback forms based on the survey feedback received as of 30 June 2023. The average satisfaction rating stands at an impressive 9.1 out of 10 points for the project.

### Our Commitment to Health, Safety and Well-Being
(GRI 103; GRI 403)

At Glomac, we prioritise the health, safety, and well-being of our stakeholders. We have taken proactive measures to ensure a secure environment for everyone involved in our projects.

- Renewed PMA: We have diligently renewed all necessary Permits to Operate Machinery and Apparatus ("PMA") to comply with regulations. This ensures the safe and optimal use of equipment in our operations.
- BOMBA Fire Certification: We proudly hold the BOMBA Fire Certification, demonstrating our commitment to fire safety and prevention. We adhere to strict standards to protect occupants and minimise fire incidents.
- Accident-Free: In FY2023, we had no reported accidents or safety incidents, thanks to our robust safety measures and protocols. We maintain a safe working environment for all our employees and stakeholders.
- Health Support: Glomac acknowledges the paramount importance of our employees' well-being, as it directly contributes to their overall success and satisfaction. To safeguard their ongoing health and wellness, we have conducted health screenings at Menara Glomac and our site at Bandar Saujana Utama as a vital component of our comprehensive employee care program.

# SUSTAINABILITY STATEMENT

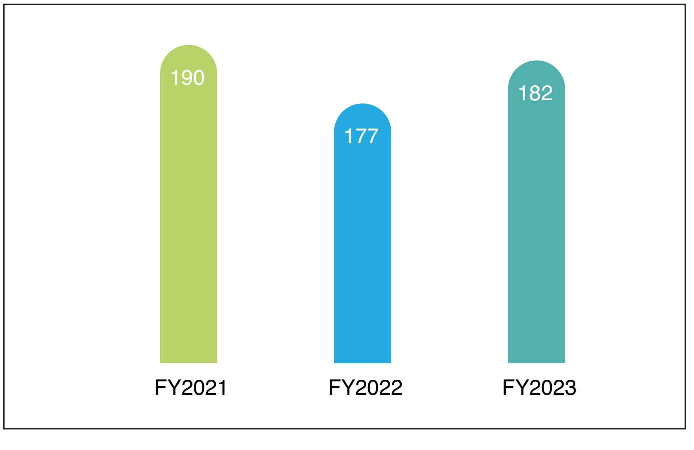
### Glomac's Safety Statistics at a Glance

| | FY2021 | FY2022 | FY2023 |
|---|---|---|---|
| Fatality Cases | 0 | 0 | 0 |
| Lost Workday Case ("LWC") | 0 | 0 | 0 |
| Restricted Workday Case ("RWC") | 0 | 0 | 0 |
| First Aid Case ("FAC") | 0 | 0 | 0 |
| Near Miss Case | 0 | 0 | 0 |
| Dangerous Occurrence Case | 0 | 0 | 0 |
| Fire Case | 3 | 0 | 0 |
| Property Damage Case | 0 | 0 | 0 |
| Vehicle Accident Case | 0 | 0 | 0 |
| No. of Days Lost | 0 | 0 | 0 |
| Total Safe Man-hours Worked | 224,640 | 385,200 | 385,200 |

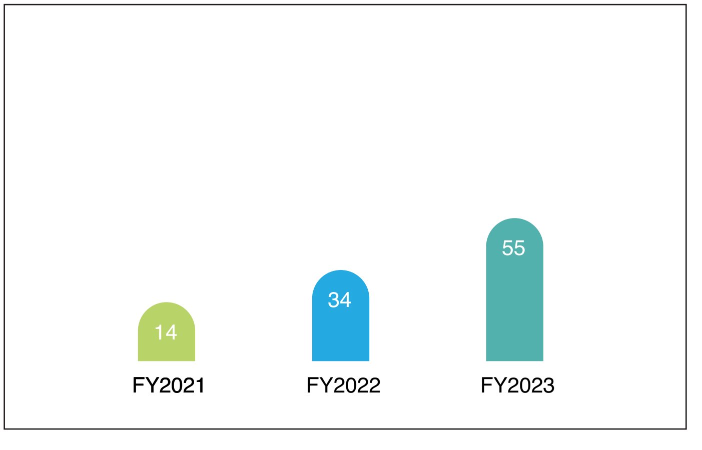
### Employee Allocation and Workforce Diversity
(GRI 102; GRI 103; GRI 401; GRI 405)

At Glomac, we prioritize employee allocation and workforce diversity to ensure there is no discrimination based on factors such as race, gender, age, religion, disability, or any other protected characteristic. By aligning employees' skills with project requirements, we optimize productivity. Embracing diversity nurtures innovation and fosters creativity. We ensure fair treatment in recruitment, hiring, promotion, training, and compensation. Regular trainings are provided to raise awareness and maintain an inclusive work environment where everyone can thrive and contribute to our success. Together, these efforts drive our success and establish us as a preferred employer. The Group plans to develop a diversity, equity, and inclusion policy in the near future to further demonstrate its commitment.

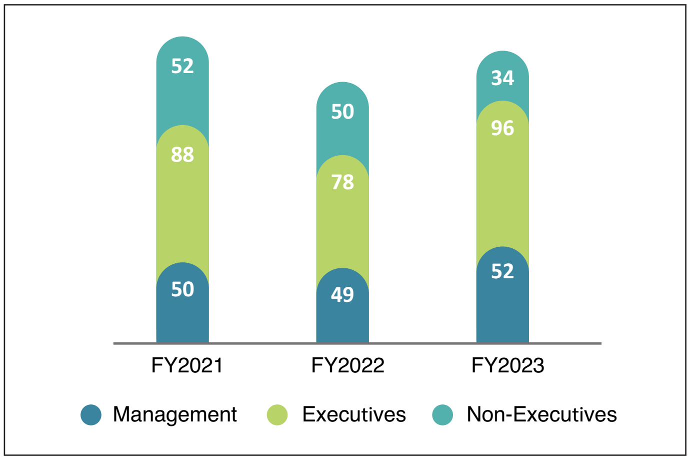
**WORKFORCE STRENGTH**



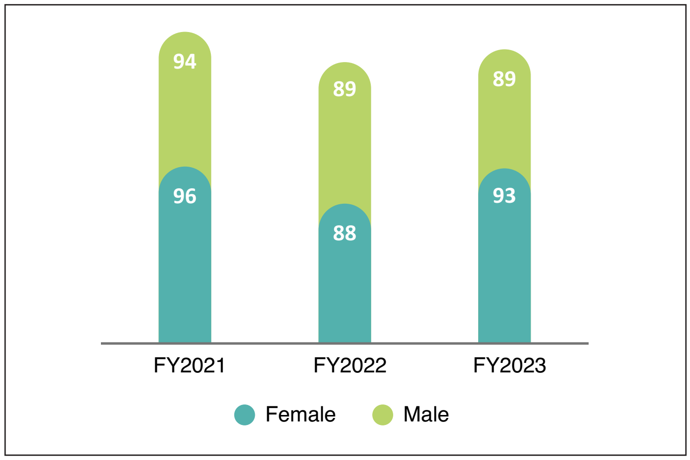

**NUMBER OF NEW HIRES**



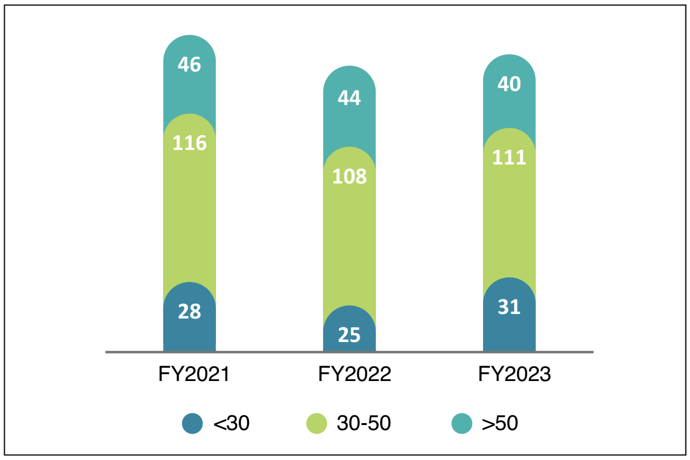
## BREAKDOWN OF EMPLOYEES BY CATEGORY



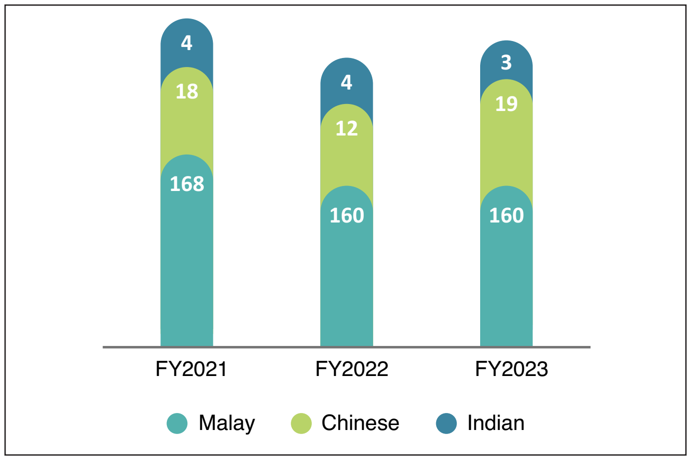

## BREAKDOWN OF EMPLOYEES BY GENDER



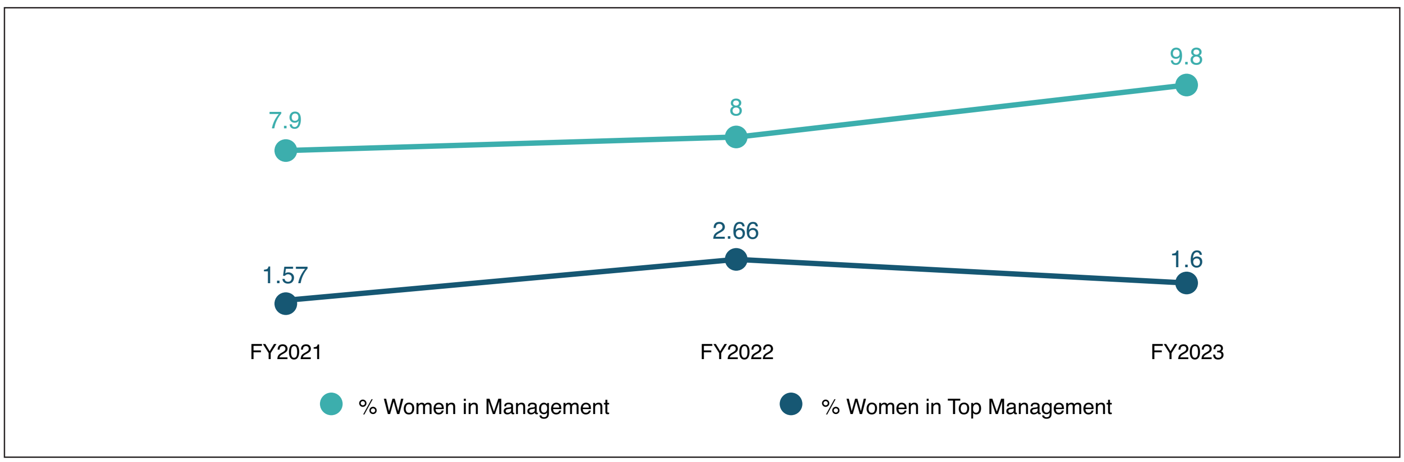

## BREAKDOWN OF EMPLOYEES BY AGE GROUP




## BREAKDOWN OF EMPLOYEES BY ETHNICITY




## PERCENTAGE OF FEMALE IN THE MANAGEMENT



# SUSTAINABILITY STATEMENT

### Employee Training and Development
(GRI 103; GRI 404)

At Glomac, we prioritise employee training and development to cultivate a skilled and motivated workforce. Through diverse training programs and individual development plans, we empower employees to enhance their skills and reach their full potential. Our focus on leadership development and internal knowledge-sharing drives performance, engagement, and innovation within the organisation.

| | Board of Directors | Management | Staff |
|---|---|---|---|
| **Function** | Director | Operation/ Technical/ Finance | Operation/ Technical/ Finance/ Information Technology |
| **Group** | Glomac Berhad | Glomac Berhad, Glomac Group Management Services | Glomac Berhad, Glomac Group Management Services |
| **No. Of Employees** | 6 | 4 | 9 |
| **Training Hours** | 232 | 36 | 72 |
| **Internal/External Training** | External | External | External |
| **Frequency** | Annually / Voluntary / Ad hoc | Voluntary / Ad hoc | Voluntary / Ad hoc |
| **Amount Spent (RM)** | 1,300.00 | 2,412.50 | 6,855.50 |
| **Remarks** | The majority of the trainings were conducted by regulators and professional bodies such as REHDA, KPMG, Deloitte, and Bursa. | Most of the training is virtual. | Most of the training is virtual. |

### Employee Engagement

At Glomac, we place a strong emphasis on fostering employee engagement and creating a positive work culture. We believe that engaged employees are more motivated, productive, and invested in the success of the organisation. To enhance employee engagement, we have implemented various initiatives, including the following exercises:

**Exercised "Token" Payment**

In August 2022, we introduced a special initiative called "token" payment to express our appreciation for our employees' hard work and dedication. This one-time payment served as a recognition of their contributions and as a gesture of gratitude for their commitment to the organisation's goals. The "token" payment initiative aimed to boost employee morale, foster a sense of value and recognition, and strengthen the bond between employees and the organisation.

# SUSTAINABILITY STATEMENT

**Ramadhan Initiatives**

During the holy month of Ramadhan, we organise special initiatives to support our employees and create a sense of community within the workplace. One such initiative involves the distribution of *kurma* (dates) and *bubur lambuk* (a traditional porridge) to all staff members. These gestures are carried out to commemorate the blessed month and provide employees with sustenance for breaking their fast. The distribution of *kurma* and *bubur lambuk* is a reflection of our commitment to inclusivity, empathy, and caring for the well-being of our employees.

**Flexible Work Hours**

Flexible work hours contribute to employee engagement and have environmental benefits. By allowing employees to have greater control over their schedules, it reduces peak-hour commuting and associated emissions, conserves energy by optimising office space usage, and promotes work-life integration for improved well-being and productivity.

**Community Engagement**
(GRI 103; GRI 413)

By achieving 100% hiring of local Malaysians, Glomac actively engages with the community, promotes economic empowerment, and strengthens social bonds. Through job opportunities, skill development, and cultural preservation, Glomac creates a sense of belonging, fosters community collaboration, and establishes sustainable relationships for positive social impact.

## FORGING A SUSTAINABLE PATH

As we move forward, we recognise that the path to sustainability requires continuous improvement and adaptation. We remain dedicated to exploring innovative solutions, conducting research, and fostering collaboration with like-minded partners. By staying at the forefront of sustainability practices, we aim to inspire and lead the industry towards a greener and more sustainable future.

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

**Dear Esteemed Shareholders,**

**On behalf of the Board of Directors of Glomac Berhad ('Glomac' or the 'Group'), it is my privilege to present to you the Annual Report and Audited Financial Statements for the financial year ended 30 April 2023 ('FY2023').**

**Pemegang Saham yang Dihormati,**

**Bagi pihak Lembaga Pengarah Glomac Berhad ("Glomac" atau Kumpulan"), adalah menjadi keutamaan kami untuk membentangkan Laporan Tahunan dan Penyata Kewangan Beraudit bagi tahun kewangan yang berakhir pada 30 April 2023 ("TK2023").**

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

Group Executive Chairman

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

**FY2023 Summary**

**It was a welcoming relief that Malaysia and the rest of the world were able to transit the COVID-19 pandemic to an endemic phase. Pandemic restrictions were lifted, bringing cheer to the public and business communities alike. Our economy staged a firm rebound, largely driven by higher domestic demand. With the ending of movement controls, we at Glomac were also delighted that we were able to host our buyers physically once again at our show galleries, and organise activities, including appreciation events at our various township developments.**

The year has its challenges, and global economic headwinds persisted in the form of supply disruptions, inflationary pressures and geopolitical uncertainties. During this period, Glomac remained resolute in our continuous efforts to raise efficiency and adding value to our core development business.

Our financial performance is commendable, and our improved cash position and gearing levels have presented us with a more robust balance sheet. The Group has also successfully executed sales drives to deliver stronger new sales of RM302 million for the year, almost doubling from the previous year. We are grateful for the confidence buyers placed in us, which is also a testament to our development strengths and the innovative quality of our product offerings.

**Awards & Accolades**

Through strong leadership and dedication, the Glomac brandname has come to be synonymous with delivering outstanding services and quality properties. We value that our commitment to our goals is also recognised by the industry. This year, our *PRIMROSE* terrace houses in *Saujana KLIA*, a thriving RM1.4 billion township development in Sepang, was accorded the "'Excellence" The Starter Home Development Award, Best Primary Home Development (Landed) within Greater KL at the StarProperty Awards 2023.

Datuk Seri FD Iskandar, our Group Managing Director and Chief Executive Officer was also acknowledged by his peers for his achievements and contributions to the Malaysia property industry. This year, he was presented with the 'Malaysian Property Icon Leadership Award' by FIABCI Malaysia & KSI Strategic Institute for Asia Pacific, as well as the 'Rehda Patron Award 2023' from REHDA Malaysia.

**Looking Forward**

Glomac aims to sustain its momentum for new property launches. We are eagerly anticipating the launch of *Loop City Puchong*, our new integrated residential development in Puchong that will encapsulate modern lifestyle living within a nature retreat that would offer a hub of recreational amenities for residents.

**Ringkasan Laporan Kewangan TK2023**

**Menjadi satu kelegaan apabila Malaysia dan seluruh dunia dapat beralih dari fasa pandemik COVID-19 ke fasa endemik. Apabila sekatan pandemik dimansuhkan, ia memberi semangat baharu kepada masyarakat dan komuniti perniagaan. Ekonomi negara mengalami pemulihan yang kukuh, sebahagian besarnya diterajui oleh permintaan domestik yang lebih tinggi. Dengan berakhirnya kawalan pergerakan, kami di Glomac juga gembira kerana kami dapat sekali lagi menjadi tuan rumah kepada pembeli secara fizikal di galeri pameran, dan banyak aktiviti boleh dijalankan termasuk majlis apresiasi di pelbagai pembangunan pembandaran.**

Tahun ini mempunyai cabarannya tersendiri dengan hambatan ekonomi global berterusan dalam bentuk gangguan bekalan, tekanan inflasi dan ketidakpastian geopolitik yang melanda. Dalam tempoh ini, Glomac tetap utuh dalam usaha berterusan untuk meningkatkan kecekapan dan nilai tambah dalam perniagaan pembangunan.

Prestasi kewangan kami memuaskan, dan kedudukan tunai kewangan kami juga berada pada tahap yang terbaik. Kumpulan juga berjaya melaksanakan perancangan penjualan untuk menaikkan penjualan yang lebih mampan sebanyak RM302 juta untuk tahun ini, hampir dua kali ganda dari tahun sebelumnya. Kami juga berterima kasih atas keyakinan pembeli yang diberikan kepada kami, yang juga merupakan bukti kekuatan pembangunan dan kualiti produk yang kami tawarkan.

**Anugerah & Penghargaan**

Melalui kepimpinan dan dedikasi yang kuat, jenama Glomac telah mula dikenali dengan memberikan perkhidmatan dan kualiti yang terbaik. Kami menilai bahawa komitmen kami ke arah mencapai matlamat kami di perakui oleh sektor industri. Pada tahun ini, *PRIMROSE* rumah teres di Saujana KLIA, merupakan satu pembangunan pembandaran yang bernilai RM1.4 juta di Sepang mendapat anugerah Kecemerlangan *"The Starter Home Development Award"* iaitu *Best Primary Development (Landed)* sekitar Kuala Lumpur anjuran StarProperty Awards 2023.

Datuk Seri FD Iskandar yang merupakan Pengarah Urusan Kumpulan dan Ketua Pegawai Eksekutif turut diiktiraf oleh industri atas pencapaian dan sumbangan beliau dalam industri hartanah di Malaysia. Tahun ini beliau juga dikurniakan gelaran *"Malaysian Property Icon Leadership Award"* oleh FIABCI Malaysia & KSI Strategic Institute for Asia Pacific dan juga anugerah *"Rehda Patron Award 2023"* oleh REHDA Malaysia.

**Mara ke Hadapan**

Glomac bertujuan untuk mengekalkan momentumnya untuk pelancaran hartanah baharu. Kami berhasrat dan menjangkakan pelancaran *Loop City Puchong* sebagai pembangunan kediaman bersepadu baharu di Puchong yang akan merangkumi gaya hidup moden serta mengekalkan alam sekitar dan menawarkan pusat kemudahan tempat rekreasi untuk penduduk sekitarnya.

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

The Group has available prime landbank within Greater Kuala Lumpur and the Klang Valley that carry potential Gross Development Value ("GDV") of almost RM8 billion to support our development activities. To be successful in bringing new projects to market, we are cognisant of the need to constantly innovate ourselves as a developer, in catering to the evolving lifestyle changes of current home buyers.

Adoption of digitalisation and sustainability is integral to the Group's progress as a property developer. Whether it be introducing new property concepts and layouts, or running marketing campaigns on digital platforms, Glomac will continue to embrace digital transformation for value creation and to further enhance our operational efficiencies. The Group has had a long-standing emphasis on green development and sustainable practises. This focus on sustainability management remains a vital component of our longer-term growth strategy.

**Dividend**

The Board is recommending a final dividend of 1.25 sen per share for the year, maintaining a regular dividend stream for shareholders.

**Acknowledgements**

It is with deep regret that we bid farewell to three of our Board members, Dato' Ikhwan Salim Bin Dato' Haji Sujak; Datuk Ali bin Abdul Kadir and Datuk Bazlan bin Osman. They have contributed invaluably to the effectiveness of the Board in steering the Group's strategic direction. A special mention to Dato' Ikhwan Salim and Datuk Ali Kadir who retired after having served in the Board for more than twelve years as independent non-executive directors. Your dedication and invaluable advice over the years have had a far-reaching and profound impact on our corporate advancement. On behalf of the Board and management of Glomac, I extend our heartfelt well wishes to the gentlemen in their future endeavours.

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

Kumpulan ini mempunyai bank tanah utama di sekitar Kuala Lumpur dan Lembah Klang yang membawa Nilai Pembangunan Kasar (GDV) yang berpotensi hampir RM8 bilion untuk menyokong aktiviti pembangunan kami. Untuk menjayakan projek ini ke pasaran utama, kami menyedari akan keperluan untuk terus berinovatif sebagai pemaju, dalam mencakupi perubahan gaya hidup pembeli rumah semasa.

Adaptasi digitalisasi dan kelestarian adalah penting bagi kemajuan Kumpulan sebagai pemaju hartanah. Sama ada memperkenalkan konsep dan susun atur harta tanah baharu, atau menjalankan kempen pemasaran di platform digital, Glomac akan terus menerapkan transformasi digital untuk penciptaan nilai dan meningkatkan lagi kecekapan operasi yang bakal dijalankan. Glomac telah lama memberi penekanan kepada pembangunan hijau dan amalan lestari. Berfokuskan kepada pengurusan kelestarian, ia menjadi tunjang kepada strategi pertumbuhan jangka panjang kami.

**Dividen**

Lembaga telah mengesyorkan dividen akhir sebanyak 1.25 sen sesaham untuk tahun ini, mengekalkan aliran dividen biasa kepada pemegang saham.

**Penghargaan**

Dengan rasa berat hati, kami merakamkan penghargaan dan terima kasih kepada ketiga-tiga Ahli Lembaga Pengarah kami iaitu Dato' Ikhwan Salim Bin Dato' Haji Sujak; Datuk Ali bin Abdul Kadir dan Datuk Bazlan bin Osman. Mereka telah banyak menyumbang ke arah keberkesanan dalam memacu Kumpulan ke arah pengurusan yang lebih strategik. Tidak dilupakan kepada Dato' Ikhwan Salim dan Datuk Ali Kadir yang bersara setelah berkhidmat selama lebih dari 12 tahun sebagai Pengarah Bukan Eksekutif Bebas Glomac. Sifat dedikasi dan nasihat yang tidak ternilai selama bertahun-tahun telah memberi kesan yang mendalam terhadap perkembangan korporat kami. Bagi pihak Lembaga dan Pengurusan Glomac, saya mengucapkan selamat maju jaya kepada ketiga-tiga tokoh ini pada masa akan datang.

Concurrently, we are truly excited to welcome Encik Mohd Razlan bin Mohamed and more recently Encik Mohd Adzahar bin Abdul Wahid as our new Board members. Both gentlemen bring with them impeccable credentials and experience, and we look forward to their valued contribution and guidance as our Board directors.

On behalf of the Board, I wish to extend our deepest gratitude to all our stakeholders and shareholders for your unceasing support and confidence in the Group. To our Board, management team and all our employees, your leadership, team spirit and devotion have been instrumental in enabling Glomac to effectively execute its corporate plans and goals. You remain a true asset to the Group, and I look forward to continuing our growth journey and building the Glomac brand together.

Thank you.

**Tan Sri Dato' FD Mansor**
Group Executive Chairman

Pada masa yang sama, kami amat mengalu-alukan kedatangan Encik Mohd Razlan bin Mohamed dan baru-baru ini Encik Mohd Adzahar bin Abdul Wahid sebagai Ahli Lembaga baharu. Kedua-duanya mempunyai kelayakan dan pengalaman yang bernilai untuk terus memberikan sumbangan dan bimbingan dalam mengemudi Glomac sebagai ahli Lembaga Pengarah kami yang baharu.

Bagi pihak Lembaga Pengarah, saya ingin mengucapkan terima kasih yang tidak terhingga kepada semua pihak berkepentingan dan pemegang saham atas segala sokongan dan keyakinan anda yang berterusan dalam Kumpulan. Kepada Lembaga Pengarah, kumpulan pengurusan dan semua pekerja kami, kepimpinan, semangat berpasukan dan kesetiaan anda memainkan peranan dalam memastikan Glomac berjaya mencapai matlamat secara berkesan. Anda semua merupakan aset sebenar Kumpulan, dan saya berharap agar kita semua dapat meneruskan perjuangan yang utuh dalam menjenamakan Glomac.

Terima Kasih.

**Tan Sri Dato' FD Mansor**
Pengerusi Eksekutif Kumpulan

# AWARDS & RECOGNITION

1 2 3


1. **Star Property Awards Real Estate Developer**
   Primrose Saujana KLIA,
   The Starter Home Award,
   Best Primary Home Development (Landed) – Within Greater KL
   Won Excellence (May, 2023)

2. **REHDA Malaysia**
   Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor
   GMD/CEO, Patronship of REHDA
   (March, 2023)

3. **2023 Malaysian Housing & Property Summit**
   Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor
   GMD/CEO, Malaysian Property Icon Leadership Award (February, 2023)

| No. | Description | Year | Recipient |
|---|---|---|---|
| 1 | **Star Property Awards Real Estate Developer** | | |
| | • The Starter Home Award<br>Won Honour (Second out of 3) | October 2021 | Plaza@Kelana Jaya |
| | • The Close-to-Home Award<br>Won Honour (Second out of 3) | October 2021 | Plaza@Kelana Jaya |
| | • Best Developer Transit Oriented Development (Merit Award) | March 2020 | 121 Residences, PJ-Damansara |
| 2 | **iProperty Development Excellence Awards (iDEA)** | | |
| | • People's Choice Award | June 2021 | Glomac Berhad |
| | • Best Mixed Development | June 2021 | Plaza@Kelana Jaya |
| | • Best Developer People's Choice Award | October 2019 | Glomac Berhad |
| 3 | **Property Insight Prestigious Developer Awards** | | |
| | • Best Affordable Township | May 2019 | Saujana Perdana, Sungai Buloh |
| | • Best Industry Leadership | May 2019 | Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor<br>GMD/CEO |
| | • Best Living Lifestyle Development | June 2018 | Lakeside Residences, Puchong |
| | • Industry Excellence Award | June 2018 | Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor<br>GMD/CEO |

# AWARDS & RECOGNITION


*Datuk Seri FD Iskandar received the REHDA Patron Award from Prime Minister, Datuk Seri Anwar Ibrahim*

*Datuk Seri FD Iskandar was honoured with the Malaysian Property Icon Leadership Award*

*Glomac Berhad won The Starter Home Award, Best Primary Home Development (Landed) – Within Greater KL (Primerose, Saujana KLIA)*

| No. | Description | Year | Recipient |
|---|---|---|---|
| 4 | **Des Prix Infinitus Asean Property Awards**<br>• Innovative Developer Award<br>• Leadership Excellence Award | <br>March 2019<br>March 2019 | <br>Glomac Berhad<br>Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor GMD/CEO |
| 5 | **Minority Shareholders Watch Group (MSWG) – ASEAN Corporate Governance Awards**<br>• Most Improved CG Disclosure | July 2019 | Glomac Berhad |
| 6 | **APAC South East Asia Business Awards**<br>• Best Real Estate Developer Company 2019 - Malaysia | June 2019 | Glomac Berhad |
| 7 | **The EdgeProp Malaysia, The Editor's Choice**<br>• Malaysia's Exemplary Real Estate Industry Leader 2018 | May 2018 | Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor GMD/CEO |
| 8 | **Asia Pacific Entrepreneurship Awards**<br>• Property Development Industry | August 2017 | Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor GMD/CEO |
| 9 | **The Edge Malaysia**<br>• Outstanding Property Entrepreneur | November 2016 | Tan Sri Dato' Mohamed Mansor bin Fateh Din & Datuk Fong Loong Tuck |

# MANAGEMENT DISCUSSION & ANALYSIS

## Dear Valued Shareholders,

**It is with a sense of relief that we can emerge from lockdowns as the COVID-19 pandemic subsides and restrictions are eased. Glomac Berhad ("Glomac" or "the Group") delivered a reasonable performance for the financial year as it strives to regain its momentum amidst global economic headwinds that have constrained business activities across the economy.**

### Financial Performance

| FYE 30 Apr | FY2023 (RM Million) | FY2022 (RM Million) | % change |
|---|---|---|---|
| Revenue | 341.0 | 259.5 | +31% |
| Gross profit | 107.2 | 100.6 | +7% |
| Pre-tax profit | 50.5 | 61.5 | -18% |
| Net Profit Attributable to Owners | 31.5 | 37.9 | -17% |
| Net EPS (sen) | 4.10 | 4.93 | -17% |
| Gross margin | 31.4% | 38.8% | |
| Pre-tax margin | 14.8% | 23.7% | |

In FY2023, Glomac reported Group revenue of RM341.0 million, representing a 31% growth compared to RM259.5 million achieved in the preceding financial year ("FY2022"). The stronger revenue was mainly underpinned by steady construction activities from ongoing development projects, which include current phases at our *Saujana Perdana* township development in Sungai Buloh, as well as *Plaza@Kelana Jaya* and *121 Residences*, the Group's two high-rise residential developments within the Petaling Jaya – Damansara districts.

### FY2023 Revenue Contribution

| By Region | Revenue (RM million) | Contribution (%) |
|---|---|---|
| Klang Valley | 327.6 | 96.1 |
| Johor | 13.4 | 3.9 |
| **Total** | **341.0** | **100.0** |

In the financial year under review, the Group achieved pre-tax profit of RM50.5 million, compared to RM61.5 million recorded in FY2022. The Group's profitability was impacted by higher construction costs as well as labour constraints. Interest expense was also higher as domestic interest rates rose in a bid by Bank Negara Malaysia ("BNM") to curb inflationary pressures. Consequently, net profit attributable to owners of the Company declined 17% to RM31.5 million from RM37.9 million recorded in FY2022.

Glomac's balance sheet strengthened, with total cash, fixed deposits and short-term placements cumulated to RM288.8 million as at 30 April 2023, rising from RM215.4 million twelve months earlier. Cash generated from operations improved, whilst current ratio stood at a comfortable 1.19x. Net gearing eased to 0.16x of shareholders' funds at the end of the same period, compared with 0.23x as at 30 April 2022.

# MANAGEMENT DISCUSSION & ANALYSIS

Net assets attributable to ordinary equity holders of the parent amounted to RM1,178.0 million, translating to an improved net asset per share of RM1.53 as at end-April 2023, compared with RM1.51 per share a year ago.

**Dividends**

The Board of Directors has proposed the payment of a final single-tier dividend of 1.25 sen per share in respect of the financial year ended 30 April 2023. This translates to a dividend yield of 4.0% based on Glomac's closing share price of RM0.315 as at 30 April 2023. The proposed final single-tier dividend is subject to Glomac shareholders' approval at the upcoming 39th Annual General Meeting.

Glomac strives to deliver a long-term sustainable dividend trend to reward our supportive shareholders.

**Corporate Developments**

**Acquisition of Remaining 49% Equity Interest In Glomac Bina Sdn Bhd ("Glomac Bina")**

On 12th April 2023, Glomac entered into a share sale agreement to acquire the remaining 49% of Glomac Bina from Tan Sri Dato' Mohamed Mansor bin Fateh Din and Mohd Yasin Loh Bin Abdullah for a total cash consideration of RM16.3 million. The purchase consideration, which is at a 35% discount to Glomac Bina's audited net assets, is to be funded entirely from internally generated funds.

Glomac Bina, currently 51%-owned by Glomac, is a CIDB Grade 7 building contractor that possesses a comprehensive range of licenses and certifications. Glomac Bina is primarily involved in the construction works of Glomac's development projects. Post-acquisition, Glomac will be able to fully recognize the financial results of Glomac Bina as its wholly-owned subsidiary. Through streamlining this group structure, Glomac also expects to yield greater operational efficiency and enhance synergies with Glomac Bina by tapping into each other's resources and expertise to achieve scale in operation and market presence.

The proposed acquisition was duly approved by our shareholders at the Extraordinary General Meeting held on 22nd June 2023, and is slated for completion by the third quarter of 2023.

**Glomac Technology Sdn Bhd Entered Into A MOU With Tenaga Nasional Berhad**

On 17th April 2023, Glomac Technology Sdn Bhd, a 51%-owned subsidiary of Glomac entered into a Memorandum of Understanding ("MoU") with Tenaga Nasional Berhad for the purpose of exploring potential business opportunities on solar and green energy facilities.

This collaboration is an exciting proposition for Glomac, as it complements our core development business, as well as being in line with our commitment to enhance the Group's sustainability strategy in developing such Environment, Social and Governance ("ESG") initiatives.

The MoU will remain effective for a period of twenty-four months from the date of signing, unless extended in writing by mutual agreement or earlier termination in writing by either party in accordance with the provisions of the MoU.

# MANAGEMENT DISCUSSION & ANALYSIS

**Property Development**

Despite the full reopening of the economy, FY2023 was another year filled with various challenges on costs and supplies amidst a rising interest rates environment. Adopting a prudent approach to our development activities, Glomac was successful in raising new launches and delivering higher new sales during the financial year.

**FY2023 New Launches**

| Launches | Project Type | GDV (RM million) |
|---|---|---|
| Saujana KLIA | Double-Storey Terrace Houses | 35 |
| Saujana Perdana | Shop Houses | 68 |
| Lakeside Residences | Shop Offices | 81 |
| **Total** | | **184** |

Glomac launched RM184 million worth of new products during the financial year, comprising a good mix of landed residential and commercial developments. At *Saujana KLIA* in Sepang, we launched the second phase of *PRIMROSE* double-storey terrace houses, comprising 60 units with a total estimated Gross Development Value ("GDV") of RM35 million.

*PRIMROSE* was awarded the **"EXCELLENCE" THE STARTER HOME DEVELOPMENT AWARD - Best Primary Home Development (Landed) within Greater KL** at the **StarProperty Awards 2023**. We are proud that Glomac's development projects continue to garner recognition in the industry, exemplifying our development strengths in introducing well conceptualised and innovative properties that appeal to buyers.

Launches in the year also included shop houses at Saujana Perdana, comprising 81 units with a total estimated GDV of RM68 million. This is the first commercial component introduced into our township development in Sungai Buloh. Sales from these shop houses have been brisk, and almost fully sold with only 3 units remaining since its official launch in April 2023.

# MANAGEMENT DISCUSSION & ANALYSIS

The Group also rolled out *Lakeside Boulevard II*, the second phase of shop offices at *Lakeside Residences*, our highly successful integrated residential development in Puchong. The initial phase, *Lakeside Boulevard*, comprising 43 shop offices with a total estimated GDV of RM64 million, received overwhelming response and was fully sold in the first quarter of FY2023. Capitalising on this strong demand, we expect *Lakeside Boulevard II*, comprising 49 shop offices with a total GDV of RM81 million, to be just as well received.

**FY2023 New Property Sales**

| Projects | New Sales (RM Million) | Contribution (%) |
|---|---|---|
| Bandar Saujana Utama* | 112 | 37.1% |
| Plaza@Kelana Jaya | 70 | 23.2% |
| 121 Residences | 53 | 17.5% |
| Lakeside Residences | 39 | 12.9% |
| Saujana KLIA | 9 | 3.0% |
| Sri Saujana, Johor | 6 | 2.0% |
| Saujana Jaya, Johor | 6 | 2.0% |
| Saujana Rawang | 4 | 1.3% |
| Others# | 3 | 1.0% |
| **Total** | **302** | **100%** |

* *incl. Saujana Perdana & Saujana Utama 5*
\# *incl. Cyberjaya 2 & Glomac Centro*

FY2023 new sales jumped 89% to RM302 million from RM160 million achieved in the previous year. This stronger showing in new sales can be attributed to Glomac's strong product offerings and our successful sales drives.

*Seri Kenanga* in *Saujana Perdana*, which is a *Rumah Selangorku* project launched in FY2022, was fully sold in the year. This comprises 178 double-storey terrace houses with a total estimated GDV of RM45 million. *RUMA33*, our maiden launch at *Saujana Utama 5*, comprising 33 double-storey super-link terrace houses with a total estimated GDV of RM24 million, is almost fully sold with only 1 unit remaining. The first phase of our award-winning PRIMROSE landed residential at *Saujana KLIA*, comprising 63 double-storey terrace houses with a total estimated GDV of RM33 million, is left with only a few units remaining for sale.

*Plaza@Kelana Jaya* and *121 Residences,* our two high-rise residential developments continued to enjoy steady sales, particularly more pronounced since the lifting of movement restrictions. These had also contributed healthily to our overall higher sales achieved during the financial year under review.

**Historical Trend in Unbilled Sales**

| | FY2019 (RM Million) | FY2020 (RM Million) | FY2021 (RM Million) | FY2022 (RM Million) | FY2023 (RM Million) |
|---|---|---|---|---|---|
| Unbilled Sales | 476 | 650 | 578 | 542 | 528 |

Underpinned by the higher new sales, our unbilled sales also improved to RM528 million as at end-April 2023. This is mainly anchored by our ongoing phases at *Saujana Perdana, Saujana Utama 5,* as well as our two high-rise residential developments, *Plaza@Kelana Jaya* and *121 Residences*. Priority remains to ensure smooth construction progress and to maintain our track record for on-schedule completion and delivery of all our ongoing developments. We are confident to sustain our sales momentum, especially looking forward to our planned new launches of RM475 million in FY2024 to replenish our unbilled sales and provide further earnings visibility for the Group in medium term.

# MANAGEMENT DISCUSSION & ANALYSIS

## Review Of Key Property Projects FY2023

### Saujana KLIA, Sepang

| Launched: | Total GDV: | Launched GDV: | Total sales: | FY2023 sales: | Unbilled sales: |
|---|---|---|---|---|---|
| 2015 | RM1.44 billion | RM593 million | 94% | RM9 million | RM23 million |

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

With a total estimated GDV of RM1.44 billion, *Saujana KLIA* is another showcase of Glomac's ability to provide quality housing at affordable prices. The affordable township comprises residential units with spacious layout and modern contemporary designs enveloped in lush greenery. Cumulatively RM593 million worth of launches at *Saujana KLIA*, comprising various phases of terrace houses and shop offices, are almost all sold. *PRIMROSE*, launched in the second quarter of FY2022 and comprising 63 terrace houses with a total estimated GDV of RM33 million, registered sales of 89% as at end-April 2023. In March FY2023, we introduced the second phase of *PRIMROSE*, comprising 60 terrace houses with a total estimated GDV of RM35 million. The new phase has received strong response since launch.

During the year, PRIMROSE was awarded the **"EXCELLENCE" THE STARTER HOME DEVELOPMENT AWARD - Best Primary Home Development (Landed) within Greater KL at the StarProperty Awards 2023.**

In FY2024, we plan to launch the third phase of *PRIMROSE*, comprising 108 double-storey terrace houses with a total estimated GDV of RM65 million.

# MANAGEMENT DISCUSSION & ANALYSIS

## Bandar Saujana Utama, Sungai Buloh

| Launched: | Total GDV: | Launched GDV: | Total sales: | FY2023 sales: | Unbilled sales: |
|---|---|---|---|---|---|
| 1997 | RM3.01 billion | RM2.44 billion | 99% | RM112 million | RM178 million |

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

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

Glomac launched the adjacent *Saujana Perdana* to further expand its presence in Sungai Buloh. *Saujana Perdana*, which was accorded the **BEST AFFORDABLE TOWNSHIP AWARD** at the **Property Insight Prestigious Developer Awards 2019**, has a total estimated GDV of RM914 million.

Launches at S*aujana Perdana* have met with resounding success. More than 1,000 terrace houses have been released through several phases with a total estimated GDV of RM799 million, achieving 100% sales as at end-April 2023. The latest phase of affordable townhouses, *Seri Kenanga* was launched in the fourth quarter of FY2022 and was fully sold as at end-April 2023.

In FY2023, Glomac introduced new phases of shop houses in *Saujana Perdana*, the maiden commercial component in the thriving township development, comprising 81 units *(2,800 sq ft)* double-storey shop houses with a total estimated GDV of RM68 million. The shop houses were very well taken up and is almost fully sold with only three units remaining.

*Saujana Utama 5* is Glomac's third development project within *Bandar Saujana Utama* in Sungai Buloh. This latest 62.5-acre residential township has a potential total estimated GDV of *RM332* million. Launched in FY2022, RUMA33, the maiden phase comprising 33 double-storey (20" by 100") super-link terrace houses with a total estimated GDV of RM24 million, is also almost fully sold with only one unit remaining.

# MANAGEMENT DISCUSSION & ANALYSIS

## Lakeside Residences, Puchong

| Launched: | Total GDV: | Launched GDV: | Total sales: | FY2023 sales: | Unbilled sales: |
|---|---|---|---|---|---|
| 2012 | RM4.01 billion | 641 million | 90% | RM39 million | RM22 million |

***Lakeside Residences* is Glomac's highly successful flagship integrated residential project located in Puchong, Selangor. The 188-acre development has a total estimated total GDV of RM4.0 billion and is maturing well with a growing vibrant residential community.**

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

In FY2023, the Group unveiled *Lakeside Boulevard II*, a new phase of shop offices comprising 49 shop offices *(2,600 sq ft)* with a total estimated GDV of RM81 million. The initial phase of shop offices at *Lakeside Boulevard* comprising 43 shop offices with a total estimated GDV of RM64 million was fully sold as at end-Jul 2022.

Total launches at *Lakeside Residences*, comprising double-storey and 2 ½ storey terrace houses as well as shop offices with a combined total estimated GDV of RM641 million, achieved overall sales of 90% as at end-April 2023.

The next launch at this integrated residential development will be our affordable high-rise residential apartments, *Rumah Selangorku Type E (Khas)*, with a total estimated GDV of RM70 million.

# MANAGEMENT DISCUSSION & ANALYSIS

## 121 Residences, PJ-Damansara

| Launched: | Launched GDV: | Total sales: | FY2023 sales: | Unbilled sales: |
|---|---|---|---|---|
| 2019 | 327 million | 91% | RM53 million | RM157 million |

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

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

*121 Residences*, which was accorded the **MERIT AWARD in the BEST DEVELOPER TRANSIT-ORIENTED DEVELOPMENT** category from **StarProperty Real Estate Developer Awards 2020**, comprises of two stylishly designed residential towers offering 834 serviced apartments and SoHo units with built-up ranging from 450 sq ft to 750 sq ft and a total estimated GDV of RM327 million.

On 8th June 2023, the Group celebrated a key milestone *for 121 Residences* with a Topping-Out Ceremony, as construction reached the top of its 34th floor. The development is on schedule for completion and delivery by the first quarter of 2024.

*121 Residences'* first tower was launched in September 2019, whilst the second tower was subsequently launched in December 2019. As at end-April 2023, 121 Residences achieved overall sales of 91%.

# MANAGEMENT DISCUSSION & ANALYSIS

## Plaza@Kelana Jaya, Kelana Jaya

| Launched: | Launched GDV: | Total sales: | FY2023 sales: | Unbilled sales: |
|---|---|---|---|---|
| 2018 | RM338 million | 92% | RM70 million | 121 million |

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

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

*Plaza@Kelana Jaya* is an integrated residential development comprising 696 units of serviced apartments and 16 units of 3-storey shop offices with a total estimated GDV of RM338 million. The serviced apartments come in various designs and layouts, with certain units offering breath-taking golf and lake views, 4-tiered security and a 1.27-acre recreational podium with multi-generation facilities, including a 25-meter infinity swimming pool.

*Plaza@Kelana Jaya* was voted **BEST MIXED DEVELOPMENT** at the **iProperty Development Excellence Awards (iDEA) 2020**. Subsequently at the **Star Property Awards 2021 – Real Estate Developer**, *Plaza@Kelana Jaya* was also accorded with the **STARTER HOME DEVELOPMENT (High-rise category) AWARD** and **THE CLOSE-TO-HOME AWARD**.

Since its launch in mid-2018, *Plaza@Kelana Jaya* achieved overall sales of 92% as at end-April 2023.

# MANAGEMENT DISCUSSION & ANALYSIS

## Saujana Rawang, Rawang

| Launched: | Total GDV: | Launched GDV: | Total sales: | FY2023 sales: | Unbilled sales: |
|---|---|---|---|---|---|
| 2006 | RM1.04 billion | RM754 million | 98% | RM4 million | RM1 million |

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

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

Launched in 2006, *Saujana Rawang* has become a fast-growing township with a steadily rising population. Product launches, comprising residential components and shop offices with a total estimated GDV of RM754 million, were 98% sold as at end-April 2023.

# MANAGEMENT DISCUSSION & ANALYSIS

## Saujana Jaya, Kulai Johor

| Launched: | Total GDV: | Launched GDV: | Total sales: | FY2023 sales: | Unbilled sales: |
|---|---|---|---|---|---|
| 2018 | RM652 million | RM43 million | 95% | RM6 million | RM12 million |

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

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

The initial phase, comprising double-storey terrace houses with a total estimated GDV of RM43 million, was 95% sold as at end-April 2023.

# MANAGEMENT DISCUSSION & ANALYSIS

## Sri Saujana, Kota Tinggi, Johor


| Launched: | Total GDV: | Launched GDV: | Total sales: | FY2023 sales: | Unbilled sales: |
|---|---|---|---|---|---|
| 1999 | RM776 million | RM595 million | 100% | RM6 million | RM14 million |

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

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

Overall launches, comprising various residential and commercial components with a total estimated GDV of RM595 million, were fully sold as at end-April 2023.

# MANAGEMENT DISCUSSION & ANALYSIS

## Glomac Damansara, Kuala Lumpur


*Property, Plant, Equipment Component:*

| Menara Glomac | Completed: 2012 | Fair Value: RM36 million |
|---|---|---|

*Investment Properties Component:*

| Glo Damansara | Completed: 2016 | Fair Value: RM285 million |
|---|---|---|

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

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

Key tenants at the mall include WORQ co-working space, occupying approximately 30,000 sq ft and Jaya Grocer, a homegrown supermarket chain, which together with its in-house café, Bonjour Garden Café, occupy approximately 23,000 sq ft. Other existing key tenants include Restoran Extra Super Tanker, Bank Rakyat, Fashion Valet, Cookhouse, Turkish Café Istanbul, SilaRasa Restaurant and Ghost Kitchen (“Coox”).

Response to tenancy enquiries was made easier after movement restrictions were lifted. In the year, our marketing efforts yielded positive results as we were able to secure new tenants, successfully introducing new dining and lifestyle retail options to further enhance the mall’s vibrancy. Al-Ikhsan Sport, one of the largest sports retailers in Malaysia, has taken approximately 31,000 sq ft at the mall. Other additions include eateries and cafes such as YaHala Middle Eastern restaurant, Kaito halal Japanese restaurant, Tiga Ikan Asian fusion restaurant, Savour contemporary cuisine, Big Apple Donuts and Gelatomania, an ice cream academy. Adding to the tenancy mix are Phoenix Nail Studio, 32 Pearls Dental, Smart Dentist, office for SpareXHub an e-commerce marketplace for car accessories, SoulDigest, a global education provider, BEST Archery Academy as well as ROSE Katering, a wedding planner and caterer.

There has also been a host of activities successfully organised to draw in shoppers to our lifestyle neighbourhood mall, including festive fairs, children’s workshops, pop-up stores and promotional events. Notable were our “Caring Moms Mother’s Day Health Carnival”, “Caring Moms Christmas Bazaar” and the “TripArt Concert”, an arts and music event supporting Malaysia’s art community.

# MANAGEMENT DISCUSSION & ANALYSIS

**Anticipated or Known Risks**

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

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

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

**Prospects and Outlook**

The Malaysian economy rebounded 8.7% in 2022, spurred on by higher private consumption and exports following the easing of COVID-19 restrictions. GDP growth moderated to 5.6% in the first quarter of 2023, but on track to achieve BNM's full year forecast of 4.0% to 5.0%. As sentiment improves, and with a more conducive market environment, we look forward to successful launch of our new projects in the current financial year.

**FY2024 Planned Launches**

| By Project | Project Type | GDV (RM million) |
|---|---|---|
| Lakeside Residences | Affordable High-rise Apartments | 70 |
| Saujana KLIA | Double-Storey Terrace Houses | 65 |
| Loop City Puchong | SOHO/ Serviced Apartments | 340 |
| **Total** | | **475** |

New launches in FY2024 comprise of landed and high-rise residential developments with a total estimated GDV of RM475 million. Glomac has gained much traction with our brand of affordable and mid-market properties. Our strategic focus remains in these market segments, whilst emphasising on innovative concepts and lifestyle living to appeal to the discerning home buyers.

Widely anticipated would be our debut launch at *Loop City Puchong*, a 15.3-acre new integrated residential development with a total estimated GDV of RM1.57 billion. Targeted for launch in our third financial quarter, the first phase will include SOHO units and serviced apartments with an estimated GDV of RM340 million.

Building on the strong response to our award-winning *PRIMROSE* development at *Saujana KLIA*, we will also be launching the third phase of *PRIMROSE* double-storey terrace houses with an estimated GDV of RM65 million this year. Launching at our *Lakeside Residences* development will be our *Rumah Selangorku Type E (Khas)*, an affordable high-rise residential apartment project with an estimated GDV of RM70 million.

As we roll out our new launches, we are cognizant of the fact that near term prospects have its challenges. The conflict in Ukraine is still ongoing, disrupting supply chains and fuelling global inflation. Central banks continue to adopt a tight monetary stance, with increasing fear of an imminent global recession occurring.

# MANAGEMENT DISCUSSION & ANALYSIS

Under such conditions, it is imperative that Glomac remains resourceful in delivering outstanding services and products that cater to buyers' needs and demands. As a progressive developer, Glomac proactively embarks on initiatives to uphold its relevance in the marketplace. The Group has proficiently embraced digital transformation, integrating digital technology and digital marketing into our business to deliver greater efficiency and improve customer experiences. Adapting to the lifestyle changes of buyers, we have endeavoured to introduce property designs and layouts to accommodate digital home concepts.

Glomac has an entrenched commitment to sustainable practices, recognising the economic, environmental and social benefits that they entail. Notable aspects are in the adoption of sustainable construction works, efficient management of our energy and water consumption, as well as in the development of green buildings. *Glomac Centro* and *Reflection Residences*, two of our completed high rise residential developments are Green Building Index ("GBI") certified. *Plaza@Kelana Jaya* and *121 Residences* are in the process of obtaining GreenRE certification. We are proud and excited that our upcoming *Loop City Puchong* would also be green development focused.

**Future GDV**

| By Product Type | GDV (RM million) | Contribution (%) |
|---|---|---|
| Landed Residential | 3,282 | 42.6 |
| High-rise | 2,058 | 26.7 |
| Commercial | 2,365 | 30.7 |
| **Total** | **7,705** | **100.0** |

**Future GDV**

| By Region | GDV (RM million) | Contribution (%) |
|---|---|---|
| Klang Valley | 6,911 | 90.0 |
| Johor | 794 | 10.0 |
| **Total** | **7,705** | **100%** |

One of Glomac's key strengths is our available land assets for development. Glomac has a solid portfolio of prime and strategic landbank, predominantly located within Greater KL and Klang Valley that commands potential GDV of close to RM8 billion. Our balance sheet is solid, providing financial resources to fuel our development activities, as well as to expand our development landbank, in seeking out new land opportunities when they arise. Glomac remains steadfast in our strategy in further fortifying our development platform to scale new heights as a dominant property developer in our market segments.

*Glo Damansara* enjoyed a pick-up in activities as we emerged from the pandemic lock-down. Occupancy has improved to over 60% with entry of an exciting mix of new tenants. It was encouraging to see active crowd participations when the mall hosted a series of fairs, bazaars and carnivals in the year. Tenancy enquiries have been positive, and we expect mall occupancy to improve further. *Glo Damansara* remains a prime retail asset, and we are confident that it will eventually grow into the full-fledged lifestyle neighbourhood we envisioned.

Our deepest appreciation to Dato' Ikhwan Salim bin Dato' Haji Sujak, Datuk Ali bin Abdul Kadir and Datuk Bazlan bin Osman, who stepped down as directors from our Glomac Board, and our warm welcome to Encik Mohd Razlan bin Mohamed and Encik Mohd Adzahar bin Abdul Wahid as our new Board members. We look forward to your critical input and advice as we steer the Group onwards to greater accomplishments.

A special thanks to Dato' Ikhwan Salim and Datuk Ali Kadir who retired from our Glomac Board after having spent more than twelve years as our independent non-executive directors. We extend our deepest gratitude and respect to them for their dedication and commitment to the Group especially in providing valuable advice and guidance throughout their tenure on our Board.

**Datuk Seri FD Iskandar**
Group Managing Director/Chief Executive Officer

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

The Statement is made in accordance to Paragraph 15.25 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad (“Bursa Securities”). In preparing this Statement, guidance was derived from Practice Note 9 of the MMLR of Bursa Securities and the Corporate Governance Guide (4th Edition) published by Bursa Securities Malaysia Berhad. In addition to this, Glomac has taken heed of the observations on disclosure practices as availed by Securities Commission Malaysia in its Corporate Governance Monitor 2022 as well as the expectations set out by Bursa Securities to listed issuers vide its letter.

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

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

**Our Corporate Governance Approach**

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

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

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

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

**Summary of Corporate Governance Practices**

In seeking to realise its corporate governance aspirations, Glomac has benchmarked its practices against the relevant promulgations and higher order practices, across the three (3) principles of MCCG, namely Principle A : Board Leadership and Effectiveness, Principle B: Effective Audit and Risk Management and Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders. Glomac has consistently applied all the Practices espoused by the MCCG for the financial year ended 30 April 2023, save for the following :

- Practice 5.9 (Presence of 30% women Directors on the Board);
- Practice 5.10 (Disclosure of policy on gender diversity for the Board and Senior Management); and
- Practice 8.2 (Disclosure on named basis the top five senior management’s remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

Among the five (5) Step-Ups advocated by the MCCG, the Board has adopted Practices 9.4 and 10.3 as at financial year ended 30 April 2023 :

- Practice 9.4 Step Up (The Audit Committee to comprise solely of Independent Directors); and
- Practice 10.3 Step Up (The Board to establish a Risk Management Committee).

Accordingly, the adoption of Practices 9.4 and 10.3 is voluntary and was undertaken in the enlightened interest of Glomac.

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

## Principle A : Board Leadership and Effectiveness

### Board Responsibilities

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

As depicted in **Diagram 1** of the ensuing page, the Board has constituted four (4) Board Committees, namely, Audit Committee, Nomination Committee, Remuneration & Employees’ Share Scheme (“ESS”) Committee and Risk Management and Sustainability Committee as at financial year ended 30 April 2023 to assist the Board in overseeing specific responsibility areas. Glomac’s Directors are informed of the activities of the Board Committees by receiving Board Committees meetings minutes, reports and updates from the Chairmen of the respective Committees during the Board meetings.

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

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

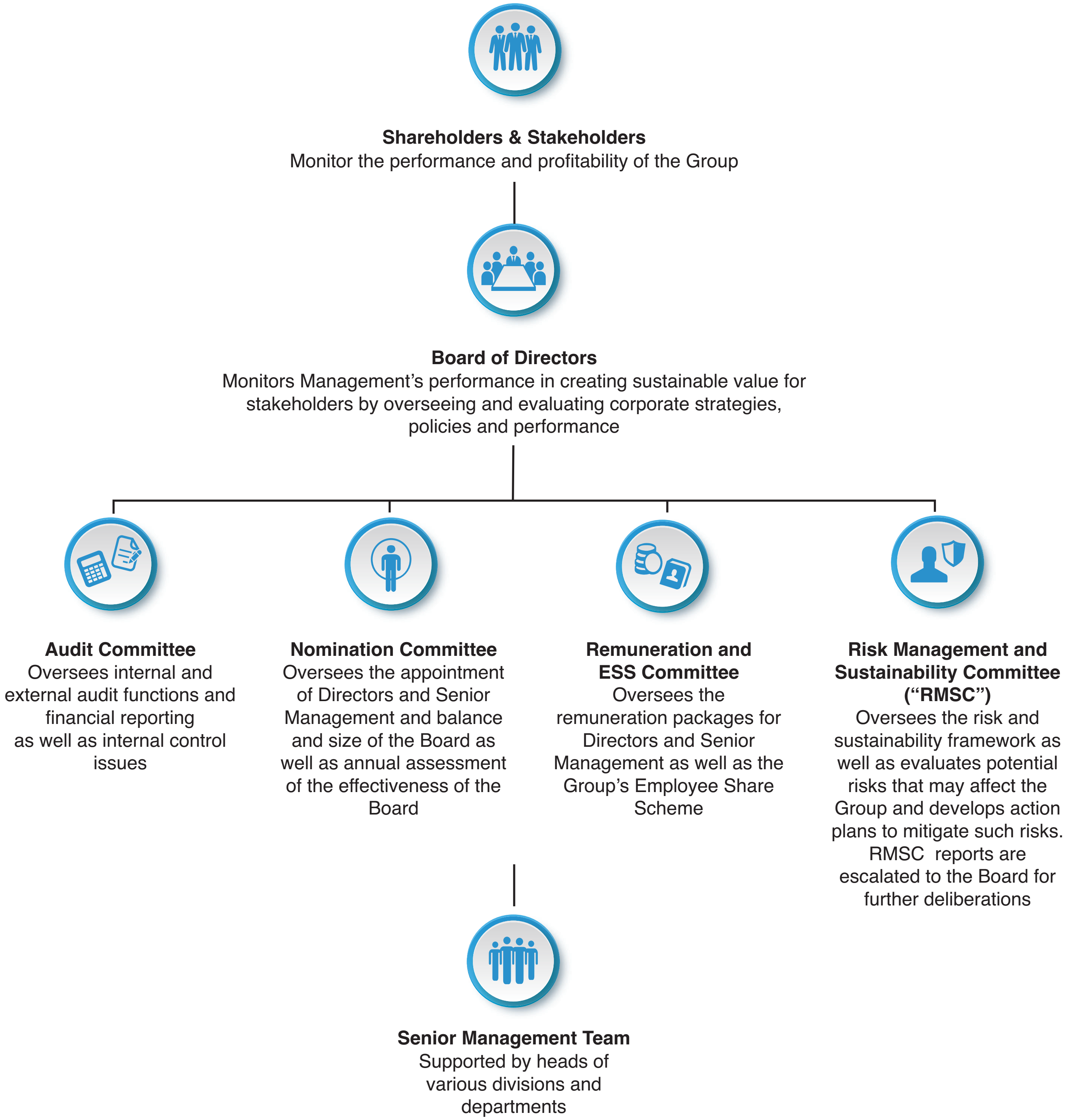



**Diagram 1**
**Group Governance Structure as at financial year ended 30 April 2023**

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

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

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

The Board has formalised a Board Charter (revised and approved by the Board as at 29 June 2022) which serves as a reference and guiding literature for Directors in the discharge of their fiduciary duties. The Board Charter incorporates provisions that provide for the clear demarcation of the respective roles and responsibilities of the Board and Senior Management and includes "Reserved Matters" for the Board. The Board Charter is available online at ***https://www.glomac.com.my***.

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

- Corporate plans, programmes and new ventures
- Conflict of interest issues relating to a substantial shareholder or a Director
- Material acquisitions and disposition of assets
- Investments in capital projects
- Risk management policies
- Corporate announcement to regulators

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

In fulfilling its duties and responsibilities as stewards of the Company, the Board maintains a direct line of communication with Senior Management and has unrestricted access to information pertaining to the Group's business affairs. The Board is supported by three (3) suitably qualified Company Secretaries who serve as corporate governance counsels to the Board and one (1) of the Company Secretaries has resigned in April 2023. The Company Secretaries assist the Board in adhering to the relevant corporate governance legislative promulgations and internal policies and procedures and apprise the Board on the latest statutory and regulatory requirements relating to corporate governance.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

| Director | Board | Audit Committee | Nomination Committee | Remuneration and ESS Committee | Risk Management and Sustainability Committee |
|---|---|---|---|---|---|
| **Executive Directors** | | | | | |
| Tan Sri Dato' Mohamed Mansor bin Fateh Din (Chairman) | 5/5 | | | | |
| Datuk Richard Fong Loong Tuck | 5/5 | | | | |
| Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor | 5/5 | | | 2/2 | |
| **Senior Independent Non-Executive Director** | | | | | |
| Dato' Ikhwan Salim bin Dato' Haji Sujak (Resigned on 1 July 2023) | 5/5 | 6/6 | 2/2 | 2/2 | 5/5 |
| **Independent Non-Executive Directors** | | | | | |
| Datuk Ali bin Abdul Kadir (Retired on 19 Oct 2022) | 2/3 | 2/3 | 1/1 | 1/2 | N/A |
| Shan Choo | 5/5 | 6/6 | 2/2 | 2/2 | 5/5 |
| Datuk Bazlan bin Osman (Resigned on 31 March 2023) | 5/5 | 6/6 | N/A | N/A | 5/5 |
| Mohd Razlan bin Mohamed (Appointed on 27 May 2022) | 5/5 | 5/5 | 1/1 | N/A | 4/4 |
| Mohd Adzahar bin Abdul Wahid (Appointed on 1 June 2023) | N/A | N/A | N/A | N/A | N/A |

Chairman

Member

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

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

In terms of structural oversight over sustainability at Glomac including strategies, priorities and goals, it is reposed at the Board level with Management being responsible for operational execution. The Board appreciates the fact that Glomac’s internal and external stakeholders should be well informed on the Company’s sustainability strategies, priorities, targets as well as overall performance and accordingly, the Sustainability Statement provides a detailed articulation on this front. The Board also keeps itself apprised with contemporaneous sustainability developments through capacity building efforts and the proactivity as well as responsibility of the Board on this front are evaluated through the Board Effectiveness Evaluation exercise. As for Senior Management personnel, a weighted proportion of their key performance indicators are being mapped to sustainability considerations with a nexus to executive compensation packages.

**Board Composition**

During the year under review, the Board comprises eight (8) Directors with more than half of the Board (i.e. five (5) of them) being Independent Directors. One (1) of the Directors had retired and two (2) of the Directors had resigned during the year, Datuk Ali bin Abdul Kadir (retired on 19 October 2022), Datuk Bazlan bin Osman (resigned on 31 March 2023) and more recently (i.e. on 1 July 2023), the Senior Independent Director, Dato’ Ikhwan Salim bin Dato’ Haji Sujak had resigned to be in line with the latest ruling on the 12 years tenure limit of independent directors. In replacement thereof and in order to create a well-balanced board composition and dynamics, Encik Mohd Adzahar bin Abdul Wahid was appointed as an Independent Non-Executive Director. As such, presently, the Board comprises three (3) Executive Directors and three (3) Non-Executive Directors and all of whom are Independent Directors. Ms Shan Choo remains as the only female Director on the Board, being appointed on 3 July 2017 as part of the Board’s commitment in taking incremental yet concerted steps towards shaping a gender-diverse Board.

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

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

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

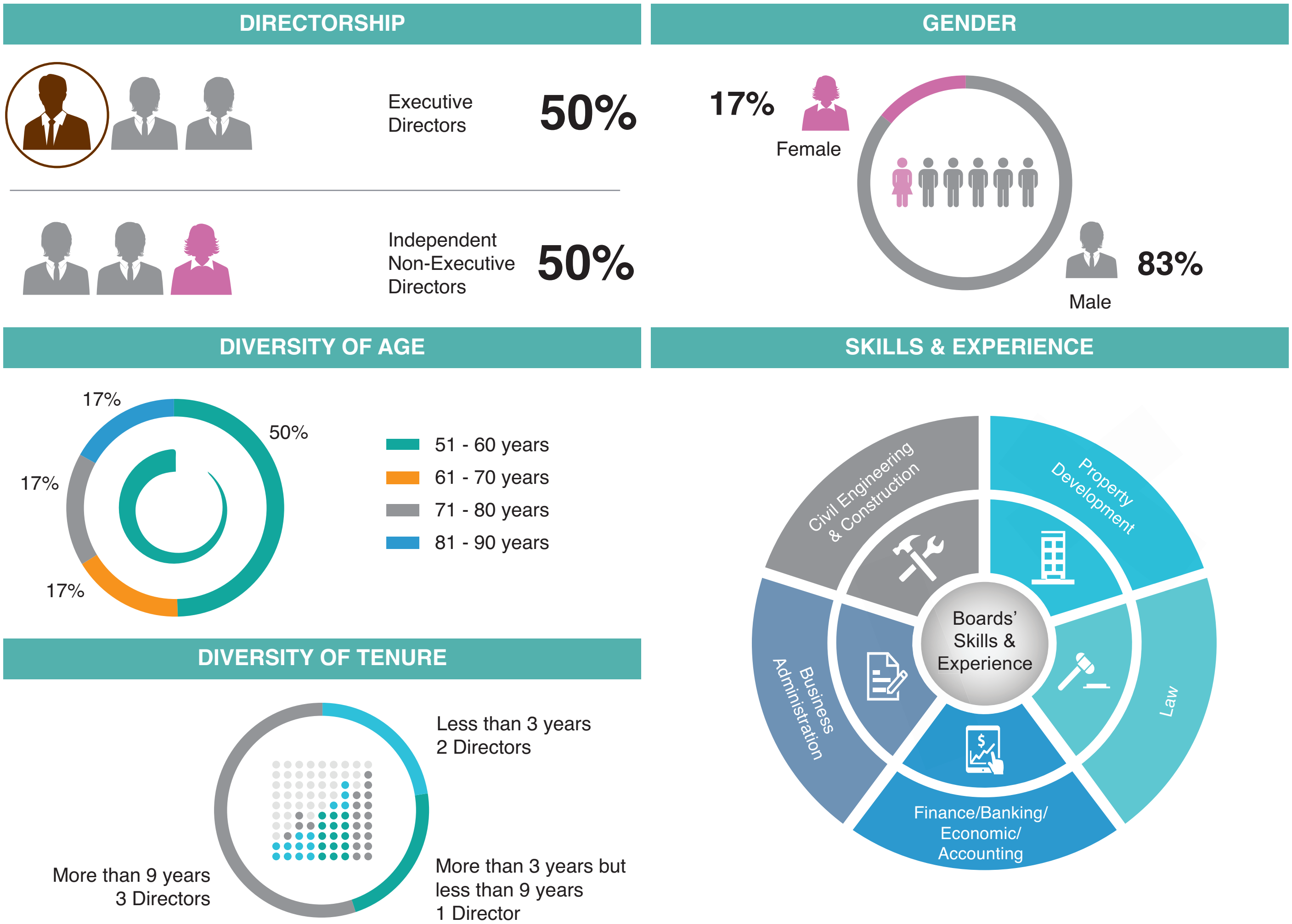



**Diagram 4: Board Composition - Directorships, gender, diversity of age, diversity of tenure and skills & experience**

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Board Independence**

As at the date of the publication of this Annual Report, 50% of the Board comprises Independent Directors. This exhibits the Board's compliance to paragraph 15.02 of the MMLR of Bursa Securities which calls for the Board to be occupied by at least one-third (1/3) of Independent Directors as well as meeting the prescribed Practice of having at least half of the Board comprises Independent Directors, as stipulated in the MCCG. This allows the Board to deliberate and make decisions objectively and in the best interest of the Group, taking into account diverse perspectives and insights.

The tenure of Glomac's long-standing Independent Directors, Dato' Ikhwan Salim bin Dato' Haji Sujak and Datuk Ali bin Abdul Kadir, had however exceeded the prescribed tenure limit of nine (9) years (as advocated by the MCCG). Henceforth, the Board is cognisant of the amended Main Market Listing Requirements of Bursa Malaysia Securities Berhad which now places an outright limit of twelve years on the tenure of Independent Director. As the said amended requirement has become effective from 1 June 2023, Glomac's Board has undertaken the necessary process to comply with the requirement. Datuk Ali bin Abdul Kadir had retired on 19 October 2022 while Dato' Ikhwan has resigned from the Board with effect from 1 July 2023.

**Boardroom Diversity**

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

**Succession Planning**

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

**Nomination Committee**

The Nomination Committee comprises three (3) Directors, all of whom are Independent Non-Executive Directors. The Nomination Committee is spear-headed by the Independent Non-Executive Director as specified under Practice 5.8 of the MCCG. The duties and responsibilities of the Nomination Committee are set out in the Terms of Reference of Nomination Committee (revised on 29 June 2022) which are available on the Company's website at ***https://www.glomac.com.my***. The members of the Nomination Committee are shown in ***Diagram 5*** below:

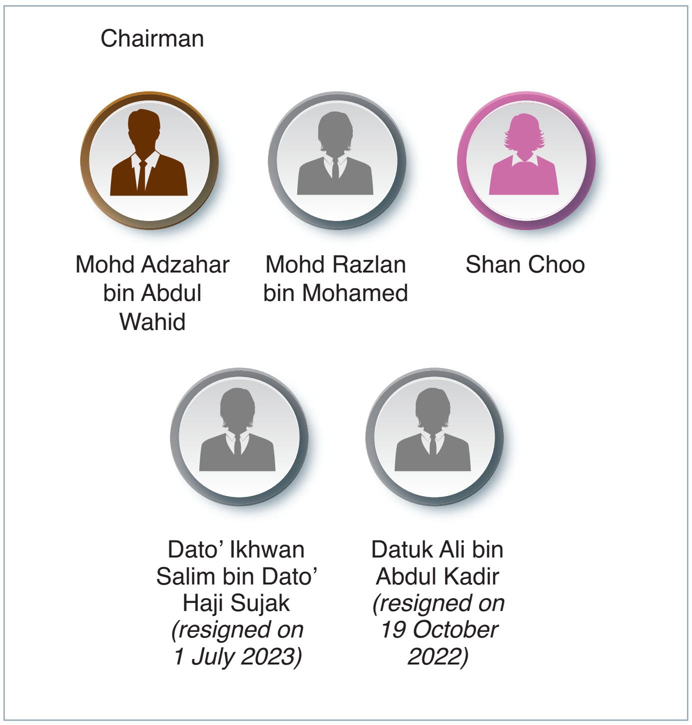



**Diagram 5: Nomination Committee**

For the financial year ended 30 April 2023, the activities carried out by the Nomination Committee were as follows:

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

The Board based on the recommendation of the Nomination Committee had on 29 June 2022 approved the adoption of Directors' Fit and Proper Policy as a guiding tool to ensure that the individuals slated for appointment as Directors and the existing Board members of Glomac are able to discharge their duties with propriety. The Directors' Fit and Proper Policy is available on the Company's website at ***https://www.glomac.com.my***.

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

**Boardroom Professional Development**

During the financial year under review, the Nomination Committee assessed and determined the training needs for individual Directors as prescribed under Paragraph 15.08 of the MMLR of Bursa Securities, the Directors are kept abreast of changes in the constantly evolving property development industry as well as regulatory and sustainability developments through trainings and workshops. The list of training programs in the course of continuing professional development that were attended by the Directors of Glomac during the financial year ended 30 April 2023 is outlined in ***Table 2*** below :

| Attended by | List of training programmes attended | Organiser |
|---|---|---|
| **Tan Sri Dato' Mohamed Mansor bin Fateh Din** | 1. Leadership Centre Exclusive | KPMG |
| | 2. Training Program on ESG<br>- Sustainability Insight and Climate Change<br>- Industry Outlook : Sustainability in Real Estate & Construction | Deloitte |
| | 3. Bursa Malaysia Immersive Experience - The Board Agender | Bursa Malaysia |
| **Datuk Fong Loong Tuck** | 1. Introduction of Tax Corporate Governance Framework (TCFG) | KPMG |
| | 2. Training Program on ESG<br>- Sustainability Insight and Climate Change<br>- Industry Outlook : Sustainability in Real Estate & Construction | Deloitte |
| | 3. Contract Management & Tender Process | Apple Advanced Academy |
| | 4. Deferred Tax & Corporate Tax | Apple Advanced Academy |

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

| Attended by | List of training programmes attended | Organiser |
|---|---|---|
| **Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor** | 1. Task Force on Climate-related Financial Disclosure (TCFD) Climate Disclosure | Bursa Malaysia |
| | 2. Media Briefing : Property Industry Survey 2H2021 & Market Outlook 2022 | Rehda Malaysia |
| | 3. Regional Housing Conference | Rehda Institute |
| | 4. Anti-Bribery and Corruption Compliance by Malaysian Anti-Corruption Commission (MACC) | Rehda Institute |
| | 5. CEO@Faculty Program 1.0: Learn From the Pros | *Kementerian Pengajian Tinggi Malaysia* / Ministry of High Education |
| | 6. Green Building Conference, GC 2022<br>- Accelerating Sustainability in Malaysia's Real Estate Sector | Rehda Institute |
| | 7. Training Program on ESG<br>- Sustainability Insights & Climate Change<br>- Industry Outlook : Sustainability in Real Estate & Construction | Deloitte |
| | 8. Khazanah Megatrends Forum: Development and its Complexities | Khazanah Nasional Berhad |
| | 9. GreenRE : Seminar - Building With Biodiversity for the Built Environment : 3 Case Studies | GreenRE |
| | 10. Cyber Security Awareness by Strateq | Axis Reit |
| | 11. Rehda Media Briefing 2H2022 & Market Outlook 2023 | Rehda Malaysia |
| | 12. The 2023 Malaysian Housing and Property Summit "Reimagining Development In The Post Pandemic Era" | Fiabci Malaysia & Ksi Strategic Inst. for Asia Pacific |
| | 13. Regional Housing Conference | Rehda Institute |
| | 14. Majlis Penyerahan Watikah Pelantikan Panel of Experts (POE) & Mesyuarat Panel of Experts Bil. 1/2023 | *Kementerian Pembangunan Kerajaan Tempatan* / Ministry of Local Government Development |
| | 15. GreenRE Technical Seminar on Efficient Central Air-Conditioning Design and M&V Systems | GreenRE |
| | 16. GreenRE Briefing : NRECC Minister (YB Nik Nazmi)<br>- Pengenalan Kepada GreenRE-Alat Pensijilan Bagi Bangunan Dan Perbandaran Hijau Malaysia | GreenRE |

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

| Attended by | List of training programmes attended | Organiser |
|---|---|---|
| **Dato' Ikhwan Salim bin Dato' Hj Sujak** *(resigned on 1 July 2023)* | 1. Cybersecurity – A Board Agenda | ICDM Facilitator & APA Chief Technology Officer, Ridge Security |
| **Shan Choo** | 1. Assessing Your Organizational Culture | The Iclif Leadership & Governance Centre (ICLIF) |
| | 2. International Sustainability Board : Briefing on Emerging Markets | International Sustainability Standards Board (ISSB) |
| | 3. Navigating Evolution of Corporate Governance with the Introduction of Tax Governance Framework | KPMG |
| | 4. Training Program on ESG<br>- Sustainability Insights & Climate Change<br>- Industry Outlook : Sustainability in Real Estate & Construction | Deloitte |
| | 5. Value as a Source of Cogitative Advantage | Financial Institutions Directors' Education (FIDE) |
| | 6. The Cooler Earth Sustainability Summit | CIMB |
| | 7. Recovery and Resilience Spotlight on ASEAN | Bloomberg |
| | 8. Khazanah Megatrends Forum : Development and its Complexities | Khazanah Nasional Bhd |
| | 9. The Audit Oversight Board (AOB)'s Conversation with Audit Committee. | Securities Commission |
| | 10. Early Warning Signs of Mental Health Issues | Malaysian Institute of Accountants (MIA) |
| | 11. Building Experience in Climate Related Financial Reporting | Task Force on Climate-Related Financial Disclosure (TCFD) |

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

| Attended by | List of training programmes attended | Organiser |
|---|---|---|
| **Mohd Razlan bin Mohamed** | 1. Climate Change Impact on Banks & Role of the Board | ICLIF Executive Education Center, Asia School of Business |
| | 2. Audit Committee Conference 2022 | Malaysian Institute of Accountants/ The Institute of Internal Auditors Malaysia |
| | 3. Shariah Non-Compliance Risk Management in Islamic Banking & Finance | Centre For Research & Training |
| | 4. Board of Directors Sustainability Training | Deloitte Business Advisory |
| | 5. Islamic Finance for Board of Directors Program | International Shari'ah Research Academy for Islamic Finance (INCEIF/ISRA) |
| | 6. Mandatory Accreditation Program (MAP) | Institute of Corporate Directors Malaysia (ICDM) |
| | 7. Strategic Cybersecurity Leadership Program | CyberSecurity Malaysia / Kementerian Komunikasi & Multimedia Malaysia |
| | 8. AML/CFT, Managing Conflict of Interest & Cyber Risk Governance for Boards | Securities Industry Development Corporation (SIDC) |
| | 9. Board Oversight on Section 17A MACC Act 2009 & Managing Material Non-Public Information (MNPI) | SIDC |
| | 10. AML/CFT Awareness Training | PwC |
| | 11. Overview of Islamic Financial Inclusion : Waqf, Zakat & Sadaqah Social Finance Instruments | Centre for Research & Training |

**Table 2 : Directors' Continuous Professional Development**

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Board Remuneration**

The Board has instituted a set of policies and procedures to govern the remuneration of Directors and Senior Management. The policies and procedures serve as guidelines for the Board in remunerating Directors and Senior Management with a view to attract, retain and motivate talented and high-calibre individuals. As for Executive Directors and Senior Management, the components of remuneration packages have been structured to link rewards to individual and corporate performance including sustainability considerations whilst for the Non-Executive Directors, the remuneration packages are based on their position in the Board, participation in boardroom activities and specific skills or expertise that they bring. Independent Non-Executive Directors are compensated fairly.

The Board has established a Remuneration & ESS Committee to assist the Board in its oversight function on matters pertaining to Remuneration and ESS of Directors and Senior Management. The Remuneration and ESS Committee is guided by the Terms of Reference which is available on the Company website at ***https://www.glomac.com.my***.

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

Chairman

Mohd Adzahar bin Abdul Wahid *(appointed on 1 July 2023)*

Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor

Shan Choo

Dato' Ikhwan Salim bin Dato' Haji Sujak *(resigned on 1 July 2023)*

**Diagram 6: Remuneration and ESS Committee**

In determining the level and component parts of Directors' remuneration, the Remuneration and ESS Committee takes into consideration the demands, complexities and performance of the Group as well as the time commitment, skills and experience that are required of Directors. The detailed disclosure of Directors' remuneration for the financial year ended 30 April 2023 is shown in ***Table 3*** below :

**Company Level**

| Directors | Fees (RM'000) | Allowances (RM'000) | Salaries (RM'000) | Bonuses (RM'000) | Statutory Contribution (RM'000) | Benefit in-kind (RM'000) | Total (RM'000) |
|---|---|---|---|---|---|---|---|
| **Executive Director** | | | | | | | |
| Tan Sri Dato' Mohamed Mansor bin Fateh Din | - | 10.0 | 42.7 | 2.0 | 5.4 | 32.2 | 92.3 |
| Datuk Fong Loong Tuck | - | 5.0 | 40.9 | 1.9 | 5.1 | 32.2 | 85.1 |
| Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor | - | 6.0 | 47.3 | 3.8 | 10.2 | 32.2 | 99.5 |

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

| Directors | Fees (RM'000) | Allowances (RM'000) | Salaries (RM'000) | Bonuses (RM'000) | Statutory Contribution (RM'000) | Benefit in-kind (RM'000) | Total (RM'000) |
|---|---|---|---|---|---|---|---|
| **Non-Executive Director** | | | | | | | |
| Dato' Ikhwan Salim bin Dato' Haji Sujak *(Resigned on 1 July 2023)* | 65.1 | 16.0 | - | - | - | - | 81.1 |
| Datuk Ali bin Abdul Kadir *(Retired on 19 October 2022)* | 26.8 | 6.0 | - | - | - | - | 32.8 |
| Shan Choo | 65.1 | 18.2 | - | - | - | - | 83.3 |
| Datuk Bazlan bin Osman *(Resigned on 31 March 2023)* | 59.1 | 12.0 | - | - | - | - | 71.1 |
| Mohd Razlan bin Mohamed | 60.9 | 11.8 | - | - | - | - | 72.7 |
| **Total** | **277.0** | **85.0** | **130.9** | **7.7** | **20.7** | **96.6** | **617.9** |

**Group Level**

| Directors | Fees (RM'000) | Allowances (RM'000) | Salaries (RM'000) | Bonuses (RM'000) | Statutory Contribution (RM'000) | Benefit in-kind (RM'000) | Total (RM'000) |
|---|---|---|---|---|---|---|---|
| **Executive Director** | | | | | | | |
| Tan Sri Dato' Mohamed Mansor bin Fateh Din | - | 10.0 | 855.1 | 178.4 | 110.6 | 32.2 | 1,186.3 |
| Datuk Fong Loong Tuck | - | 5.0 | 817.9 | 169.3 | 108.0 | 32.2 | 1,132.4 |
| Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor | - | 6.0 | 945.9 | 207.1 | 220.8 | 32.2 | 1,412.0 |
| **Non-Executive Director** | | | | | | | |
| Dato' Ikhwan Salim bin Dato' Haji Sujak *(Resigned on 1 July 2023)* | 65.1 | 16.0 | - | - | - | - | 81.1 |
| Datuk Ali bin Abdul Kadir *(Retired on 19 October 2022)* | 26.8 | 6.0 | - | - | - | - | 32.8 |
| Shan Choo | 65.1 | 18.2 | - | - | - | - | 83.3 |
| Datuk Bazlan bin Osman *(Resigned on 31 March 2023)* | 59.1 | 12.0 | - | - | - | - | 71.1 |
| Mohd Razlan bin Mohamed | 60.9 | 11.8 | - | - | - | - | 72.7 |
| **Total** | **277.0** | **85.0** | **2,618.9** | **554.8** | **439.4** | **96.6** | **4,071.7** |

**Table 3 : Directors' Remuneration**

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

## Principle B : Effective Audit and Risk Management

### Audit Committee

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

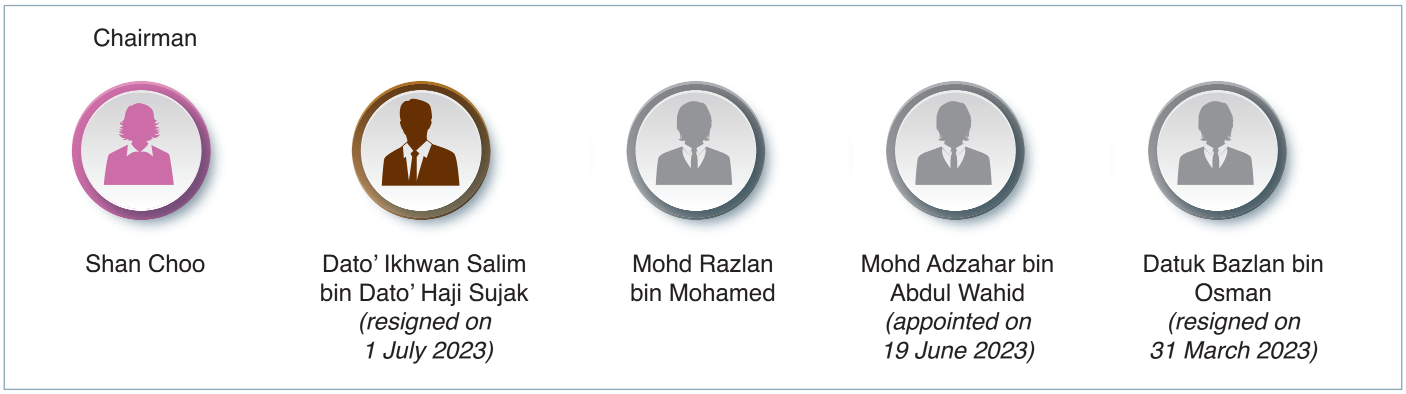



**Diagram 7 : Audit Committee**

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

The Audit Committee Report, which provides detailed articulation on the composition of the Audit Committee, its responsibilities and main activities during the financial year ended 30 April 2023, is set out in this Annual Report.

### Risk Management and Internal Controls

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

The Board has delegated the tasks of operationalising and implementing the risk management, internal control and sustainability framework to the Risk Management and Sustainability Committee ("RMSC"). The RMSC, which is chaired by an Independent Director, Mohd Razlan bin Mohamed and includes the membership of the Senior Independent Director, Dato' Ikhwan Salim bin Dato' Haji Sujak and another Independent Director, Ms Shan Choo. On 19 June 2023, the RMSC appointed another Independent Director, Encik Mohd Adzahar bin Abdul Wahid as the member and on 1 July 2023, Dato' Ikhwan Salim bin Dato' Haji Sujak resigned as a member of the RMSC. The RMSC meets periodically to deliberate on the sustainability framework as well as prevailing and emerging risks surrounding the Group. The Terms of Reference of RMSC are available on the Company website at ***https://www.glomac.com.my***. Matters deliberated and any recommendation made during the RMSC meetings are escalated and reported to the Board for the Board's decision.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

### Communication with Stakeholders

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

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

During the financial year under review, two (2) briefing sessions were conducted during 2$^{nd}$ quarter results (30 November 2022) and 4$^{th}$ quarter results (21 June 2023). Press Conference was also conducted after the conclusion of the AGM (19 October 2022), while meetings with fund managers were conducted on an ad-hoc basis. The Board is cognisant that a proactive approach towards stakeholders engagement will enhance the ability of stakeholders to make informed investment decisions that are based not only on the Group's retrospective performance but also on its business propositions and future outlook.

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

### Conduct of General Meetings

The AGM and EGM serve as the principal avenue for shareholders to engage with the Board and Senior Management in a constructive two-way dialogue. Shareholders are encouraged to actively participate during AGM and EGM by raising questions and providing feedbacks to the Board and Senior Management. All other Directors including the respective Chairmen of the Board Committees, were present during the 2022 AGM and EGM to facilitate shareholders engagement and provide clear and meaningful responses to shareholders' concerns and queries. Feedbacks gathered during the AGM and EGM are evaluated and considered for further action by the Board and Senior Management.

The notice of the upcoming AGM, which is scheduled to be held on 25 October 2023, has been made available to shareholders more than twenty-eight (28) days prior to the meeting in order to accord shareholders with sufficient time to review the Group's financial and operational performance as well as the resolutions that are to be tabled during the AGM. The extended notice period is also intended to enable shareholders to make the necessary arrangements to attend the AGM. The upcoming AGM will be a virtual meeting conducted through live streaming and remote voting using the remote participation and voting facilities.

During the 2022 AGM, in line with the MMLR of Bursa Securities, all resolutions that were tabled for shareholders' approval were decided by poll voting. The results were validated by Commercial Quest Sdn. Bhd., the Independent Scrutineer appointed by Glomac. At the 2022 AGM, which had been conducted entirely through live streaming and remote voting, Glomac leveraged technology to facilitate for the conducting of the remote participation and voting.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

**Focus Areas**

As market conditions took a battering in the aftermath of the COVID-19 pandemic, corporate governance becomes ever more omnipresent for the resilience of the Company. Against this backdrop, the Board of Glomac remains focused on the fundamentals of its roles and responsibilities in future-proofing long-term value for stakeholders. Areas which gained heightened prominence from the Board during the financial year ended 30 April 2023 are as follows.

**Boardroom Policies and Procedures**

The Board is cognisant of the need to keep its boardroom policies and procedures contemporaneous. This is particularly the case as corporate Malaysia witnessed a slew of changes in authoritative promulgations.

One such reinforcement relates to the integral change relates to the amended Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Glomac has endeavoured to reflect all necessary updates accordingly to better reflect our corporate governance practices.

**Organisational Development**

As with other organisations, Glomac was not insulated from the “Great Attrition” phenomenon. In view of the resignation of several Management personnel, Glomac paid closer heed to the aspects of corporate culture and succession planning with oversight by the Board. The Board recognises that to avoid or reduce the impact of significant attrition, there is a need to look internally at the cultural practices and behaviors that engage and retain employees. This includes an ascertainment of whether the work of teams is organised in a manner that allows every team to appreciate the see the link between their work and the goals of the Company.

**Sustainability Oversight**

The RMSC was established for an added heft of oversight on sustainability matters at the Board level. In order to buttress the Board’s oversight on sustainability, various capacity building efforts were also conducted. In terms of oversight architecture over sustainability-related matters at the Management-level, a shared responsibility model is devised with the different aspects of sustainability residing under the purview of selected Senior Management personnel.

**Key Focus Areas & Future Priorities**

The Board is fully committed in ensuring good governance practices and compliance with regulatory requirements under the MCCG and relevant rules and regulations. Moving forward, the Group will look towards enhancing the Group’s supporting business information systems platforms and putting in place appropriate cybersecurity risk strategies to safeguard the Group’s information assets and technology infrastructure from any security breaches. Further, the Group will continue to intensify its efforts encompassing areas such as risk management as well as anti-bribery and corruption compliance throughout the Group.

**Conclusion**

The Board is satisfied that for the financial year ended 30 April 2023, the Company has applied substantially the practices encapsulated in the MCCG, except for those departures highlighted in the CG Report. The CG Report is available on the Company’s website at ***https://www.glomac.com.my***. As the corporate governance landscape continues to evolve and with the introduction of new best practices and further guidance under the updated MCCG 2021 issued by the Securities Commission Malaysia in April 2021, the Board will continue to operationalise and enhance the Company’s existing corporate governance framework, policies and practices and instill a risk and governance awareness culture and mindset throughout the Group in the best interest of all stakeholders.

This CG Overview Statement together with the CG Report were presented and approved by the Board on 16 August 2023.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (the "Board") of Glomac Berhad ("Glomac" or the "Company") is highly committed to maintain a sound system of risk management and internal control in the Company and its subsidiaries (collectively referred to as the "Group"). The Board is pleased to provide the following Statement on Risk Management and Internal Control (the "Statement"), which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 30 April 2023.

This Statement is prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") which calls for the annual report to incorporate a "statement about the state of risk management and internal control of the listed issuer as a group" and Practice 10.2 of the Malaysian Code on Corporate Governance ("MCCG") which stipulates that "the board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework". In preparing this Statement, the Board has taken into consideration the enumerations encapsulated in Bursa Malaysia Berhad's Corporate Governance Guide (4th edition) and the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" (the "Guidelines"), a publication endorsed by Bursa Securities pursuant to paragraph 15.26(b) of the MMLR of Bursa Securities.

This Statement does not cover the Group's joint venture arrangements and associate companies as the Board of Glomac does not have full control and management over the respective companies. The Group's interests in the joint ventures and associate companies are served through a combination of representations on the boards of the respective companies as well as review of management accounts and shareholder engagement sessions, as the case may be.

**Responsibility and Accountability**

**Board**

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

Accordingly, the Board affirms its overall responsibility for the Group's system of risk management and internal controls which covers financial, operational, compliance and other non-financial risks along with the relevant controls designed to manage the said risks. Comprising solely of Independent Non-Executive Directors, the Audit Committee ("AC") has been entrusted to assist the Board in evaluating the adequacy and effectiveness of the Group's system of risk management and internal controls. Further, the Board had on 24 July 2020, established the Risk Management Committee and has since been repositioned as Risk Management and Sustainability Committee or "RMSC" on 29 March 2022. As at 30 April 2023 the RMSC consists of three (3) Independent Directors to assist the Board in overseeing the Company's risk management framework and policies.

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

**Management**

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

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

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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

During the financial year ended 30 April 2023, the Management met five (5) times to review the changes in risk profile, identify significant and nuanced risk factors (e.g. legal and reputational risks) and deliberate on the actions plans to mitigate the risks.

**Risk Management**

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

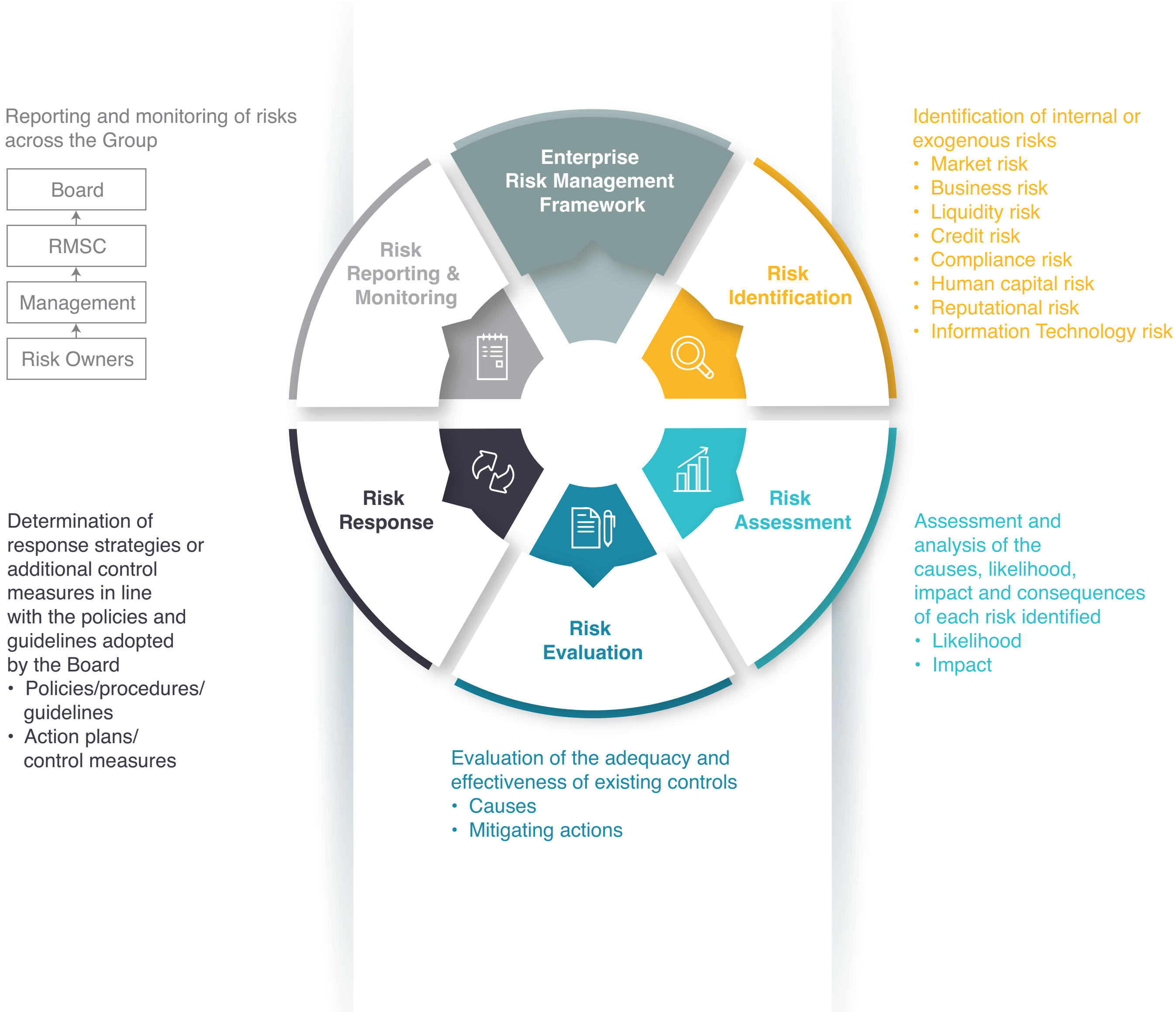



**Diagram 1:**
**Enterprise Risk Management Framework**

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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

**Board of Directors**

The Group's ultimate governing body with overall risk oversight responsibility including defining the appropriate governance structure and risk appetite

3rd line of defense

**RMSC**

Board Committee level oversight on the effectiveness of implementation of internal control, risk management and sustainability strategies, frameworks and policies

**Internal Auditor**

Assess the adequacy and effectiveness of the Group's risk management and internal control system

2nd line of defense

**Management**

Oversees the operations of risk management strategies as well as frameworks and policies

1st line of defense

**Risk owners accross various business units**

Manage day-to-day risks inherent in business activities as guided by the established risk strategies, frameworks and policies

**Diagram 2:**
**Risk Management Governance Structure**

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

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

**Significant and High Risk Factors**

Glomac's significant and high risks identified for the financial year under review and the attendant risk management approaches are well documented and they amongst others include the following:

| Risk category | Nature of risks | Description | Risk management approach |
|---|---|---|---|
| Strategic risk | Softening demand for properties | The current uncertainty in the economic and market conditions, as well as government policy has an influence on the sales conversion of properties of the Group. | In order to cushion the impact of softening market demand, the Group will continue to focus on targeted engagement via effective marketing, including digital marketing strategies. |
| Strategic risk | Ineffective sales and marketing plans | Ineffective sales and marketing plans can lead to slow take-ups rates, deferred launches and a high balance of stock. This may result in erosion of project cash flows and company profitability. | The Group recognises that a dynamic marketing encompassing changing consumer sentiment, is critical for business sustainability. The Group will continue to undertake timely sales and marketing activities. |
| Operational risk | Escalation in prices of building materials | Increase in the cost of building materials leads to an escalation of construction cost of properties developed by Glomac. | The Group will continue to develop realistic projects' feasibility studies and identify potential alternative material and value engineering to circumvent building materials cost increase. |
| Operational risk | Project cost overrun | Unforeseen and/or unplanned circumstances may lead to profit margin erosion, cash flow constraints as well as costly remedial work. | The Group will continue to review projects' feasibility studies in light of circumstances that lead to price change, engage consultants to assist in the paring down of costs and heightened cost monitoring. |
| Operational risk | Poor workmanship quality | The poor quality of workmanship may be affected by inferior materials used by contractors, inadequate supervision by consultants/project personnel and poor project management. Such risk could result in additional cost and time incurred for remedial initiatives as well as negative brand image. | In recognising the deleterious effects of poor workmanship quality, the Group has implemented Defect Tracking System which will provide data on what or which area can be improved for future projects based on feedback received from customers. Realistic project milestones are developed to enable timely and quality completion of projects. |

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

**Internal Control Framework**

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

**1 Organisation Structure**

The Group has in place an organisational structure with clearly demarcated lines of responsibilities and segregated reporting lines to the Board and Board Committees to ensure operational efficiency and independent stewardship, permeating through every facet of the Group's operations.

**2 Board Charter**

A Board Charter is established to ensure that all Board members acting collectively on behalf of the Company are aware of their duties and responsibilities as Board members with an emphasis of applying high standards of corporate governance throughout the Group in safeguarding the interest of all stakeholders as well as enhancing shareholders' value and financial performance of the Group. The Board Charter was revised on 29 June 2022 to be in line with changes in regulatory requirements.

**3 Board Committees**

The Board has four (4) Board Committees:

- **Audit Committee ("AC")**
  The primary function of the AC is to review quarterly and annual financial statements before submission to the Board, external and internal audit plans, systems of internal controls and related party transactions as well as other responsibilities as may be agreed to by the AC and the Board. Further details of the AC are outlined in the Terms of Reference available on Glomac's website at ***https://www.glomac.com.my***.

- **Nomination Committee ("NC")**
  The NC is established to assist in identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise, making recommendations to the Board on the Directors to fill seats of Board Committees, assessing annually the eligibility of the Directors who are subjected for re-appointment, the effectiveness of the Board and the independence of individual Directors. Further details of the NC are outlined in the Terms of Reference available on Glomac's website at ***https://www.glomac.com.my***.

- **Remuneration & Employees' Share Scheme ("ESS") Committee**
  The Remuneration & ESS Committee's primary duties include reviewing the annual remuneration package of each Individual Director, recommending to the Board the remuneration packages of the Directors and performing functions as requested by the Board for the purpose of administrating the Group's Employee Share Scheme. Further details of the Remuneration and ESS Committee are outlined in the Terms of Reference available on Glomac's website at ***https://www.glomac.com.my***.

- **Risk Management and Sustainability Committee ("RMSC")**
  The RMSC is established to assist the Board in identifying, assessing and monitoring key business risks (including environment, social and governance risks) and recommending the risk management as well as sustainability policies and strategies for the Company. Further details of the RMSC are outlined in the Terms of Reference available on Glomac's website at ***https://www.glomac.com.my.***

**4 Integrity and ethical values**

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

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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

- **Code of Conduct (the "Code")**
  The Code is a vital and an integral part of Glomac's governance framework as it defines the core principles and ethical standards in conducting business and engagement with all stakeholders besides reinforcing the need for compliance with relevant laws and regulations. All employees of the Group are called upon to adhere to the Code in guiding them to observe high standards of personal and corporate integrity in their dealings with internal and external stakeholders. In addition, the Group has an Employee Handbook that guides the Group's employees in their day-to-day conduct, conducting themselves with integrity and objectivity and not be placed in a position of conflict of interest.

- **Whistleblowing Policy and Procedures**
  The Group has put in place Whistleblowing Policy and Procedures that enable individuals to raise genuine concerns to designated recipients within the Group on potential breaches of business conduct, non-compliance with legal and regulatory requirements as well as other malpractices without fear of retaliation. Avenues are also available for stakeholders to escalate bona fide concerns directly to the Chairman of AC, especially if the report pertains to a member of Glomac's Management team. The Whistleblowing Policy and Procedures document is made available on Glomac's website at ***https://www.glomac.com.my***.

- **Anti-Bribery and Corruption Policy**
  The Board has taken steps to direct the establishment of adequate procedures to prevent the commission of corrupt acts by persons associated to the Group through the institution of the Anti-Bribery and Corruption Policy ("the Policy"). The Policy, amongst others, covers areas pertaining to gifts, donations and sponsorships; support letters; facilitation payments; conflict of interest; and sanctions for non-compliance. The Policy is premised on a supply-chain wide perspective covering dealings with third parties such as agents, suppliers and vendors, contractors, sub-contractors and distributors. All employees are required to declare that they have read, understood and will abide by the Policy via the Staff Declaration Form.

**5 Limits of Authority ("LOA")**

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

**6 Planning, monitoring and reporting**

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

- **Strategic Business Planning Processes**
  Appropriate business plans are established in which the Group's business objectives, strategies and targets are articulated. Business planning and budgeting are undertaken annually to establish plans and targets against which performance is monitored on an ongoing basis;

- **ISO 9001:2015 Accreditation**
  The Construction Division of the Group has been accorded with full ISO 9001:2015 accreditation, i.e. an international standard that specifies requirements for a quality management system. This underscores the Group's drive to consistently improve the strength of its internal control system;

- **Approved Annual Internal Audit Plan**
  During the year under review, a risk-based Internal Audit plan covering areas such as project management and project planning activities was reviewed and approved by the AC;

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- **Documented Policies and Procedures**
  Internal policies and procedures, which are set out in a series of clearly documented standard operating manuals covering a majority of areas within the Group, are maintained and reviewed periodically whenever considered necessary;

- **Performance Monitoring and Reporting**
  The Group's Management team monitors and reviews financial and operational results, including monitoring and reporting of performance against the operating plans and annual budgets. The Management team formulates and communicates action plans to address areas of concern. Separate monthly operational reports are disseminated to the Group's Management Team members, with periodical meetings organised with heads of department and core business managers. The Group Managing Director/Chief Executive Officer ("MD/CEO") reports to the AC and the Board of Directors on a quarterly basis on significant changes in the business and external environment in which the Company operates;

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

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

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

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

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

**Internal Audit Function**

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

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

For the financial year ended 30 April 2023, the internal audit function assessed the adequacy and operating effectiveness of internal controls deployed by Management for the following key business processes, covering Project Management and Project Planning for two (2) selected residential projects. Below are the key risks that were rated as "High" priority in terms of the potential risk and impact that the issue poses, and thus the urgency for corrective actions to be implemented by the Group:

| Business | Process Key Risks |
|---|---|
| Project Management | • Lapses in issuance of certificate of non-completion and charging of liquidated Ascertained damages.<br>• Enhancement to the monitoring of site issues highlighted in site memorandum. |
| Project Planning | • Nil |

The internal audit engagement by KPMG MRC is headed by an Executive Director, namely, Mr. Khaidzir Shahari. He is a professional member of the Institute of Internal Auditors, Malaysia and a Chartered Accountant (Malaysian Institute of Accountants). Mr. Khaidzir has accumulated over 25 years of experience in a wide range of governance advisory, risk management and internal audit work. The internal audit work was carried out with four (4) personnel being deployed. All the personnel deployed by KPMG MRC are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of the work. During the financial year ended 30 April 2023, the total cost incurred for internal audit activities amounted to RM75,000 (2022: RM75,000), excluding ancillary expenses and taxes.

Following the completion of its work, the internal audit function reported directly to the AC on improvement measures pertaining to internal controls, including a follow-up on the status of Management's implementation of recommendations raised in previous reports. Internal audit reports were submitted to the AC, which reviewed the observations with Management, including Management's action plans to address the concerns raised. To illustrate further, it is worth highlighting that the recommendations raised by the internal audit function over the preceding four (4) years have been substantially implemented by Management (i.e. overall implementation rate of 92%). In addition, the external auditor's Management Letters and Management's responses to the control recommendations on deficiencies noted during financial audits provided added assurance that control procedures on matters of finance and financial reporting were in place and were being followed.

**Review by the External Auditor**

In accordance to paragraph 15.23 of the MMLR of Bursa Securities, the external auditor, Deloitte PLT has reviewed this Statement for inclusion in this Annual Report of the Company for the financial year ended 30 April 2023.

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

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

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

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

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

This Statement is made in accordance with the resolution of the Board of Directors dated 16 August 2023.

# AUDIT COMMITTEE REPORT

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

## A. Composition

The AC of the Company consists of three (3) members, all of whom are Independent Non-Executive Directors. The AC comprises the following members :

| Directors | Designation | Directorship of the member | Attendance |
|---|---|---|---|
| Shan Choo | Chairman | Independent Non-Executive Director | 6/6 |
| Dato' Ikhwan Salim bin Dato' Haji Sujak *(Resigned on 1 July 2023)* | Member | Senior Independent Non-Executive Director | 6/6 |
| Mohd Razlan bin Mohamed *(Appointed on 29 June 2022)* | Member | Independent Non-Executive Director | 5/5 |
| Datuk Ali bin Abdul Kadir *(Retired on 19 October 2022)* | Member | Independent Non-Executive Director | 2/3 |
| Datuk Bazlan bin Osman *(Resigned on 31 March 2023)* | Member | Independent Non-Executive Director | 6/6 |
| Mohd Adzahar bin Abdul Wahid *(Appointed on 19 June 2023)* | Member | Independent Non-Executive Director | N/A |

The Chairman of the AC, Shan Choo, is a member of Certified Practising Accountant (CPA) Australia as well as a Member of the Malaysian Institute of Accountants which fulfills the requirement under Paragraph 15.09(1)(c) of the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The composition of the AC is in compliance with Paragraphs 15.09 and 15.10 of the Main LR of Bursa Securities and Practice 9.4 of the Malaysian Code on Corporate Governance ("MCCG") where all three (3) AC members are Independent Non-Executive Directors. None of the Independent Non-Executive Directors had appointed Alternate Directors.

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

## B. Terms of Reference

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

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

# AUDIT COMMITTEE REPORT

**C. Meetings and Attendance**

The AC held a total of six (6) meetings during the financial year ended 30 April 2023. The Group Managing Director/Chief Executive Officer, Chief Operating Officer, department heads and representatives of the External Auditors and Internal Auditors attend the AC meetings as and when invited, in order to facilitate direct communications in respect on significant matters of interest.

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

The External Auditors were encouraged to raise to the AC on any matters they considered important to bring to the AC's attention including one (1) private session without the presence of management. The Chairman of the AC also sought information on the communication flow between the External Auditors and Management which is necessary to allow unrestricted access to information for the External Auditors to effectively perform their duties.

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

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

**D. Summary of Works**

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

The AC had in the discharge of its duties during the financial year carried out the following:

**1. Internal Controls**

- Reviewed and recommended the adequacy and effectiveness of internal control system.
- Reviewed and recommended the AC Report and Statement on Risk Management and Internal Control for disclosure in the Company's annual report for the Board's approval.

**2. Financial Reporting**

- Reviewed the draft audited financial statements for the financial year ended 30 April 2023 and recommended the same for the Board's approval.
- Reviewed and recommend to the Board on the unaudited quarterly financial results announcements of the Company which includes presentation and disclosure requirements in accordance to the Malaysian Financial Reporting Standards, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Companies Act 2016 in Malaysia.

# AUDIT COMMITTEE REPORT

3. **Internal Audit**

    - Reviewed the significant issues and concerns arising from the audit.
    - Reviewed and assessed the internal auditors' findings and Management's responses thereto and thereafter, making the necessary recommendations or changes to the Board.
    - Assessed the adequacy of scope, functions, competency and resources of the Internal Audit ("IA") function.
    - Considered the proposed IA plan for the financial year ending 30 April 2023 and 30 April 2024 respectively.
    - Considered and recommended to the Board for approval on the proposed audit fees payable to the internal auditors.

4. **External Audit**

    - Reviewed the audit findings and progress for the financial year ended 30 April 2023.
    - Reviewed the external audit terms of engagement, proposed audit remuneration and audit plan of the Company and of the Group for the financial year ended 30 April 2023.
    - Reviewed the Audit Planning Memorandum for the financial year ended 30 April 2023.
    - Considered the feedback regarding problems and reservations arising from the interim and final audits.
    - Assessed and be satisfied with the written independent assurance given by the External Auditors.
    - Reviewed the effectiveness, suitability and independence of the External Auditor vide a formalised External Auditors.
    - Reviewed and formed its independent opinion on the acquisition of the remaining 49% proposed acquisition of the remaining 49% equity interest in Glomac Bina Sdn. Bhd. not owned by Glomac Berhad from Tan Sri Dato' Mohamed Mansor bin Fateh Din and Mohd Yasin Loh bin Abdullah for a total cash consideration of RM16,252,854 ('Proposed Acquisition') as well as all aspects of the Proposed Acquisition, including the salient terms of the share sale agreement, the basis and justification for the purchase consideration, the rationale, risk factors of the Proposed Acquisition as well as the effects of the Proposed Acquisition.

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

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

6. **Others**

    - Reviewed and confirmed the minutes of the AC meetings.
    - Received an overview of the Group's projects.
    - Received and noted on the impact of changes to laws and regulations impacting the Group's business operations, including the Companies Act 2016, MCCG and Main LR of Bursa Securities.

In its evaluation exercise, the Board is satisfied that the AC has carried out their responsibilities and duties in accordance with the Terms of Reference of AC.

# AUDIT COMMITTEE REPORT

**E. Internal Audit Function and Activities**

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

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

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

The total cost incurred for the IA function of the Group in respect of the financial year ended 30 April 2023 amounted to RM75,000 (2022: RM75,000).

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

This Report is made in accordance with a resolution passed at the meetings of AC and the Board held on 16 August 2023.

# STATEMENT OF DIRECTORS' RESPONSIBILITY FOR PREPARATION OF FINANCIAL STATEMENTS

The Directors of GLOMAC BERHAD are responsible in ensuring :

i. the Financial Statements of the Group and the Company have been drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2023 and of the financial performance and the cash flows of the Group and of the Company for the financial year then ended, and

ii. proper accounting and other records are kept which enable the preparation of the financial statements with reasonable accuracy and taking reasonable steps to ensure that appropriate systems are in place to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

In preparing the financial statements, the Directors of GLOMAC BERHAD have :

- Adopted appropriate accounting policies and applied them consistently;
- Made reasonable and prudent judgements and estimates;
- Ensured that relevant applicable accounting standards have been followed; and
- Made an assessment and satisfied on the Group's and of the Company's ability to continue as a going concern.

The Directors of GLOMAC BERHAD have the general responsibility for taking reasonable steps to safeguard the assets of the Group and of the Company; and to prevent and detect frauds and other irregularities.

# FINANCIAL STATEMENTS



# REPORT OF THE DIRECTORS

The Directors of **GLOMAC BERHAD** hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2023.

## PRINCIPAL ACTIVITIES

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

The information on the name, principal place of business, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary and associated company are as disclosed in Note 41 to the financial statements.

## RESULTS

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

| | The Group RM | The Company RM |
|---|---|---|
| Profit/(Loss) before tax | 50,453,681 | (3,194,432) |
| Income tax expense | (17,807,106) | (3,242,547) |
| Profit/(Loss) for the financial year | 32,646,575 | (6,436,979) |
| Profit/(Loss) attributable to: | | |
| Owners of the Company | 31,505,323 | (6,436,979) |
| Non-controlling interests | 1,141,252 | - |
| | 32,646,575 | (6,436,979) |

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

## DIVIDENDS

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

| | RM |
|---|---|
| In respect of the financial year ended 30 April 2022: | |
| Final single-tier dividend of RM0.015 per share on 767,526,370 ordinary shares, paid on 29 December 2022 | 11,512,895 |

The Directors propose a final single-tier dividend of RM0.0125 per share on 767,494,370 ordinary shares, totaling approximately RM9,593,680 in respect of the current financial year. This dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, and has not been included as a liability in the financial statements. Upon approval by the shareholders, the proposed dividend for the financial year 2023 will be paid to all outstanding ordinary shares in issue. The cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 April 2024.

# REPORT OF THE DIRECTORS

## RESERVES AND PROVISIONS

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

## ISSUE OF SHARES AND DEBENTURES

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

## SHARE OPTIONS

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

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

## TREASURY SHARES

During the financial year, the Company purchased 571,800 units of its own shares through purchases on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of shares was RM167,663 and it has been deducted from equity. The share transactions were financed by internally generated funds and the average price paid for the shares was RM0.29 per share. The repurchased shares are held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016.

As at 30 April 2023, the Company held a total of 32,595,000 ordinary shares as treasury shares out of its issued and paid-up share capital of 800,089,370 ordinary shares. Such treasury shares are held at carrying amount of RM14,459,912. Further details are disclosed in Note 29 to the financial statements.

## OTHER STATUTORY INFORMATION

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

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

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

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

# REPORT OF THE DIRECTORS

(c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

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

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

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

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

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

**DIRECTORS**

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

Tan Sri Dato' Mohamed Mansor bin Fateh Din
Datuk Fong Loong Tuck
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor
Choo Shan
Mohd Razlan bin Mohamed (appointed on 27 May 2022)
Mohd Adzahar bin Abdul Wahid (appointed on 1 June 2023)
Datuk Ali bin Abdul Kadir (retired on 19 October 2022)
Datuk Bazlan bin Osman (resigned on 31 March 2023)
Dato' Ikhwan Salim bin Dato' Haji Sujak (resigned on 1 July 2023)

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

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

# REPORT OF THE DIRECTORS

**DIRECTORS' INTERESTS**

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

***Shares in the Company:***

| | Number of ordinary shares | | | |
|---|---|---|---|---|
| | **Balance as at 1.5.2022** | **Bought** | **Sold** | **Balance as at 30.4.2023** |
| **Registered in the name of Directors** | | | | |
| **Direct Interests** | | | | |
| Tan Sri Dato' Mohamed Mansor bin Fateh Din | 161,283,317 | - | - | 161,283,317 |
| Datuk Fong Loong Tuck | 130,874,805 | - | - | 130,874,805 |
| Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor | 146,930,800 | - | - | 146,930,800 |
| Dato' Ikhwan Salim bin Dato' Haji Sujak | 22,880 | - | - | 22,880 |
| **Indirect Interests** | | | | |
| Tan Sri Dato' Mohamed Mansor bin Fateh Din* | 154,256,800 | - | - | 154,256,800 |
| Datuk Fong Loong Tuck** | 2,420,000 | 1,000 | - | 2,421,000 |
| Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor*** | 161,283,317 | - | - | 161,283,317 |

***Shares in the subsidiary companies:***

| | Number of ordinary shares | | | |
|---|---|---|---|---|
| | **Balance as at 1.5.2022** | **Bought** | **Sold** | **Balance as at 30.4.2023** |
| **Shares in Glomac Bina Sdn. Bhd.** | | | | |
| **Registered in the name of Director** | | | | |
| Tan Sri Dato' Mohamed Mansor bin Fateh Din | 1,092,000 | - | - | 1,092,000 |
| **Shares in FDA Sdn. Bhd.** | | | | |
| **Registered in the name of Director** | | | | |
| Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor | 75,000 | - | - | 75,000 |
| **Shares in Glomac Technology Sdn. Bhd.** | | | | |
| **Registered in the name of Director** | | | | |
| Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor | 180,000 | - | (102,000) | 78,000 |

Notes:

* Deemed interested pursuant to Section 8 and Section 59(11)(c) of the Act by virtue of his son's and daughters' interests in the Company, respectively.

** Deemed interested pursuant to Section 59(11)(c) of the Act by virtue of his son's interest in the Company.

*** Deemed interested pursuant to Section 8 of the Act by virtue of his father's interest in the Company.

# REPORT OF THE DIRECTORS

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

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

## DIRECTORS' BENEFITS

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

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## DIRECTORS' REMUNERATION

Compensation of Directors of the Group and of the Company for the financial year ended 30 April 2023 is as follows:

| | The Group<br>RM | The Company<br>RM |
|---|---|---|
| Salaries and other emoluments | 4,281,861 | 223,606 |
| Directors' fees | 276,964 | 276,964 |
| Benefits-in-kind | 96,600 | 96,600 |
| Total short-term employee benefits | 4,655,425 | 597,170 |
| Post-employment benefits: | | |
| Defined contribution plan | 524,704 | 20,725 |
| | 5,180,129 | 617,895 |

## INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains Directors' and Officers' liability insurance for purposes of Section 289 of the Companies Act 2016 throughout the year, which provides appropriate insurance cover for the Directors and Officers of the Company. The amount of insurance premium paid during the financial year amounted to RM18,030.

There was no indemnity given to or insurance effected for auditors of the Company.

# REPORT OF THE DIRECTORS

**AUDITORS' REMUNERATION**

The auditors' remuneration for the financial year ended 30 April 2023 is as follows:

| | The Group RM | The Company RM |
|---|---|---|
| Statutory audit fee | 615,500 | 120,000 |
| Non-statutory audit fee | 40,000 | 6,000 |
| | 655,500 | 126,000 |

**AUDITORS**

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

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

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

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

Kuala Lumpur
22 August 2023

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GLOMAC BERHAD (INCORPORATED IN MALAYSIA)

**Report on Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **GLOMAC BERHAD**, which comprise the statements of financial position of the Group and of the Company as at 30 April 2023, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 99 to 192.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2023, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

**Basis for Opinion**

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

*Independence and Other Ethical Responsibilities*

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

**Key Audit Matters**

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

***Revenue and cost of sales recognition for property development activities***

Key audit matter

Revenue from property development during the year as disclosed in Note 5 to the financial statements amounted to RM301 million, which represented 88% of the Group's revenue.

The Group recognises revenue from property development using the cost-based input method, which is measured on the basis of the Group's efforts or inputs to the property development costs incurred as at 30 April 2023 relative to the total expected property development costs.

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

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

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

Our audit response

We have obtained an understanding of the process and relevant controls put in place by the Group in respect of:

(a) revenue recognition for property development projects and performed procedures to evaluate the design and implementation and operating effectiveness of such controls; and

(b) budgeting of property development cost and computation of percentage of completion.

We have evaluated the terms and conditions of major sales transactions to ensure that revenue is recognised at a point in time or overtime in line with the Group's accounting policy and the requirements of MFRS 15 *Revenue from Contracts with Customers* with a five-step approach.

We have assessed the reasonableness of management-prepared budgets for property development projects against letters of award issued to contractors, challenged management assumptions used in the preparation of the respective budgets and performed retrospective review to establish the reliability of management-prepared total budgeted costs.

We have performed sampling test on actual development costs incurred to the relevant supporting documents such as contractor's progress claims, surveyor certificates and architect certificates.

We have performed search for unrecorded liabilities and cut-off tests for property development costs. We have evaluated accruals made in respect of work performed by contractors and consultants of which invoice/progress claim has yet to be received. This includes reviews of basis of estimation of the amount accrued and subsequent invoice/progress claims received after year-end to ensure that costs have been properly taken up as of year-end.

We have performed site-visits for individually significant on-going property development projects to arrive at an overall assessment as to whether information provided by management is reasonable.

We have interviewed management's project team on the achievability of the budgeted costs to completion of individually significant projects.

We have assessed the revenue from property development projects are properly recognised by recomputing completion percentages which derived through proportion of property development costs incurred for work performed to date to the estimated total property development costs and checked the mathematical accuracy of the revenue and profit recognised based on the cost-based input method.

We have assessed the Sale & Purchase agreements ("SPA") entered into between the purchasers and the Group and test checked for subsequent cancellation of SPA to ensure revenue is recognised appropriately.

We have assessed the stage of completion of individually significant ongoing property development projects to the expected handover date to determine the adequacy of provision for liquidated ascertained damages ("LAD") as LAD is considered as variable consideration which will affect the transaction price of the projects.

We have obtained an understanding on the cause of the delays, and corroborated key judgement applied by management in regard to the projects whereby actual progress is behind planned progress, as to whether provision for LAD is required.

***Fair value of investment properties***

Key audit matter

As at 30 April 2023, the investment property portfolio of the Group carried at fair value of RM345 million, mainly consisted of a retail mall valued at RM285 million which is based on independent external valuation.

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

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GLOMAC BERHAD (INCORPORATED IN MALAYSIA)

Our audit response

We have obtained an understanding of the management control process in respect of valuation of investment properties and evaluated the design and implementation of the relevant controls.

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

We have held discussions with the independent valuer to develop an understanding of the valuation method and assumptions used in performing the valuation. We have involved our internal valuation specialists to assist us in assessing the appropriateness of the valuation method and assumptions used. We have challenged the basis of the assumptions used, which included verifying the property related input data applied by the external valuer. We have performed site visits to assess the physical condition of the investment properties, especially the occupancy status of the retail mall.

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

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

Key audit matter

As at 30 April 2023, the carrying amount of the completed property units of the Group, which are stated at the lower of cost and net realisable value, amounted to RM90 million and represented 12% of the Group's total current assets, as disclosed in Note 22 to the financial statements. Management applies significant judgement in determining the net realisable value of the completed property units based on recent sales transactions of similar properties or comparable properties in similar or nearby locations, net of estimated cost necessary to complete the sale.

Our audit response

We have obtained an understanding of the management control process in respect of determination of the net realisable value of completed property units and evaluated the design and implementation of the relevant controls.

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

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

***Impairment of investment in a subsidiary company (Parent company only)***

Key audit matter

As at 30 April 2023, the gross carrying amount of the investment in Glo Damansara Sdn. Bhd. ("Glo Damansara"), a wholly-owned subsidiary of the Company amounted to RM276 million. In the previous financial year, an impairment loss of RM10 million has been recognised. As at year end, the net carrying amount of the investment amounting to RM266 million is higher than Glo Damansara's net tangible assets of which indicate the existence of impairment.

The Company estimates the recoverable amount based on the estimation of the value in use and the future fair value less costs of disposal of the investee's assets totaling RM256 million, whereby an additional impairment loss of RM10 million has been recognised.

Our audit response

We have obtained an understanding of the relevant internal controls over the process of estimating the recoverable amounts of the investment in Glo Damansara.

We have evaluated the appropriateness of the measurement method used to determine the recoverable amount of the investment.

We have evaluated whether the key assumptions which comprise discount rate and disposal value applied in determining the recoverable amount is reasonable, and obtained an understanding of the related data used as input to the valuation model.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GLOMAC BERHAD (INCORPORATED IN MALAYSIA)

We have analysed the sensitivity of the key assumptions by assessing the impact of changes in the key assumptions to the recoverable amount.

We have evaluated the disclosures made in the notes to the financial statements, including the judgements and the uncertainties.

**Information Other than the Financial Statements and Auditors' Report Thereon**

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

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

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

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

**Responsibilities of the Directors for the Financial Statements**

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

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

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

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

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

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

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

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

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GLOMAC BERHAD (INCORPORATED IN MALAYSIA)

- 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.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are as disclosed in Note 41 to the financial statements.

**Other Matter**

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

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

**DATUK LIM CHU GUAN**
**Partner - 03296/03/2025 J**
**Chartered Accountant**

22 August 2023

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

| | Note | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|---|
| Revenue | 5 | 341,019,610 | 259,524,041 | 4,896,000 | 13,700,000 |
| Cost of sales | 6 | (233,824,294) | (158,965,126) | - | - |
| Gross profit | | 107,195,316 | 100,558,915 | 4,896,000 | 13,700,000 |
| Finance income | 7 | 3,522,283 | 2,795,211 | 20,799,516 | 17,512,923 |
| Other operating income | | 1,276,261 | 3,327,919 | 786,043 | 964,086 |
| Share of losses of associated companies | 18 | (566,540) | (688,372) | - | - |
| Marketing expenses | | (7,799,014) | (6,362,862) | (288,391) | (212,959) |
| Administrative expenses | | (19,128,321) | (16,281,740) | (2,707,435) | (3,444,678) |
| Other operating expenses | | (16,631,732) | (6,178,740) | (488,706) | (528,382) |
| Fair value gain on investment properties | 16 | - | 303,947 | - | - |
| Impairment loss on investment in subsidiary companies | 17 | - | - | (10,000,000) | (4,582,203) |
| Finance costs | 8 | (17,414,572) | (15,949,350) | (16,191,459) | (13,227,068) |
| **Profit/(Loss) before tax** | 9 | 50,453,681 | 61,524,928 | (3,194,432) | 10,181,719 |
| Income tax expense | 10 | (17,807,106) | (18,912,047) | (3,242,547) | (2,801,101) |
| **Profit/(Loss) for the financial year** | | 32,646,575 | 42,612,881 | (6,436,979) | 7,380,618 |
| **Other comprehensive loss:** | | | | | |
| Item that may be reclassified subsequently to profit or loss: | | | | | |
| Exchange differences on translation of foreign operations | | (56,335) | (33,801) | - | - |
| **Total comprehensive income/(loss) for the financial year** | | 32,590,240 | 42,579,080 | (6,436,979) | 7,380,618 |
| **Profit/(Loss) attributable to:** | | | | | |
| Owners of the Company | | 31,505,323 | 37,868,683 | (6,436,979) | 7,380,618 |
| Non-controlling interests | | 1,141,252 | 4,744,198 | - | - |
| | | 32,646,575 | 42,612,881 | (6,436,979) | 7,380,618 |
| **Total comprehensive income/(loss) attributable to:** | | | | | |
| Owners of the Company | | 31,448,988 | 37,834,882 | (6,436,979) | 7,380,618 |
| Non-controlling interests | | 1,141,252 | 4,744,198 | - | - |
| | | 32,590,240 | 42,579,080 | (6,436,979) | 7,380,618 |
| Basic earnings per share (sen) | 11 | 4.10 | 4.93 | | |

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

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2023

| | | The Group | | The Company | |
|---|---|---|---|---|---|
| | **Note** | **2023 RM** | **2022 RM** | **2023 RM** | **2022 RM** |
| **ASSETS** | | | | | |
| **Non-current Assets** | | | | | |
| Property, plant and equipment | 13 | 39,233,290 | 40,228,976 | 362,869 | 74,366 |
| Right-of-use assets | 14 | 5,130,982 | 2,267,371 | 849,354 | 1,582,247 |
| Prepaid lease payments on leasehold land | 15 | 32,361 | 36,406 | - | - |
| Investment properties | 16 | 344,799,915 | 345,580,854 | - | - |
| Subsidiary companies | 17 | - | - | 672,806,664 | 682,704,664 |
| Inventories | 22 | 779,529,769 | 732,434,772 | - | - |
| Associated companies | 18 | 25,638,871 | 26,436,411 | - | - |
| Other investments | 19 | 4,000,000 | 4,000,000 | - | - |
| Goodwill on consolidation | 20 | 428,659 | 395,165 | - | - |
| Deferred tax assets | 21 | 78,669,824 | 72,120,124 | 637,976 | 650,197 |
| **Total Non-current Assets** | | 1,277,463,671 | 1,223,500,079 | 674,656,863 | 685,011,474 |
| **Current Assets** | | | | | |
| Inventories | 22 | 165,086,750 | 230,374,452 | 867,762 | 867,762 |
| Contract assets | 23 | 191,883,506 | 172,079,314 | - | - |
| Contract costs | 24 | 3,648,207 | 5,965,320 | - | - |
| Trade receivables | 25 | 52,998,235 | 67,895,365 | - | - |
| Other receivables | 26 | 35,021,749 | 28,634,463 | 2,286,339 | 1,851,891 |
| Amount due from subsidiary companies | 27 | - | - | 463,232,455 | 446,072,460 |
| Tax recoverable | | 21,684,217 | 18,718,733 | 1,582,064 | 2,319,889 |
| Deposits, cash and bank balances | 28 | 288,835,776 | 215,415,321 | 12,495,173 | 4,256,298 |
| **Total Current Assets** | | 759,158,440 | 739,082,968 | 480,463,793 | 455,368,300 |
| **TOTAL ASSETS** | | 2,036,622,111 | 1,962,583,047 | 1,155,120,656 | 1,140,379,774 |

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2023

| | Note | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | |
| **Capital and Reserves** | | | | | |
| Issued capital | 29 | 418,631,554 | 418,631,554 | 418,631,554 | 418,631,554 |
| Capital reserve | 29 | 300,000 | 300,000 | - | - |
| Foreign currency translation reserve | 29 | 680,840 | 737,175 | - | - |
| Treasury shares | 29 | (14,459,912) | (14,292,249) | (14,459,912) | (14,292,249) |
| Retained earnings | 30 | 772,850,153 | 752,857,725 | 368,818,414 | 386,768,288 |
| Equity attributable to owners of the Company | | 1,178,002,635 | 1,158,234,205 | 772,990,056 | 791,107,593 |
| Non-controlling interests | | 66,453,846 | 66,846,775 | - | - |
| **Total Equity** | | 1,244,456,481 | 1,225,080,980 | 772,990,056 | 791,107,593 |
| **Non-current Liabilities** | | | | | |
| Borrowings | 31 | 152,308,583 | 173,833,501 | 3,676,449 | 3,823,740 |
| Lease liabilities | 14 | 1,896,494 | 421,437 | 137,866 | 941,773 |
| Deferred tax liabilities | 21 | 19,130 | 73,816 | - | - |
| **Total Non-current Liabilities** | | 154,224,207 | 174,328,754 | 3,814,315 | 4,765,513 |
| **Current Liabilities** | | | | | |
| Trade payables | 32 | 106,128,549 | 88,889,982 | - | - |
| Other payables and accrued expenses | 33 | 73,689,251 | 46,426,979 | 3,839,554 | 2,348,291 |
| Provisions | 33 | 113,978,932 | 95,254,198 | - | - |
| Contract liabilities | 23 | 12,658,077 | 12,099,367 | - | - |
| Amount due to subsidiary companies | 27 | - | - | 61,017,800 | 49,141,869 |
| Borrowings | 31 | 326,286,054 | 317,819,743 | 312,655,023 | 292,249,136 |
| Lease liabilities | 14 | 3,300,243 | 1,962,066 | 803,908 | 767,372 |
| Tax liabilities | | 1,900,317 | 720,978 | - | - |
| **Total Current Liabilities** | | 637,941,423 | 563,173,313 | 378,316,285 | 344,506,668 |
| **TOTAL LIABILITIES** | | 792,165,630 | 737,502,067 | 382,130,600 | 349,272,181 |
| **TOTAL EQUITY AND LIABILITIES** | | 2,036,622,111 | 1,962,583,047 | 1,155,120,656 | 1,140,379,774 |

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

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

| The Group | | Non-Distributable reserves | | | Distributable reserve | | | |
|---|---|---|---|---|---|---|---|---|
| | Issued capital RM | Capital reserve RM | Foreign currency translation reserve RM | Treasury shares RM | Retained earnings RM | Attributable to owners of the Company RM | Non-controlling interest RM | Total equity RM |
| **As at 1 May 2021** | 418,631,554 | 300,000 | 770,976 | (14,292,249) | 722,669,704 | 1,128,079,985 | 42,102,577 | 1,170,182,562 |
| Profit for the financial year | - | - | - | - | 37,868,683 | 37,868,683 | 4,744,198 | 42,612,881 |
| Other comprehensive loss for the financial year | - | - | (33,801) | - | - | (33,801) | - | (33,801) |
| Total comprehensive income for the financial year | - | - | (33,801) | - | 37,868,683 | 37,834,882 | 4,744,198 | 42,579,080 |
| Dividend to owners of the Company (Note 12) | - | - | - | - | (7,680,662) | (7,680,662) | - | (7,680,662) |
| Issuance of redeemable preference shares by a subsidiary to non-controlling interests | - | - | - | - | - | - | 20,000,000 | 20,000,000 |
| **As at 30 April 2022** | 418,631,554 | 300,000 | 737,175 | (14,292,249) | 752,857,725 | 1,158,234,205 | 66,846,775 | 1,225,080,980 |
| **As at 1 May 2022** | 418,631,554 | 300,000 | 737,175 | (14,292,249) | 752,857,725 | 1,158,234,205 | 66,846,775 | 1,225,080,980 |
| Profit for the financial year | - | - | - | - | 31,505,323 | 31,505,323 | 1,141,252 | 32,646,575 |
| Other comprehensive loss for the financial year | - | - | (56,335) | - | - | (56,335) | - | (56,335) |
| Total comprehensive income for the financial year | - | - | (56,335) | - | 31,505,323 | 31,448,988 | 1,141,252 | 32,590,240 |
| Dividend to non-controlling shareholders of subsidiary company | - | - | - | - | - | - | (1,600,000) | (1,600,000) |
| Dividend to owners of the Company (Note 12) | - | - | - | - | (11,512,895) | (11,512,895) | - | (11,512,895) |
| Acquisition of interest in a subsidiary | - | - | - | - | - | - | 65,819 | 65,819 |
| Repurchase of treasury shares (Note 29) | - | - | - | (167,663) | - | (167,663) | - | (167,663) |
| **As at 30 April 2023** | 418,631,554 | 300,000 | 680,840 | (14,459,912) | 772,850,153 | 1,178,002,635 | 66,453,846 | 1,244,456,481 |

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

**The Company**

| | | Non-Distributable reserve | Distributable reserve | |
|---|---|---|---|---|
| | **Issued capital RM** | **Treasury shares RM** | **Retained earnings RM** | **Total RM** |
| **As at 1 May 2021** | 418,631,554 | (14,292,249) | 387,068,332 | 791,407,637 |
| Total comprehensive income for the financial year | - | - | 7,380,618 | 7,380,618 |
| Dividends (Note 12) | - | - | (7,680,662) | (7,680,662) |
| **As at 30 April 2022** | 418,631,554 | (14,292,249) | 386,768,288 | 791,107,593 |
| **As at 1 May 2022** | 418,631,554 | (14,292,249) | 386,768,288 | 791,107,593 |
| Total comprehensive loss for the financial year | - | - | (6,436,979) | (6,436,979) |
| Dividends (Note 12) | - | - | (11,512,895) | (11,512,895) |
| Repurchase of treasury shares (Note 29) | - | (167,663) | - | (167,663) |
| **As at 30 April 2023** | 418,631,554 | (14,459,912) | 368,818,414 | 772,990,056 |

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

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

| | Note | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|---|
| **CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES** | | | | | |
| Profit/(Loss) before tax | | 50,453,681 | 61,524,928 | (3,194,432) | 10,181,719 |
| Adjustments for: | | | | | |
| Fair value gain on investment properties | | - | (303,947) | - | - |
| Finance costs | | 17,414,572 | 15,949,350 | 16,191,459 | 13,227,068 |
| Depreciation of right-of-use assets | | 3,540,342 | 3,434,703 | 732,893 | 735,153 |
| Depreciation of property, plant and equipment | | 2,680,091 | 2,565,971 | 29,984 | 30,158 |
| Share of losses of associated companies | | 566,540 | 688,372 | - | - |
| Bad debts written off | | 126,055 | 40,349 | - | 4,349 |
| Impairment losses on amount due from subsidiary companies | | - | - | - | 511,882 |
| Amortisation of prepaid lease payments on leasehold land | | 4,045 | 4,045 | - | - |
| (Gain)/Loss on disposal of property, plant and equipment | | (244) | 49,906 | - | - |
| Gain on lease termination | | (3,692) | - | - | - |
| Impairment loss on investment in subsidiary companies | | - | - | 10,000,000 | 4,582,203 |
| Dividend income | | - | - | (4,896,000) | (13,700,000) |
| Reversal of impairment losses on receivables no longer required | | - | (92,666) | - | (26,865) |
| Finance income | | (3,522,283) | (2,795,211) | (20,799,516) | (17,512,923) |
| Provision made/(reversal) for release of bumiputra quota | | 11,154,011 | (1,856,953) | - | - |
| Rental rebate | | (85,536) | (836,921) | - | - |
| Operating Profit/(Loss) Before Working Capital Changes | | 82,327,582 | 78,371,926 | (1,935,612) | (1,967,256) |
| (Increase)/Decrease in: | | | | | |
| Inventories - land held for property development | | (25,342,123) | (19,159,326) | - | - |
| Inventories - property development costs | | 40,302,066 | 9,386,077 | - | - |
| Inventories - completed units | | 15,331,126 | 6,976,940 | - | - |
| Contract assets | | (19,804,192) | (44,822,765) | - | - |
| Contract costs | | 2,317,113 | 2,140,625 | - | - |
| Receivables | | 7,875,138 | 28,124,156 | (434,448) | 1,188,323 |
| Amount due from/to subsidiary companies | | - | - | (15,050,122) | (16,086,186) |
| Increase/(Decrease) in: | | | | | |
| Payables | | 39,474,989 | (22,878,654) | 106,209 | 23,356 |
| Contract liabilities | | 558,710 | 6,522,411 | - | - |
| Cash Generated From/(Used In) Operations | | 143,040,409 | 44,661,390 | (17,313,973) | (16,841,763) |
| Income tax paid | | (26,200,132) | (27,998,547) | (2,492,501) | (3,746,250) |
| Income tax refund received | | 2,495 | 9,618,985 | - | - |
| Finance costs paid | | (15,223,906) | (14,810,735) | (13,355,771) | (10,793,555) |
| Net Cash From/(Used In) Operating Activities | | 101,618,866 | 11,471,093 | (33,162,245) | (31,381,568) |

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

| | Note | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|---|
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | |
| (Placement)/Withdrawal of deposits with maturity in excess of 90 days, deposits pledged, debt or finance service reserve and escrow accounts | | (1,391,348) | 201,239 | - | - |
| Interest received | | 3,427,882 | 3,977,302 | 140,345 | 172,309 |
| Dividend received from investment in associated companies | | 231,000 | 231,000 | - | - |
| Proceeds from disposal of property, plant and equipment | | 271 | 36,534 | - | - |
| Dividends received from subsidiary companies | | - | - | 4,896,000 | 6,500,000 |
| Net cash outflow from acquisition of a subsidiary | | (101,998) | - | (102,000) | - |
| Purchase of property, plant and equipment [Note (b)] | | (896,432) | (374,635) | (30,487) | (30,909) |
| Advances to subsidiary companies | | - | - | (102,344,974) | (34,955,591) |
| Repayment of advances from subsidiary companies | | - | - | 137,353,708 | 39,245,166 |
| Net Cash From Investing Activities | | 1,269,375 | 4,071,440 | 39,912,592 | 10,930,975 |
| **CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES** | | | | | |
| Repayment of term loans and bridging loans | | (34,148,575) | (21,252,447) | (542,588) | (6,443,349) |
| Drawdown of revolving credits | | 20,513,184 | 13,826,816 | 20,513,184 | 13,826,816 |
| Repayment of hire-purchase and finance lease liabilities | | (211,216) | (190,009) | - | - |
| Payment of lease liabilities | | (3,675,634) | (2,863,601) | (836,126) | (838,867) |
| Advances from subsidiary companies | | - | - | 848,953 | 600,000 |
| Repayment of advances to subsidiary companies | | - | - | (6,814,337) | (1,662,103) |
| Dividends paid | | (11,512,895) | (7,680,662) | (11,512,895) | (7,680,662) |
| Dividends paid to non-controlling shareholders of subsidiary companies | | (1,600,000) | - | - | - |
| Repurchase of treasury shares | | (167,663) | - | (167,663) | - |
| Net Cash (Used In)/From Financing Activities | | (30,802,799) | (18,159,903) | 1,488,528 | (2,198,165) |
| **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS** | | 72,085,442 | (2,617,370) | 8,238,875 | (22,648,758) |
| **CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR** | | 189,459,837 | 192,111,008 | 4,256,298 | 26,905,056 |
| Effect of currency translation | | (56,335) | (33,801) | - | - |
| **CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR** | 28 | 261,488,944 | 189,459,837 | 12,495,173 | 4,256,298 |

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

(a) Cash outflow for leases as a lessee:

| | Note | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|---|
| **Included in net cash from/(used in) operating activities**: | | | | | |
| Payment relating to short-term leases | 14 | 7,928 | 8,627 | 7,928 | 8,627 |
| Payment relating to leases of low-value assets | 14 | 22,709 | 11,816 | - | - |
| Payment relating to variable lease payments not included in the measurement of lease liabilities | 14 | 214,802 | 588,257 | - | - |
| **Included in net cash (used in)/from financing activities:** | | | | | |
| Payment for the principal portion of lease liabilities | | 3,501,491 | 2,705,501 | 767,371 | 730,109 |
| Interest paid in relation to lease liabilities | | 174,143 | 158,100 | 68,755 | 108,758 |
| **Total cash outflow for leases** | | 3,921,073 | 3,472,301 | 844,054 | 847,494 |

(b) During the current financial year, the Group and the Company acquired property, plant and equipment through the following arrangements:

| | Note | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|---|
| Total costs of property, plant and equipment acquired | 13 | 1,684,432 | 374,635 | 318,487 | 30,909 |
| Less: Hire-purchase | | (788,000) | - | (288,000) | - |
| | | 896,432 | 374,635 | 30,487 | 30,909 |

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 1. GENERAL INFORMATION

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

The Company is principally involved in property development and investment holding. The information on the name, principal place of business, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary and associated company are as disclosed in Note 41.

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

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

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors dated 22 August 2023.

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

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

**Adoption of amended Malaysian Financial Reporting Standards**

In the current financial year, the Group and the Company adopted all the amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to its operations and effective for annual financial periods beginning on or after 1 May 2022.

| | |
|---|---|
| Amendments to MFRS 3 | Reference to Conceptual Framework |
| Amendments to MFRS 116 | Property, Plant and Equipment – Proceeds before Intended Use |
| Amendments to MFRS 137 | Onerous Contracts – Cost of Fulfilling a Contract |
| Amendments to MFRSs | Annual Improvements to MFRS Standards 2018-2020 |

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

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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

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

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

| | |
|---|---|
| Amendments to MFRS 107 and MFRS 7 | Supplier Finance Arrangements[2] |
| MFRS 17 and Amendments to MFRS 17 | Insurance Contracts[1] |
| Amendments to MFRS 16 | Lease Liability in a Sale and Leaseback[2] |
| Amendments to MFRS 17 | Initial Application of MFRS 17 and MFRS 9 - Comparative Information[1] |
| Amendments to MFRS 10 and MFRS 128 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3] |
| Amendments to MFRS 101 | Classification of Liabilities as Current or Non-current[2] |
| Amendments to MFRS 101 | Disclosure of Accounting Policies[1] |
| Amendments to MFRS 101 | Non-current Liabilities with Covenants[2] |
| Amendments to MFRS 108 | Definition of Accounting Estimates[1] |
| Amendments to MFRS 112 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction[1] |
| Amendments to MFRS 112 | International Tax Reform - Pillar Two Model Rules[1] |

[1] Effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.
[2] Effective for annual periods beginning on or after 1 January 2024, with earlier application permitted.
[3] Effective date deferred to a date to be determined and announced, with earlier application permitted.

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

## 3. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting**

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

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

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

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

The principal accounting policies are set out below.

**(a) Revenue Recognition**

**(i) Revenue from property development**

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

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

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

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

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

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

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

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

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

Revenue from sales of completed property units and vacant land is recognised at a point in time, when the control of the properties have been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the asset sold.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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

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

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

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

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

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

**(ii) Revenue from construction contracts**

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

Revenue from construction contracts is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer.

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

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

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

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

**(iii) Property management fee**

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

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

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

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

**(iv) Other goods and services**

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

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

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

**(v) Dividend income**

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

**(vi) Rental income**

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

**(b) Interest income**

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

**(c) Employee Benefits**

**(i) Short-term benefits**

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

**(ii) Defined contribution plan**

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

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

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

**(d) Foreign currency**

**(i) Presentation and functional currency**

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

**(ii) Transactions and balances**

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

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

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

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

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

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

**(e) Income Taxes**

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

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

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

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

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

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

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

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

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

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

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

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

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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

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

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

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

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

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

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

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

**(g) Business Combinations**

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

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

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

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

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

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

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

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

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

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

**(h) Investments in Subsidiary Companies**

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

**(i) Investments in Associated Companies**

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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

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

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

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

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with MFRS 9 *Financial Instruments*. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of the Group's interest in the associate that are not related to the Group.

**(j) Goodwill**

Goodwill arising on the acquisition of subsidiary company represents the excess of cost of the acquisition over the Group's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities, and is initially recognised as an asset at cost and subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. The carrying amount of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary company, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

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

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

**(k) Impairment of Non-Financial Assets**

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**(l) Property, Plant and Equipment**

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

Depreciation of property, plant and equipment is computed on a straight-line basis to write off the cost of the property, plant and equipment over their estimated useful lives.

The principal annual rates used are as follows:

| | |
|---|---|
| Building and improvements | 5 years to 30 years |
| Furniture and fittings | 10% - 20% |
| Office equipment | 10% - 30% |
| Computers | 15% - 33 1/3% |
| Motor vehicles | 20% - 33% |
| Plant and machinery | 15% - 20% |

At the end of each reporting period, the residual values, useful lives and depreciation method of the property, plant and equipment are reviewed, and the effects of any changes are recognised prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gain or loss arising on the disposal or retirement of an asset is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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

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

**(m) Leases**

**(i) Definition of a lease**

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physical distinct asset. If the supplier has a substantive substitution right, the asset is not identified.

- The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and

- The customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group and the Company allocate the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group and the Company is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single-lease component.

**(ii) Recognition and initial measurement**

**(a) As a lessee**

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined, incremental borrowing rate. Generally, the Group and the Company use the incremental borrowing rate as the discount rate. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar term, security and conditions.

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

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

**(m) Leases (Cont'd)**

**(ii) Recognition and initial measurement (Cont'd)**

**(a) As a lessee (Cont'd)**

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

- Fixed payments, including in-substance fixed payments less any incentives receivable.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee.
- The exercise price under a purchase option that the Group and the Company are reasonably certain to exercise; and
- Penalties for early termination of a lease unless the Group and the Company are reasonably certain not to terminate early.

The Group and the Company exclude variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**(b) As a lessor**

When the Group and the Company act as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group and the Company make an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset to the lessee, and also consider indicators such as whether the lease is for the major part of the economic life of the asset. If this is the case, the lease is a finance lease; if not, then it is an operating lease.

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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

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

**(m) Leases (Cont'd)**

**(iii) Subsequent measurement**

**(a) As a lessee**

The right-of-use assets are subsequently measured at cost, less accumulated depreciation and impairment loss (if any) in accordance with MFRS 136 *Impairment of Assets* as described in Note 3(k). The right-of-use assets are generally depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. In addition, the right-of-use assets are adjusted for certain remeasurement of the lease liabilities. The depreciation starts at the commencement date of the lease and the principal annual rates are as follows:

| | |
|---|---|
| Properties | 5 years to 30 years |
| Equipment | 10% - 30% |

The lease liability is measured at amortised cost using the effective interest method. It is remeasured whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- the lease payments change due to changes in an index or rate or change in expected payment under guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

- a lease contract is modified and the lease modifications is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**(b) As a lessor**

The Group and the Company recognise lease payment received or receivable under operating leases as income on a straight-line basis over the lease term.

**(iv) Determination of lease term**

In determining the lease term upon the lease commencement, the Group and the Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group and the Company reassess the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and the Company which affects whether the Group and the Company are reasonably certain to exercise an option not previously included in the determination of the lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

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

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

**(n) Investment Properties**

Investment properties carried at fair value

Investment properties are properties which are owned to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at cost and subsequently at fair value with any changes in fair value are recognised in profit or loss for the period in which they arise.

Cost includes expenditure that is directly attributable to the acquisition of the investment property.

If the Group determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably determinable when construction is complete, the Group measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is complete (whichever is earlier).

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

Reclassification to/from investment property

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised in other comprehensive income and accumulated in equity as revaluation reserve. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventories, its fair value at the date of change in use becomes its deemed cost for subsequent accounting.

Determination of fair value

Fair value of investment properties is determined based on valuation carried out by an external, independent valuation firm, having appropriate recognised professional qualifications and recent experience in the location and category of properties being valued or, based on past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the Directors' best estimates.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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

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

**(o) Inventories**

**(i) Land Held for Property Development**

Land held for property development consists of land on which no significant development has been undertaken or where development activities are not expected to be completed within the normal operating cycle, and costs attributable to the development activities which are held for future development. Such land is classified as non-current asset and is stated at lower of cost and net realisable value.

Land held for property development is classified as property development cost under current assets when significant development work has been undertaken and is expected to be completed within the normal operating cycle.

**(ii) Property Development Costs**

Property development costs are stated at the lower of cost and net realisable value. The property development cost is subsequently recognised as an expense in profit or loss when the control of the inventory is transferred to the customer.

Property development cost of unsold unit is transferred to completed property unit once the development is completed.

**(iii) Completed property units and vacant land for sale**

Completed property units and vacant land for sale are valued at the lower of cost (determined on the specific identification basis) and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less costs to completion and selling expenses.

**(p) Borrowing Costs**

Interest incurred on borrowings related to property development activities or construction of assets are capitalised as part of the cost of the asset during the period of time required to complete and prepare the asset for its intended use. Capitalisation of borrowing costs ceases when the assets are ready for their intended use or sale.

All other borrowing costs are recognised as finance costs in profit or loss in the period in which they are incurred.

**(q) Property, Plant and Equipment Under Hire-Purchase Arrangements**

Property, plant and equipment acquired under hire-purchase arrangements are recognised in the financial statements and the corresponding obligations treated as liabilities. Finance charges are allocated to profit or loss to give a constant periodic rate of interest on the remaining hire-purchase liabilities.

**(r) Prepaid Lease Payments on Leasehold Land**

The upfront payments for right to use the leasehold land over a predetermined period are accounted for as prepaid lease payments that are stated at cost less accumulated amortisation, are amortised over the lease term on a straight line basis, except for leasehold land classified as investment property.

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

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

**(s) Contract assets and contract liabilities**

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of cumulative revenue earned over the billings to-date.

Where there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the cumulative revenue earned. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

**(t) Contract costs**

The Group recognises the incremental costs of obtaining a contract with a customer, which are expected to be recovered, as an asset. The incremental costs of obtaining a contract are costs incur to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in profit and loss when the carrying amount of the contract cost asset exceeds the expected revenue less expected costs that will be incurred.

**(u) Trade and other receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group and of the Company. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are initially recognised at fair value. The Group and the Company hold the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(aa)(iii).

**(v) Provisions**

Provisions are made when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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

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

**(w) Repurchase of own shares**

Shares bought back held as treasury shares are accounted for on the cost method and presented as a deduction from equity. Should such shares be cancelled, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves as appropriate. When such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental external cost and the deferred tax effects, is recognised in equity.

**(x) Cash and Cash Equivalents**

The Group and the Company adopt the indirect method in the preparation of statements of cash flows.

For the purposes of the statements of cash flows, cash and cash equivalents include cash on hand and at bank and short-term highly liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash, which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

**(y) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

**(z) Segment Reporting**

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

**(aa) Financial Instruments**

Financial instruments are contracts that give rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

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

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

**(aa) Financial Instruments (Cont'd)**

**(i) <u>Recognition and Initial Measurement</u>**

Financial assets and financial liabilities are recognised when the Group and the Company become a party to the contractual provisions of the instruments.

At initial recognition, the Group and the Company measure a financial asset (unless it is a trade receivable without significant financing component) or a financial liability at its fair value plus or minus, in the case of a financial instrument not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance. Transaction costs of financial assets at FVTPL are recognised immediately in profit or loss.

Trade receivables without a significant financing component are initially measured at transaction price in accordance with MFRS 15 *Revenue from Contract with Customers*.

Regular way of purchase or sale of a financial asset is recognised on the trade date, the date on which the Group and the Company commit to purchase or sell an asset.

**(ii) <u>Classification and Subsequent Measurement</u>**

**<u>Financial Assets</u>**

The Group and the Company classify its financial assets in the following measurement categories:

(a) those to be measured at fair value either through other comprehensive income ("FVTOCI") or through profit or loss ("FVTPL"); and

(b) those to be measured at amortised cost.

The classification depends on the Group's and the Company's business model for managing the financial assets and its contractual cash flow characteristics.

For assets measured at fair value, gain and losses will be recorded in either profit or loss or other comprehensive income ("OCI").

The Group and the Company reclassify debt instruments when and only when its business model for managing those assets changes.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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

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

**(aa) Financial Instruments (Cont'd)**

**(ii) <u>Classification and Subsequent Measurement (Cont'd)</u>**

**<u>Financial Assets (Cont'd)</u>**

**(a) Financial assets at amortised cost**

Financial assets that are held for collection of contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding are classified as financial assets at amortised cost. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method, less accumulated impairment.

Interest income from these financial assets is calculated using the effective interest rate method and is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. For credit-impaired financial assets the effective interest rate shall be applied to the amortised cost of the financial asset in subsequent reporting periods.

**(b) Financial assets at FVTOCI**

This category comprises investment in equity instruments which are not held for trading, and the Group and the Company irrevocably elect to present subsequent changes in fair value of the investments in OCI. The election is made on an investment-by-investment basis, of which the Group and the Company consider this classification to be more relevant for those strategic investments which are not held for trading purposes. On derecognition, gains and losses accumulated in OCI are not reclassified to profit or loss.

Dividend income from these investments is recognised in profit or loss when the right to receive payment of the dividend is established.

The Group and the Company subsequently measured all investments in equity instruments at fair value.

**(c) Financial assets at FVTPL**

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Fair value changes are recognised in profit or loss in the period in which it arises.

**(iii) <u>Impairment of financial assets and contract assets</u>**

An impairment loss is recognised in profit or loss based on expected credit losses ("ECL") at the end of each reporting period. ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the end of reporting period.

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

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

**(aa) Financial Instruments (Cont'd)**

**(iii) <u>Impairment of financial assets and contract assets (Cont'd)</u>**

Reversal of impairment loss to profit or loss, if any, is restricted to not exceeding what the amortised cost would have been had the impairment not been recognised previously.

The Group and the Company apply the simplified approach to measure the impairment of trade receivables and contract assets at lifetime ECL. The ECL are estimated based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where appropriate.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables. The Group and the Company have therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

For other financial assets such as other receivables and amount due from intercompany, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the impairment losses for that financial instrument at an amount equal to 12-month ECL.

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

At the end of each reporting period, the Group and the Company assess whether the financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred, such as debtor who have defaulted on payment, or are in significant financial difficulties, or it is becoming probable that the borrower will enter bankruptcy.

These assets are written off when there is no reasonable expectation of recovery, with case-by-case assessment performed based on indicators such as insolvency or demise. Subsequent recoveries of amounts previously written off are recognised in profit or loss as bad debts recovered.

Deposits and bank balances of the Group and the Company are placed with reputable financial institution with high credit ratings and no history of default. Hence, the Group and the Company do not expect any losses from default or non-performance by the counterparties.

**(iv) <u>Derecognition of financial assets</u>**

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the consideration received and receivable is recognised in profit or loss, except for the derecognition of an investment in equity instruments measured at FVTOCI, the cumulative gain or loss is transferred within equity, not recognised in profit or loss.

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

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

**(aa) Financial Instruments (Cont'd)**

**Financial liabilities and equity instruments issued by the Group and the Company**

**(i) Classification as debt or equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

**(ii) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs. Ordinary shares are equity instruments.

Dividends on ordinary shares are recognised in equity in the period in which they are declared.

**(iii) Financial liabilities**

Financial liabilities of the Group and the Company are classified as 'financial liabilities measured at amortised cost'.

(a) Financial liabilities measured at amortised cost

The Group's and the Company's financial liabilities measured at amortised cost, including trade payables, other payables and accrued expenses, amount due to subsidiary companies, lease liabilities, hire-purchase and finance lease liabilities and borrowings, are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(b) Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability recognised and the consideration paid or payable is recognised in profit or loss.

(c) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the impairment loss determined in accordance with MFRS 9 *Financial Instruments*; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

### (a) Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 3 above, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements except as discussed below:

#### (i) Classification between Investment Properties and Property, Plant and Equipment

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion is held for own use for administrative purposes.

If these portions were to be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for own use for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property. The carrying amount of property, plant and equipment and investment properties as at the reporting date are disclosed in Notes 13 and 16 respectively.

#### (ii) Extension or Termination Options and Incremental Borrowing Rates in relation to leases

Upon lease commencement, the Group and the Company apply significant judgement on the assessment of whether it is reasonably certain to exercise an extension option, or not to exercise a termination option. The Group and the Company consider all facts and circumstances, including the past practice, to determine the lease term.

The Group and the Company also apply judgement and assumptions in determining the incremental borrowing rates of the respective leases. The closest available borrowing rates are being first determined by referring to the lessee's incremental borrowing rates obtained from the financial institutions or vendors of the leased equipment before using significant judgement to determine the adjustment required to reflect the term, security, value or economic environment of the respective leases. The carrying amount of right-of-use assets and lease liabilities as at the reporting date are disclosed in Note 14.

### (b) Key sources of estimation uncertainty

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

#### (i) Revenue and Cost of Sales Recognition on Property Development

Revenue is recognised as and when the control of the asset is transferred to the customers and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the contract terms and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, the Group recognises property development revenue in profit or loss over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation, based on cost-based input method, is measured on the basis of the Group's efforts or inputs to the property development cost incurred to date relative to the total expected property development cost. Estimated losses are recognised in full when determined. The estimated total property development cost and development value are reviewed and revised periodically as work progresses and as variation orders are approved.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

### (b) Key sources of estimation uncertainty (Cont'd)

#### (i) Revenue and Cost of Sales Recognition on Property Development (Cont'd)

Significant judgement is required in determining the total expected property development cost, which includes relying on the opinion or service of experts, past experience and continuous monitoring of the budgeting process. These management estimates and judgements affect the cost-based input method computations and the amount of revenue and profit recognised during the year, as well as assessing the recoverability of the property development projects.

If the Group is unable to make reasonably dependable estimates, the Group would not recognise any profit before a contract is completed, but would recognise a loss as soon as the loss becomes evident.

Adjustments based on the progress towards satisfaction of performance obligations are reflected in property development cost and contract revenue in the reporting period. To the extent that these adjustments result in a reduction or elimination of previously reported property development cost and contract revenue and costs, the Group recognises a charge or credit against current earnings and amounts in prior periods, if any, are not restated.

Note 3(a) describes the Group's policy to recognise revenue from sales of properties by reference to the progress towards satisfaction of performance obligations. Property development revenue is recognised in respect of all development units that have been sold.

Some portions of the Group's revenue are billed under fixed price contracts. Variation orders are commonly billed to customers in the normal course of business and these are recognised to the extent they have been agreed with the customers and can be reasonably estimated. The revenue from contract with customers are disclosed in Note 5.

Any anticipated loss on a property development project is recognised immediately as a foreseeable loss expense. As at 30 April 2023, the amount of provision for foreseeable losses are disclosed in Note 22(b).

Any estimated amount of shortfall relating to affordable housing obligations is recognised as a provision. As at 30 April 2023, the provision for affordable housing obligations is disclosed in Note 33.

#### (ii) Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unutilised tax losses and unabsorbed capital allowances could be utilised.

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits. The carrying amount of deferred tax assets as at the reporting date is disclosed in Note 21.

#### (iii) Fair Value of Investment Properties

The Group determines the fair value of investment properties based on valuation carried out by independent professional valuers or, based on available past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the Directors' best estimates. The carrying amount of investment properties is disclosed in Note 16.

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

### (b) Key sources of estimation uncertainty (Cont'd)

#### (iv) Net Realisable Value of Inventories

Inventories are stated at the lower of cost and net realisable value. The Group determines net realisable value based on the estimated selling price by reference to recent sales transactions of similar properties or comparable properties in similar or nearby locations net of estimated cost necessary to complete the sale. The estimation of the selling price in particular is subject to significant inherent uncertainties, in particular the property market. Possible changes in these estimates could result in revisions to the valuation of inventories. Details are disclosed in Note 22.

#### (v) Provision for Release of Bumiputra Quota

Provision for release of bumiputra quota is recognised for expected bumiputra quota penalties to be imposed by local authorities. Significant judgement is required in determining the amount of provision to be made. The Group evaluates the amount of provision required based on past experience and industry norm. As at 30 April 2023, the amount of provision for release of bumiputra quota is disclosed in Note 33.

#### (vi) Provision for Liquidated Ascertained Damages ("LAD")

Provision for LAD is recognised for expected LAD claims based on the terms of the applicable sale and purchase agreements. Significant judgement is required in determining the amount of provision for LAD to be made and in assessing LAD recoverable from the main contractors. The Group evaluates the amount of provision required based on management's best estimate of the anticipated completion date of the project, past experience and the industry norm. As at 30 April 2023, the amount of provision made for LAD payable to purchasers is accounted for in deriving the carrying amount of contract asset or contract liability and provisions as disclosed in Notes 23 and 33 respectively.

#### (vii) Impairment of investment in subsidiary companies

The Company performs the impairment test based on the estimation of the value in use ("VIU") of the CGUs of the respective subsidiary company and on the assessment of the fair value less costs of disposal of the investees' assets. Estimating the VIU and the fair value requires the Company to make an estimate of the expected future cash flows from the CGU and also choose a suitable discount rate in order to calculate the present value of the cash flow projections. The carrying amounts of the investment in subsidiary companies of the Company are disclosed in Note 17.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 5. REVENUE

| | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|
| **Revenue from contract with customers:** | | | | |
| Property development | 301,301,289 | 233,887,783 | - | - |
| Sale of completed properties | 18,133,790 | 9,366,372 | - | - |
| Total revenue from property development activities (Note 23) | 319,435,079 | 243,254,155 | - | - |
| Property management fee | 1,051,307 | 1,400,090 | - | - |
| | 320,486,386 | 244,654,245 | - | - |
| **Revenue from other sources:** | | | | |
| Rental income | 20,533,224 | 14,869,796 | - | - |
| Dividends from subsidiary companies (Note 27) | - | - | 4,896,000 | 13,700,000 |
| | 20,533,224 | 14,869,796 | 4,896,000 | 13,700,000 |
| | 341,019,610 | 259,524,041 | 4,896,000 | 13,700,000 |

**Timing of revenue recognition**

| | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|
| Revenue from contract with customers: | | | | |
| - At a point in time | 18,133,790 | 9,366,372 | - | - |
| - Over time | 302,352,596 | 235,287,873 | - | - |
| | 320,486,386 | 244,654,245 | - | - |

The Group's and the Company's revenue is derived in Malaysia.

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 6. COST OF SALES

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Property development costs [Note 22(b)] | 198,230,379 | 140,555,467 | - | - |
| Costs of completed units sold [Note 22(c)] | 15,331,126 | 6,976,940 | - | - |
| Reversal of foreseeable losses of the affordable housing | - | (2,827,767) | - | - |
| Rental and related costs | 10,747,731 | 6,257,229 | - | - |
| Depreciation of right-of-use assets (Note 14) | 3,205,632 | 3,086,701 | - | - |
| Costs to obtain contracts (Note 24) | 6,094,624 | 4,328,299 | - | - |
| Expenses relating to variable lease payments not included in the measurement of lease liabilities (Note 14) | 214,802 | 588,257 | - | - |
| | 233,824,294 | 158,965,126 | - | - |

## 7. FINANCE INCOME

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Interest income from: | | | | |
| Deposits with licensed financial institutions | 1,270,176 | 1,059,816 | 140,345 | 172,309 |
| Housing development accounts | 1,097,023 | 606,354 | - | - |
| Overdue balances of house purchasers | 412,662 | 798,460 | - | - |
| Amount due from subsidiary companies(Note 27) | - | - | 20,659,171 | 17,340,614 |
| Accretion of interest on trade payables | 742,422 | 330,581 | - | - |
| | 3,522,283 | 2,795,211 | 20,799,516 | 17,512,923 |

The following is an analysis of finance income on financial assets and financial liabilities by category.

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Financial assets measured at amortised cost (including deposits, cash and bank balances) | 2,779,861 | 2,464,630 | 20,799,516 | 17,512,923 |
| Financial liabilities measured at amortised cost | 742,422 | 330,581 | - | - |
| | 3,522,283 | 2,795,211 | 20,799,516 | 17,512,923 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 8. FINANCE COSTS

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Interest expense on: | | | | |
| Revolving credits | 14,488,495 | 10,945,358 | 14,488,495 | 10,945,358 |
| Term loans and bridging loans | 9,283,206 | 6,672,458 | 167,907 | 272,211 |
| Lease liabilities (Note 14) | 174,143 | 158,100 | 68,755 | 108,758 |
| Other payables | 21,027 | 1,145,860 | - | - |
| Hire-purchase and finance lease liabilities | 11,621 | 23,226 | - | - |
| Amount due to subsidiary companies (Note 27) | - | - | 1,466,302 | 1,900,741 |
| Reversal of late payment interest | (994,713) | - | - | - |
| Unwinding of discount on trade payables | 269,921 | 180,864 | - | - |
| | 23,253,700 | 19,125,866 | 16,191,459 | 13,227,068 |
| Less: Finance charges capitalised in: | | | | |
| Land held for property development [Note 22(a)] | (5,839,128) | (3,176,516) | - | - |
| | 17,414,572 | 15,949,350 | 16,191,459 | 13,227,068 |

## 9. PROFIT/(LOSS) BEFORE TAX

(a) Profit/(Loss) before tax has been arrived at after charging/(crediting):

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Depreciation of property, plant and equipment (Note 13) | 2,680,091 | 2,565,971 | 29,984 | 30,158 |
| Auditors' remuneration: | | | | |
| Statutory audit | 615,500 | 627,000 | 120,000 | 105,000 |
| Other services | 40,000 | 40,000 | 6,000 | 6,000 |
| Depreciation of right-of-use assets (Note 14) | 3,540,342 | 3,434,703 | 732,893 | 735,153 |
| Bad debts written off | 126,055 | 40,349 | - | 4,349 |
| Remuneration of other professional services rendered by affiliates of auditors | 135,700 | 135,700 | 18,000 | 18,000 |
| Impairment losses on amount due from subsidiary companies (Note 27) | - | - | - | 511,882 |
| Expenses relating to short-term leases (Note 14) | 7,928 | 8,627 | 7,928 | 8,627 |
| Amortisation of prepaid lease payments on leasehold land (Note 15) | 4,045 | 4,045 | - | - |
| Expenses relating to leases of low-value assets (Note 14) | 22,709 | 11,816 | - | - |
| Net (gain)/loss on disposal of property, plant and equipment | (244) | 49,906 | - | - |
| Impairment losses on investment in subsidiary companies (Note 17) | - | - | 10,000,000 | 4,582,203 |

## 9. PROFIT/(LOSS) BEFORE TAX (CONT'D)

(a) Profit/(Loss) before tax has been arrived at after charging/(crediting) (Cont'd):

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Gain on lease termination | (3,692) | - | - | - |
| Reversal of impairment losses on other receivables no longer required (Note 26) | - | (26,865) | - | (26,865) |
| Reversal of impairment losses on trade receivables no longer required (Note 25) | - | (65,801) | - | - |
| Provision/(Reversal) for release of bumiputra quota (Note 33) | 11,154,011 | (1,856,953) | - | - |
| Rental rebate (Note 14) | (85,536) | (836,921) | - | - |
| Rental income | (251,113) | (221,197) | (59,371) | (59,371) |

(b) Staff costs

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Wages, salaries and bonuses | 16,234,501 | 15,997,905 | 364,117 | 356,001 |
| Defined contribution plan | 2,120,066 | 2,069,468 | 42,807 | 42,684 |
| Social security contributions | 203,085 | 193,011 | 3,007 | 2,806 |
| Others | 520,654 | 529,335 | 11,095 | 11,819 |
| | 19,078,306 | 18,789,719 | 421,026 | 413,310 |
| Less: Amount capitalised in: | | | | |
| Property development costs [Note 22(b)] | (3,743,364) | (3,299,653) | - | - |
| Land held for property development [Note 22(a)] | (249,552) | (213,565) | - | - |
| | 15,085,390 | 15,276,501 | 421,026 | 413,310 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

**9. PROFIT/(LOSS) BEFORE TAX (CONT'D)**

(c) Directors' remuneration

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| *Directors of the Company* | | | | |
| Executive: | | | | |
| Salaries | 2,618,929 | 2,767,763 | 130,946 | 138,388 |
| Other emoluments | 575,831 | 359,980 | 28,660 | 20,500 |
| Defined contribution plan | 439,368 | 425,831 | 20,725 | 20,250 |
| Benefits-in-kind | 96,600 | 96,600 | 96,600 | 96,600 |
| | 3,730,728 | 3,650,174 | 276,931 | 275,738 |
| Non-Executive: | | | | |
| Fees | 276,964 | 240,000 | 276,964 | 240,000 |
| Other emoluments | 64,000 | 52,750 | 64,000 | 52,750 |
| Total | 4,071,692 | 3,942,924 | 617,895 | 568,488 |
| *Directors of the subsidiary companies* | | | | |
| Salaries | 540,808 | 537,252 | - | - |
| Other emoluments | 482,293 | 397,332 | - | - |
| Defined contribution plan | 85,336 | 75,465 | - | - |
| | 1,108,437 | 1,010,049 | - | - |
| Total | 5,180,129 | 4,952,973 | 617,895 | 568,488 |
| Analysis excluding benefits-in-kind: | | | | |
| Total executive directors' remuneration | 3,634,128 | 3,369,210 | 180,331 | 179,138 |
| Total non-executive directors' remuneration | 340,964 | 292,750 | 340,964 | 292,750 |
| Total directors' remuneration for directors of the subsidiary companies | 1,108,437 | 1,194,413 | - | - |
| | 5,083,529 | 4,856,373 | 521,295 | 471,888 |
| Less: Amount capitalised in: | | | | |
| Property development costs [Note 22(b)] | (2,269,830) | (2,274,469) | - | - |
| Land held for property development [Note 22(a)] | (168,572) | (147,209) | - | - |
| | 2,645,127 | 2,434,695 | 521,295 | 471,888 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 10. INCOME TAX EXPENSE

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Income tax: | | | | |
| Current | 24,588,218 | 17,384,690 | 3,218,000 | 2,878,000 |
| (Over)/Under provision in prior years | (176,726) | (587,510) | 12,326 | 42,976 |
| | 24,411,492 | 16,797,180 | 3,230,326 | 2,920,976 |
| Deferred tax (Note 21): | | | | |
| Current | (6,643,611) | 2,193,536 | 10,521 | (120,760) |
| Under/(Over) provision in prior years | 39,225 | (78,669) | 1,700 | 885 |
| | (6,604,386) | 2,114,867 | 12,221 | (119,875) |
| | 17,807,106 | 18,912,047 | 3,242,547 | 2,801,101 |

A reconciliation of income tax expense applicable to profit/(loss) before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Profit/(Loss) before tax | 50,453,681 | 61,524,928 | (3,194,432) | 10,181,719 |
| Add: Share of losses of associated companies | 566,540 | 688,372 | - | - |
| | 51,020,221 | 62,213,300 | (3,194,432) | 10,181,719 |
| Taxation at Malaysian statutory tax rate of 24% (2022: 24%) | 12,244,853 | 14,931,192 | (766,664) | 2,443,613 |
| Tax effects of income not subject to tax | (2,035,947) | (2,701,069) | (1,175,040) | (3,288,120) |
| Tax effects of expenses not deductible for tax purposes | 6,163,492 | 5,854,448 | 5,170,225 | 3,601,747 |
| Deferred tax liabilities recognised at different tax rate | - | 25,060 | - | - |
| Deferred tax assets not recognised | 1,572,209 | 1,468,595 | - | - |
| (Over)/Under provision of income tax expense in prior years | (176,726) | (587,510) | 12,326 | 42,976 |
| Under/(Over) provision of deferred tax in prior years | 39,225 | (78,669) | 1,700 | 885 |
| Tax expense for the financial year | 17,807,106 | 18,912,047 | 3,242,547 | 2,801,101 |

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 11. EARNINGS PER SHARE

**Basic**

Basic earnings per ordinary share of the Group is calculated by dividing the profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:

| | The Group 2023 | The Group 2022 |
|---|---|---|
| Profit attributable to owners of the Company (RM) | 31,505,323 | 37,868,683 |
| Weighted average number of ordinary shares used for the purposes of basic earnings per share* | 767,703,120 | 768,040,939 |
| Basic earnings per share (sen) | 4.10 | 4.93 |

* The weighted average number of shares takes into account the weighted average effect of changes in ordinary shares transactions and net of treasury shares and restricted shares.

**Diluted**

The basic and diluted earnings per share are the same as the Group has no dilutive potential ordinary shares.

## 12. DIVIDENDS

| The Group and the Company | Amount 2023 RM | Amount 2022 RM | Net Dividends per Ordinary Share 2023 Sen | Net Dividends per Ordinary Share 2022 Sen |
|---|---|---|---|---|
| In respect of financial year ended 30 April 2021:<br>- Final single-tier dividend of RM0.01 per share on 768,066,170 ordinary shares, paid on 28 December 2021 | - | 7,680,662 | - | 1.0 |
| In respect of financial year ended 30 April 2022:<br>- Final single-tier dividend of RM0.015 per share on 767,526,370 ordinary shares, paid on 29 December 2022 | 11,512,895 | - | 1.5 | - |
| | 11,512,895 | 7,680,662 | 1.5 | 1.0 |

The Directors propose a final single-tier dividend of RM0.0125 per share on 767,494,370 ordinary shares, totaling approximately RM9,593,680 in respect of the current financial year. This dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, and has not been included as a liability in the financial statements. Upon approval by the shareholders, the proposed dividend for the financial year 2023 will be paid to all outstanding ordinary shares in issue. The cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 April 2024.

## 13. PROPERTY, PLANT AND EQUIPMENT

| The Group | Building and improvements RM | Furniture and fittings RM | Office equipment RM | Computers RM | Motor vehicles RM | Plant and machinery RM | Total RM |
|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | |
| As at 1 May 2021 | 65,242,025 | 3,395,545 | 3,083,290 | 2,531,762 | 4,694,030 | 4,632,263 | 83,578,915 |
| Additions | - | 3,000 | 43,683 | 247,282 | - | 80,670 | 374,635 |
| Disposals | - | (17,230) | (24,295) | - | - | (232,982) | (274,507) |
| Reclassification | - | (1,440) | (310) | 1,750 | - | - | - |
| As at 30 April 2022/ 1 May 2022 | 65,242,025 | 3,379,875 | 3,102,368 | 2,780,794 | 4,694,030 | 4,479,951 | 83,679,043 |
| Additions | 51,248 | 106,885 | 21,935 | 252,025 | 1,072,000 | 180,339 | 1,684,432 |
| Disposals | - | (5,177) | (33,471) | - | - | (65,667) | (104,315) |
| As at 30 April 2023 | 65,293,273 | 3,481,583 | 3,090,832 | 3,032,819 | 5,766,030 | 4,594,623 | 85,259,160 |
| **Accumulated Depreciation** | | | | | | | |
| As at 1 May 2021 | 21,916,490 | 2,735,804 | 2,757,347 | 2,383,213 | 4,641,714 | 4,245,592 | 38,680,160 |
| Charge for the year [Note 9(a)] | 1,983,581 | 102,091 | 170,681 | 129,219 | 23,553 | 156,846 | 2,565,971 |
| Disposals | - | (12,396) | (14,269) | - | - | (161,402) | (188,067) |
| As at 30 April 2022/ 1 May 2022 | 23,900,071 | 2,825,499 | 2,913,759 | 2,512,432 | 4,665,267 | 4,241,036 | 41,058,064 |
| Charge for the year [Note 9(a)] | 2,026,278 | 57,068 | 144,940 | 243,360 | 124,134 | 84,311 | 2,680,091 |
| Disposals | - | (5,176) | (33,445) | - | - | (65,667) | (104,288) |
| As at 30 April 2023 | 25,926,349 | 2,877,391 | 3,025,254 | 2,755,792 | 4,789,401 | 4,259,680 | 43,633,867 |
| **Accumulated Impairment Loss** | | | | | | | |
| As at 1 May 2021/ 30 April 2022/ 1 May 2022/ 30 April 2023 | 2,392,003 | - | - | - | - | - | 2,392,003 |
| **Net Carrying Amount** | | | | | | | |
| As at 30 April 2022 | 38,949,951 | 554,376 | 188,609 | 268,362 | 28,763 | 238,915 | 40,228,976 |
| As at 30 April 2023 | 36,974,921 | 604,192 | 65,578 | 277,027 | 976,629 | 334,943 | 39,233,290 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

| The Company | Building and improvements RM | Furniture and fittings RM | Office equipment RM | Computers RM | Motor vehicles RM | Total RM |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| As at 1 May 2021 | 1,713,301 | 452,178 | 229,006 | 654,429 | 1,826,984 | 4,875,898 |
| Additions | - | - | 16,230 | 14,679 | - | 30,909 |
| As at 30 April 2022/1 May 2022 | 1,713,301 | 452,178 | 245,236 | 669,108 | 1,826,984 | 4,906,807 |
| Additions | - | - | 3,490 | 9,997 | 305,000 | 318,487 |
| As at 30 April 2023 | 1,713,301 | 452,178 | 248,726 | 679,105 | 2,131,984 | 5,225,294 |
| **Accumulated Depreciation** | | | | | | |
| As at 1 May 2021 | 1,713,188 | 451,016 | 219,005 | 592,094 | 1,826,980 | 4,802,283 |
| Charge for the year [Note 9(a)] | 113 | 195 | 5,517 | 24,333 | - | 30,158 |
| As at 30 April 2022/1 May 2022 | 1,713,301 | 451,211 | 224,522 | 616,427 | 1,826,980 | 4,832,441 |
| Charge for the year [Note 9(a)] | - | 195 | 5,836 | 18,870 | 5,083 | 29,984 |
| As at 30 April 2023 | 1,713,301 | 451,406 | 230,358 | 635,297 | 1,832,063 | 4,862,425 |
| **Net Carrying Amount** | | | | | | |
| As at 30 April 2022 | - | 967 | 20,714 | 52,681 | 4 | 74,366 |
| As at 30 April 2023 | - | 772 | 18,368 | 43,808 | 299,921 | 362,869 |

At the end of the reporting period, property, plant and equipment of the Group and of the Company with net carrying amount of RM960,758 and RM299,921 (2022: RM125,458 and RM4) respectively were acquired under hire-purchase and lease arrangements.

Building and improvements of the Group with a net carrying amount of RM36,288,532 (2022: RM38,201,790) have been pledged as security for banking facilities granted to the Group and the Company as disclosed in Note 31.

## 14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

### (a) Right-of-use assets

| The Group | Properties RM | Equipment RM | Total RM |
|---|---|---|---|
| **Carrying Amount** | | | |
| As at 1 May 2021 | 5,031,789 | 138,065 | 5,169,854 |
| Lease modification | 3,790 | (3,552) | 238 |
| Additions | 424,889 | 107,093 | 531,982 |
| Depreciation | (3,372,864) | (61,839) | (3,434,703) |
| As at 30 April 2022/1 May 2022 | 2,087,604 | 179,767 | 2,267,371 |
| Termination | (46,327) | (6,700) | (53,027) |
| Additions | 6,456,980 | - | 6,456,980 |
| Depreciation | (3,485,385) | (54,957) | (3,540,342) |
| As at 30 April 2023 | 5,012,872 | 118,110 | 5,130,982 |

| The Company | Properties RM | Equipment RM | Total RM |
|---|---|---|---|
| **Carrying Amount** | | | |
| As at 1 May 2021 | 2,301,105 | 16,295 | 2,317,400 |
| Depreciation | (726,665) | (8,488) | (735,153) |
| As at 30 April 2022/1 May 2022 | 1,574,440 | 7,807 | 1,582,247 |
| Depreciation | (726,665) | (6,228) | (732,893) |
| As at 30 April 2023 | 847,775 | 1,579 | 849,354 |

### (b) Lease liabilities

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Analysed as follows: | | | | |
| Non-current | 1,896,494 | 421,437 | 137,866 | 941,773 |
| Current | 3,300,243 | 1,962,066 | 803,908 | 767,372 |
| | 5,196,737 | 2,383,503 | 941,774 | 1,709,145 |

The maturity analysis of the lease liabilities at the reporting date is disclosed in Note 40 (iv).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

### (b) Lease liabilities (Cont'd)

The statements of profit or loss and other comprehensive income included the following amounts relating to leases:

| | Note | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|---|
| Depreciation of right-of-use assets included in: | | | | | |
| (i) Cost of sales | 6 | 3,205,632 | 3,086,701 | - | - |
| (ii) Administrative expenses | | 334,710 | 348,002 | 732,893 | 735,153 |
| | 9(a) | 3,540,342 | 3,434,703 | 732,893 | 735,153 |
| Expenses relating to short-term leases included in administrative expenses | 9(a) | 7,928 | 8,627 | 7,928 | 8,627 |
| Expenses relating to leases of low-value assets included in administrative expenses | 9(a) | 22,709 | 11,816 | - | - |
| Expenses relating to variable lease payments not included in the measurement of lease liabilities included in cost of sales | 6 | 214,802 | 588,257 | - | - |
| Interest expense on lease liabilities | 8 | 174,143 | 158,100 | 68,755 | 108,758 |

The Group's leases mainly comprise car park rental contracts entered into by a subsidiary company with third parties for the operation of car park management, in addition to the rental of equipment by other subsidiaries. The Company's leases mainly comprise rental contracts for office rental and office equipment.

Lease contracts of the Group and the Company are typically entered into for a fixed period, with extension options exercisable by the Group and the Company to optimise operational flexibility. Lease terms are negotiated on an individual basis.

The lease agreements do not impose any covenants. However, leased assets may or may not be used as security for borrowing purposes.

Some of the leases of car park by one of the Group's subsidiary companies contain variable lease payments that are based on the sales generated from that leased asset.

The Group and the Company have elected not to recognise right-of-use assets and leases liabilities for short-term leases and leases of low-value assets. The Group and the Company have leases of certain office equipment (i.e. water dispensers) that are considered as low-value assets.

The Group as lessee has elected for early application of the practical expedient in paragraph 46A of MFRS 16 and not to assess whether a rent concession, occurring as a direct consequence of the COVID-19 pandemic, is a lease modification. The reduction in lease payments of RM85,536 (2022: RM836,921) has been recognised in profit or loss.

## 15. PREPAID LEASE PAYMENTS ON LEASEHOLD LAND

| The Group | Leasehold Land Unexpired period less than 30 years RM |
|---|---|
| **Cost** | |
| As at 1 May 2021/30 April 2022/1 May 2022/30 April 2023 | 121,353 |
| **Accumulated Amortisation** | |
| As at 1 May 2021 | 80,902 |
| Amortisation for the year [Note 9(a)] | 4,045 |
| As at 30 April 2022/1 May 2022 | 84,947 |
| Amortisation for the year [Note 9(a)] | 4,045 |
| As at 30 April 2023 | 88,992 |
| **Net Book Value** | |
| As at 30 April 2022 | 36,406 |
| As at 30 April 2023 | 32,361 |

## 16. INVESTMENT PROPERTIES

| The Group | Freehold land and buildings RM | Leasehold land and buildings RM | Subtotal RM | Freehold land and buildings under construction* RM | Total RM |
|---|---|---|---|---|---|
| **At fair value:** | | | | | |
| As at 1 May 2021 | 332,746,600 | 5,112,762 | 337,859,362 | 5,638,875 | 343,498,237 |
| Additions | - | - | - | 1,778,670 | 1,778,670 |
| Changes in fair value of investment properties | - | 303,947 | 303,947 | - | 303,947 |
| As at 30 April 2022/1 May 2022 | 332,746,600 | 5,416,709 | 338,163,309 | 7,417,545 | 345,580,854 |
| Transfer to property development costs Note 22(b) | - | - | - | (780,939) | (780,939) |
| As at 30 April 2023 | 332,746,600 | 5,416,709 | 338,163,309 | 6,636,606 | 344,799,915 |

* The fair value of freehold land and buildings under construction is not reliably determinable and hence being measured at cost.

Investment properties of the Group are leased, or held to be leased, to third parties under operating leases with rentals receivables on a monthly basis.

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

**16. INVESTMENT PROPERTIES (CONT'D)**

Total property rental income earned by the Group from its investment properties, of which are leased out under operating leases, amounted to RM8,928,454 (2022: RM5,890,117).

Direct operating expenses arising from the investment properties that generated rental income during the current year amounted to RM8,202,548 (2022: RM5,301,695), whereas the direct operating expenses arising from investment property that did not generate rental income amounted to RM222,479 (2022: RM221,989).

Investment properties amounting to RM303,039,406 (2022: RM303,820,345) have been pledged as securities for banking facilities granted to the Group and the Company as mentioned in Note 31.

The operating lease payments to be received are as follows:

| | The Group | |
|---|---|---|
| | **2023** | **2022** |
| | **RM** | **RM** |
| Less than one year | 9,480,864 | 6,523,327 |
| One to two year | 9,537,877 | 6,741,449 |
| Two to three years | 9,682,461 | 6,871,818 |
| Total undiscounted lease payments | 28,701,202 | 20,136,594 |

**Fair value information**

The fair value of the Group's investment properties as at 30 April 2023 and 30 April 2022 have been arrived at on the basis of the Directors' best estimates, by reference to valuations performed by an independent valuer and market evidence of transacted prices for the same or similar properties. Based on this, the Directors are of the opinion that the carrying amount of the investment properties of the Group approximates their fair value.

The fair value of freehold land and buildings under construction is not reliably determinable and hence being measured at cost, until either its fair value becomes reliably determinable or construction is complete (whichever is earlier).

***Retail mall***

The fair value of the retail mall as at 30 April 2023 and 30 April 2022 has been arrived at on the basis of a valuation carried out by an independent valuer.

***Other investment properties***

The fair value of the other investment properties of the Group as at 30 April 2023 and 30 April 2022 have been arrived at based on available past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the Directors' best estimates or on the basis of a valuation carried out by an independent valuer.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 16. INVESTMENT PROPERTIES (CONT'D)

***Fair value hierarchy***

Details of the Group's investment properties and information about the fair value hierarchy as at 30 April 2023 and 30 April 2022 are as follows:

| Located in Malaysia: | Level 1 RM | Level 2 RM | Level 3 RM | Total RM |
|---|---|---|---|---|
| **30 April 2023** | | | | |
| Retail mall | - | - | 285,000,000 | 285,000,000 |
| Commercial property units and car parks | - | 21,361,709 | 10,128,600 | 31,490,309 |
| Residential property units | - | 21,673,000 | - | 21,673,000 |
| | - | 43,034,709 | 295,128,600 | 338,163,309 |
| **30 April 2022** | | | | |
| Retail mall | - | - | 285,000,000 | 285,000,000 |
| Commercial property units and car parks | - | 21,361,709 | 10,128,600 | 31,490,309 |
| Residential property units | - | 21,673,000 | - | 21,673,000 |
| | - | 43,034,709 | 295,128,600 | 338,163,309 |

There was no transfer between Level 1 and 2 during the financial year.

Qualitative information about fair value measurement of the investment properties using significant unobservable inputs (Level 3) as at 30 April 2023 and 30 April 2022:

| Properties | Valuation Technique | Significant Unobservable Inputs | Range | Inter-relationship |
|---|---|---|---|---|
| **30 April 2023** | | | | |
| Retail mall | Investment method of valuation | Estimated rental rates | RM3.80 psf to RM8.00 psf | Higher estimated rental, higher fair value |
| | | Outgoings | RM1.50 psf | Higher estimated outgoings, lower fair value |
| | | Allowance for void | 10% to 30% | Higher range of inputs, lower fair value |
| | | Capitalisation/ Reversion rate | 6.00% to 6.50% | Higher range of inputs, lower fair value |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 16. INVESTMENT PROPERTIES (CONT'D)

| Properties | Valuation Technique | Significant Unobservable Inputs | Range | Inter-relationship |
|---|---|---|---|---|
| Car parks | Investment method of valuation | Estimated rental rates | RM150 per bay | Higher estimated rental, higher fair value |
| | | Outgoings | 5% | Higher estimated outgoings, lower fair value |
| | | Allowance for void | 10% | Higher range of inputs, lower fair value |
| | | Capitalisation rate | 5% | Higher range of inputs, lower fair value |
| **30 April 2022** | | | | |
| Retail mall | Investment method of valuation | Estimated rental rates | RM3.80 psf to RM8.00 psf | Higher estimated rental, higher fair value |
| | | Outgoings | RM1.50 psf | Higher estimated outgoings, lower fair value |
| | | Allowance for void | 10% to 30% | Higher range of inputs, lower fair value |
| | | Capitalisation/ Reversion rate | 6.00% to 6.50% | Higher range of inputs, lower fair value |
| Car parks | Investment method of valuation | Estimated rental rates | RM150 per bay | Higher estimated rental, higher fair value |
| | | Outgoings | 5% | Higher estimated outgoings, lower fair value |
| | | Allowance for void | 10% | Higher range of inputs, lower fair value |
| | | Capitalisation rate | 5% | Higher range of inputs, lower fair value |

## 17. SUBSIDIARY COMPANIES

| | The Company 2023 RM | The Company 2022 RM |
|---|---|---|
| Unquoted shares, at cost: | | |
| As at 1 May 2021/1 May 2022 | 721,729,693 | 737,729,693 |
| Addition | 102,000 | 20,000,000 |
| Disposal | - | (36,000,000) |
| As at 30 April 2022/30 April 2023 | 721,831,693 | 721,729,693 |
| Less: Accumulated impairment losses | | |
| At 1 May 2021/1 May 2022 | (39,025,029) | (34,442,826) |
| Charge for the year [Note 9(a)] | (10,000,000) | (4,582,203) |
| At 30 April 2022/30 April 2023 | (49,025,029) | (39,025,029) |
| | 672,806,664 | 682,704,664 |

Notes:

(a) During the financial year, the Company has acquired 51% ordinary shares in Glomac Technology Sdn Bhd (“GTSB”) for a total cash consideration of RM102,000. In consequence thereof, GTSB becomes a 51% subsidiary of the Company. The acquisition has no material effect to the financial statements.

(b) In the previous financial year, the Company:

(i) disposed 36,000,000 ordinary shares in Glomac Realty Sdn. Bhd., a wholly-owned subsidiary of the Company, at RM 1 per ordinary share for a total consideration of RM36,000,000 by way of offsetting with amount due to subsidiary; and

(ii) subscribed 20,000,000 redeemable preference shares (“RPS”) in Glomac Al Batha Sdn. Bhd., a 51% owned subsidiary of the Company, at an issued price of RM1 per RPS for a total consideration of RM20,000,000 by way of capitalising the amount due from subsidiary.

(c) Subsequent to financial year end, on 17 July 2023, the Company had acquired 39% and 10% ordinary shares of Glomac Bina Sdn. Bhd. (“GBSB”) from Tan Sri Dato’ Mohamed Mansor bin Fateh Din and Mohd Yasin Loh bin Abdullah respectively. The total purchase consideration of RM16,252,854 was settled by way of cash. In consequence thereof, GBSB becomes a wholly owned subsidiary of the Company.

The Company conducted a review of the recoverable amount of its investment in subsidiary companies of which cost of investment exceeded its share of net assets in the subsidiary companies at the reporting dates in which the events and circumstances arose had led to the recognition or reversal of the impairment loss.

At the reporting date, the Company conducted an impairment review of its investment in Glo Damansara Sdn. Bhd. based on the estimation of the VIU and the future fair value less costs of disposal of the subsidiary company’s assets. The discount rate applied to the cash flow projections was 6.50%. The review gave rise to the recognition of additional impairment loss of RM10,000,000 (categorised as level 3 in the fair value hierarchy) which was recognised in the Company’s statement of profit of loss and other comprehensive income. The impairment loss arose mainly due to non-performing of the business operation.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 17. SUBSIDIARY COMPANIES (CONT'D)

The following table demonstrates the sensitivity to a reasonably possible change in discount rate with all other variables held constant, of the Company's loss after tax through the impact on impairment loss on investment in subsidiary companies.

| | The Company 2023 RM |
|---|---|
| **Effect on loss after tax** | |
| Increase of 50 basis points | (18,235) |
| Decrease of 50 basis points | 735,975 |

In prior year, the Company conducted an impairment review of its investment in subsidiary companies based on their fair value less costs of disposal approach using the adjusted net asset attributable to ordinary shareholders. The review gave rise to the recognition of impairment loss of RM4,582,203 (categorised as level 3 in the fair value hierarchy) which was recognised in the Company's statement of profit of loss and other comprehensive income. The impairment loss arose mainly due to the inactivity of the subsidiary company or following a decline in the value of its properties and recoverable amounts.

Details of non-wholly owned subsidiary companies that have material non-controlling interests to the Group are as follows:

| Name of subsidiary companies | Place of incorporation and principal place of business | Proportion of ownership interest and voting rights held by non-controlling interests | | Profit/(Loss) allocated to non-controlling interests | | Accumulated non-controlling interests | |
|---|---|---|---|---|---|---|---|
| | | 2023 | 2022 | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Glomac Bina Sdn. Bhd. | Malaysia | 49% | 49% | 489,158 | 4,559,309 | 27,634,936 | 27,145,778 |
| Glomac Al Batha Mutiara Sdn. Bhd. | Malaysia | 49% | 49% | (26,959) | (10,078) | 446,815 | 473,774 |
| Glomac Al Batha Sdn. Bhd. | Malaysia | 49% | 49% | (108,964) | 1,947,118 | 26,899,242 | 27,008,206 |
| Glomac Power Sdn. Bhd. | Malaysia | 14.3% | 14.3% | (82,379) | (100,744) | 3,987,961 | 4,070,340 |
| Other subsidiaries with immaterial NCI | Malaysia | | | 870,396 | (1,651,407) | 7,484,892 | 8,148,677 |
| | | | | 1,141,252 | 4,744,198 | 66,453,846 | 66,846,775 |

## 17. SUBSIDIARY COMPANIES (CONT'D)

Summarised financial information in respect of each of the Group's subsidiary companies that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

| | 2023<br>RM | 2022<br>RM |
|---|---|---|
| **Glomac Bina Sdn. Bhd.** | | |
| ***Statement of financial position*** | | |
| Current assets | 49,563,338 | 51,336,357 |
| Non-current assets | 13,276,035 | 13,426,500 |
| Current liabilities | (10,811,723) | (13,733,489) |
| Equity attributable to owners of the Company | (24,392,714) | (23,883,590) |
| Non-controlling interests | (27,634,936) | (27,145,778) |
| ***Statement of profit or loss and other comprehensive income*** | | |
| Revenue | 21,565,085 | 37,571,945 |
| Profit/Total comprehensive income for the financial year | 998,282 | 9,304,712 |
| Profit/Total comprehensive income attributable to: | | |
| Owners of the Company | 509,124 | 4,745,403 |
| Non-controlling interests | 489,158 | 4,559,309 |
| | 998,282 | 9,304,712 |
| ***Statement of cash flows*** | | |
| Net cash inflow from operating activities | 330,630 | 3,045,867 |
| Net cash inflow from investing activities | 348,126 | 104,352 |
| Net cash inflow from financing activities | 96 | - |
| Net cash inflow | 678,852 | 3,150,219 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 17. SUBSIDIARY COMPANIES (CONT'D)

| | 2023 RM | 2022 RM |
|---|---|---|
| **Glomac Al Batha Mutiara Sdn. Bhd.** | | |
| ***Statement of financial position*** | | |
| Current assets | 2,445,670 | 2,511,149 |
| Current liabilities | (1,533,803) | (1,544,263) |
| Equity attributable to owners of the Company | (465,052) | (493,112) |
| Non-controlling interests | (446,815) | (473,774) |
| ***Statement of profit or loss and other comprehensive income*** | | |
| Revenue | - | - |
| Loss/Total comprehensive loss for the financial year | (55,019) | (20,567) |
| Loss/Total comprehensive loss attributable to: | | |
| Owners of the Company | (28,060) | (10,489) |
| Non-controlling interests | (26,959) | (10,078) |
| | (55,019) | (20,567) |
| **Statement of cash flows** | | |
| Net cash (outflow)/ inflow from operating activities | (159,208) | 4,982,843 |
| Net cash inflow from investing activities | 2,762 | 10,940 |
| Net cash outflow from financing activities | - | (4,000,000) |
| Net cash (outflow)/inflow | (156,446) | 993,783 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 17. SUBSIDIARY COMPANIES (CONT'D)

| | 2023<br>RM | 2022<br>RM |
|---|---|---|
| **Glomac Al Batha Sdn. Bhd.** | | |
| ***Statement of financial position*** | | |
| Current assets | 2,703,720 | 2,974,577 |
| Non-current assets | 148,914,874 | 141,644,008 |
| Current liabilities | (8,655,569) | (1,414,911) |
| Non-current liabilities | (88,873,702) | (88,891,976) |
| Equity attributable to owners of the Company | (27,190,081) | (27,303,492) |
| Non-controlling interests | (26,899,242) | (27,008,206) |
| ***Statement of profit or loss and other comprehensive income*** | | |
| Revenue | - | 4,000,000 |
| (Loss)/Profit/Total comprehensive (loss)/profit for the financial year | (222,375) | 3,973,710 |
| (Loss)/Profit/Total comprehensive (loss)/profit attributable to: | | |
| Owners of the Company | (113,411) | 2,026,592 |
| Non-controlling interests | (108,964) | 1,947,118 |
| | (222,375) | 3,973,710 |
| ***Statement of cash flows*** | | |
| Net cash outflow from operating activities | (7,650,176) | (4,580,337) |
| Net cash inflow from investing activities | 1,315 | 4,000,000 |
| Net cash inflow from financing activities | 7,038,294 | 674,653 |
| Net cash (outflow)/inflow | (610,567) | 94,316 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 17. SUBSIDIARY COMPANIES (CONT'D)

| | 2023 RM | 2022 RM |
|---|---|---|
| **Glomac Power Sdn. Bhd.** | | |
| ***Statement of financial position*** | | |
| Current assets | 2,251,965 | 2,032,035 |
| Non-current assets | 25,638,871 | 26,436,411 |
| Current liabilities | (3,000) | (4,529) |
| Equity attributable to owners of the Company | (23,899,875) | (24,393,577) |
| Non-controlling interests | (3,987,961) | (4,070,340) |
| ***Statement of profit or loss and other comprehensive income*** | | |
| Revenue | - | - |
| Loss/Total comprehensive loss for the financial year | (576,081) | (704,505) |
| Loss/Total comprehensive loss attributable to: | | |
| Owners of the Company | (493,702) | (603,761) |
| Non-controlling interests | (82,379) | (100,744) |
| | (576,081) | (704,505) |
| ***Statement of cash flows*** | | |
| Net cash outflow from operating activities | (23,854) | (33,116) |
| Net cash inflow from investing activities | 231,000 | 231,000 |
| Net cash (outflow)/inflow from financing activities | (1,799,993) | 4,174 |
| Net cash (outflow)/inflow | (1,592,847) | 202,058 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 18. ASSOCIATED COMPANIES

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| Unquoted shares, at cost | 2,310,000 | 2,310,000 |
| Share of post-acquisition reserves | 23,328,871 | 24,126,411 |
| | 25,638,871 | 26,436,411 |

Summarised financial information in respect of each of the Group's material associated companies is set out below. The summarised financial information below represents amounts in the associated companies' financial statements prepared in accordance with MFRSs.

| | 2023 RM | 2022 RM |
|---|---|---|
| ***PPC Glomac Sdn. Bhd. and its subsidiary company, Irama Teguh Sdn. Bhd.*** | | |
| ***Statement of financial position*** | | |
| Current assets | 20,102,986 | 26,777,156 |
| Non-current assets | 55,493,948 | 52,913,509 |
| Current liabilities | (2,343,016) | (4,158,063) |
| Net assets | 73,253,918 | 75,532,602 |
| ***Statement of profit or loss and other comprehensive income*** | | |
| Revenue | 9,725,042 | 11,560,623 |
| Loss/Total comprehensive loss for the financial year | (1,618,685) | (1,966,776) |
| Dividend received from the associated company during the financial year | 231,000 | 231,000 |

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| Share of losses of associated companies | (566,540) | (688,372) |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 18. ASSOCIATED COMPANIES (CONT'D)

Reconciliation of the above summarised financial information to the carrying amount of the interest in PPC Glomac Sdn. Bhd. and its subsidiary company as recognised in the consolidated financial statements:

| | 2023<br>RM | 2022<br>RM |
|---|---|---|
| Net assets of the associated companies | 73,253,918 | 75,532,602 |
| Proportion of the Group's ownership interest in PPC Glomac Sdn. Bhd. and its subsidiary | 35% | 35% |
| Carrying amount of the Group's interest in PPC Glomac Sdn. Bhd. and its subsidiary | 25,638,871 | 26,436,411 |

Details of the associated companies are set out in Note 41.

## 19. OTHER INVESTMENTS

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023<br>RM | 2022<br>RM | 2023<br>RM | 2022<br>RM |
| Fair value through other comprehensive income | | | | |
| Unquoted shares | 4,000,000 | 4,000,000 | - | - |
| Amortised cost | | | | |
| Unquoted subordinated bonds at cost: | | | | |
| At 1 May 2021/1 May 2022 | 10,300,000 | 10,300,000 | 10,300,000 | 10,300,000 |
| Terminate during the year | (4,300,000) | - | (4,300,000) | - |
| | 6,000,000 | 10,300,000 | 6,000,000 | 10,300,000 |
| Less: Impairment Loss | | | | |
| At 1 May 2021/1 May 2022 | (10,300,000) | (10,300,000) | (10,300,000) | (10,300,000) |
| Terminate during the year | 4,300,000 | - | 4,300,000 | - |
| | (6,000,000) | (10,300,000) | (6,000,000) | (10,300,000) |
| | 4,000,000 | 4,000,000 | - | - |

## 20. GOODWILL ON CONSOLIDATION

| | The Group 2023 RM | 2022 RM |
|---|---|---|
| **Cost** | | |
| At beginning of year | 1,032,918 | 1,032,918 |
| Acquisition of a subsidiary company | 33,494 | - |
| At end of year | 1,066,412 | 1,032,918 |
| **Accumulated impairment losses** | | |
| At beginning and end of year | (637,753) | (637,753) |
| Carrying amount | 428,659 | 395,165 |

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating unit ("CGU") that is expected to benefit from that business combination. Before recognition of any impairment losses, the carrying amount of goodwill had been allocated to the following business segment as independent CGU:

| | The Group 2023 RM | 2022 RM |
|---|---|---|
| Property development division | 395,165 | 395,165 |
| Other operations division | 33,494 | - |
| | 428,659 | 395,165 |

The Group assesses goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the CGU is determined from value-in-use calculation which uses cash flow projections derived from the most recent financial budgets approved by management covering a five-year period, and an estimated discount rate of 5.42% (2022: 4.14%) per annum.

There is no reasonably possible change in any of the key assumptions used that would cause the carrying amount of the CGU to materially exceed the recoverable amounts.

At the end of the reporting period, the Group assessed the recoverable amount of goodwill, and determined that no further impairment of goodwill associated with property development division is required. Management expects future cash flows will be generated from this CGU.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 21. DEFERRED TAX ASSETS/(LIABILITIES)

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| At beginning of year | 72,046,308 | 74,161,175 | 650,197 | 530,322 |
| Recognised in profit or loss (Note 10): | | | | |
| Property, plant and equipment | (5,591) | (11,368) | (3,946) | (4,187) |
| Right-of-use assets and lease liabilities | (37,753) | (50,745) | (8,275) | 1,210 |
| Investment properties | - | (5,000) | - | - |
| Property development costs | 5,102,200 | (1,132,995) | - | - |
| Other payables and accrued expenses | 490,941 | (1,497,726) | - | - |
| Gain on disposal of development land and completed units | - | 211,689 | - | - |
| Unused tax losses | 299,988 | 266,217 | - | - |
| Unabsorbed capital allowances | (10,039) | 5,443 | - | - |
| Amount due from subsidiary companies | - | - | - | 122,852 |
| Others | 764,640 | 99,618 | - | - |
| | 6,604,386 | (2,114,867) | (12,221) | 119,875 |
| At end of year | 78,650,694 | 72,046,308 | 637,976 | 650,197 |

Certain deferred tax assets and deferred tax liabilities have been offset in accordance with the Group's accounting policy.

The following is an analysis of the deferred tax balances (after offset) for statements of financial position purposes:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Deferred tax assets | 78,669,824 | 72,120,124 | 637,976 | 650,197 |
| Deferred tax liabilities | (19,130) | (73,816) | - | - |
| | 78,650,694 | 72,046,308 | 637,976 | 650,197 |

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 21. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| **Deferred tax liabilities (before offsetting)** | | | | |
| Temporary differences arising from: | | | | |
| Property, plant and equipment | (97,153) | (98,466) | (11,620) | (7,674) |
| Property development costs | - | (69,406) | - | - |
| Investment properties | (5,000) | (5,000) | - | - |
| | (102,153) | (172,872) | (11,620) | (7,674) |
| Offsetting | 83,023 | 99,056 | 11,620 | 7,674 |
| **Deferred tax liabilities (after offsetting)** | (19,130) | (73,816) | - | - |
| **Deferred tax assets (before offsetting)** | | | | |
| Temporary differences arising from: | | | | |
| Property development costs | 56,698,012 | 51,665,218 | - | - |
| Right-of-use assets and lease liabilities | 43,959 | 81,712 | 22,181 | 30,456 |
| Property, plant and equipment | 18,424 | 25,328 | - | - |
| Gain on disposal of development land and completed units | 17,204,275 | 17,204,275 | - | - |
| Amount due from subsidiary companies | - | - | 627,415 | 627,415 |
| Other payables and accrued expenses | 995,089 | 504,148 | - | - |
| Others | 883,902 | 119,262 | - | - |
| Unused tax losses | 2,878,689 | 2,578,701 | - | - |
| Unabsorbed capital allowances | 30,497 | 40,536 | - | - |
| | 78,752,847 | 72,219,180 | 649,596 | 657,871 |
| Offsetting | (83,023) | (99,056) | (11,620) | (7,674) |
| **Deferred tax assets (after offsetting)** | 78,669,824 | 72,120,124 | 637,976 | 650,197 |

As mentioned in Note 3(e), the tax effects of all taxable temporary differences are recognised. Where deductible temporary differences, unused tax losses and unused tax credits would give rise to deferred tax asset, the tax effects are generally recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences, unused tax losses and unused tax credits can be utilised.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 21. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

As at 30 April 2023, the estimated amount of deductible temporary differences, unused tax losses and unabsorbed capital allowances pertaining to certain subsidiary companies, for which no deferred tax assets have been recognised in the financial statements due to uncertainty of their realisation, is as follows:

| | The Group | |
|---|---|---|
| | 2023<br>RM | 2022<br>RM |
| Temporary differences arising from: | | |
| Property, plant and equipment | - | 1,222,259 |
| Investment properties | 21,691,044 | 21,691,044 |
| Property development costs | 522,902 | 865,108 |
| Unused tax losses | 94,131,503 | 87,724,549 |
| Unabsorbed capital allowances | 55,181,037 | 53,472,656 |
| | 171,526,486 | 164,975,616 |

The comparative information presented above has been restated to conform with the actual income tax computation submitted to tax authorities. The unabsorbed capital allowances are available indefinitely for offset against future taxable profits of the respective subsidiary companies in the Group.

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, the Group's unutilised tax losses will be imposed with a time limit of utilisation. Effective from year of assessment 2018, unutilised tax losses in a year of assessment can only be carried forward for a maximum period of 7 consecutive years of assessment.

The Malaysia Finance Bill 2021 gazetted on 31 December 2021 stated that the time frame to carry forward unutilised tax losses for year of assessment 2019 and subsequent years of assessment be extended from seven to ten consecutive years of assessment. Unutilised tax losses accumulated up to year of assessment 2018 can now be carried forward for ten consecutive years of assessment until year of assessment 2028.

Expiry date of the Group's tax losses, which deferred tax assets have been recognised, is summarised below:

| | The Group | |
|---|---|---|
| | 2023<br>RM | 2022<br>RM |
| Year of assessment 2028 | 477,084 | 998,650 |
| Year of assessment 2029 | 2,151,601 | 3,002,172 |
| Year of assessment 2030 | 1,362,537 | 1,966,341 |
| Year of assessment 2031 | 2,622,876 | 4,646,496 |
| Year of assessment 2032 | - | 130,929 |
| Year of assessment 2033 | 5,380,440 | - |
| | 11,994,538 | 10,744,588 |

## 21. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Expiry date of the Group's tax losses, which no deferred tax assets have been recognised, is summarised below:

| | The Group | |
|---|---|---|
| | 2023 RM | 2022 RM |
| Year of assessment 2028 | 55,481,712 | 55,654,528 |
| Year of assessment 2029 | 9,240,434 | 9,240,434 |
| Year of assessment 2030 | 8,476,266 | 8,476,266 |
| Year of assessment 2031 | 8,261,002 | 8,261,002 |
| Year of assessment 2032 | 6,092,319 | 6,092,319 |
| Year of assessment 2033 | 6,579,770 | - |
| | 94,131,503 | 87,724,549 |

## 22. INVENTORIES

| | Note | The Group | | The Company | |
|---|---|---|---|---|---|
| | | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Non-current | | | | | |
| Land held for property development | (a) | 779,529,769 | 732,434,772 | - | - |
| Current | | | | | |
| Property development costs | (b) | 74,660,259 | 130,238,355 | - | - |
| Completed units | (c) | 90,426,491 | 100,136,097 | 867,762 | 867,762 |
| | | 165,086,750 | 230,374,452 | 867,762 | 867,762 |
| Total inventories | | 944,616,519 | 962,809,224 | 867,762 | 867,762 |

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 22. INVENTORIES (CONT'D)

### (a) Land Held for Property Development

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| At beginning of year: | | |
| Freehold land - at cost | 15,086,319 | 16,811,141 |
| Leasehold land - at cost | 268,842,352 | 256,088,985 |
| Development expenditure | 448,506,101 | 429,747,473 |
| | 732,434,772 | 702,647,599 |
| Reclassification: | | |
| Freehold land - at cost | - | (1,724,822) |
| Leasehold land - at cost | (11,006,949) | 5,962,491 |
| Development expenditure | 11,006,949 | (4,237,669) |
| | - | - |
| Additions: | | |
| Leasehold land - at cost | 148,208 | 3,127,002 |
| Development expenditure | 25,193,915 | 16,032,324 |
| | 25,342,123 | 19,159,326 |
| Transfer (to)/from property development costs [Note 22(b)]: | | |
| Leasehold land - at cost | (57,276) | 3,663,874 |
| Development expenditure | 21,810,150 | 6,963,973 |
| | 21,752,874 | 10,627,847 |
| At end of year | 779,529,769 | 732,434,772 |
| Comprising: | | |
| Freehold land - at cost | 15,086,319 | 15,086,319 |
| Leasehold land - at cost | 257,926,335 | 268,842,352 |
| Development expenditure | 506,517,115 | 448,506,101 |
| | 779,529,769 | 732,434,772 |

## 22. INVENTORIES (CONT'D)

### (a) Land Held for Property Development (Cont'd)

Current year charges to development expenditure include the following:

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| Finance costs (Note 8) | 5,839,128 | 3,176,516 |
| Staff costs [Note 9(b)] | 249,552 | 213,565 |
| Directors' remuneration [Note 9(c)] | 168,572 | 147,209 |

Land held for property development of certain subsidiary companies has been pledged for banking facilities granted to the Group as disclosed in Note 22(b) and Note 31.

In accordance with the Joint Venture Agreement ("JVA") with Permodalan Negeri Selangor Berhad ("PNSB"), Glomac Rawang Sdn. Bhd., a wholly-owned subsidiary company, is obliged to pay PNSB entitlement the higher of either RM41,400,000 (2022: RM41,400,000) or a sum equal to 30% of the gross profit before tax (as defined in the JVA) to be generated by the development of the parcel of land belonging to PNSB progressively. As at 30 April 2023 and 30 April 2022, a total entitlement of RM41,400,000 has been fully paid and included in the land held for property development and property development costs.

### (b) Property Development Costs

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| At beginning of year: | | |
| Freehold land - at cost | 47,703,445 | 47,703,445 |
| Leasehold land - at cost | 432,151,103 | 435,676,842 |
| Development expenditure | 1,702,560,371 | 1,579,552,006 |
| | 2,182,414,919 | 2,062,932,293 |
| Costs incurred during the year: | | |
| Leasehold land - at cost | - | 138,135 |
| Development expenditure | 159,846,793 | 131,031,255 |
| | 159,846,793 | 131,169,390 |
| Transfer from/(to) land held for property development [Note 22(a)]: | | |
| Leasehold land - at cost | 57,276 | (3,663,874) |
| Development expenditure | (21,810,150) | (6,963,973) |
| | (21,752,874) | (10,627,847) |
| Transfer to completed units [Note 22(c)] | (5,621,520) | (1,058,917) |
| Transfer from investment properties (Note 16): | | |
| Development expenditure | 780,939 | - |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 22. INVENTORIES (CONT'D)

### (b) Property Development Costs (Cont'd)

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| Reversal of completed projects: | | |
| Leasehold land - at cost | (74,831,725) | - |
| Development expenditure | (601,433,953) | - |
| | (676,265,678) | - |
| Provision for foreseeable losses: | | |
| At beginning of year | (12,255,350) | (12,255,350) |
| Addition during the year | (1,918,480) | - |
| Transfer to provision for affordable housing obligations (Note 33) | 11,317,425 | - |
| At end of year | (2,856,405) | (12,255,350) |
| Costs recognised as an expense in profit or loss: | | |
| Previous year | (2,039,921,214) | (1,899,365,747) |
| Current year (Note 6) | (198,230,379) | (140,555,467) |
| Reversal of completed projects | 676,265,678 | - |
| Cumulative costs at end of year | (1,561,885,915) | (2,039,921,214) |
| At end of year | 74,660,259 | 130,238,355 |
| Comprising: | | |
| Freehold land - at cost | 4,512,625 | 6,967,388 |
| Leasehold land - at cost | 11,594,130 | 30,746,867 |
| Development expenditure | 58,553,504 | 92,524,100 |
| | 74,660,259 | 130,238,355 |

Current year charges to development expenditure include the following:

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| Staff costs [Note 9(b)] | 3,743,364 | 3,299,653 |
| Directors' remuneration [Note 9(c)] | 2,269,830 | 2,274,469 |

Land held for property development and property development costs of certain subsidiary companies amounting to RM701,877,776 (2022: RM726,640,920) are charged for banking facilities granted to the Group as disclosed in Note 31.

## 22. INVENTORIES (CONT'D)

### (c) Completed units

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| At beginning of year | 100,136,097 | 106,054,120 |
| Transfer from property development costs [Note 22(b)]: | | |
| Cost of completed units | 5,621,520 | 1,058,917 |
| Completed units sold (Note 6) | (15,331,126) | (6,976,940) |
| At end of year | 90,426,491 | 100,136,097 |

There is no movement in the Company's completed units in current and prior years.

Completed units of certain subsidiary companies amounting to RM29,949,596 (2022: RM29,949,596) are charged for banking facilities granted to the Group as disclosed in Note 31

## 23. CONTRACT ASSETS/(LIABILITIES)

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| **Contract assets** | | |
| **Current** | | |
| Property development contracts | 191,883,506 | 172,079,314 |
| **Contract liabilities** | | |
| **Current** | | |
| Property development contracts | 12,658,077 | 12,099,367 |
| Represented by: | | |
| Contract assets | 191,883,506 | 172,079,314 |
| Contract liabilities | (12,658,077) | (12,099,367) |
| | 179,225,429 | 159,979,947 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 23. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

| | Note | The Group 2022 RM | The Group 2021 RM |
|---|---|---|---|
| At beginning of year | | 159,979,947 | 121,679,593 |
| Revenue recognised during the year (Note 5) | | 319,435,079 | 243,254,155 |
| Progress billings during the year | | (311,164,809) | (205,019,377) |
| Provision for liquidated ascertained damages ("LAD") payable to purchasers | (a) | 1,807,786 | (6,610,597) |
| Amortisation for consideration payable to customers | | 9,167,426 | 6,676,173 |
| At end of year | | 179,225,429 | 159,979,947 |
| Revenue recognised that was included in the contract liabilities balance at beginning of year | | 4,273,181 | 5,389,348 |

### (a) Provision for LAD payable to purchasers

Provision for LAD is recognised for expected LAD claims based on the terms of the applicable sale and purchase agreements. Movement of the provision for LAD is as follows:

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| At beginning of year | 8,003,917 | 1,393,320 |
| Provision made during the year | 110,231 | 6,610,597 |
| Reversal of provision during the year | (1,918,017) | - |
| At end of year | 6,196,131 | 8,003,917 |

The transaction price allocated to the performance obligations that are unsatisfied (or partially satisfied) as at 30 April 2023 is RM166,151,330 (2022: RM315,023,189), where the Group expects to recognise it as revenue over the next 2 years (2022: 4 years).

The Company does not have any unsatisfied performance obligation as at 30 April 2023 and 30 April 2022.

There was no impairment loss recognised on contract assets in the reporting period.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 24. CONTRACT COSTS

| | The Group | |
|---|---|---|
| | 2023 RM | 2022 RM |
| Costs to obtain contracts | 3,648,207 | 5,965,320 |

Costs to obtain contracts relate to incremental salesperson and agent commission for obtaining property sales contracts which are expected to be recovered. These costs are subsequently expensed off as cost of sales by reference to the performance completed to date, consistent with the revenue recognition pattern.

During the financial year, total costs to obtain contracts recognised by the Group as cost of sales in profit or loss amounting to RM6,094,624 (2022: RM4,328,299).

There was no impairment loss in relation to the costs capitalised.

## 25. TRADE RECEIVABLES

| | The Group | |
|---|---|---|
| | 2023 RM | 2022 RM |
| Trade receivables: | | |
| Third parties | 36,519,488 | 53,982,746 |
| Stakeholders' sum | 19,353,220 | 16,787,092 |
| | 55,872,708 | 70,769,838 |
| Less: Impairment loss | (2,874,473) | (2,874,473) |
| | 52,998,235 | 67,895,365 |

The Group's normal trade credit term ranges from 7 to 90 days (2022: 7 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

Stakeholders' sum represents retention sums held by solicitors upon handing over of vacant possession to individual purchasers of development properties. These amounts will be paid from 8 to 24 months after the delivery of vacant possession together with interest earned.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 25. TRADE RECEIVABLES (CONT'D)

Ageing analysis of trade receivables

| | The Group | |
|---|---|---|
| | 2023 RM | 2022 RM |
| Stakeholders' sum | 19,353,220 | 16,787,092 |
| Not past due | 17,757,874 | 16,984,014 |
| Past due < 1 month | 3,669,420 | 2,303,152 |
| Past due 1 - 2 months | 895,980 | 6,155,537 |
| Past due 2 - 3 months | 1,744,659 | 4,675,715 |
| Past due > 3 months | 9,577,082 | 20,989,855 |
| Total | 52,998,235 | 67,895,365 |

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

Trade receivables that are past due but not impaired are mainly related to the progress billings to be settled by the purchasers or the purchasers' end financiers. However, these debts are expected to be realised in full without material losses in the ordinary course of business as majority of the customers are with financing facilities obtained from reputable end-financiers. Amount due from tenants are secured with deposits paid by tenants prior to occupancy of premises and rentals paid in advance.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or groups of debtors.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated.

The Group recognises impairment losses based on expected credit losses ("ECL") model using the simplified approach, which measures the impairment losses at an amount equal to lifetime ECL.

Movement in the allowance for impairment loss

| | The Group | |
|---|---|---|
| | 2023 RM | 2022 RM |
| At beginning of year | 2,874,473 | 2,940,274 |
| Reversal of impairment losses no longer required [Note 9(a)] | - | (65,801) |
| At end of year | 2,874,473 | 2,874,473 |

## 25. TRADE RECEIVABLES (CONT'D)

Ageing of past due and impaired

| | The Group | |
|---|---|---|
| | 2023 RM | 2022 RM |
| Past due > 3 months | 2,874,473 | 2,874,473 |

## 26. OTHER RECEIVABLES

| | Note | The Group | | The Company | |
|---|---|---|---|---|---|
| | | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Other receivables | | 8,242,145 | 7,274,591 | 6,936 | 6,936 |
| Less: Impairment losses | | (166,871) | (166,871) | - | - |
| | | 8,075,274 | 7,107,720 | 6,936 | 6,936 |
| Refundable deposits | | 21,712,152 | 14,373,983 | 63,455 | 63,455 |
| Other assets | (a) | 3,543,799 | 5,316,340 | - | - |
| Prepaid expenses | | 1,422,545 | 920,420 | 143,994 | 339,394 |
| Interest income receivable | | 267,979 | 916,000 | 2,071,954 | 1,442,106 |
| | | 35,021,749 | 28,634,463 | 2,286,339 | 1,851,891 |

(a) Other assets of the Group are the costs for consideration payable to customers to be accounted for as a reduction of revenue, when the Group recognises revenue for the transfer of the related goods or services to the customer.

Movement in the allowance for impairment loss

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| At beginning of year | 166,871 | 193,736 | - | 26,865 |
| Reversal of impairment losses no longer required [Note 9(a)] | - | (26,865) | - | (26,865) |
| At end of year | 166,871 | 166,871 | - | - |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 27. AMOUNT DUE FROM/(TO) SUBSIDIARY COMPANIES

| | The Company | |
|---|---|---|
| | 2023 RM | 2022 RM |
| Amount due from subsidiary companies | 465,846,685 | 448,686,690 |
| Less: Impairment losses | (2,614,230) | (2,614,230) |
| | 463,232,455 | 446,072,460 |
| Amount due to subsidiary companies | (61,017,800) | (49,141,869) |
| | 402,214,655 | 396,930,591 |

Amount due from subsidiary companies, which arose mainly from trade transactions, assignment of debts, payment made on behalf and advances granted, bears interest at 5.42% (2022: 4.14%) per annum and is unsecured and repayable on demand.

Amount due to subsidiary companies, which arose mainly from assignment of debts and advances, is unsecured, bears interest at 5.42% (2022: 4.14%) per annum and is repayable on demand.

Movement in the allowance for impairment loss

| | The Company | |
|---|---|---|
| | 2023 RM | 2022 RM |
| At beginning of year | 2,614,230 | 2,102,348 |
| Impairment losses charge out during the year [Note 9(a)] | - | 511,882 |
| At end of year | 2,614,230 | 2,614,230 |

During the financial year, significant transactions, which are determined on a basis as negotiated between the Company and its related parties, are as follows:

| | The Company | |
|---|---|---|
| | 2023 RM | 2022 RM |
| Dividend income from subsidiary companies (Note 5) | 4,896,000 | 13,700,000 |
| Interest income from subsidiary companies (Note 7) | 20,659,171 | 17,340,614 |
| Interest expense charged by subsidiary companies (Note 8) | (1,466,302) | (1,900,741) |
| Head office allocation income | 722,487 | 710,131 |
| Rental fee charged by a subsidiary company | (829,026) | (829,026) |
| Rental fee income charged to subsidiary companies | 59,371 | 59,371 |
| Marketing services rendered by related party | - | (65,997) |

## 28. DEPOSITS, CASH AND CASH EQUIVALENTS

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Cash on hand and at banks | 258,009,740 | 179,956,533 | 12,495,173 | 4,256,298 |
| Deposits with licensed banks | 30,826,036 | 35,458,788 | - | - |
| Deposits, cash and bank balances | 288,835,776 | 215,415,321 | 12,495,173 | 4,256,298 |
| Less: | | | | |
| Fixed deposits with maturity in excess of 90 days | (12,874,910) | (12,628,914) | - | - |
| Non-cash and cash equivalents: | | | | |
| Deposits pledged | (12,051,602) | (11,118,395) | - | - |
| Debt or finance service reserve and escrow accounts | (2,420,320) | (2,208,175) | - | - |
| Cash and cash equivalents | 261,488,944 | 189,459,837 | 12,495,173 | 4,256,298 |

Included in the Group's cash and bank balances is an amount of RM177,387,920 (2022: RM114,015,431) which is held under Housing Development Accounts pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966. These accounts consist of monies received from purchasers and are used for the payment of property development expenditure incurred. The surplus monies, if any, will be released to the Group upon the completion of the property development and after all property development expenditure have been fully settled. The Housing Development Accounts with a licensed bank earn interest at 0.84% (2022: 0.77%) per annum.

Deposits of the Group totaling RM12,051,602 (2022: RM11,118,395) have been pledged to secure bank guarantee facilities.

Included in the Group's cash and bank balances are placement of debt or finance service reserve and escrow accounts amounting to RM2,420,320 (2022: RM2,208,175), which are required as designated accounts to meet the requirement by the banks for securing principal payments or any financing charges resulted from the financing granted to the Group.

The weighted average effective interest rates per annum for deposits held at the end of the reporting period are as follows:

| | The Group | |
|---|---|---|
| | 2023 RM | 2022 RM |
| Licensed banks | 2.7 | 2.7 |

The average maturity periods relating to the various deposits held at the end of the reporting period are as follows:

| | The Group | |
|---|---|---|
| | 2023 RM | 2022 RM |
| Licensed banks | 90 | 90 |

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 29. SHARE CAPITAL AND RESERVES

**Issued capital**

| | The Group and the Company | | | |
|---|---|---|---|---|
| | 2023 Number of shares | 2022 Number of shares | 2023 RM | 2022 RM |
| **Issued and fully paid** | | | | |
| Ordinary shares | | | | |
| At beginning/end of year | 800,089,370 | 800,089,370 | 418,631,554 | 418,631,554 |

**Capital reserve**

This reserve represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.

**Foreign currency translation reserve**

Exchange differences arising from translation of foreign subsidiary company are recognised in other comprehensive income and accumulated in the Group's translation reserve account.

**Treasury shares**

The shareholders of the Company, by an ordinary resolution passed at the 38th Annual General Meeting held on 19 October 2022, renewed their approval for the Company's plan to repurchase its own shares up to a maximum of 10% of the total issued and fully paid-up share capital listed on the Bursa Malaysia Securities Berhad.

During the financial year, the Company purchased 571,800 units of its own shares through purchases on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of the shares was RM167,663 and it has been deducted from equity. The share transactions were financed by internally generated funds and the average price paid for the shares was RM0.29 per share. The repurchased shares are held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016. No share was purchased by the company in previous financial year.

As at 30 April 2023, the Company held a total of 32,595,000 (2022: 32,023,200) ordinary shares as treasury shares out of its issued and paid-up share capital of 800,089,370 ordinary shares. Such treasury shares are held at carrying amount of RM14,459,912 (2022: RM14,292,249).

The Company has a right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

## 30. RETAINED EARNINGS

At the end of the reporting period, the entire retained earnings of the Company are available for distribution as dividends under the single-tier income tax system.

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 31. BORROWINGS

| | Note | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|---|
| **Non-current** | | | | | |
| ***Secured:*** | | | | | |
| Term loans | (a) | 144,740,845 | 164,568,701 | 3,420,586 | 3,823,740 |
| Bridging loans | (a) | 6,907,522 | 9,238,141 | - | - |
| Hire-purchase and finance lease liabilities | (c) | 660,216 | 26,659 | 255,863 | - |
| | | 152,308,583 | 173,833,501 | 3,676,449 | 3,823,740 |
| **Current** | | | | | |
| ***Secured:*** | | | | | |
| Term loans | (a) | 14,073,721 | 26,063,821 | 557,886 | 697,320 |
| Revolving credits | (b) | 125,065,000 | 102,551,816 | 125,065,000 | 102,551,816 |
| Hire-purchase and finance lease liabilities | (c) | 147,333 | 204,106 | 32,137 | - |
| ***Unsecured:*** | | | | | |
| Revolving credits | (b) | 187,000,000 | 189,000,000 | 187,000,000 | 189,000,000 |
| | | 326,286,054 | 317,819,743 | 312,655,023 | 292,249,136 |
| **Total borrowings** | | 478,594,637 | 491,653,244 | 316,331,472 | 296,072,876 |

The borrowings are repayable as follows:

| | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|
| Not later than one year | 326,286,054 | 317,819,743 | 312,655,023 | 292,249,136 |
| Later than one year but not later than five years | 134,231,634 | 120,160,719 | 2,649,500 | 3,486,600 |
| Later than five years | 18,076,949 | 53,672,782 | 1,026,949 | 337,140 |
| | 478,594,637 | 491,653,244 | 316,331,472 | 296,072,876 |

The weighted average effective interest rates per annum at the end of the reporting period for borrowings are as follows:

| | The Group 2023 % | The Group 2022 % | The Company 2023 % | The Company 2022 % |
|---|---|---|---|---|
| Term loans | 5.4 | 4.1 | 4.3 | 3.3 |
| Bridging loans | 5.5 | 4.6 | - | - |
| Revolving credits | 5.6 | 3.9 | 5.6 | 3.9 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

**31. BORROWINGS (CONT'D)**

**(a) Term loans and bridging loans**

As at 30 April 2023, the Group has term loans and bridging loans balances under Shariah Principles amounting to RM104.7 million (2022: RM119.7 million), which were obtained from licensed financial institutions.

The abovementioned term loans and bridging loans are secured by way of the following:

(i) the respective subsidiary companies' stamped facility agreements;

(ii) fixed charges over certain investment properties of subsidiary companies as disclosed in Note 16;

(iii) first party legal charge over certain parcels of freehold land of subsidiary companies held for property development as disclosed in Notes 22(a) and 22(b);

(iv) first party legal charge over certain parcels of leasehold land of subsidiary companies held for property development as disclosed in Notes 22(a) and 22(b);

(v) a fixed and floating charge by way of a debenture on present and future assets of the subsidiary companies;

(vi) assignment of sales proceeds arising from sale of development properties of certain subsidiary companies;

(vii) assignment of all monies in the Housing Development Accounts of certain subsidiary companies, subject to the provisions of the Housing Development Account Regulations 1991;

(viii) assignment of all monies in the Project Development Accounts of certain subsidiary companies;

(ix) assignment of future rental or lease proceeds from properties of certain subsidiary companies; and

(x) fixed charge over certain building and improvements of subsidiary companies as disclosed in Note 13.

As at 30 April 2023, the Company has term loans balances issued under Shariah Principles amounting to RM4.0 million (2022: RM4.5 million), which were obtained from licensed financial institutions.

The term loans facilities of the Company are secured by way of the following:

(i) third party legal charge over certain building and improvements of subsidiary companies as disclosed in Note 13;

(ii) fixed charges over certain investment properties of subsidiary companies as disclosed in Note 16; and

(iii) assignment of future rental proceeds generated from certain properties of subsidiary companies.

**31. BORROWINGS (CONT'D)**

**(b) Revolving credits**

As at 30 April 2023, the Group and the Company have revolving credits balances under Shariah Principles amounting to RM312.1 million (2022: RM291.6 million), which were obtained from licensed financial institutions.

The abovementioned revolving credits of the Group and the Company are secured by way of:

(i) fixed charges over certain investment properties of subsidiary companies as disclosed in Note 16;

(ii) first party legal charge over certain parcel of leasehold land of subsidiary company held for property development as disclosed in Notes 22(a) and Note 22(b);

(iii) fixed charge over certain parcels of freehold and leasehold land of subsidiary companies held for property development as disclosed in Note 22(a);

(iv) third party legal charge over certain completed units of subsidiary company as disclosed in Note 22(c); and

(v) corporate guarantee from its wholly-owned subsidiaries.

**(c) Hire-purchase and finance lease liabilities**

| | The Group | | The Company | |
|---|---|---|---|---|
| | **2023 RM** | **2022 RM** | **2023 RM** | **2022 RM** |
| Minimum lease payments: | | | | |
| Not later than one year | 186,440 | 213,235 | 44,209 | - |
| Later than one year but not later than two years | 163,428 | 27,032 | 48,228 | - |
| Later than two years but not more than five years | 480,682 | - | 144,683 | - |
| Later than five years | 100,474 | - | 100,474 | - |
| | 931,024 | 240,267 | 337,594 | - |
| Future finance charges | (123,475) | (9,502) | (49,594) | - |
| Present value of hire-purchase and finance lease liabilities | 807,549 | 230,765 | 288,000 | - |
| Present value of hire-purchase and finance lease liabilities: | | | | |
| Not later than one year | 147,333 | 204,106 | 32,137 | - |
| Later than one year but not more than two years | 131,493 | 26,659 | 36,975 | - |
| Later than two years but not more than five years | 432,763 | - | 122,928 | - |
| Later than five years | 95,960 | - | 95,960 | - |
| | 807,549 | 230,765 | 288,000 | - |
| Analysed as follows: | | | | |
| Due within 12 months | 147,333 | 204,106 | 32,137 | - |
| Due after 12 months | 660,216 | 26,659 | 255,863 | - |
| | 807,549 | 230,765 | 288,000 | - |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 31. BORROWINGS (CONT'D)

### (c) Hire-purchase and finance lease liabilities (Cont'd)

The hire-purchase and finance lease liabilities of the Group and the Company bear interest at rates of 2.8% (2022: 5.9%) and 2.5% (2022: nil) per annum respectively. Interest rates are fixed at the inception of the hire-purchase and lease arrangements.

The Group's and the Company's hire-purchase and finance lease liabilities are secured by the financial institutions' charge over the assets under hire-purchase and finance lease.

## 32. TRADE PAYABLES

Included in the Group's trade payables are retention sums of RM24,451,040 (2022: RM24,988,691) payable to subcontractors.

The normal credit terms granted to the Group range from 1 to 60 days (2022: 1 to 60 days).

## 33. OTHER PAYABLES AND ACCRUED EXPENSES AND PROVISIONS

Other payables and accrued expenses comprise:

| | Note | The Group 2023 RM | The Group 2022 RM | The Company 2023 RM | The Company 2022 RM |
|---|---|---|---|---|---|
| Other accrued expenses | | 30,654,684 | 21,254,421 | 113,177 | 137,176 |
| Deposits received from purchasers and tenants | | 21,121,818 | 8,051,640 | 13,450 | 13,450 |
| Other payables | (a) | 11,279,587 | 11,588,322 | 765,356 | 719,569 |
| Advances from non-controlling shareholder of a subsidiary company | | 2,580,132 | 205,131 | - | - |
| Rental and government subsidy received in advance | | 2,482,466 | 1,503,503 | - | - |
| Land cost payable | (b) | 2,454,736 | 2,454,736 | - | - |
| Accrued interest expense | | 3,115,828 | 1,369,226 | 2,947,571 | 1,478,096 |
| | | 73,689,251 | 46,426,979 | 3,839,554 | 2,348,291 |

Provisions comprise:

| | Note | The Group 2023 RM | The Group 2022 RM |
|---|---|---|---|
| Provision for affordable housing obligations | (c) | 98,244,216 | 85,412,270 |
| Provision for release of bumiputra quota | (d) | 13,214,716 | 7,321,928 |
| Provision for liquidated ascertained damages | | 2,520,000 | 2,520,000 |
| | | 113,978,932 | 95,254,198 |

## 33. OTHER PAYABLES AND ACCRUED EXPENSES AND PROVISIONS (CONT'D)

### (a) Other payables

Other payables comprise amounts outstanding for ongoing costs and operating expenses payable.

Included in other payables of the Group and the Company is an amount due to KJ Leisure Sdn. Bhd., a company in which certain directors of the Company have interest, of RM226,124 and RM47,441 (2022: RM169,493 and RM47,562), respectively. The said amount, which mainly arose from payment on behalf, is interest-free, unsecured and repayable on demand.

### (b) Land cost payable

In accordance with the Joint Venture Agreement ("JVA") between Leader Domain Sdn. Bhd. ("LDSB") and Glomac Resources Sdn. Bhd., a wholly-owned subsidiary company, LDSB is entitled to profit-sharing arising from the property development activity amounting to RM12,225,258 (2022: RM12,225,258) which has been included in the property development costs. As at 30 April 2023, an amount of RM9,770,522 (2022: RM9,770,522) has been paid and the remaining amount of RM2,454,736 (2022: RM2,454,736) has been recognised as part of land cost payable.

### (c) Provision for affordable housing obligations

The Malaysian Institute of Accountants (MIA) issued Financial Reporting Standards Implementation Committee ("FRSIC") Consensus 17 on Development of Affordable Housing on 24 November 2011. It recommends that the estimated amount of shortfall relating to affordable housing obligations be recognised as a provision. The recognition of such provision would result in the recognition of a corresponding asset in the form of common costs in the development of premium housing as included in Note 22(a) on Land Held for Property Development and Note 22(b) on Property Development Costs.

On 7 March 2018, MIA issued an Addendum to FRSIC Consensus 17, clarifying that an entity shall not apply the principles in FRSIC Consensus 17 after the adoption of MFRS 15 which was effective for annual periods beginning on 1 May 2018. Based on the Addendum issued, the Group will continue to assess and estimate the provision for affordable housing obligations as and when there is present obligation to construct the affordable housing.

Movement of the provision for affordable housing obligations is as follows:

| | The Group | |
|---|---|---|
| | 2023<br>RM | 2022<br>RM |
| At beginning of year | 85,412,270 | 84,960,188 |
| Provision made during the year | 1,514,521 | 452,082 |
| Transfer from property development costs [Note 22(b)] | 11,317,425 | - |
| At end of year | 98,244,216 | 85,412,270 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 33. OTHER PAYABLES AND ACCRUED EXPENSES AND PROVISIONS (CONT'D)

### (d) Provision for release of bumiputra quota

Movement of the provision for release of bumiputra quota is as follows:

| | The Group | |
|---|---|---|
| | 2023 RM | 2022 RM |
| At beginning of year | 7,321,928 | 9,691,325 |
| Provision used during the year | (5,261,223) | (512,444) |
| Provision made/(reversed) during the year [Note 9(a)] | 11,154,011 | (1,856,953) |
| At end of year | 13,214,716 | 7,321,928 |

## 34. RECONCILIATION OF LIABILITIES ARISING FROM/(USED IN) FINANCING ACTIVITIES

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from/(used in) financing activities.

| | As at 1 May 2022 RM | Cash Flows RM | Non-cash Transactions RM | As at 30 April 2023 RM |
|---|---|---|---|---|
| **The Group** | | | | |
| Hire-purchase and finance lease liabilities (Note 31) | 230,765 | (211,216) | 788,000 | 807,549 |
| Lease liabilities [Note 14(b)] | 2,383,503 | (3,675,634) | 6,488,868 | 5,196,737 |
| Revolving credits (Note 31) | 291,551,816 | 20,513,184 | - | 312,065,000 |
| Term loans and bridging loans (Note 31) | 199,870,663 | (34,148,575) | - | 165,722,088 |
| **The Company** | | | | |
| Hire-purchase (Note 31) | - | - | 288,000 | 288,000 |
| Amount due to subsidiary companies (Note 27) | 49,141,869 | (5,965,384) | 17,841,315 | 61,017,800 |
| Lease liabilities [Note 14(b)] | 1,709,145 | (836,126) | 68,755 | 941,774 |
| Revolving credits (Note 31) | 291,551,816 | 20,513,184 | - | 312,065,000 |
| Term loans (Note 31) | 4,521,060 | (542,588) | - | 3,978,472 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 34. RECONCILIATION OF LIABILITIES ARISING FROM/(USED IN) FINANCING ACTIVITIES (CONT'D)

| | As at 1 May 2021 RM | Cash Flows RM | Non-cash Transactions RM | As at 30 April 2022 RM |
|---|---|---|---|---|
| **The Group** | | | | |
| Hire-purchase and finance lease liabilities (Note 31) | 420,774 | (190,009) | - | 230,765 |
| Lease liabilities [Note 14(b)] | 5,393,705 | (2,863,601) | (146,601) | 2,383,503 |
| Revolving credits (Note 31) | 277,725,000 | 13,826,816 | - | 291,551,816 |
| Term loans and bridging loans (Note 31) | 221,123,110 | (21,252,447) | - | 199,870,663 |
| **The Company** | | | | |
| Amount due to subsidiary companies (Note 27) | 90,635,754 | (1,062,103) | (40,431,782) | 49,141,869 |
| Lease liabilities [Note 14(b)] | 2,439,254 | (838,867) | 108,758 | 1,709,145 |
| Revolving credits (Note 31) | 277,725,000 | 13,826,816 | - | 291,551,816 |
| Term loans (Note 31) | 10,964,409 | (6,443,349) | - | 4,521,060 |

## 35. CORPORATE GUARANTEES

The Company has provided corporate guarantees to certain financial institutions pertaining to the banking facilities utilised by its subsidiary companies as at 30 April 2023.

The total amount of corporate guarantees provided by the Company for the abovementioned facilities amounted to RM161,743,616 (2022: RM195,349,603). The financial guarantees have not been recognised since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiary companies' borrowings in view of the securities pledged by the subsidiary companies as disclosed in Note 31.

## 36. CAPITAL COMMITMENT

As at the end of reporting period, the Group has the following capital commitments:

| | The Group 2023 RM | The Group 2022 RM |
|---|---|---|
| Purchase of land held for property development | 1,200,000 | 1,200,000 |

The Company does not have any capital commitment as at 30 April 2023 and 30 April 2022.

## 37. RELATED PARTY TRANSACTIONS

### (a) Identities of Related Parties

Parties are considered to be related to the Group if the Group or the Company have the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

In addition to the information detailed elsewhere in the financial statements, the Group and the Company have related party relationships with its directors, key management personnel and entities within the same group of companies.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 37. RELATED PARTY TRANSACTIONS (CONT'D)

### (b) Significant Related Party Transactions and Balances

Significant transactions undertaken on agreed terms and prices by the Group with their related parties during the financial year are as follows:

| | The Group | | | |
|---|---|---|---|---|
| | 2023 | | 2022 | |
| | Amount of Transaction RM | Outstanding Amount RM | Amount of Transaction RM | Outstanding Amount RM |
| Rental income from a company in which a director of the Company has direct interest and is also a director of the company | - | - | 3,620 | 29,695 |
| Rental expenses paid or payable to companies in which certain directors of the Company have direct interest and are also directors of the companies | (258,000) | - | (258,000) | - |
| Marketing services rendered by a company in which certain director of the Company has direct interest and is also a director of the company | - | - | (65,997) | - |

**Compensation of key management personnel**

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| **Directors** | | | | |
| Salaries and other emoluments | 4,281,861 | 4,115,077 | 223,606 | 211,638 |
| Directors' fees | 276,964 | 240,000 | 276,964 | 240,000 |
| Benefits-in-kind | 96,600 | 96,600 | 96,600 | 96,600 |
| Total short-term employment benefits | 4,655,425 | 4,451,677 | 597,170 | 548,238 |
| Post-employment benefits: | | | | |
| Defined contribution plan | 524,704 | 501,296 | 20,725 | 20,250 |
| | 5,180,129 | 4,952,973 | 617,895 | 568,488 |

## 37. RELATED PARTY TRANSACTIONS (CONT'D)

### (b) Significant Related Party Transactions and Balances (Cont'd)

**Compensation of key management personnel (Cont'd)**

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| **Other key management personnel** | | | | |
| Salaries and other emoluments/ Total short-term employment benefits | 5,869,721 | 6,195,493 | 105,799 | 107,788 |
| Post-employment benefits: Defined contribution plan | 696,321 | 718,616 | 11,841 | 12,367 |
| | 6,566,042 | 6,914,109 | 117,640 | 120,155 |
| **Total Compensation** | 11,746,171 | 11,867,082 | 735,535 | 688,643 |

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company, directly or indirectly.

## 38. SEGMENTAL INFORMATION

### (a) Business Segments

The Group is organised into three areas of businesses:

(i) Property development - the development of land into residential and commercial properties for sale and sale of vacant land

(ii) Construction - the construction of buildings

(iii) Property investment - the investment of land and buildings held for investment potential and rental income in future

Other business segments include investment holding which are not separately reported as the segment's operations are not material to the Group.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Management has determined the operating segments based on the reports viewed by the Chief Executive Officer (the chief operating decision-maker) for the purpose of resources allocation and assessment of segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

**38. SEGMENTAL INFORMATION (CONT'D)**

**(b) Geographical Segments**

The Group operates and derives its income in Malaysia. Accordingly, the financial information by geographical segment has not been presented.

| 2023 | Property Development RM | Construction RM | Property Investment RM | Other Operations RM | Eliminations RM | Consolidated RM |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| External revenue | 319,435,079 | - | 20,533,224 | 1,051,307 | - | 341,019,610 |
| Inter-segment revenue | - | 21,565,085 | 2,403,420 | 16,852,105 | (40,820,610) | - |
| Total revenue | 319,435,079 | 21,565,085 | 22,936,644 | 17,903,412 | (40,820,610) | 341,019,610 |
| **RESULTS** | | | | | | |
| Operating profit/(loss) | 59,019,449 | 713,892 | 892,442 | (7,895,399) | 12,182,126 | 64,912,510 |
| Share of losses of associated companies | - | - | - | (566,540) | - | (566,540) |
| Finance income | 8,574,326 | 815,472 | 13,426,221 | 22,574,468 | (41,868,204) | 3,522,283 |
| Finance costs | (16,189,122) | (154,279) | (16,350,292) | (16,257,049) | 31,536,170 | (17,414,572) |
| Income tax expense | (13,541,773) | (376,803) | (361,169) | (3,766,521) | 239,160 | (17,807,106) |
| Profit for the financial year | | | | | | 32,646,575 |
| **ASSETS** | | | | | | |
| Segment assets | 1,578,244,635 | 46,977,586 | 332,548,500 | 53,212,519 | - | 2,010,983,240 |
| Investment in associated companies | - | - | - | 25,638,871 | - | 25,638,871 |
| Consolidated total assets | | | | | | 2,036,622,111 |

## 38. SEGMENTAL INFORMATION (CONT'D)

### (b) Geographical Segments (Cont'd)

| 2023 | Property Development RM | Construction RM | Property Investment RM | Other Operations RM | Eliminations RM | Consolidated RM |
|---|---|---|---|---|---|---|
| **LIABILITIES** | | | | | | |
| Segment liabilities/ Consolidated total liabilities | 436,197,490 | 2,818,169 | 31,111,593 | 322,038,378 | - | 792,165,630 |
| **OTHER INFORMATION** | | | | | | |
| Capital expenditure | 1,032,491 | - | 333,452 | 318,489 | - | 1,684,432 |
| **Non-cash expenses** | | | | | | |
| Depreciation and amortisation | 2,716,420 | 32,764 | 3,413,104 | 62,190 | - | 6,224,478 |
| Bad debts written off | 67,407 | 58,648 | - | - | - | 126,055 |
| Impairment loss on investment in subsidiary companies | - | - | - | 10,000,000 | (10,000,000) | - |
| **Non-cash income** | | | | | | |
| Gain on disposal of property, plant and equipment | 244 | - | - | - | - | 244 |
| Gain on lease termination | - | - | 3,692 | - | - | 3,692 |

| 2022 | Property Development RM | Construction RM | Property Investment RM | Other Operations RM | Eliminations RM | Consolidated RM |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| External revenue | 243,254,155 | - | 14,869,796 | 1,400,090 | - | 259,524,041 |
| Inter-segment revenue | - | 37,571,945 | 2,355,063 | 10,918,719 | (50,845,727) | - |
| Total revenue | 243,254,155 | 37,571,945 | 17,224,859 | 12,318,809 | (50,845,727) | 259,524,041 |
| **RESULTS** | | | | | | |
| Operating profit/(loss) | 75,596,619 | 11,791,887 | 1,335,705 | (1,564,885) | (11,791,887) | 75,367,439 |
| Share of losses of associated companies | - | - | - | (688,372) | - | (688,372) |
| Finance income | 7,143,468 | 844,126 | 12,525,885 | 18,230,584 | (35,948,852) | 2,795,211 |
| Finance costs | (14,664,888) | (93,960) | (13,466,133) | (13,276,236) | 25,551,867 | (15,949,350) |
| Income tax expense | (13,629,721) | (3,237,341) | (565,329) | (3,042,079) | 1,562,423 | (18,912,047) |
| Profit for the financial year | | | | | | 42,612,881 |
| **ASSETS** | | | | | | |
| Segment assets | 1,507,460,646 | 51,528,743 | 332,059,000 | 45,098,247 | - | 1,936,146,636 |
| Investment in associated companies | - | - | - | 26,436,411 | - | 26,436,411 |
| Consolidated total assets | | | | | | 1,962,583,047 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

**38. SEGMENTAL INFORMATION (CONT'D)**

**(b) Geographical Segments (Cont'd)**

| 2022 | Property Development RM | Construction RM | Property Investment RM | Other Operations RM | Eliminations RM | Consolidated RM |
|---|---|---|---|---|---|---|
| **LIABILITIES** | | | | | | |
| Segment liabilities/ Consolidated total liabilities | 403,246,266 | 6,005,446 | 29,048,496 | 299,201,859 | - | 737,502,067 |
| **OTHER INFORMATION** | | | | | | |
| Capital expenditure | 243,137 | 2,999 | 95,330 | 33,169 | - | 374,635 |
| **Non-cash expenses** | | | | | | |
| Depreciation and amortisation | 2,566,013 | (4,138) | 3,374,144 | 68,700 | - | 6,004,719 |
| Fair value gain on investment properties | - | 303,947 | - | - | - | 303,947 |
| Bad debts written off | - | - | 36,000 | 4,349 | - | 40,349 |
| Impairment loss on investment in subsidiary companies | - | - | - | 4,582,203 | (4,582,203) | - |
| **Non-cash income** | | | | | | |
| Reversal of impairment losses on receivables no longer required | - | - | 65,801 | 26,865 | - | 92,666 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 39. FINANCIAL INSTRUMENTS

Categories of Financial Instruments

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| **Financial assets** | | | | |
| **Amortised cost** | | | | |
| Trade receivables | 52,998,235 | 67,895,365 | - | - |
| Other receivables | 29,945,697 | 22,287,994 | 2,142,345 | 1,512,497 |
| Deposit, cash and bank balances | 288,835,776 | 215,415,321 | 12,495,173 | 4,256,298 |
| Amount due from subsidiary companies | - | - | 463,232,455 | 446,072,460 |
| **Fair value through other comprehensive income** | | | | |
| Other investments | 4,000,000 | 4,000,000 | - | - |
| **Financial liabilities** | | | | |
| **Amortised cost** | | | | |
| Borrowings: | | | | |
| Revolving credits | 312,065,000 | 291,551,816 | 312,065,000 | 291,551,816 |
| Term loans | 158,814,566 | 190,632,522 | 3,978,472 | 4,521,060 |
| Bridging loans | 6,907,522 | 9,238,141 | - | - |
| Hire-purchase and finance lease liabilities | 807,549 | 230,765 | 288,000 | - |
| | 478,594,637 | 491,653,244 | 316,331,472 | 296,072,876 |
| Trade payables | 106,128,549 | 88,889,982 | - | - |
| Accrued expenses | 33,770,512 | 22,623,647 | 3,060,748 | 1,615,272 |
| Other payables | 11,279,587 | 11,588,322 | 765,356 | 719,569 |
| Deposit received from purchasers and tenants | 21,121,818 | 8,051,640 | 13,450 | 13,450 |
| Advances from non-controlling shareholder of a subsidiary company | 2,580,132 | 205,131 | - | - |
| Land cost payable | 2,454,736 | 2,454,736 | - | - |
| Amount due to subsidiary companies | - | - | 61,017,800 | 49,141,869 |

**Fair Value of Financial Instruments**

The Directors consider the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values due to the relatively short-term maturity period of the financial instruments or exposure to floating interest rates, except as follows:

| | The Group | |
|---|---|---|
| | 2023 | 2022 |
| **Financial assets** | | |
| **Fair value through other comprehensive income** | | |
| Other investments | 4,000,000 | 4,000,000 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 39. FINANCIAL INSTRUMENTS (CONT'D)

**Fair Value of Financial Instruments (Cont'd)**

Fair values of other investments have been arrived at based on estimation using certain valuation techniques such as discounted future cash flows using a rate based on the current market rate of borrowing. These techniques involve uncertainties and are affected by the assumptions used and judgements made regarding the discount rates and estimates of the timing of the future cash flows. The estimated discount rate is at 5.42% (2022: 4.14%) per annum. Changes in assumptions could affect these estimates and the resulting fair values.

The other investments are classified as Level 3 under fair value hierarchy.

There is no material difference between the fair values and carrying values of these investments at the end of reporting period.

## 40. FINANCIAL RISK MANAGEMENT

The operations of the Group are subject to a variety of financial risks, including credit risk, interest rate risk, foreign currency risk and liquidity risk.

The Group has formulated a financial risk management framework whose principal objective is to minimise the Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

Financial risk management is carried out through risk reviews, internal control systems and adherence to Group financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which cover the management of these risks.

### (i) Capital risk management

The Group and the Company manage its capital to ensure that it will be able to continue as a going concern while maximising returns to the shareholders through the optimisation of debt and equity balance. The Group's and the Company's overall strategy remain unchanged from 2022.

The Group and the Company did not engage in any transaction involving financial derivative instruments during the financial year.

The Group's and the Company's risk management committee reviews the capital structure of the Group and the Company on a regular basis. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristic of the underlying assets. No changes were made in the objectives, policies or processes during the financial year ended 30 April 2023.

## 40. FINANCIAL RISK MANAGEMENT (CONT'D)

### (i) Capital risk management (Cont'd)

**Gearing ratio**

The gearing ratio at end of the reporting period is as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023 RM | 2022 RM | 2023 RM | 2022 RM |
| Debts | 483,791,374 | 494,036,747 | 317,273,246 | 297,782,021 |
| Deposits, cash and bank balances | (288,835,776) | (215,415,321) | (12,495,173) | (4,256,298) |
| Net debt | 194,955,598 | 278,621,426 | 304,778,073 | 293,525,723 |
| Equity | 1,244,456,481 | 1,225,080,980 | 772,990,056 | 791,107,593 |
| Net gearing ratio | 16% | 23% | 39% | 37% |

Debt is defined as lease liabilities and borrowings, as described in Note 14 and Note 31.

Equity includes all capital and reserves of the Group and the Company that are managed as capital.

**Significant Accounting Policies**

Details of the significant accounting policies and methods adopted (including the criteria for recognition and the bases of measurement) for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

### (ii) Credit Risk Management

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group.

The Group is exposed to credit risk mainly from its customer base, including trade receivables. The Group extends credit to its customers based upon careful evaluation of the customer's financial condition and credit history. Trade receivables are monitored on an ongoing basis by the Group's credit control department.

<u>Exposure to credit risk</u>

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is the carrying amount of trade and other receivables, deposits with licensed bank and cash and bank balances.

The Company's maximum exposure to credit risk also includes amount due from subsidiary companies. As at the reporting date, the maximum exposure to credit risk in relation to the financial corporate guarantees of the Company amounted to RM161,743,616 (2022: RM195,349,603) as at the end of the reporting period representing the outstanding bank facilities of the subsidiaries as at the end of financial year. The Company has assessed the expected credit loss arising from the financial guarantee contracts issued to licensed banks in respect of banking facilities issued to its subsidiaries to be not material.

The carrying amount of financial assets recognised in the financial statements, which is net of impairment losses, represents the Group's and the Company's maximum exposure to credit risk, without taking into account collateral or other credit enhancements held.

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 40. FINANCIAL RISK MANAGEMENT (CONT'D)

### (iii) Interest Rate Risk Management

The Group and the Company are exposed to interest rate risk through the impact of rate changes on interest-bearing deposits and borrowings.

The Group's interest-bearing assets are primarily bank deposits with licensed banks. The interest rates on these deposits are monitored closely to ensure that they are maintained at favourable rates. The Group considers the risk of significant changes to interest rates on deposits to be unlikely.

The Group's and the Company's interest rate exposure arises mainly from borrowings. The Group's and the Company's exposure to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate exposure is measured using sensitivity analysis as disclosed below:

***Interest rate sensitivity analysis***

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating-rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2023<br>RM | 2022<br>RM | 2023<br>RM | 2022<br>RM |
| **Effect on profit/(loss) after taxation** | | | | |
| Increase of 50 basis points | (1,825,395) | (1,868,185) | (1,432,833) | (1,311,816) |
| Decrease of 50 basis points | 1,825,395 | 1,868,185 | 1,432,833 | 1,311,816 |
| **Effect on total equity** | | | | |
| Increase of 50 basis points | (1,825,395) | (1,868,185) | (1,432,833) | (1,311,816) |
| Decrease of 50 basis points | 1,825,395 | 1,868,185 | 1,432,833 | 1,311,816 |

### (iv) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group and the Company may be required to pay.

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

**40. FINANCIAL RISK MANAGEMENT (CONT'D)**

**(iv) Liquidity Risk Management (Cont'd)**

**Liquidity and interest risk table**

| | Note | Weighted average effective interest rate per annum % | Less than 1 year RM | 1 - 2 years RM | 2 - 5 years RM | 5+ years RM | Total RM |
|---|---|---|---|---|---|---|---|
| **The Group** | | | | | | | |
| **30 April 2023** | | | | | | | |
| Non-interest bearing instruments | (a) | - | 171,587,304 | 2,499,560 | 668,338 | - | 174,755,202 |
| Hire-purchase and finance lease liability | | 2.8 | 186,440 | 163,428 | 480,682 | 100,474 | 931,024 |
| Lease liabilities | | 4.55 | 3,445,241 | 1,652,870 | 1,069,722 | - | 6,167,833 |
| Variable-interest rate instruments | | 5.55 | 347,153,615 | 76,434,784 | 90,250,418 | 13,480,643 | 527,319,460 |
| **The Company** | | | | | | | |
| **30 April 2023** | | | | | | | |
| Non-interest bearing instruments | (b) | - | 3,839,554 | - | - | - | 3,839,554 |
| Hire-purchase | | 2.50 | 44,209 | 48,228 | 144,683 | 100,474 | 337,594 |
| Lease liabilities | | 6.66 | 830,916 | 138,171 | - | - | 969,087 |
| Variable-interest rate instruments | | 5.62 | 330,183,956 | 639,927 | 2,384,077 | 1,292,279 | 334,500,239 |
| Amount due to subsidiary companies | | 5.42 | 64,324,965 | - | - | - | 64,324,965 |
| Financial guarantee | | - | 161,743,616 | - | - | - | 161,743,616 |

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

**40. FINANCIAL RISK MANAGEMENT (CONT'D)**

**(iv) Liquidity Risk Management (Cont'd)**

**Liquidity and interest risk table (Cont'd)**

| | Note | Weighted average effective interest rate per annum % | Less than 1 year RM | 1 - 2 years RM | 2 - 5 years RM | 5+ years RM | Total RM |
|---|---|---|---|---|---|---|---|
| **The Group 30 April 2022** | | | | | | | |
| Non-interest bearing instruments | (a) | - | 129,638,208 | 841,128 | 3,128,991 | - | 133,608,327 |
| Hire-purchase and finance lease liability | | 5.90 | 213,235 | 27,032 | - | - | 240,267 |
| Lease liabilities | | 4.66 | 2,091,338 | 450,673 | 66,300 | - | 2,608,311 |
| Variable-interest rate instruments | | 4.01 | 330,153,848 | 46,177,163 | 85,793,029 | 63,387,762 | 525,511,802 |
| **The Company 30 April 2022** | | | | | | | |
| Non-interest bearing instruments | (b) | - | 2,348,291 | - | - | - | 2,348,291 |
| Lease liabilities | | 6.66 | 836,126 | 830,916 | 138,171 | - | 1,805,213 |
| Variable-interest rate instruments | | 3.93 | 303,741,526 | 753,241 | 3,254,587 | 424,930 | 308,174,284 |
| Amount due to subsidiary companies | | 4.14 | 51,176,342 | - | - | - | 51,176,342 |
| Financial guarantee | | - | 195,349,603 | - | - | - | 195,349,603 |

(a) Non-interest bearing instruments of the Group consist of trade payables, accrued expenses, other payables, deposit received from purchasers and tenants, and land cost payable.

(b) Non-interest bearing instruments of the Company consist of accrued expenses, other payables and deposit received from purchasers and tenants.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 41. SUBSIDIARY AND ASSOCIATED COMPANIES

| Name of company | Proportion of ownership interest and voting power held by the Group 2023 | 2022 | Principal Activities |
|---|---|---|---|
| **Subsidiary companies** | | | |
| **Principal place of business/ Country of incorporation in Malaysia** | | | |
| Anugerah Armada Sdn. Bhd. # | 100 | 100 | Property development and investment^ |
| Bangi Integrated Corporation Sdn. Bhd. # | 100 | 100 | Property investment |
| Berapit Development Sdn. Bhd. # | 100 | 100 | Property development and investment holding^ |
| BH Interiors Sdn. Bhd. # | 100 | 100 | Provision of renovation works^ |
| Dunia Heights Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Elmina Equestrian Centre (Malaysia) Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Glomac Alliance Sdn. Bhd. | 100 | 100 | Property development and investment |
| Glomac Consolidated Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Glomac City Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Glomac Damansara Sdn. Bhd. | 100 | 100 | Property development and investment |
| Glomac Enterprise Sdn. Bhd. # | 100 | 100 | Property development and investment holding |
| Glomac Group Management Services Sdn. Bhd. # | 100 | 100 | Property development, property management and investment holding |
| Glomac Jaya Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Glomac Land Sdn. Bhd. # | 100 | 100 | Property development and investment^ |
| Glomac Leisure Sdn. Bhd. # | 100 | 100 | Property development and investment^ |
| Glomac Maju Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Glomac Nusantara Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Glomac Property Services Sdn. Bhd. # | 100 | 100 | Property management services |
| Glomac Rawang Sdn. Bhd. | 100 | 100 | Property development and investment |
| Glomac Real Estate Sdn. Bhd. # | 100 | 100 | Property development and investment holding^ |
| Glomac Realty Sdn. Bhd. # | 100 | 100 | Property development and investment holding |
| Glomac Regal Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Glomac Resources Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Glomac Restaurants Sdn. Bhd. * # | 100 | 100 | Investment holding |
| Glomac Segar Sdn. Bhd. | 100 | 100 | Property development and investment holding |
| Glomac Sutera Sdn. Bhd. # | 100 | 100 | Property development and investment |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 41. SUBSIDIARY AND ASSOCIATED COMPANIES (CONT'D)

| Name of company | Proportion of ownership interest and voting power held by the Group 2023 | 2022 | Principal Activities |
|---|---|---|---|
| **Subsidiary companies** | | | |
| **Principal place of business/ Country of incorporation in Malaysia** | | | |
| Glomac Vantage Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Kelana Centre Point Sdn. Bhd. * # | 100 | 100 | Property development and investment holding |
| Kelana Seafood Centre Sdn. Bhd. * # | 100 | 100 | Management and operation of restaurant^ |
| Magic Season Sdn. Bhd. # | 100 | 100 | Property development and investment^ |
| Magnitud Teknologi Sdn. Bhd. # | 100 | 100 | Property development and investment^ |
| OUG Square Sdn. Bhd. # | 100 | 100 | Property development and investment holding^ |
| Precious Quest Sdn. Bhd. | 100 | 100 | Property development and investment |
| Prisma Legacy Sdn. Bhd. * # | 100 | 100 | Building contractor^ |
| Prima Sixteen Sdn. Bhd. * # | 100 | 100 | Property development and investment holding^ |
| Regency Land Sdn. Bhd. | 100 | 100 | Property development and investment |
| Sungai Buloh Country Resort Sdn. Bhd. # | 100 | 100 | Management and operation of clubhouse^ |
| Glomac Thailand Sdn. Bhd. # | 100 | 100 | Investment holding^ |
| Glomac Power Sdn. Bhd. # | 85.7 | 85.7 | Investment holding |
| FDA Sdn. Bhd. # | 70 | 70 | Property development and investment holding^ |
| Glomac Excel Sdn. Bhd. # | 60 | 60 | Car park operators^ |
| Glomac Utama Sdn. Bhd. # | 60 | 60 | Property investment |
| Prominent Excel Sdn. Bhd. # | 60 | 60 | Car park operators and managers |
| Glomac Al Batha Sdn. Bhd. | 51 | 51 | Property development and investment holding |
| Glomac Al Batha Mutiara Sdn. Bhd. * | 51 | 51 | Property development and investment |
| Glomac Bina Sdn. Bhd. | 51 | 51 | Building contractor |
| Glomac Kristal Sdn. Bhd. # | 100 | 100 | Property development and investment |
| FDM Development Sdn. Bhd. | 100 | 100 | Property development and investment |
| Berapit Properties Sdn. Bhd. # | 100 | 100 | Property development and investment |
| Kelana Property Management Sdn. Bhd. # | 100 | 100 | Property management services |
| Berapit Pertiwi Sdn. Bhd. # | 100 | 100 | Property investment |
| Kelana Kualiti Sdn. Bhd. | 100 | 100 | Property development and investment |
| Glomac Cekap Sdn. Bhd. # | 100 | 100 | Property development and investment^ |
| Magical Sterling Sdn. Bhd. | 100 | 100 | Property development and investment |
| Glo Damansara Sdn. Bhd. | 100 | 100 | Property investment |
| Glomac Technology Sdn. Bhd. # | 51 | - | Investment holding, renewable energy and sustainable building^ |

## 41. SUBSIDIARY AND ASSOCIATED COMPANIES (CONT'D)

| Name of company | Proportion of ownership interest and voting power held by the Group 2023 | 2022 | Principal Activities |
|---|---|---|---|
| **<u>Subsidiary companies</u>** | | | |
| **Principal place of business/ Country of incorporation in Australia** | | | |
| Glomac Australia Pty Ltd # | 100 | 100 | Investment holding |
| **<u>Associated companies</u>** | | | |
| **Principal place of business/ Country of incorporation in Malaysia** | | | |
| PPC Glomac Sdn. Bhd. (held through Glomac Power Sdn. Bhd.) # | 30 | 30 | Turnkey contractor and property developer |
| Irama Teguh Sdn. Bhd. (held through PPC Glomac Sdn. Bhd.) # | 30 | 30 | Investment holding |

* Interest held through subsidiary companies.
# The financial statements of these companies are examined by auditors other than the auditors of the Company.
^ Dormant/inactive as at 30 April 2023 and 30 April 2022.

# NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

## 42. MATERIAL LITIGATION

**Soon Hoe Chuan v Glomac Berhad**

On 22 May 2020, Glomac Berhad ("the Defendant" or "the Company") has been served with a Writ of Summons and Statement of Claim dated 14 May 2020 from Soon Hoe Chuan ("the Plaintiff") ("the Suit").

The Plaintiff claimed to have been engaged by the Defendant on 19 October 2004 as the Chief Executive Officer for Glomac Alliance Sdn. Bhd. ("GASB"), a wholly-owned subsidiary of the Company. It was further alleged by the Plaintiff that he had undertaken the role of Project Manager for a particular development project ("the Project") of GASB.

On the hearing date 9 December 2020, the High Court Judge allowed Defendant's Striking Out application in Enclosure 16 with costs of RM7,000 to be paid by the Plaintiff to the Defendant subject to Allocator fees and since the striking out application by the Defendant is allowed by the Court, the application for summary judgment filed by the Plaintiff against the Defendant in Enclosure 6 is therefore dismissed with no order as to costs.

Further the Plaintiff had on 18 December 2020, filed two (2) appeals to the Court of Appeal against the High Court's decision dismissing Enclosure 6 and Enclosure 16. The appeals had since has been registered as follows:

a. The summary judgment appeal as Court of Appeal Civil Appeal No. W-02(IM)(NCvC)-1932-12/2020; and

b. The striking out appeal as Court of Appeal Civil Appeal No. W-02(IM)(NCvC)-1933-12/2020.

On 15 November 2021, the Court of Appeal dismissed Plaintiff's appeal in relation to his summary judgment application, but allowed his appeal in relation to Glomac's striking out application. Both parties were ordered to bear their own costs and the Court directed the Plaintiff's claim to be remitted back to the High Court for trial. Both Plaintiff and Defendant have concluded oral submission 6 June 2023. The court has fixed the matter for decision on 26 September 2023.

No provision has been made in the financial statements of the Group and the Company in respect of this claim at this juncture, as the outcome of the Suit is not presently determinable.

# STATEMENT BY DIRECTORS

The Directors of **GLOMAC BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2023 and of the financial performance and the cash flows of the Group and of the Company for the financial year ended on that date.

Signed in accordance with
a resolution of the Directors,

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

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

Kuala Lumpur
22 August 2023

# DECLARATION BY THE OFFICER

PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **TAN HUN LIM**, the Officer primarily responsible for the financial management of **GLOMAC BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

________________________________________

**TAN HUN LIM**
(MIA membership no. 21428)

Subscribed and solemnly declared by the abovenamed **TAN HUN LIM**
at **KUALA LUMPUR** this 22nd day of August, 2023.

Before me,

________________________________________

**COMMISSIONER FOR OATHS**

# ADDITIONAL COMPLIANCE STATEMENT

## 1. Utilisation of Profit

The Company did not raise funds through any corporate proposal during the financial year ended 30 April 2023 (“FYE 2023”).

## 2. Audit fees and non-audit fees

The audit and non-audit fees incurred for services rendered by the External Auditors of the Group for the FYE 2023 were as follows:-

| | Group (RM) | Company (RM) |
|---|---|---|
| Audit fees | 615,500 | 120,000 |
| Non-audit fees | 40,000 | 6,000 |

## 3. Material Contracts

On 12 April 2023, the Company had entered into a share sale agreement with its Group Executive Chairman and major shareholder, namely Tan Sri Dato' Mohamed Mansor bin Fateh Din, and Mohd Yasin Loh bin Abdullah in relation to the proposed acquisition of the remaining 49% equity interest in Glomac Bina Sdn Bhd for a total cash consideration of RM16,252,854 (“Proposed Acquisition”). The Proposed Acquisition was completed on 17 July 2023.

## 4. Recurrent Related Party Transactions of a Revenue or Trading Nature (“RRPTs”)

At the Thirty-Eighth Annual General Meeting held on 19 October 2022, the Company had obtained a general mandate from the shareholders to renew the Group’s authority to enter into RRPTs.

In accordance with Section 3.1.5 of Practice Note No. 12 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the details of RRPTs conducted during the FYE 2023 pursuant to the shareholders’ mandate are disclosed as follows:

| Company | Nature of transaction | Transacting party | Related parties | Amount transacted during the FYE 2023 (RM’000) |
|---|---|---|---|---|
| Glomac Group | Award of contracts and/or projects for construction works | Glomac Bina Sdn. Bhd. [(A)] | • Tan Sri Dato’ Mohamed Mansor bin Fateh Din<br>• Interested Directors and interested major shareholders | 16,664 |
| Glomac Group | Sale of properties by Glomac Group in the ordinary course of business | Directors and major shareholders of Glomac and its subsidiaries and persons connected to them | Interested Directors and/or interested major shareholders of Glomac Group and/or persons connected to them as disclosed in the Circular to Shareholders dated 30 August 2022 | - |

[(A)] *Glomac Bina Sdn. Bhd. is a 51% subsidiary company of Glomac wherein Tan Sri Dato’ Mohamed Mansor bin Fateh Din has a direct interest of 1,092,000 shares.*

# LIST OF TOP 10 PROPERTIES AND DEVELOPMENT PROPERTIES

AS AT 30 APRIL 2023

| No. | Location | Description of Asset / Existing Use | Tenure | Age of Buildings (Years) | Size | Net Book Value as at 30 April 2023 (RM'000) | Date of Acquisition / Date of Valuation* |
|---|---|---|---|---|---|---|---|
| 1 | Glo Damansara No. 699 Jalan Damansara 60000 Kuala Lumpur | Retail Mall / Tenanted | Freehold | 8 | 380,000 sq. ft. | 285,000 | 30 April 2023* |
| 2 | HS(D) 112510, PT2063 Mukim Petaling (Puchong) | Land approved for mixed development / Development in progress | 99 years leasehold, expiring 15.06.2088 | N/A | 48.1 acres | 231,566 | 21 January 2011 |
| 3 | HS(D) 4766 & 4767 Lot 6983 & 6984 Mukim Dengkil Daerah Sepang (Saujana KLIA) | Land held for mixed residential and commercial development / Vacant | 99 years leasehold, expiring 30.12.2113 / 30.12.2058 | N/A | 114.6 acres | 158,498 | 5 November 2012 / 1 June 2012 |
| 4 | HS(D) 319254, PT2914 PN115007, Lot 76673 Mukim Petaling (Puchong) | Land approved for mixed development | 99 years leasehold, expiring 25.03.2117 | N/A | 15.4 acres | 148,915 | 22 November 2019 |
| 5 | Lot 28044, Batu 27, Kelapa Sawit 81030 Kulaijaya, Johor (Saujana Jaya) | Land held for mixed residential and commercial development / Development in progress | 99 years leasehold, expiring 25.06.2115 | N/A | 164.1 acres | 96,040 | 8 August 2017 |
| 6 | Geran 332977 Lot 72710 Seksyen 40 Bandar Petaling Jaya, Daerah Petaling Negeri Selangor (Plaza@Kelana Jaya) | Land approved for mixed development / Development in progress | Freehold | N/A | 0.9 acres | 61,689 | 1 April 2008 |
| 7 | HS(D) 2628 - 2632 and HS(D) 3189 Lot P.T. 2143 - 2147 and P.T 2708 Mukim of Ijok District of Kuala Selangor (Saujana Utama V) | Land held for mixed residential and commercial development / Vacant | 99 years leasehold, expiring 07.12.2114 | N/A | 59.6 acres | 52,858 | 14 March 2014 |

# LIST OF TOP 10 PROPERTIES AND DEVELOPMENT PROPERTIES

AS AT 30 APRIL 2023

| No. | Location | Description of Asset / Existing Use | Tenure | Age of Buildings (Years) | Size | Net Book Value as at 30 April 2023 (RM'000) | Date of Acquisition / Date of Valuation* |
|---|---|---|---|---|---|---|---|
| 8 | Suria Stonor<br>Geran 40006 Lot 58 &<br>Geran 33299 Lot 122,<br>Section 63,in the Town and District of Kuala Lumpur | Luxurious Condominium / Completed units | Freehold | 15<br>15 | 30,322<br>45,962<br>sq. ft. | 21,673<br>29,950 | 22 October 2010/<br>30 April 2021* |
| 9 | HS (D) 5472 & 5473<br>Lot P.T. 9147 & 9148<br>Mukim of Ijok,<br>District of Kuala Selangor<br>(Saujana Perdana) | Land held for mixed residential and commercial development / Development in progress | 99 years leasehold, expiring 1.12.2115 | N/A | 40.4 acres | 47,088 | 17 February 2012 |
| 10 | Lot 2265 & 888,<br>Geran No. 18689 &<br>20146, Mukim of<br>Kota Tinggi, District of<br>Kota Tinggi (Sri Saujana) | Land approved for mixed housing development / Development in progress | Freehold | N/A | 77 acres | 39,078 | 25 September 1995 |

# ANALYSIS OF SHAREHOLDINGS

AS AT 1 AUGUST 2023

| | | |
|---|---|---|
| Issued Share Capital | : | 800,089,370 ordinary shares (including 32,595,000 treasury shares) |
| Class of Shares | : | Ordinary shares |
| Voting Rights | : | One vote per ordinary share on poll |

## A. Distribution of Shareholdings (excluding treasury shares)

| Size of Shareholdings | No. of Shareholders | % of Shareholders | No. of Shares | % of Shares |
|---|---|---|---|---|
| Less than 100 | 271 | 4.26 | 8,277 | 0.00 |
| 100 – 1,000 shares | 446 | 7.01 | 200,162 | 0.02 |
| 1,001 – 10,000 shares | 3,495 | 54.92 | 14,936,211 | 1.95 |
| 10,001 – 100,000 shares | 1,840 | 28.91 | 54,401,008 | 7.09 |
| 100,001 to less than 5% of issued shares | 308 | 4.84 | 260,663,028 | 33.96 |
| 5% and above of issued shares | 4 | 0.06 | 437,285,684 | 56.98 |
| Total | 6,364 | 100.00 | 767,494,370 | 100.00 |

## B. List of Thirty (30) Largest Shareholders

| No | Name | No. of Shares | *% of Shareholdings |
|---|---|---|---|
| 1 | Tan Sri Dato' Mohamed Mansor bin Fateh Din | 161,283,317 | 21.01 |
| 2 | CIMSEC Nominees (Tempatan) Sdn. Bhd.<br>- CIMB for Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor (PB) | 146,930,800 | 19.14 |
| 3 | Shapadu Capital Sdn Bhd | 87,877,210 | 11.45 |
| 4 | Datuk Fong Loong Tuck | 41,194,357 | 5.37 |
| 5 | CGS-CIMB Nominees (Tempatan) Sdn. Bhd.<br>- Pledged Securities Account for Datuk Fong Loong Tuck (MM0886) | 26,772,088 | 3.49 |
| 6 | RHB Capital Nominees (Tempatan) Sdn. Bhd.<br>– Pledged Securities Account for Datuk Fong Loong Tuck (CEB) | 22,000,000 | 2.87 |
| 7 | CIMSEC Nominees (Tempatan) Sdn. Bhd.<br>- CIMB for Datuk Fong Loong Tuck (PB) | 20,000,000 | 2.61 |
| 8 | Alliancegroup Nominees (Tempatan) Sdn. Bhd.<br>- Pledged Securities Account for Datuk Fong Loong Tuck (8037502) | 19,580,000 | 2.55 |
| 9 | DB (Malaysia) Nominee (Asing) Sdn. Bhd.<br>- Deutsche Bank AG Singapore for Yeoman 3-Rights Value Asia Fund (PTSL) | 14,875,000 | 1.94 |
| 10 | Lim Pei Tiam @ Liam Ahat Kiat | 9,000,000 | 1.17 |
| 11 | Public Nominees (Tempatan) Sdn Bhd<br>- Pledged Securities Account for Young Chuan Kim (E-KTU) | 5,800,000 | 0.76 |
| 12 | Mah Siew Seong | 5,624,790 | 0.73 |
| 13 | Liew Chin Choi | 4,875,040 | 0.64 |
| 14 | Public Nominees (Tempatan) Sdn. Bhd.<br>- Pledged Securities Account for Young Chuan Kim (E-KTU) | 4,200,000 | 0.55 |
| 15 | Fara Eliza binti Tan Sri Dato’ Mohamed Mansor | 3,806,000 | 0.50 |
| 16 | Fara Inez binti Tan Sri Dato’ Mohamed Mansor | 3,520,000 | 0.46 |
| 17 | DB (Malaysia) Nominee (Tempatan) Sendirian Berhad<br>- Exempt An for Aham Asset Management Berhad (TSTAC/CLNTT) | 3,150,000 | 0.41 |

# ANALYSIS OF SHAREHOLDINGS

AS AT 1 AUGUST 2023

| No | Name | No. of Shares | *% of Shareholdings |
|---|---|---|---|
| 18 | Affin Hwang Nominees (Asing) Sdn. Bhd.<br>- DBS Vickers Secs (S) Pte Ltd for Lim Mee Hwa | 3,000,000 | 0.39 |
| 19 | Federlite Holdings Sdn. Bhd. | 2,898,100 | 0.38 |
| 20 | AMSEC Nominees (Asing) Sdn. Bhd.<br>- KGI Securities (Singapore) Pte. Ltd. for Lee Chee Seng (80227) | 2,851,200 | 0.37 |
| 21 | Chuah Theong Yee | 2,655,930 | 0.35 |
| 22 | CIMSEC Nominees (Tempatan) Sdn. Bhd.<br>- CIMB for Fong Kah Kuen (PB) | 2,420,000 | 0.32 |
| 23 | HSBC Nominees (Tempatan) Sdn Bhd<br>- HSBC (M) Trustee Bhd for Manulife Investment Al-Faid (4389) | 2,410,680 | 0.31 |
| 24 | HSBC Nominees (Asing) Sdn. Bhd.<br>- Exempt An for Credit Suisse (SG BR-TST-ASING) | 2,200,000 | 0.29 |
| 25 | Public Nominees (Tempatan) Sdn. Bhd.<br>- Pledged Securities Account for Chn Chai Seng (E-BPT) | 2,182,000 | 0.28 |
| 26 | Ambank (M) Berhad<br>- Pledged Securities Account for Ali Bin Abdul Kadir (Smart) | 2,013,000 | 0.26 |
| 27 | On Thiam Chai | 2,000,000 | 0.26 |
| 28 | Cartaban Nominees (Asing) Sdn Bhd<br>- The Bank Of New York Mellon for Ensign Peak Advisors Inc. | 1,917,380 | 0.25 |
| 29 | Lim Chun Yin | 1,769,000 | 0.23 |
| 30 | HSBC Nominees (Asing) Sdn. Bhd.<br>- JPMSE LUX for Stichting Shell Pensioenfonds | 1,677,940 | 0.22 |
| | | 610,483,832 | 79.54% |

Note:
* percentage calculated excluding treasury shares of 32,595,000

## C. Substantial Shareholders (as per Register of Substantial Shareholders)

| Name of Substantial Shareholders | Direct | *% of Shareholding | Indirect | *% of Shareholdings |
|---|---|---|---|---|
| 1. Tan Sri Dato' Mohamed Mansor bin Fateh Din | 161,283,317 | 21.01 | 146,930,800(1)(4) | 19.14 |
| 2. Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor | 146,930,800(1) | 19.14 | 161,283,317(3) | 21.01 |
| 3. Datuk Fong Loong Tuck | 130,874,805(1) | 17.05 | - | - |
| 4. Shapadu Capital Sdn. Bhd. | 87,877,210 | 11.45 | - | - |

# ANALYSIS OF SHAREHOLDINGS

AS AT 1 AUGUST 2023

**D. Directors' Shareholdings (as per Register of Directors' Shareholding)**

| Name of Directors | Direct | *% of Shareholding | Indirect | *% of Shareholding |
|---|---|---|---|---|
| 1. Tan Sri Dato' Mohamed Mansor bin Fateh Din | 161,283,317 | 21.01 | 154,256,800(1)(2) | 20.10 |
| 2. Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor | 146,930,800(1) | 19.14 | 161,283,317(3) | 21.01 |
| 3. Datuk Fong Loong Tuck | 130,874,805(1) | 17.05 | 2,421,000(5) | 0.32 |
| 4. Shan Choo | - | - | - | - |
| 5. Mohd Razlan bin Mohamed | - | - | - | - |
| 6. Mohd Adzahar bin Abdul Wahid | - | - | - | - |

**Notes:**

* Percentage calculated excluding treasury shares of 32,595,000
(1) Including shares held by nominee companies
(2) Deemed interested pursuant to Section 8 and Section 59(11)(c) of the Companies Act 2016 by virtue of his son's and daughters' interests in Glomac Berhad, respectively
(3) Deemed interested pursuant to Section 8 of the Companies Act 2016 by virtue of his father's interest in Glomac Berhad
(4) Deemed interested pursuant to Section 8 of the Companies Act 2016 by virtue of his son's interest in Glomac Berhad
(5) Deemed interested pursuant to Section 59(11)(c) of the Companies Act 2016 by virtue of his son's interest in Glomac Berhad

# NOTICE OF 39TH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Thirty-Ninth Annual General Meeting ("**39th AGM**") of Glomac Berhad ("**Glomac**" or "**the Company**") will be held on a virtual basis at the broadcast venue at the Board Room, Glomac Berhad, Level 15, Menara Glomac, Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur through live streaming and online remote voting using remote participation and voting facilities via Securities Services e-Portal on **Wednesday, 25 October 2023** at **10:00 a.m.** or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions :

**AGENDA**

| | | |
|---|---|---|
| 1. | To receive the Audited Financial Statements for the financial year ended 30 April 2023 together with the Reports of the Directors and the Auditors thereon. | **Please refer to Explanatory Note 1** |
| 2. | To approve the payment of a single-tier final dividend of 1.25 sen per ordinary share for the financial year ended 30 April 2023. | **(Ordinary Resolution 1)** |
| 3. | To approve the payment of Directors' fees of RM400,000.00 payable to the Directors from 26 October 2023 until the date of the next Annual General Meeting of the Company to be held in year 2024. | **(Ordinary Resolution 2)** |
| 4. | To approve the payment of Directors' benefits payable to the Directors of an amount of up to RM200,000.00 from 26 October 2023 until the date of the next Annual General Meeting of the Company to be held in year 2024. | **(Ordinary Resolution 3)** |
| 5. | To re-elect the following Directors who retire by rotation in accordance with Clause 118 of the Company's Constitution, and being eligible, have offered themselves for re-election : | |
| | (a) Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor; and | **(Ordinary Resolution 4)** |
| | (b) Ms. Choo Shan. | **(Ordinary Resolution 5)** |
| 6. | To re-elect Encik Mohd Adzahar bin Abdul Wahid who retires in accordance with Clause 117 of the Company's Constitution, and being eligible, has offered himself for re-election. | **(Ordinary Resolution 6)** |
| 7. | To re-appoint Deloitte 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 7)** |

**Special Businesses**

**8. Authority to Issue Shares Pursuant to the Companies Act 2016 and Waiver of Pre-emptive Rights**

"**THAT** subject always to the Companies Act 2016 ("**the Act**"), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

# NOTICE OF
# ANNUAL GENERAL MEETING

**THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities;

**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 which is to be read together with Clause 14 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company arising from any issuance of new shares in the Company pursuant to the Act." **(Ordinary Resolution 8)**

9. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

"**THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and/or its subsidiaries ("**Glomac Group**") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature from time to time with the related parties as specified in Part A of the Circular to Shareholders dated 30 August 2023 provided that such transactions are :

(i) Recurrent transactions of a revenue or trading nature;
(ii) Necessary for Glomac Group's day-to-day operations;
(iii) Carried out in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public; and
(iv) Not to the detriment of the minority shareholders

**("Proposed Renewal of Existing Shareholders' Mandate);**

**THAT** the authority for the Proposed Renewal of Existing Shareholders' Mandate shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting ("**AGM**") of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM of the Company; or

(ii) the expiration of the period within which the next AGM of the Company is to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or

(iii) is revoked or varied by resolution passed by the shareholders of the Company in a general meeting before the next AGM of the Company;

whichever occurs first;

**AND THAT** the Directors of the Company be authorised to complete and do such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to the Proposed Renewal of Existing Shareholders' Mandate". **(Ordinary Resolution 9)**

# NOTICE OF ANNUAL GENERAL MEETING

10. **Proposed Renewal of Share Buy-Back Authority**

"**THAT**, subject to the Companies Act 2016 ("t**he Act**"), the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities as the Directors may deem fit, necessary and expedient in the interests of the Company ("**Proposed Renewal of Share Buy-Back Authority**"), provided that:

(i) the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Malaysia Securities as at the point of purchase; and

(ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase;

**THAT** upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:

(i) cancel all the shares so purchased; and/or

(ii) retain the ordinary shares so purchased as treasury shares for distribution as a dividend to the shareholders and/or resell on the market of Bursa Malaysia Securities and/or transfer under an employees' share scheme and/or transfer as purchase consideration; and/or

(iii) retain part thereof as treasury shares and cancel the remainder; or

(iv) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Malaysia Securities and any other relevant authority for the time being in force;

**THAT** such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:

(a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following this AGM at which such resolution was passed, at which time it will lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

(b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or

(c) the authority is revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first;

# NOTICE OF ANNUAL GENERAL MEETING

**AND THAT** the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interests of the Company to give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as the Board of Directors may deem fit and expedient in the best interests of the Company." **(Ordinary Resolution 10)**

11. To transact any other ordinary business for which due notice shall have been given.

**NOTICE OF DIVIDEND ENTITLEMENT**

**NOTICE IS ALSO HEREBY GIVEN THAT** the single-tier final dividend of 1.25 sen per ordinary share in respect of the financial year ended 30 April 2023 will be payable on 22 December 2023 to the depositors who are registered in the Record of Depositors at the close of business on 14 December 2023, if approved by members at the forthcoming 39th AGM of the Company on 25 October 2023.

A Depositor shall qualify for entitlement only in respect of :

(a) Securities transferred into the Depositor's Securities Account before 4:30 p.m. on 14 December 2023 in respect of ordinary transfers; and

(b) Shares bought on Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") on a cum entitlement basis according to the Rules of Bursa Malaysia Securities.

**By Order of the Board**

CHUA SIEW CHUAN (MAICSA 0777689) (SSM PC NO.: 201908002648)
CHIN MUN YEE (MAICSA 7019243) (SSM PC NO.: 201908002785)
Company Secretaries

Kuala Lumpur
30 August 2023

# NOTICE OF ANNUAL GENERAL MEETING

**Notes:**

**Information for shareholders/proxies/corporate representatives**

1. The Broadcast Venue, which is the main venue of the 39th AGM of the Company, is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 ("**the Act**") and Clause 78 of the Company's Constitution, which require the Chairman to be present at the main venue of the 39th AGM of the Company. Accordingly, members, proxies and/or corporate representatives **WILL NOT BE ALLOWED** to be physically present at the Broadcast Venue on the day of the 39th AGM of the Company.

2. In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 October 2023 (General Meeting Record of Depositors) shall be eligible to participate in the 39th AGM of the Company or appoint proxy(ies) to participate and/or vote in his/her stead.

   As guided by the Securities Commission Malaysia's Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers and its subsequent amendments, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders, proxies and/or corporate representatives shall communicate with the main venue of the 39th AGM of the Company via real-time submission of typed texts through a text box within Securities Services e-Portal's ("**SSeP**") platform during the live streaming of the 39th AGM of the Company as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders, proxies and/or corporate representatives may email their questions to ***eservices@sshsb.com.my*** during the 39th AGM of the Company. The questions and/or remarks submitted by the shareholders, proxies and/or corporate representatives will be broadcasted and responded to by the Chairman/Board of Directors ("**Board**")/relevant advisers during the Meeting.

3. A member (including authorised nominee) entitled to participate and vote at the 39th AGM of the Company shall be entitled to appoint one (1) or more proxy(ies) to participate, speak and vote in his/her stead. Where a member appoints more than one (1) proxy in relation to a meeting, the member shall specify the proportion of his/her shareholdings to be represented by each proxy, failing which the appointment shall be invalid.

4. A proxy may but does not need to be a member of the Company and a member may appoint any person to be his/her proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate, speak and vote at the 39th AGM of the Company shall have the same rights as the shareholder to speak at the 39th AGM of the Company.

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

6. 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 Accoun**t"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account its holds.

7. **Publication of Notice of the 39th AGM of the Company and Proxy Form on the corporate website**

   Pursuant to Section 320(2) of the Act, a copy of the Notice of the 39th AGM of the Company together with the Proxy Form are available at the corporate website of Glomac at ***https://www.glomac.com.my/shareholders-meeting***/.

# NOTICE OF ANNUAL GENERAL MEETING

8. **Submission of Proxy Form in either hard copy or electronic form**

   The appointment of proxy(ies) may now be made either in hard copy form or by electronic form and shall be deposited with the Company's Poll Administrator namely, SS E Solutions Sdn. Bhd., either at the designated office as stated below or vide SSeP, not less than forty-eight (48) hours before the time appointed for holding the 39th AGM of the Company or adjournment thereof (i.e., on or before Monday, 23 October 2023 at 10:00 a.m.):

| Mode of Submission | Designated Address |
|---|---|
| Hard copy | SS E Solutions Sdn. Bhd.<br>Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur |
| Electronic appointment | 1) Fax: 03-2094 9940 and/or 03-2095 0292<br>2) Email: eservices@sshsb.com.my<br>3) via SSeP at: https://sshsb.net.my/ |

9. **Appointment of proxy and registration for remote participation and voting**

   The lodging of the Proxy Form will 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 proxy authority in writing is given to the Company and deposited with the Company's Poll Administrator, SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur or via SSeP at ***https://sshsb.net.my***/ not less than twenty-four (24) hours before the time stipulated for holding the 39th AGM of the Company or at any adjournment thereof. All resolutions set out in this Notice of the Meeting are to be voted by poll. Should you wish to personally participate in the Meeting remotely, please register electronically via SSeP at ***https://sshsb.net.my***/ by the registration cut-off date and time. Please refer to the Administrative Details for the 39th AGM for further details.

   The Administrative Details for the 39th AGM is available for download at ***https://www.glomac.com.my/shareholders-meeting***/.

**Explanatory Notes:**

1. Item 1 of the Agenda

   This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require the formal approval of the members/shareholders of the Company for the Audited Financial Statements for the financial year ended 30 April 2023. Hence, this Agenda item is not put forward for voting.

2. Ordinary Resolutions 2 and 3 - Payment of Directors' fees and Directors' benefits

   Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company shall be approved at a general meeting.

   In this respect, the Board wishes to seek shareholders' approval at the 39th AGM of the Company on the two (2) separate resolutions as below:

   - **Ordinary Resolution 2** is to seek the shareholders' approval for the payment of Directors' fees payable to the Directors of RM400,000.00 from 26 October 2023 until the next Annual General Meeting of the Company to be held in year 2024.

   - **Ordinary Resolution 3** is to seek the shareholders' approval for the payment of Directors' benefits payable to the Directors of an amount of up to RM200,000.00 from 26 October 2023 until the next Annual General Meeting of the Company to be held in year 2024.

# NOTICE OF ANNUAL GENERAL MEETING

3. Ordinary Resolutions 4 to 6 - Re-election of Directors

   In determining the eligibility of the Directors to stand for re-election at the forthcoming 39th AGM of the Company, the Nomination Committee ("**NC**"), guided by the requirements of Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities and Practice 6.1 of the Malaysian Code on Corporate Governance has recommended Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor and Ms. Choo Shan, for re-election as Directors of the Company pursuant to Clause 118 of the Constitution of the Company and Encik Mohd Adzahar bin Abdul Wahid for re-election as a Director of the Company pursuant to Clause 117 of the Constitution of the Company ("**Retiring Directors**"). The Board has conducted a separate assessment which includes the following and was satisfied with the contribution and performance of the Retiring Directors :

   a. Contribution and performance of each individual Director;
   b. Independence of the Independent Non-Executive Director, where relevant;
   c. Fit and proper assessment.

   Therefore, the Board recommended that the same be tabled to the shareholders of the Company for approval at the forthcoming 39th AGM of the Company under Ordinary Resolutions 4, 5 and 6, respectively.

   The evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2023. The Retiring Directors were able to meet the Board's expectations in terms of experience, expertise, integrity, competency, participation, and contribution. Each Retiring Director demonstrates a commitment to the role and has sufficient time to meet his/her commitment to the Company. The Retiring Directors had consented to their re-election and abstained from deliberations and voting in relation to their individual re-election at the NC and Board meetings, respectively.

4. Ordinary Resolution 8 - Authority to issue shares pursuant to the Act and waiver of pre-emptive rights

   The proposed resolution is for the purpose of seeking a renewal for the general mandate to empower the Directors of the Company pursuant to the Act, from the date of the 39th AGM of the Company, to issue and allot ordinary shares of not more than ten per centum (10%) of the total number of issued shares of the Company for such purposes as the Directors of the Company consider would be in the best interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company. This authority will provide flexibility and enable the Directors to take swift action for the allotment of shares for any possible fundraising activities, including but not limited to further placement of shares for the purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

   As at the date of this Notice of the Meeting, no new shares in the Company was issued under the provision of the general mandate granted to the Directors of the Company at the Thirty-Eighth Annual General Meeting of the Company held on 19 October 2022, which will lapse at the conclusion of the 39th AGM of the Company.

   Pursuant to Section 85(1) of the Act be read together with Clause 14 of the Constitution of the Company, shareholders of the Company have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

5. Ordinary Resolution 9 - Proposed renewal of existing shareholders' mandate for current related party transactions of a revenue or trading nature

   The proposed resolution, if passed, will enable the Company and its subsidiaries ("**Glomac Group**") to enter into recurrent related party transactions of a revenue or trading nature with related parties in the ordinary course of business and necessary for the day-to-day operations of Glomac Group, based on commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

   Please refer to Part A of the Circular/Statement to Shareholders dated 30 August 2023 made available together with the Annual Report 2023 for more information.

# NOTICE OF
# ANNUAL GENERAL MEETING

6. Ordinary Resolution 10 - Proposed renewal of share buy-back authority

   The proposed resolution is intended to allow the Company to purchase its own shares of up to ten per centum (10%) of the total number of issued shares in the Company at any time within the period stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company.

   Please refer to Part B of the Circular/Statement to Shareholders dated 30 August 2023 made available together with the Annual Report 2023 for more information.

# ADMINISTRATIVE DETAILS

FOR THE THIRTY-NINTH ANNUAL GENERAL MEETING

In view of COVID-19 pandemic and safety measures, Glomac Berhad ("**Glomac**" or "**the Company**") will conduct its Thirty-Ninth Annual General Meeting ("**39th AGM**") on a virtual basis through **live streaming** from the Broadcast venue to be held as follows using the remote participation and voting facilities hosted by SS E Solutions Sdn Bhd on the Securities Services e-portal ( "**SSeP**") at ***https://sshsb.net.my/*** :-

| | | |
|---|---|---|
| **Date & Time** | : | **25 October 2023 (Wednesday), at 10.00 a.m.** |
| **Broadcast Venue** | : | **Board Room, Glomac Berhad**<br>**Level 15, Menara Glomac, Glomac Damansara**<br>**Jalan Damansara**<br>**60000 Kuala Lumpur**<br>**Wilayah Persekutuan** |
| **Modes of Communication** | : | **1. Typed text in the Meeting Platform**<br>**2. Email questions to *cosec@glomac.com.my* prior to the 39th AGM** |

**Remote Participation and Voting**

1. Only shareholders whose names appear on the General Meeting Record of Depositors as at 18 October 2023 shall be eligible to participate in the 39th AGM or appoint proxy(ies) to participate and/or vote on his/her behalf.

2. Shareholders who wish to participate at the 39th AGM are required to register as a user of SSeP as well as register for the remote participation via ***https://sshsb.net.my***/ latest by **Monday, 23 October 2023**. *For more details, please refer to the Securities Services e-Portal Administrative Guide in Appendix I.*

3. SSeP allowed individual and body corporate shareholders, through their appointed representatives to:
   (a) Submit e-Proxy Form
   (b) Register for remote participation and voting
   (c) Attend and participate in the Live Stream Meeting (eLive)
   (d) Vote online remotely during the Meeting (eVoting)

**Appointment of Proxy**

1. If a Shareholder is unable to participate at the 39th AGM via SSeP, he/she may appoint more than one (1) proxy to participate, speak and vote on his/her behalf. He/she may also appoint the Chairman of the Meeting as his/her proxy and indicate the voting instructions in the proxy form.

2. If you wish to participate at the 39th AGM yourself, please do not submit any proxy form. A shareholder will not be allowed to participate at the 39th AGM if his/her proxy/proxies has/have been registered to participate at the 39th AGM.

3. The appointment of proxy may be made in a hardcopy form or by electronic means as follows:

   **In Hardcopy Form**
   The proxy form shall be deposited at SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia, not later than **10:00 a.m.** on **Monday, 23 October 2023.**

   **By Electronic Means**
   The proxy form shall be electronically lodged via SSeP platform at ***https://sshsb.net.my***/ or by fax to +603-2094 9940/+603-2095 0292 or by email to ***eservices@sshsb.com.my*** not later than **10:00 a.m.** on **Monday, 23 October 2023**. *For more details, please refer to the Securities Services e-Portal Administrative Guide in Appendix I.*

# ADMINISTRATIVE DETAILS

FOR THE THIRTY-NINTH ANNUAL GENERAL MEETING

4. Appointed proxies need not register for remote participation but are required to register as the users of SSeP latest by **Thursday, 19 October 2023.**

5. If you have submitted your proxy form and subsequently decide to appoint another person or wish to participate personally in the 39th AGM, please write to SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or via SSeP at ***https://sshsb.net.my***/ no later than **10:00 a.m.** on **Monday, 23 October 2023** to revoke the earlier appointed proxy.

**Submission of Questions**

1. Shareholders who wish to post questions to the Chairman/Board/Management can email their questions to ***cosec@glomac.com.my*** no later than **10.00 a.m.** on **Tuesday, 17 October 2023**.

2. Shareholders may also submit their questions to the Chairman/Board/Management via the real time submission of typed texts through a text box within SSeP Platform before the start or during the live streaming of the 39th AGM.

3. The Chairman/Board/Management will endeavour to respond to the relevant questions during the Meeting or by email after the Meeting.

**Procedure for Securities Services e-Portal**

Shareholders/proxies/corporate representatives who wishes to participate in the 39th AGM remotely via SSeP are required to follow the requirements and procedures as summarised in the *Securities Services e-Portal Administrative Guide in Appendix I.*

**Poll Voting**

1. The voting at the 39th AGM will be conducted by way of poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The poll will be conducted by way of electronic voting. Poll Administrators and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll, respectively.

2. Access to eVoting will be opened from the commencement of the 39th AGM until the end of the voting session which will be announced by the Chairman of the 39th AGM. *For more details, please refer to the Securities Services e-Portal Administrative Guide in Appendix I.*

**Door Gift**

No door gifts shall be provided to shareholders and/or proxies and/or corporate representatives who participate in the 39th AGM.

**Enquiries on Securities Services e-Portal**

If you have any enquiry on the above, please contact our Poll Administrator, SS E Solutions Sdn. Bhd., details as enclosed in Securities *Services e-Portal Administrative Guide in Appendix I.*

# ADMINISTRATIVE DETAILS

FOR THE THIRTY-NINTH ANNUAL GENERAL MEETING

## SECURITIES SERVICES e-PORTAL ADMINISTRATIVE GUIDE — Appendix 1

Securities Services e-Portal is an online platform that will allow both individual shareholders and body corporate shareholders through their appointed representatives, to -

- Submit proxy form electronically – paperless submission
- Register for remote participation and voting at meetings
- Participate in meetings remotely via live streaming
- Vote online remotely on resolution(s) tabled at meetings

(referred to as "**e-Services**").

The usage of the e-Portal is dependent on the engagement of the relevant e-Services by Glomac Berhad and is by no means a guarantee of availability of use, unless we are so engaged to provide. **All users are to read, agree and abide to all the Terms and Conditions of Use and Privacy Policy as required throughout the e-Portal.**

**Please note that the e-Portal is best viewed on the latest versions of Chrome, Firefox, Edge and Safari.**

**REQUIRE ASSISTANCE?**

Please contact our poll administrators at our general line (DID: +603 2084 9000) to request for e-Services Assistance during our office hours on Monday to Friday from 8:30 a.m. to 12:15 p.m. and from 1:15 p.m. to 5:30 p.m. Alternatively, you may email us at ***eservices@sshsb.com.my***.

**BEFORE THE MEETING**

**(A) Sign up for a user account at Securities Services e-Portal**
*Only if you are not an existing registered user*

**(B) Register for Remote Participation**
*Where you wish to participate remotely at the meeting*

**OR**

**(C) Submit e-Proxy Form**
*Where you wish to appoint proxy(ies) to participate remotely on your behalf (you may also submit the hard copy Proxy Form)*

**ON THE DAY OF THE MEETING**

**(D) Join the Live Stream Meeting (eLive)**

**AND**

**(E) Vote Online Remotely during the Meeting (eVoting)**

# ADMINISTRATIVE DETAILS

FOR THE THIRTY-NINTH ANNUAL GENERAL MEETING

## BEFORE THE MEETING

### (A) Sign up for a user account at Securities Services e-Portal

Step 1 Visit ***https://sshsb.net.my/***
Step 2 Sign up for a user account
Step 3 Wait for our notification email that will be sent within one (1) working day
Step 4 Verify your user account within seven (7) days of the notification email and log in

- We require 1 working day to process all user sign-ups. If you do not have a user account with the e-Portal, you will need to sign up for a user account by the deadlines stipulated below.
- Your registered email address is your User ID.

**To register for the meeting under (B) below, please sign up for a user account by 23 October 2023.**

**To submit e-Proxy Form under (C) below, please sign up for a user account by 19 October 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 Glomac Berhad under Company Name and **39th AGM on 25 October 2023 at 10:00 a.m. – Registration for Remote Participation** under Corporate Exercise / Event and click ">" to register for remote participation at the meeting.

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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 one (1) file. The original evidence of authority and translation thereof, if required, have to be submitted at the office of SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan for verification before the registration closing date and time above.*

Step 2 Submit your registration.

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- 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 18 October 2023.
- A copy of your e-Registration for remote participation can be accessed via **My Records** (refer to the left navigation panel).
- Your registration will apply to **all the CDS account(s)** of each individual shareholder / body corporate shareholder that you represent. If you are both an individual shareholder and representative of body corporate(s), you need to register as an individual and also as a representative for each body corporate.
- As the meeting will be conducted on a virtual basis, we highly encourage all shareholders to remotely participate and vote at the meeting, failing which, please appoint the Chairman of the meeting as proxy or your own proxy(ies) to represent you.

# ADMINISTRATIVE DETAILS

FOR THE THIRTY-NINTH ANNUAL GENERAL MEETING

| (C) Submit e-Proxy Form | |
|---|---|
| **Meeting Date and Time** | **Proxy Form Submission Closing Date and Time** |
| Wednesday, 25 October 2023 at 10:00 a.m. | Monday, 23 October 2023 at 10:00 a.m. |

- Log in to ***https://sshsb.net.my/*** with your registered email and password.
- Look for Glomac Berhad under Company Name and **39th AGM on 25 October 2023 at 10:00 a.m. – Submission of Proxy Form** under Corporate Exercise / Event and click ">" to submit your proxy forms online for the meeting by the submission closing date and time above.

Step 1 Check if you are submitting the proxy form as -

- Individual shareholder
- Corporate or authorised representative of a body corporate
  *For body corporates, the appointed corporate / authorised representative is to upload the evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). All documents that are not in English or Bahasa Malaysia have to be accompanied by a certified translation in English in one (1) file. The original evidence of authority and translation thereof, if required, have to be submitted at the office of SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan for verification before the proxy form submission closing date and time above.*

Step 2 Enter your CDS account number or the body corporate's CDS account number. Then enter the information of your proxy(ies) and the proportion of your securities to be represented by your proxy(ies).
**You may appoint the Chairman of the meeting as your proxy where you are not able to participate remotely.**

Step 3 Proceed to indicate how your votes are to be casted against each resolution.

Step 4 Review and confirm your proxy form details before submission.

- A copy of your submitted e-Proxy Form can be accessed via **My Records** (refer to the left navigation panel).
- You need to submit your e-Proxy Form for **every CDS account(s)** you have or represent.

**PROXIES**

**All appointed proxies need not register for remote participation under (B) above but if they are not registered users of the e-Portal, they will need to sign up as users of the e-Portal under (A) above by 19 October 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 e-Portal, failing which, the proxy will not be able to participate at the meeting as the meeting will be conducted on a virtual basis.

# ADMINISTRATIVE DETAILS

FOR THE THIRTY-NINTH ANNUAL GENERAL MEETING

| ON THE DAY OF THE MEETING | |
|---|---|
| Log in to *https://sshsb.net.my/* with your registered email and password | |
| **(D) Join the Live Stream Meeting (eLive)** | |
| **Meeting Date and Time** | **eLive Access Date and Time** |
| Wednesday, 25 October 2023 at 10:00 a.m. | Wednesday, 25 October 2023 at 9:30 a.m. |

➢ Look for Glomac Berhad under Company Name and **39th AGM on 25 October 2023 at 10:00 a.m. – Live Stream Meeting** under Corporate Exercise / Event and click “>” to join the meeting.

- The access to the live stream meeting will open on the abovementioned date and time.
- If you have any questions to raise, you may use the text box to transmit your question. The Chairman / Board / Management / relevant adviser(s) will endeavour to broadcast your question and their answer during the meeting. Do take note that the quality of the live streaming is dependent on the stability of the internet connection at the location of the user.

| (E) Vote Online Remotely during the Meeting (eVoting) | |
|---|---|
| **Meeting Date and Time** | **eVoting Access Date and Time** |
| Wednesday, 25 October 2023 at 10:00 a.m. | Wednesday, 25 October 2023 at 10:00 a.m. |

➢ If you are already accessing the Live Stream Meeting, click Proceed to Vote under the live stream player. OR

➢ If you are not accessing from the Live Stream Meeting and have just logged in to the e-Portal, look for **Glomac Berhad** under Company Name and **39th AGM on 25 October 2023 at 10:00 a.m. – Remote Voting** under Corporate Exercise / Event and click “>” to remotely cast and submit the votes online for the resolutions tabled at the meeting.

Step 1 Cast your votes by clicking on the radio buttons against each resolution.
Step 2 Review your casted votes and confirm and submit the votes.

- The access to eVoting will open on the abovementioned date and time.
- Your votes casted will apply throughout all the CDS accounts you represent as an individual shareholder, corporate / authorised representative and proxy. Where you are attending as a proxy, and the shareholder who appointed you has indicated how the votes are to be casted, we will take the shareholder’s indicated votes in the proxy form.
- The access to eVoting will close as directed by the Chairman of the meeting.
- A copy of your submitted eVoting can be accessed via **My Records** (refer to the left navigation panel).

# PROXY FORM

GLOMAC BERHAD
[Registration No: 198301015139 (110532-M)]
(Incorporated in Malaysia)

| | | | |
|---|---|---|---|
| **No. of shares** | | **CDS Account No.** | |
| **Contact No.** | | **Email address** | |

I/We ____________________________________________________________
(FULL NAME IN BLOCK LETTERS)

(NRIC / Passport No. / Registration No. / Company No.) ______________________________

of ____________________________________________________________
(FULL ADDRESS)

being a member(s) of **GLOMAC BERHAD ("the Company")** hereby appoint:

| Full Name (In Block) | NRIC/ Passport No. | Contact No. | Proportion of Shareholdings | |
|---|---|---|---|---|
| Address | | | No. of shares | % |
| | | | | |

*and/or

| Full Name (In Block) | NRIC/ Passport No. | Contact No. | Proportion of Shareholdings | |
|---|---|---|---|---|
| Address | | | No. of shares | % |
| | | | | |

*and/or the Chairman of the Meeting as *my/our proxy(ies) to vote for *me/us and on *my/our behalf at the Thirty-Ninth Annual General Meeting ("**39th AGM**") of the Company to be held on a **virtual basis** at the broadcast venue at the Board Room, Glomac Berhad, Level 15, Menara Glomac, Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur through live streaming and online remote voting using remote participation and voting facilities via Securities Services e-Portal on Wednesday, 25 October 2023 at 10:00 a.m. or any adjournment thereof.

My/Our proxy(ies) *is/are to vote as indicated below (if no indication is given *my/our proxy(ies) will vote or abstain from voting at *his/their discretion):

| | **RESOLUTIONS** | **For** | **Against** |
|---|---|---|---|
| **Ordinary Resolution 1** | To approve the payment of a single-tier final dividend of 1.25 sen per ordinary share for the financial year ended 30 April 2023. | | |
| **Ordinary Resolution 2** | To approve the payment of Directors' fees of RM400,000.00 payable to the Directors from 26 October 2023 until the date of the next Annual General Meeting of the Company to be held in year 2024. | | |
| **Ordinary Resolution 3** | To approve the payment of Directors' benefits payable to the Directors of an amount of up to RM200,000.00 from 26 October 2023 until the date of the next Annual General Meeting of the Company to be held in year 2024. | | |
| **Ordinary Resolution 4** | To re-elect Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor. | | |
| **Ordinary Resolution 5** | To re-elect Ms. Choo Shan. | | |
| **Ordinary Resolution 6** | To re-elect Encik Mohd Adzahar bin Abdul Wahid. | | |
| **Ordinary Resolution 7** | To re-appoint Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | | |
| **Special Businesses** | | | |
| **Ordinary Resolution 8** | To approve the authority to issue shares pursuant to the Companies Act 2016 and to waive the pre-emptive rights. | | |
| **Ordinary Resolution 9** | To approve the proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature. | | |
| **Ordinary Resolution 10** | To approve the proposed renewal of share buy-back authority. | | |

** Strike out whichever not applicable*

Dated this _________ day of _______________ 2023 Signature/Seal _____________________________

**Notes:**

**Information for shareholders/proxies/corporate representatives**

1. The Broadcast Venue, which is the main venue of the 39th AGM of the Company, is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 ("**the Act**") and Clause 78 of the Company's Constitution, which require the Chairman to be present at the main venue of the 39th AGM of the Company. Accordingly, members, proxies and/or corporate representatives **WILL NOT BE ALLOWED** to be physically present at the Broadcast Venue on the day of the 39th AGM of the Company.

2. In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 October 2023 (General Meeting Record of Depositors) shall be eligible to participate in the 39th AGM of the Company or appoint proxy(ies) to participate and/or vote in his/her stead.

   As guided by the Securities Commission Malaysia's Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers and its subsequent amendments, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders, proxies and/or corporate representatives shall communicate with the main venue of the 39th AGM of the Company via real-time submission of typed texts through a text box within Securities Services e-Portal's ("**SSeP**") platform during the live streaming of the 39th AGM of the Company as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders, proxies and/or corporate representatives may email their questions to ***eservices@sshsb.com.my*** during the 39th AGM of the Company. The questions and/or remarks submitted by the shareholders, proxies and/or corporate representatives will be broadcasted and responded to by the Chairman/Board of Directors/relevant advisers during the Meeting.

3. A member (including authorised nominee) entitled to participate and vote at the 39th AGM of the Company shall be entitled to appoint one (1) or more proxy(ies) to participate, speak and vote in his/ her stead. Where a member appoints more than one (1) proxy in relation to a meeting, the member shall specify the proportion of his/her shareholdings to be represented by each proxy, failing which the appointment shall be invalid.

4. A proxy may but does not need to be a member of the Company and a member may appoint any person to be his/her proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate, speak and vote at the 39th AGM of the Company shall have the same rights as the shareholder to speak at the 39th AGM of the Company.

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

6. 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 its holds.

7. **Publication of Notice of the 39th AGM of the Company and Proxy Form on the corporate website**
Pursuant to Section 320(2) of the Act, a copy of the Notice of the 39th AGM of the Company together with the Proxy Form are available at the corporate website of Glomac at ***https://www.glomac.com.my/shareholders-meeting/***.

8. **Submission of Proxy Form in either hard copy form or electronic form**

The appointment of proxy(ies) may now be made either in hard copy form or by electronic form and shall be deposited with the Company's Poll Administrator namely, SS E Solutions Sdn. Bhd., either at the designated office as stated below or vide SSeP, not less than forty-eight (48) hours before the time appointed for holding the 39th AGM of the Company or adjournment thereof (i.e., on or before Monday, 23 October 2023 at 10:00 a.m.):

| Mode of Submission | Designated Address |
|---|---|
| Hard copy | SS E Solutions Sdn. Bhd.<br>Level 7, Menara Milenium, Jalan Damanlela,<br>Pusat Bandar Damansara, Damansara Heights,<br>50490 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur |
| Electronic appointment | 1) Fax: 03-2094 9940 and/or 03-2095 0292<br>2) Email: ***eservices@sshsb.com.my***<br>3) via SSeP at: ***https://sshsb.net.my/*** |

9. **Appointment of proxy and registration for remote participation and voting**

The lodging of the Proxy Form will 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 proxy authority in writing is given to the Company and deposited with the Company's Poll Administrator, SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or via SSeP at ***https://sshsb.net.my/*** not less than twenty-four (24) hours before the time stipulated for holding the 39th AGM of the Company or at any adjournment thereof. All resolutions set out in this Notice of the Meeting are to be voted by poll. Should you wish to personally participate in the Meeting remotely, please register electronically via SSeP at ***https://sshsb.net.my/*** by the registration cut-off date and time. Please refer to the Administrative Details for the 39th AGM for further details.

The Administrative Details for the 39th AGM is available for download at ***https://www.glomac.com.my/shareholders-meeting/.***

Affix Stamp

**SS E Solutions Sdn. Bhd.**
Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights, 50490 Kuala Lumpur

# PERSONAL DATA NOTICE

The Personal Data Protection Act 2010 ("Act") regulates the processing and use of personal data in commercial transactions and applies to Glomac Berhad (**"Glomac" or "the Company"**).

Personal data, including but not limited to your (or your proxy/proxies/corporate representative(s), if appointed) name, NRIC number or passport number, CDS account number, contact details, mailing address and any other personal data furnished or made available to the Company, will be used or disclosed by the Company and the Company's personnel for the purpose of the Thirty-Ninth Annual General Meeting of the Company as well as for disclosure requirements imposed by law or any other regulatory authorities from time to time including but not limited to the Stock Exchange, Companies Commission of Malaysia and Securities Commission Malaysia ("Purpose"). The Company shall retain the personal data for so long as it is necessary for the fulfilment of the Purpose or for compliance with any law or legal obligations.

If you wish to make any enquiries regarding this Personal Data Notice or any personal data disclosed to the Company, please contact the Company at:

**Mailing Address :** **SECURITIES SERVICES (HOLDINGS) SDN BHD**
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur.

**Attention to** : Chua Siew Chuan
Company Secretary

Chin Mun Yee
Company Secretary

**Telephone No** : +603 2084 9000
**Fax** : +603 2094 9940

Please ensure that your proxy/proxies/corporate representative(s) consent to the disclosure of their personal data for the Purpose.

www.glomac.com.my

**GLOMAC BERHAD**
[Registration No: 198301015139 (110532-M)]

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