MALTON
BERHAD
[Registration No: 199401035205 (320888-T)]



ANNUAL REPORT **2024**

MALTON

VISION

- To be the leading lifestyle and innovative property developer in the region.

MISSION

- To lead through innovative designs, concepts and products.
- To create enduring value to customers through quality and creative craftmanship, good master planning and service experience.
- To be responsive to market trends and lifestyle aspirations for the future.
- To deliver sustainable returns to shareholders.





MALTON BERHAD

[Registration No: 199401035205 (320888-T)]

Annual Report 2024

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Lim Siew Choon
Non-Independent Non-Executive Chairman

Datuk Hong Lay Chuan
Executive Director

Dato' Siew Mun Wai
Independent Non-Executive Director

Baharum Bin Harun
Independent Non-Executive Director

Puan Sri Tan Kewi Yong
Executive Director

Chua Thian Teck
Executive Director

Arunasalam A/L Muthusamy
Independent Non-Executive Director

AUDIT COMMITTEE

Arunasalam A/L Muthusamy
Chairman

Dato' Siew Mun Wai
Member

Baharum Bin Harun
Member

NOMINATING COMMITTEE

Arunasalam A/L Muthusamy
Chairman

Dato' Siew Mun Wai
Member

Baharum Bin Harun
Member

REMUNERATION COMMITTEE

Arunasalam A/L Muthusamy
Chairman

Baharum Bin Harun
Member

Chua Thian Teck
Member

COMPANY SECRETARY

Hor Shiow Jei
(MAICSA 7023954)
(SSM PC No. 202008003615)

REGISTERED OFFICE

19-0, Level 19, Pavilion Tower
75, Jalan Raja Chulan
50200 Kuala Lumpur
E-mail: corpservices@malton.com.my
Tel 603-2088 2888
Fax 603-2088 2999

SHARE REGISTRAR

ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
E-mail: ir@shareworks.com.my
Tel 603-6201 1120
Fax 603-6201 3121

AUDITORS

Deloitte PLT (AF 0080)
Chartered Accountants

PRINCIPAL BANKERS

Affin Bank Berhad
Alliance Bank Malaysia Berhad
Al Rajhi Banking & Investment Corporation (Malaysia) Bhd
AmBank (M) Berhad
HSBC Amanah Malaysia Berhad
Industrial and Commercial Bank of China (Malaysia) Berhad
Malayan Banking Berhad
MBSB Bank Berhad
MIDF Amanah Investment Bank Berhad
RHB Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

COMPANY WEBSITE

www.malton.com.my

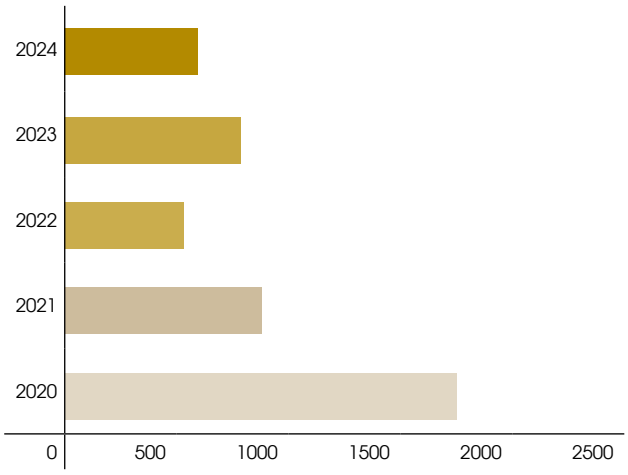
CORPORATE STRUCTURE 25 October 2024

MALTON BERHAD GROUP

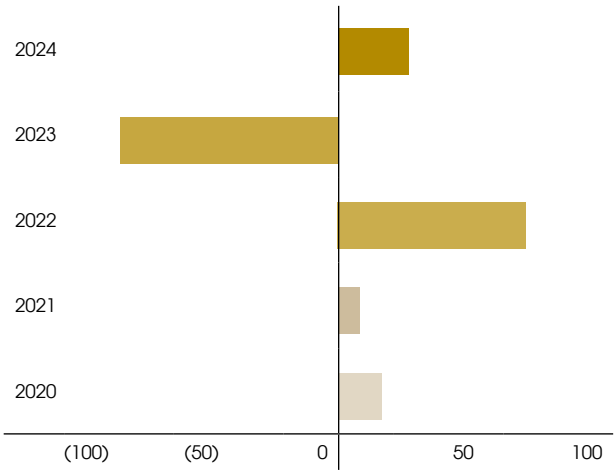


GROUP FINANCIAL HIGHLIGHTS

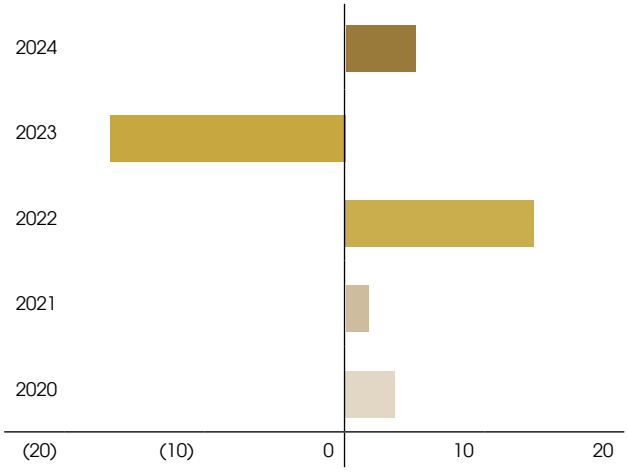
Revenue (RMmil)



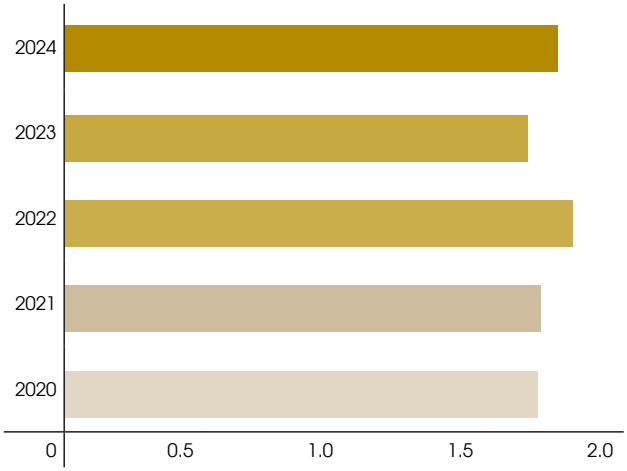
Profit/(Loss) After Taxation (RMmil)



Basic Earnings/(Loss) Per Share (Sen)



Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (RM)



Year Ended 30 June	2024	2023	2022	2021	2020
Revenue (RM'000)	684,732	831,917	645,241	999,173	1,809,022
Profit/(Loss) Before Taxation (RM'000)	43,773	(77,171)	129,497	22,634	51,584
Profit/(Loss) After Taxation (RM'000)	25,888	(98,827)	75,778	1,169	17,660
Total Comprehensive Income/(Loss) Attributable to Owners of the Company (RM'000)	29,791	(83,286)	76,234	2,620	18,088
Share Capital (RM'000)	528,552	528,552	528,552	528,552	528,552
Equity Attributable to Equity Holders of the Company (RM'000)	950,060	920,269	1,003,555	927,321	924,701
Total Assets (RM'000)	2,271,769	2,564,535	2,556,145	2,640,511	2,380,918
Basic Earnings/(Loss) Per Share (Sen)	5.64	(15.77)	14.43	0.50	3.42
Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (RM)	1.80	1.74	1.90	1.76	1.75

BOARD OF DIRECTORS

TAN SRI LIM SIEW CHOON

Malaysian Male/ Non-Independent Non-Executive Chairman

Tan Sri Lim Siew Choon, age 64, received his tertiary education in the United States of America and graduated with a Degree in Business Administration and Finance from University of Central Oklahoma. He has more than 41 years of management experience in property development, construction, retail design, retail development as well as corporate management.

He was appointed the Executive Chairman of Malton Berhad on 15 February 2001. He was redesignated Non-Executive Chairman of Malton Berhad on 3 January 2017. He attended all five board meetings held during the financial year ended 30 June 2024. He is the Chairman and Non-Independent Executive Director of Pavilion REIT Management Sdn Bhd, the Manager of Pavilion Real Estate Investment Trust and Executive Chairman of WCT Holdings Berhad. Both Pavilion Real Estate Investment Trust and WCT Holdings Berhad are listed on the Main Market of Bursa Malaysia Securities Berhad. His spouse, Puan Sri Tan Kewi Yong is an Executive Director and a major shareholder of Malton Berhad. He does not have any conflict of interest with Malton Berhad other than the disclosures made under Related Party Transactions and Balances in the Financial Statements on pages 207 to 209 of this Annual Report.

He is a major shareholder of Malton Berhad. His interests in the shares of Malton Berhad are set out in the Statement of Shareholders pages 240 to 242 of this Annual Report. He has not been convicted for any offences within the past 5 years other than traffic offences, if any. He has not been imposed with any public sanction or penalty by relevant regulatory bodies during the financial year.

PUAN SRI TAN KEWI YONG

Malaysian Female/Executive Director

Puan Sri Tan Kewi Yong, age 68, pursued her tertiary education in the United Kingdom majoring in Business and Marketing Studies. She was instrumental in setting up various successful business ventures since her initial involvement in trading and distribution businesses. Having acquired knowledge in diverse range of business and industry sectors, she possesses experience and expertise ranging from retail, marketing, finance and strategic management. She continues to extend her scope of experience, having been involved actively in the property development and real estate investment sectors.

She was appointed an Executive Director of Malton Berhad on 19 February 2002. She attended all five board meetings held during the financial year ended 30 June 2024. She is a Non-Independent Executive Director of Pavilion REIT Management Sdn Bhd, the Manager of Pavilion Real Estate Investment Trust, also listed on the Main Market of Bursa Malaysia Securities Berhad.

Her spouse, Tan Sri Lim Siew Choon is the Non-Independent Non-Executive Chairman and a major shareholder of Malton Berhad. She does not have any conflict of interest with Malton Berhad other than the disclosures made under Related Party Transactions and Balances in the Financial Statements on pages 207 to 209 of this Annual Report. She does not hold any shares in Malton Berhad other than the disclosures made in the Statement of Shareholders on pages 240 to 242 of this Annual Report. She has not been convicted for any offences within the past 5 years other than traffic offences, if any. She has not been imposed with any public sanction or penalty by relevant regulatory bodies during the financial year.

DATUK HONG LAY CHUAN

Malaysian Male/Executive Director

Datuk Hong Lay Chuan, age 66, holds a Bachelor of Science degree in Housing, Building & Planning. His 40 years of working experience covers several business sectors including Banking & Finance, Trading, Retail & Property Management, Property Development and Construction.

He had 15 years of experience in the retail banking industry before joining the group as General Manager in charge of banking and project financing. He was seconded to a Trading, Retail & Property Development company as an Executive Director for several years before rejoining Malton Group in 2003 as an Executive Director of Bukit Rimau Development Sdn Bhd, a wholly-owned subsidiary of Malton Berhad.

He was appointed an Executive Director of Malton Berhad on 19 February 2009. He attended all five board meetings held during the financial year ended 30 June 2024. He has no family relationship with any of the Directors and/or major shareholders of Malton Berhad. He does not have any conflict of interest with Malton Berhad. He does not hold any shares in Malton Berhad. He has not been convicted for any offences within the past 5 years other than traffic offences, if any. He has not been imposed with any public sanction or penalty by relevant regulatory bodies during the financial year.

CHUA THIAN TECK

Malaysian Male/Executive Director

Mr Chua Thian Teck, age 65, is a Fellow Member of the Association of Chartered Certified Accountants. He has more than 32 years of experience in accounting and financial services and in the course of his career, has acquired valuable knowledge particularly in corporate planning and finance.

He was appointed an Executive Director of Malton Berhad on 25 September 2002. He is a member of the Remuneration Committee.

He attended all five board meetings held during the financial year ended 30 June 2024. He has no family relationship with any of the Directors and/or major shareholders of Malton Berhad. He does not have any conflict of interest with Malton Berhad. He does not hold any shares in Malton Berhad. He has not been convicted for any offences within the past 5 years other than traffic offences, if any. He has not been imposed with any public sanction or penalty by relevant regulatory bodies during the financial year.

BOARD OF DIRECTORS
(cont'd)

Dato' Edward Siew Mun Wai
Malaysian Male/Independent Non-Executive Director

Dato' Edward Siew Mun Wai, age 67, was appointed to the Board on 1 August 2018 as our Independent Non-Executive Director and a member of the Audit Committee. On 31 May 2023, he was appointed a member of the Nominating Committee.

He is a Fellow Member of the Institute of Chartered Accountants in England & Wales (ICAEW), Business Finance Professional (ICAEW), a Chartered Accountant of the Malaysian Institute of Accountants and was awarded ICAEW's Certificate in Sustainability.

After completing his ICAEW with over 8 years public practice in London, he returned to Malaysia and worked briefly for a local bank until recruited to join HSBC in its Hong Kong headquarters. This was followed by over 26 years of international expatriation in C-suite roles at the L'Oreal Group and the Ciba-Geigy (now Novartis) Group, managing their subsidiaries in Melbourne, Seoul, Paris, Bangkok, Singapore, Jakarta, Taipei and Hong Kong. He was on the Boards of these subsidiaries representing the public listed parent company's interests.

Following his repatriation to Malaysia on the Talent Corp program, he was the Acting Global CEO/Global CFO of Crabtree & Evelyn London until its divestment. From 2011-2014, he was an Independent Director and Audit Committee Chairman of an ASX-listed junior mining company. He was Vice-Chairman of the Taipei English School and Board member of the Taipei European Schools, Associate Faculty Member of the Othman Yeop Abdullah Graduate School of Business at Universiti Utara Malaysia, current member of the Sunway University Business School Industry Advisory Board and a pro-bono guest speaker at various local Universities and the Malaysian Institute of Corporate Governance.

Presently, he also sits on the board of directors of Karex Berhad and Prestar Resources Berhad as an Independent Non-Executive Director. He is the Chairman of Karex Berhad's Audit Committee and Remuneration Committee and a member of the Nomination Committee, Risk Management Committee and Employee Share Option Scheme (ESOS) Committee, a sub-committee under the Remuneration Committee, Chairman of Prestar Resources Berhad's Audit Committee and a member of its Nomination and Remuneration Committees. In addition, he is an Executive Director of a private company operating a premium grocery brand.

He has attended all five Board Meetings held during the financial year ended 30 June 2024. He does not have any family relationship with any Director and/or Major Shareholder of Malton Berhad and has no conflict of interest with Malton Berhad. He does not hold any shares in Malton Berhad. He has not been convicted of any offences within the past 5 years other than traffic offences, if any. There were no sanctions and/or penalties imposed on him by any relevant regulatory bodies, which were material and made public during the financial year ended 30 June 2024.

Arunasalam A/L Muthusamy
Malaysian Male/ Independent Non-Executive Director

Mr Arunasalam A/L Muthusamy, age 67, is a Fellow Member of the Association of Chartered Certified Accountants, a Chartered Accountant of the Malaysian Institute of Accountants and a member of Chartered Tax Institute of Malaysia and Financial Planning Association of Malaysia.

Mr Arunasalam has more than 37 years of financial experience including accountancy, internal and external auditing, taxation and banking. He joined Deloitte Kassim Chan Kuala Lumpur in 1986 as trainee accountant. In 1992, he left the accounting firm to join AMMB Holdings Berhad as head of Group Finance, where he served for 21 years before leaving the bank in 2013. In mid-2014, Mr Arunasalam joined an accounting firm, Ahamad Naina Mydin & Associates, as Principal, where he was responsible for overseeing the audit, accounting, tax and secretarial services.

He was appointed an Independent Non-Executive Director on 31 May 2023. He serves as Chairman of the Audit Committee, Nominating Committee and Remuneration Committee.

He attended all five board meetings held during the financial year ended 30 June 2024. He does not have any family relationship with any Director and/or Major Shareholder of Malton Berhad and has no conflict of interest with Malton Berhad. He does not hold any shares in Malton Berhad. He has not been convicted for any offences within the past 5 years, other than traffic offences, if any. He has not been imposed with any public sanction or penalty by relevant regulatory bodies during the financial year.

Baharum Bin Harun
Malaysian Male/ Independent Non-Executive Director

Encik Baharum Bin Harun, age 64, holds a Malaysia Certificate of Education. He worked for the Malaysian Government for 21 years. In 1979, he joined the office of former Prime Minister of Malaysia, Tunku Abdul Rahman Putra Al-Haj, where he worked until 1984. Thereafter, he served at the Prime Minister's Department as an Administrative Officer until year 2000. From 2000 to 2019, he was the Personal Assistant to Tan Sri Datuk Ab Aziz Bin Ismail, assisting in corporate affairs. He has been involved in various advisory projects since year 2000.

He was appointed an Independent Non-Executive Director of Malton Berhad on 3 July 2023. He is a member of the Audit Committee, Nominating Committee and Remuneration Committee. He attended all five board meetings held during the financial year ended 30 June 2024. He does not have any family relationship with any Director and/or Major Shareholder of Malton Berhad and has no conflict of interest with Malton Berhad. He does not hold any shares in Malton Berhad. He has not been convicted for any offences within the past 5 years, other than traffic offences, if any. He has not been imposed with any public sanction or penalty by relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT

KELVIN CHOO YUNG YAU

Malaysian Male/Chief Executive Officer, Property Development

Mr Kelvin Choo, age 59, a civil engineer by profession, graduated with Bachelor of Civil Engineering at University of Newcastle, Australia. He is a registered engineer with Board of Engineers and Institute of Engineers Malaysia. He has 34 years of experience in the property and construction industries. He started his career in engineering consultancy services at J.K (SEA) Sdn Bhd, followed by HS Liao Sdn Bhd. He started his property development experience at Sunway City Berhad where he rose to general management position as Unit Profit Centre Manager (UPCM) in charge of a few townships' development within Klang Valley. Subsequently, he joined Tropicana Corporation Berhad where he served as Project Managing Director for townships development.

He is elected as Secretary to Real Estate & Housing Developer Association, Selangor Branch (REHDA-Selangor) for year 2024 - 2026. He is also involved with REHDA Malaysia and served as guest speaker for students enrolled for Master of Real Estates Development (MRED) master's degree programme at University TAR.

He joined Malton Berhad as Chief Executive Officer of Property Development Division on 15 December 2020. He leads the overall operation and management of the Property Development division including assisting the Board in setting strategic goals objectives, budgets, policies and procedures, growth and profitability.

He has no family relationship with any of the Directors and/or major shareholders of Malton Berhad. He does not have any conflict of interest with Malton Berhad. He does not hold any shares in Malton Berhad. He has not been convicted for any offences within the past 5 years other than traffic offences, if any. He has not been imposed with any public sanction or penalty by relevant regulatory bodies during the financial year.

LIM WING KHONG

Malaysian Male/Chief Operating Officer, Construction

Mr Lim Wing Khong, age 57, graduated from Tunku Abdul Rahman College in Material Science and holds a Bachelor of Science in Construction Management from Heriot Watt University. He has more than 32 years of experience in the construction industry with extensive knowledge and expertise in construction planning and implementation, developing and mentoring staff and has led the operation of a construction business which successfully delivered township and high rise residential projects.

He was appointed Chief Operating Officer of Domain Resources Sdn Bhd, a wholly-owned subsidiary of Malton Berhad and the construction arm of Malton Group on 1 December 2021 and presently manages the operations of the construction projects. He is a brother of Tan Sri Lim Siew Choon, Non-Independent Non-Executive Chairman and major shareholder of Malton Berhad. He does not have any conflict of interest with Malton Berhad. He does not hold any shares in Malton Berhad. He has not been convicted for any offences within the past 5 years other than traffic offences, if any. He has not been imposed with any public sanction or penalty by relevant regulatory bodies during the financial year.

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and the Financial Statements of Malton Berhad (Malton) and its subsidiaries (Group) for the financial year ended 30 June 2024 (FY2024).

PROGRESSIVE ECONOMIC GROWTH

FY2024 has been a year of constant development and enhancement while managing various challenges. Global and local economic conditions continue to create a complex environment. Persistent geopolitical conflicts, such as the ongoing tensions in Russia/Ukraine and Palestine/Israel, along with the trade war between China and the United States, have contributed to global uncertainties. Rising inflation and tighter financial conditions have seen a marked tightening of monetary policy. This is in addition to the disruption in the supply chain and increased pricing of products and services across countries.

Despite the challenges, the global economy experienced significant growth in 2023 with a 3.0% expansion in gross development product (GDP). Malaysia's economy saw a 3.7% year-on-year (y-o-y) GDP growth, driven by ongoing economic recovery and improved labour market conditions. This growth was primarily due to strong domestic demand, backed by robust private and public spending, reflecting the nation's recovery and optimism.

Bank Negara Malaysia's decision to maintain the Overnight Policy Rate (OPR) at 3.0% since May 2023 has contributed to the resilient economic performance and property market growth last year. During 2023, residential property transactions continued to increase, albeit much slower. Malaysia's total volume of property transactions rose by a modest 3.0% from a year earlier, a sharp deceleration from an annual growth of 22.3% in 2022.

As economic conditions started to improve this year, property demand continued to increase and achieved its best growth in the first half of 2024 (1H2024), with transactions and value increasing by 8.0% and 23.8% y-o-y, respectively. The upscale high-rise residential market in the Klang Valley and Johor has experienced significant growth, indicating a renewed interest in investment. This growth was attributed to strategic developments, strong economic expansion, and adaptable market trends. Johor's residential market has benefited from infrastructure developments, notably the proposed Special Financial Zone and the revival of the Rapid Transit System connecting Johor to Singapore. There have been active landbank transactions among industry players and local manufacturers, especially in Iskandar Malaysia, attracting foreign investors. These initiatives have led to an increase in property transactions.

Malaysia's pro-business and friendly policies implemented throughout the MADANI administration have been fruitful in increasing investors' confidence. Malaysia approved its highest-ever foreign direct investments of RM329.5 billion in 2023, 23.0% higher than in 2022. The ringgit continued to strengthen since the beginning of 2024, appreciated by 11.4% against the US dollar as at 30 September 2024.

Similarly, the construction sector showed a healthy upward trend of 14.6% in 1H2024, boosted by major infrastructure projects like the Mass Rapid Transit 3 and Bayan Lepas Light Rail. As Malaysia experienced notable growth in its property and construction sectors, it also encountered ongoing challenges, notably inflation, supply chain disruptions, fluctuating raw material prices, and labour shortages.

Developers still grapple with high financing and building material costs, with sand and concrete prices increasing by more than 10.0% annually, thereby adding pressure on operational expenses. As such, the primary hurdle in property acquisition was the high property prices, resulting in many home seekers turning to more affordable alternatives like renting. In the meantime, the industry faced a concerning shortage of skilled workers, struggling with a deficit of around 300,000 workers, which hindered its capacity to meet the country's construction needs.

CHAIRMAN'S STATEMENT
(cont'd)

MILESTONES AND BRAND RECOGNITIONS

FY2024 has brought incredible honours, marking a remarkable milestone in the Malton brand's journey. As we strengthen our brand presence in the market by differentiating ourselves through unique premium lifestyle offerings and value propositions, I am honoured to share the accolades received during the year. The string of awards solidifies Malton's reputation, trust, expertise, and contributions to urban transformations and sustainable developments in Malaysia. Our employees' dedication and passion for innovation and value creation to meet the evolving needs of homebuyers have contributed to our success. The support and loyalty of our homebuyers have also played a significant role in our brand achievements as we celebrate this successful brand journey.



- 'Malaysia Developer Awards 2024' – Top 10 (Below RM1 billion) by FIABCI-Malaysia and Star Media Group
- 'Best Developer' (Central Malaysia) by Property Guru
- 'Best Developer' by Des Prix Infinitus Media ASEAN Property Developer Awards
- 'People's Choice Award' (Top 10 Developers) by Property Guru
- 'Best Township Development' (Central) for Bukit Jalil City by Property Guru
- 'Best Completed High-Rise Development' (The Park 2 Pavilion Bukit Jalil) by Property Guru
- 'Top 30 in The Edge Malaysia Top Property Developers Awards 2023'
- 'Highest PAT Growth Over Three Years' in The Edge Malaysia Centurion Club Corporate Awards 2023

MILESTONES AND BRAND RECOGNITIONS (cont'd)

Duta Park Residences, a high-rise development along Jalan Kuching, has been completed, marking another new milestone, with the handover of vacant possession of 1,376 units to homeowners since May 2024. We continued to leverage technology to improve Duta Park Residences homeownership journey through our MyMalton app. This all-in-one property management app is designed to make homeowners' lives easier by providing real-time data and enhanced customer experiences through their smart devices. Integrated with Pavilion privileges, homeowners can also access a wide range of exclusive promotions and exciting events at Pavilion lifestyle retail malls.

Duta Park residents enjoy an exclusive direct shuttle bus service to Pavilion Kuala Lumpur, Malaysia's premier shopping destination. Surrounded by prime hotspots along Jalan Kuching, this luxury serviced apartment is centrally located for convenience, connectivity, and city attractions, offering one of the best skyline city views.

Despite the challenges encountered in FY2024, Malton team's business agility and perseverance once again led to a turnaround from a loss last year. Details of the Group's financial performance and operational reviews are covered in this Annual Report's Management Discussion and Analysis section.



CHAIRMAN'S STATEMENT
(cont'd)

STRENGTHENING AND DRIVING GOVERNANCE BY THE BOARD

Corporate governance is crucial for guiding the entire organisation towards integrity, corporate responsibility, and accountability in all our Group's operations. In line with the Malaysian Code on Corporate Governance 2021 and the growing emphasis on sustainability, the Board of Directors (Board) has prioritised enhancing Malton's corporate governance by integrating sustainability practices.

Our robust framework includes a Conflict of Interest Policy and enhancements to strengthen the Board Charter, encompassing additional regulatory requirements. The Anti-Bribery and Anti-Corruption Policy, Whistleblowing Policy, and Data Privacy Policy are also part of the policies to guide employees at all levels within our organisation.

At Malton, we prioritise good corporate governance and integrity throughout our operations, especially at the Board and Senior Management levels. We believe these principles are essential for effective business administration and the successful execution of our strategies. Emphasising ethical practices, focusing on social and environmental performance, and meeting regulatory compliance are vital for creating and maintaining long-term value. These values are crucial for upholding the trust of our stakeholders and ensuring the integrity of our organisation.

Further details on our efforts to strengthen corporate governance practices in Malton are detailed in the Corporate Governance Statement as disclosed on pages 101 to 109 of this Annual Report.

PRIORITISING SUSTAINABILITY AND CLIMATE CHANGE AGENDA

Sustainability principles are incorporated into policies, procedures, and practices across various operational aspects, including business conduct, product design, construction and project management, talent management, community engagement, and societal impact.

Malton is cognisant that social and environmental concerns such as labour and human rights and climate change continue gaining traction, thus influencing the external operating environment in which businesses operate. As part of our management approach to managing material sustainability matters, we continue to monitor developments in the Environmental, Social and Governance (ESG) space and develop effective strategies to address related risks and opportunities.

We are progressively addressing the public's and stakeholders' demands for increased responsibility and performance in these areas. Therefore, we have initiated proactive efforts to incorporate ESG concepts into our operations for long-term sustainability and value creation. For example, as homebuyers are increasingly aware of climate change, leading to a rise in interest in green buildings and eco-friendly homes, we are adapting our product portfolio to meet this demand.

At the same time, the financial sector is also taking steps to facilitate the transition to sustainable development for real estate developers. Banks are introducing sustainable green finance solutions to assist developers in this shift, and we are constantly delivering products to capitalise on these demands.

To improve our disclosure of climate-related risks and opportunities, we are implementing the Task Force on Climate-Related Financial Disclosures for the first time this year. We have also established our Climate Change and Policy Statement this financial year.

Moving forward, we aim to identify climate-related risks and opportunities in our operations, integrating them into our risk management and internal control framework for effective climate risk management while developing our adaptation and mitigation strategies.

Further details on our Sustainability Statement are disclosed on pages 32 to 100 of this Annual Report.

PRIORITISING SUSTAINABILITY AND CLIMATE CHANGE AGENDA (cont'd)



The upcoming Park Green Pavilion Bukit Jalil which has achieved a Bronze Provisional GreenRE certification, is the final masterpiece of the 50-acre award-winning Bukit Jalil City township.

OUTLOOK & PROSPECTS FOR FY2025

Looking ahead to 2025, Malaysia's GDP is expected to sustain a healthy growth rate of 5.0%. The economy is on a good trajectory after surpassing the full-year target with a GDP growth of 5.1% in 1H2024. With positive growth catalysts to underpin the momentum in 2H2024, Malaysia's 2024 economy is poised to grow close to 4.8% to 5.3%.

Economic growth in 2H2024 is expected to be driven by domestic spending, with continued strong support from external demand. Factors that will continue to contribute to the economic surge include increased household spending, growth in employment and wages, higher capital expenditure, a recovery in exports, and policy measures. Advancements in multi-year projects in both private and public sectors will fuel investment activities. As of 1H2024, the total value of construction projects awarded was RM101.2 billion.

The construction sector is expected to remain resilient, with a forecasted growth of 9.4% in 2025, following a double-digit growth of 17.3% for the first three quarters of 2024. This growth is primarily driven by the acceleration of strategic infrastructure projects such as the East Coast Rail Line, Johor Bahru-Singapore Rapid Transit System (RTS), Penang Light Rail Transit, MyDigital 5G, and the expansion of the PLUS highway from Simpang Renggam to Machap.

CHAIRMAN'S STATEMENT
(cont'd)

OUTLOOK & PROSPECTS FOR FY2025 (cont'd)

Additionally, the construction industry is evolving alongside digital technology, including big data and artificial intelligence, leading to a significant increase in demand for data centres, particularly in Johor. This growth reflects a strengthened investment climate supported by strategic Government initiatives and a favourable regulatory environment.

Given the positive growth catalysts and the recently announced Budget 2025 themed 'Madani Economy', the Malaysian property market is expected to continue its positive momentum until 2025. Focusing on people-centric infrastructure and sustainability, integrated townships or mixed-use developments, and affordable housing will predominate the residential market.

This is primarily driven by a robust economic recovery and Government initiatives such as the extension of the Home Ownership Campaign 2.0, tax relief of up to RM7,000 of loan interest payments, stamp duty exemptions for properties below RM500,000, RM12.8 billion Housing Credit Guarantee Scheme on top of ongoing guarantee of RM10.0 billion and Step Up Financing Scheme, all aimed to spur first-time homebuyers housing accessibility. The more relaxed My Second Home Visa Liberalisation Plan will likely attract more foreign investment, while the stable OPR at 3.0% is favourable for property development.

We are optimistic about the Government's initiatives for Johor, including the completion of the Johor-Singapore RTS project by 2027, the establishment of the Johor-Singapore Special Economic Zone as a tax-free area and Forest City as a duty-free island to support tourism and boost the local economy. These initiatives will enhance the state's prospects for growth in industrial and commercial properties, thus greatly benefit Malton's township project, Rapid City Centre in Johor, positioning it as an attractive destination for investors and residents.

The Malaysian ringgit has been performing strongly against the US dollar and most regional currencies, reaching its highest level since 2022. The strengthening of the ringgit will further reinforce confidence among foreign investors to invest in Malaysia's real estate market, particularly with global tech companies establishing data centres in Malaysia.

As we anticipate potential growth in FY2025, Malton is keeping tab on looming headwinds such as escalating geopolitical conflicts and impact on economic trends, the Government's policy consistency and political stability, as well as inflation due to the incoming petrol subsidy rationalisation and the hike in the service tax rate. While we commend the proactive measures in Budget 2025, we are nevertheless cautious of the ongoing supply chain disruptions and pricing trends for key construction materials and a potential rise in building costs following the announcement of carbon tax and the removal of certain subsidies in Budget 2025.

These factors could have an impact on the country's economy, property, and construction growth. Our Group will remain vigilant, flexible, and adaptable to address the risks in our business operations. This will involve carefully planning new launches and managing our supply chain while leveraging our core strengths in prudent management, innovation, and branding. In response to the growing importance of climate change, Malton will incorporate more green technologies and sustainable materials to achieve enhanced eco-friendly developments in line with regulations and consumer expectations.



APPRECIATION

On behalf of the Board, I would like to express my sincere appreciation to our dedicated Senior Management and employees for their perseverance and agility in enabling us to overcome the hurdles in our financial year's journey.

I also thank our shareholders, customers, bankers, Government ministries, regulatory agencies, media, suppliers, and business partners for their continuing support and partnership.

Finally, to my esteemed Board members, I express my profound gratitude for your keen business acumen and collaborative engagement in another successful and meaningful financial year for our Group. On this note, I express deep gratitude for the late Mr. Paul Ravelli's 22 years of service as an Independent Non-Executive Director and Non-Independent Non-Executive Director. The Group highly values his past contributions and business insights.

As we move towards a more sustainable and prosperous future, Malton is building homes that will last for future generations while creating value and setting trends for harmonious living. We are committed to sustaining our positive performance momentum, enhancing shareholder value, and prioritising our caring and community lifestyle-centric developer role.

On behalf of the Board,
Malton Berhad

Tan Sri Lim Siew Choon
Non-Executive Chairman
25 October 2024

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis of Malton Berhad (Malton) and its subsidiaries (the Group) provide an extensive overview of the operational landscape and financial performance for the financial year ended 30 June 2024 (FY2024). It also outlines the Group's future prospects and plans for sustainable value creation and growth for Malton stakeholders.

Overall, the market landscape in FY2024 offered diverse challenges and opportunities for local developers. Despite the challenging environment in the last financial year, the Group has prudently improved its financial position, enabling it to remain on track with its business plan. The Group focused on driving operational efficiency onsite and across its administrative functions to mitigate the increase in building materials costs.

Malton has demonstrated remarkable resilience and adaptability. This underscores our capability to achieve meaningful growth while maintaining a strong commitment to creating sustainable value for our stakeholders.

OPERATING ENVIRONMENT OVERVIEW

Malaysia's property market recorded more than 399,000 transactions worth close to RM200.0 billion in 2023, an increase of 2.5% in terms of the number of transactions and a growth of 9.9% in value compared to 2022. The national real estate sector continued its recovery momentum in line with the positive economic outlook, supported by continuous injections for developing the national real estate sector, provided by the Government through the MADANI Budget 2024.

The residential subsector continued to contribute the largest share of transactions and recorded a marginal increase in both volume and value.

National Property Information Centre (NAPIC) reported a positive growth trend in property transactions, driven by an increase in transactions in all subsectors, namely residential (7.1%), commercial (17.5%), industrial (13.1%), agricultural (4.6%), and development land and others (13.8%) compared to 2022. New residential launches rose by 4.4% to 56,526 units (2022: 54,118 units), with a better sales performance of 40.4% (2022: 36.0%). The performance of shopping complexes witnessed moderate growth in 2023, as the occupancy rate increased slightly to 77.4%. The available space was reduced to 4.0 million square metres, while the availability rate decreased to 22.6%.

In the meantime, number of unsold residential properties continued to decrease in 2023, with 25,816 units worth RM17.68 billion recorded, showing a 7.0% reduction in volume and a 4.0% reduction in value compared to 2022. The Malaysia House Price Index reached 216.5 points (RM467,144 per unit) in 2023, indicating a moderate annual growth of 3.2%.

Despite inflationary pressures and global headwinds, Malaysia's property sector demonstrated commendable performance in the first half of 2024 (1H2024), buoyed by the industrial sector. A total of 198,906 transactions worth RM105.65 billion were recorded, marking an 8.0% increase in volume and a 23.8% increase in value (1H2023: 184,140 transactions valued at RM85.37 billion), according to the NAPIC report. The high-end, high-rise residential segment in Klang Valley and Johor is experiencing significant market growth, marked by rising sales volumes and the launch of new projects.

Similarly, in tandem with the economic growth, the construction sector recorded a surge in work done value of RM75.7 billion, up 17.2% year-on-year (y-o-y) for the 1H2024. Expansion was seen across all sub-sectors, led by civil engineering (25.0%) and residential buildings (15.7%). Strategic developments, infrastructure improvements, and growing investor interest bolstered this promising trajectory for the industry.

OPERATING ENVIRONMENT OVERVIEW (cont'd)



GROUP FINANCIAL REVIEW

The Group recorded profit before tax (PBT) of RM43.8 million in FY2024 compared to a loss of RM77.2 million in FY2023 despite a lower revenue of RM684.7 million (FY2023: RM831.9 million). The decrease of 17.7% in revenue was mainly attributed to lower contributions from both Property Development and Construction and Project Management divisions.

Revenue from the Property Development division decreased marginally to RM374.2 million (FY2023: RM398.3 million), while the Construction and Project Management division decreased to RM302.6 million (FY2023: RM427.0 million). The decline in revenue from the Property Development division was due to the completion of Menara BAC and Hyatt Place Kuala Lumpur developments, even though higher billings were recorded from ongoing projects. Similarly, the decline in Construction and Project Management revenue was attributed to the completion of Pavilion Ceylon Hill and Pavilion Damansara Heights projects.

Although revenue declined, the Group achieved higher PBT for the current year. PBT from the Property Development division increased to RM36.9 million compared to a loss of RM21.1 million in the previous year. This improvement was primarily due to lower finance costs of RM15.6 million (FY2023: RM42.9 million) following the full redemption of Redeemable Preference Shares and a write-back on the impairment of freehold and leasehold land of RM5.6 million provided in the previous years, along with a reversal of RM2.8 million in provisions for the release of the Bumiputera quota.

In FY2023, the Group wrote off a proprietor's entitlement of RM29.4 million and development expenditure of RM21.0 million after the Federal Court overturned the development order granted by Dewan Bandaraya Kuala Lumpur for the proposed joint venture development of the Taman Tun project with Yayasan Wilayah Persekutuan. In contrast, there was a write-off of property development expenditure of RM1.0 million in FY2024. To reflect the market conditions, the Group wrote down RM2.2 million from inventory to reflect their net realisable values and made net provision for impairment loss on trade and other receivables of RM6.4 million in FY2024 (FY2023: RM0.3 million).

MANAGEMENT DISCUSSION & ANALYSIS
(cont'd)

GROUP FINANCIAL REVIEW (cont'd)

Meanwhile, PBT for the Construction and Project Management division decreased from RM18.3 million to RM15.3 million due to lower construction activities during the current financial year.

Additionally, the recognition of profit in associated companies of RM0.5 million in FY2024 had gradually improved compared to a share of loss of RM0.4 million in the preceding year. There is no share of joint venture results in FY2024, as losses have been fully recognised up to the costs of investments in the preceding year, with a share of losses on joint ventures of RM33.5 million incurred in FY2023.

The Group recognised a net gain on fair valuation of its investment in Redeemable Preference shares of RM14.0 million in FY2024 compared with a loss of RM10.8 million (RM69.5 million net of dividend income of RM58.7 million) in FY2023.

Against the challenging backdrop, the Group successfully navigated and maintained its financial resilience with total assets of approximately RM2.3 billion and total reserves at RM421.5 million (FY2023: RM391.7 million). Shareholders' equity for the current year increased to RM948.2 million (FY2023: RM922.3 million) with a corresponding increase in net asset per share to RM1.80 from RM1.74 respectively.

The Group's gearing ratio improved to 0.60 times from 0.84 times recorded in the preceding year mainly due to repayment of bank borrowings.

DIVIDENDS

Dividend payments are determined by the Board of Directors (Board) based on factors such as earning expectations, capital commitment, overall financial conditions, and distributable reserves.

The Board does not recommend any dividend payment for the current financial year under review to conserve the Group's cash reserves.

STRATEGIC / OPERATIONAL RESPONSES IN FY2024

Throughout FY2024, we managed to navigate through the Group's comprehensive implementation of strategic measures of cost optimisation, operational efficiencies and financial management for business sustainability. Consequently, the Group improved its financial position by adeptly mitigating the increased costs of operations, finance, construction, building materials, minimum wage, and labour shortages.

Our primary focus was managing cash flow and improving operational efficiency onsite by leveraging the Group's in-house construction arm and across its administrative functions. We also launched new products strategically and utilised innovative digital transformation to support our ongoing business operations, which helped the Group stay on track with its business plan.

We have paced our launch schedules to capture the immediate market opportunity in response to market demands amidst external challenges such as rising construction costs and inflationary pressures. With carefully researched pricing strategy, the existing high-rise residential developments such as Duta Park Residences, Mutiara Hilltop and River Park were well-received by homebuyers, as evident from the high take up rates.

Customer satisfaction is our top priority during the vacant possession handover process. To provide a memorable experience, our Customer Care team offers all homeowners a personalised tour of their unit and facility areas. They are briefed on the handover checklist and defect submission procedures. Additionally, an Entertainment Pavilion at Duta Park Residences is exclusively dedicated to homeowners, offering a relaxing space to enjoy coffee while receiving keys and welcome gifts to their new home.

STRATEGIC / OPERATIONAL RESPONSES IN FY2024 (cont'd)



Our Customer Care team providing personalised tour and briefing throughout the vacant possession journey at Duta Park Residences.

STRATEGIC PARTNERSHIPS FOR HOMEOWNERSHIP

We remain focused and committed to setting trends in urban lifestyle innovation by delivering high-quality properties at an affordable price point. We continuously strive to tailor our homeownership packages to meet the desires of homebuyers who dream of owning a value-added property with premium lifestyle amenities in a vibrant location.

Customer-focused marketing, innovative sales packages, and strategic partnerships drive the Group's sales growth. Amid increasing inflationary pressure, Malton has taken proactive steps to assist homeowners with financial challenges by offering a range of pricing points and variable financing options for its property launches. This includes improving existing product offerings to promote sustainable living and collaborating with banks to address initial fees, deposits, and monthly repayments.

Through strategic collaborations with leading banking partners such as Maybank Islamic, prospective homebuyers will have access to both homeownership and home customisation financing under Maybank's HouzKEY and MyDeco, simplifying the entire homeownership journey. The comprehensive financial solutions offer 100% financing, allowing homebuyers to enjoy zero payments during construction, lower monthly instalments, and reduced interest rates. In addition, Maybank MyDeco financing empowers our homebuyers to purchase their dream home and personalise it with interior design works and furnishings to reflect their unique style. Malton has also joined the Affin Home Step Fast/I campaign to offer various financing solutions for evolving homebuyers.

MANAGEMENT DISCUSSION & ANALYSIS
(cont'd)

STRATEGIC PARTNERSHIPS FOR HOMEOWNERSHIP (cont'd)

Demonstrating our commitment to sustainability, Malton has partnered with RHB Banking Group and Alliance Bank to offer attractive green home financing for our green-certified high-rise development, River Park @ Bangsar South. This innovative financing option features competitive lower interest rates and ensures quicker turnaround times for end-financing, promoting environmentally conscious homeownership. These strategic partnerships reflect our shared vision to make eco-friendly living more accessible for Malaysians seeking a sustainable lifestyle.



Tie-up on AFFIN Home Step Fast/I campaign, offering accessible financing solutions for aspiring homeowners.



MOU between Malton and Alliance Bank signifies a strategic partnership to provide green home financing for the eco-friendly River Park.



Malton and Maybank offering MyDeco financing at the launch of the final River Park tower.



Malton-RHB on strategic partnership providing attractive financing solutions for River Park buyers.

SUSTAINABLE URBAN DESIGN AND PRACTICES

Malton incorporates sustainable features into all stages of development, from environmental design to construction and fittings. The goal is to decrease reliance on fossil fuels and encourage a more sustainable energy mix for the buildings. This aligns with our objective to offer homeowners a premium lifestyle while maximising the value of their homes, both now and in the future.

Operationally, our ongoing and pipeline projects are redesigned with value engineering in mind to address the supply chain and workforce challenges. By utilising the Industrialised Building System (IBS) more extensively, we were able to shorten construction timeframes and manhours, reduce material wastage and cost, and ensure building efficiency and quality.

SUSTAINABLE URBAN DESIGN AND PRACTICES (cont'd)



Malton launched its first EV charging stations at Duta Park Residences to promote sustainable community living.

To achieve carbon neutrality in Malaysia, we've adopted smart technologies, including eco-friendly appliances, renewable energy systems like solar panels, energy-efficient lifts and LED lighting, and rainwater harvesting. The newly completed Duta Park Residences marked a significant advancement in our sustainability efforts with the installation of four electric vehicle (EV) charging stations. This initiative offers convenient access to EV charging stations, promoting eco-friendly transportation and reducing electricity costs for a greener community.

Our commitment to sustainability was rewarded with a Bronze Provisional GreenRE certification for the upcoming Park Green Pavilion Bukit Jalil, a luxury high-rise residence located within the 50-acre Bukit Jalil City. This marks our third green-certified development, following our previous success in obtaining a Bronze Provisional GreenRE certification for the River Park high-rise residences and a Gold GreenRE certification for Menara BAC commercial building. We are dedicated to setting similar benchmarks for our future high-rise residential developments, notably Mutiara Lake Puchong.

At Malton, we have initiated efforts to incorporate ESG concepts into our operations for long-term sustainability and value creation. The recent Key Performance Indicators (KPIs) workshop attended by the Head of Departments was a critical turning point in our sustainable journey, enabling us to set KPIs for ESG areas such as climate change, energy efficiency and social impact. Our commitment to integrating these KPIs into our business practices reflects our dedication to meet evolving stakeholder expectations by driving meaningful change while contributing positively to our industry and the broader community.

In addition to tracking Scope 2 emissions from purchased electricity, we have started monitoring Scope 1 emissions from fuel-related use. Furthermore, we are gradually expanding our greenhouse gas inventory to include emissions from employee commuting and business travel to align with the Bursa Malaysia Sustainability Reporting Guide. We have also established our Climate Change and Policy Statement for FY2024 to steer our efforts to integrate climate mitigation and adaptation into our business practices, benefiting both our customers and the local community.

Beyond property developments, the Group prioritised the daily actions of our employees. We encouraged everyone to be mindful of their water and energy usage at work premises, further promoting a green mindset throughout our organisation. Details of our sustainability activities are explained in the Sustainability Statement section on pages 32 to 100 of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS
(cont'd)

SUSTAINABLE URBAN DESIGN AND PRACTICES (cont'd)



ADVANCED TECHNOLOGY AND INNOVATION

The rapid market acceptance and dependence on digitalisation in today's business environment have further entrenched our digital platforms. We continuously explore avenues to expand our technological boundaries further to improve operating efficiency, construction time and customer engagement. We design our product offerings to align with evolving market trends driven by the younger generation's expectations while attracting and retaining repeat purchasers.

We've digitalised key processes throughout the journey and incorporated advanced digital marketing tools and property management apps. Digital marketing campaigns took centre stage and were extensively utilised to reach potential buyers across targeted demographics. Our brand presence and product offerings were optimised effectively through various digital channels, from social media engagement and targeted online campaigns to immersive virtual experiences.

On-ground marketing activities were ramped up to differentiate and strategically position Malton. We participated in various property roadshows nationwide and organised exciting events to attract potential buyers and reward our homeowners. At the same time, pricing points were carefully established to align with market sensibilities targeting the middle-income, mass-market segment, especially first-time homebuyers and upgraders.

ADVANCED TECHNOLOGY AND INNOVATION (cont'd)

Notable technological advancements in customer interaction include the MyMalton app, virtual tours integration, and a real-time chatbot on our website to provide a seamless, personalised customer experience. MyMalton app is designed with property management features to simplify homeowners' property management journey. This user-friendly app enables homeowners and tenants to conveniently access property billings, book facilities, register visitors, manage tenants and conduct other seamless transactions using real-time data. Integrated with Pavilion privileges, the app also provides homeowners with access to a diverse range of exclusive promotions and events at Pavilion lifestyle retail malls.

We have also invested significantly in our IT infrastructure, ensuring our employees are equipped with the latest tools and technologies to work efficiently. Besides, our robust cybersecurity measures have been critical in maintaining the integrity of our systems, particularly against data and privacy breaches.

In our ongoing efforts to streamline operations, we have embraced digitalisation in our procurement processes by implementing e-systems such as e-invoicing, e-billing, and e-payroll. These digital advancements improve governance and help achieve sustainability goals by reducing paper usage and storage needs.

On the construction front, our sustainability technology is demonstrated through the adoption of IBS and Building Information Modeling (BIM) in our newly completed projects like Duta Park Residences and ongoing projects such as River Park and Mutiara Hilltop. Integrating IBS and BIM advanced technologies has significantly enhanced efficiency, reduced waste, and minimised environmental footprint while delivering quality products. This is reflected in the 79% QLASSIC score for our newly completed Duta Park Residences development.

DRIVING GROWTH AND EXCELLENCE AMONG EMPLOYEES

The Group's success has been built on people's commitment to excellence and growth. In FY2024, Malton garnered several prestigious awards from different organisations, underscoring our thought leadership, credibility and expertise in innovation within the property industry. The awards we received, including Best Developer, People's Choice, Best Township Development, and Best Completed High-Rise Development, reflect Malton's contribution to urban landscape transformation in the country. Our commitment to sustainable master planning, quality craftsmanship, and customer satisfaction has set us apart, ensuring Malton remains at the forefront of property development.





As talent management is crucial for business growth, we have implemented diverse initiatives and programmes to support our employees' professional development and well-being. In FY2024, we achieved a total of 970.0 training hours for our employees, marking an increase from the previous year. These training programmes encompassed personal development, technical skills, leadership training, and health and safety. Our investment in these initiatives reflects our commitment to promoting a culture of continuous learning and development, ensuring that our employees have the skills and knowledge they need to succeed.

MANAGEMENT DISCUSSION & ANALYSIS
(cont'd)

MOVING FORWARD FY2025

The policies outlined in Budget 2025, which aim to enhance housing affordability and accessibility, bode well for the property market. Sentiment towards the property sector has been bolstered by increased economic activities stemming from an influx of investments into data centres, infrastructure expansion, and favourable Government policies, along with enhanced Malaysia My Second Home programme and the Premium Visa programme. This substantial growth is driven by Malaysia's strong economic growth, indicating progress towards achieving the national economic transformation outlined in the MADANI Economy framework.

The solid growth in loan applications, with Bank Negara Malaysia data showing a healthy jump of 16.0% y-o-y and 38.0% y-o-y in July 2024 statistics for residential and non-residential properties, indicates stronger buying interest in property. This trend aligns with the better sentiment in the property market in Malaysia. Demand is projected to remain strong for mid-range properties priced between RM500,000 and RM1.0 million, especially in urban areas. High-rise units with integrated amenities will continue to appeal to younger buyers and expatriates.

This positive market outlook is good news for Malton, as we have a diverse range of new projects lined up for the upcoming financial year. Our strategy for new property launches involves staying attuned to market trends and demand, focusing on prime locations and unique value propositions. We emphasise innovative and sustainable designs that cater to evolving homebuyer preferences, and we are committed to ensuring timely delivery and customer satisfaction.

We will focus on finalising the development plans for residential and commercial property launches in Klang Valley and Johor, totalling an estimated GDV of RM1.55 billion. Projects in the pipeline include Park Green Pavilion Bukit Jalil (GDV RM763.0 million), Mutiara Lake Puchong (GDV RM352.0 million), Nova commercial hub in Sungai Buloh (GDV RM182.0 million) and a serviced apartment at Kempas, Johor (GDV RM257.0 million).



Malton has a robust pipeline of available development landbanks with a potential GDV exceeding RM3.0 billion, strategically located within Klang Valley and Johor. We will constantly seek new and strategic landbank acquisitions for our long-term growth. Our balance sheet and ability to tap the capital markets provides us with the ability to capitalise on identifying and acquiring strategically located land parcels, which can ensure a steady pipeline of future projects for the Group.

MOVING FORWARD FY2025 (cont'd)

These initiatives, coupled with our strategic focus on proactive risk management will position Malton to capitalise on future opportunities and continue delivering sustainable value to our stakeholders. Although the market has improved relatively, we remain vigilant about the external environment. The risk of a potentially slower global economy and geopolitical disruptions could impact trade and prices, ultimately affecting domestic sentiment and growth.

By maintaining a balanced approach to growth, a prudent approach towards our core development business and operational excellence, supported by our unbilled sales of RM590.0 million, the Group is poised to achieve its medium-term growth and sustain its market leadership, barring unforeseen circumstances.

PROPERTY DEVELOPMENT

The Group's property portfolios include luxury homes, integrated developments, offices, and commercial properties strategically located across Greater Klang Valley and Johor. We will continue to leverage our core strengths to deliver high-value creation products for our buyers.

Below are ongoing property developments and upcoming launches undertaken by the Property Development division.

MUTIARA HILLTOP



Sitting on a 8.3-acre land, Mutiara Hilltop is the final residential development within the dynamic township of 82.5-acre Mutiara Indah, Puchong. With an estimated GDV of RM304.0 million, Mutiara Hilltop offers low-density luxury hilltop living at an affordable price point. It offers residents a breathtaking hilltop view of Puchong, surrounded by abundant lush greenery from the Bukit Ayer Hitam Forest Reserve.

Exclusively limited to 496 units with spacious designs and sizes ranging from 1,040 sq ft to 1,355 sq ft, Mutiara Hilltop is suited for growing families or first-time homebuyers seeking serenity from city life's hustle and bustle.

Launched in 2021, Mutiara Hilltop saw an overwhelming take-up rate of 97.4% with a total sales value of RM296.0 million. The development is slated for completion by Q3 2025.

RIVER PARK



Nestled within a dynamic Bangsar South hub along Federal Highway, River Park is a prime development for urban living. Sitting on a 5.1-acre land, River Park is a high-rise residential development comprising 1,332 units of lifestyle condominiums with an estimated GDV of RM1.0 billion. Facing the city skyline view, owners can enjoy an unobstructed panoramic view of Kuala Lumpur city skyline. Strategically located with ready amenities and infrastructure, River Park promises to redefine a new standard of living within the Bangsar South neighbourhood.

River Park consists of 3 tower blocks; Tower A (440 units), B (452 units), and C (440 units). Designed with practical layouts and built-ups ranging from 812 sq ft to 1,180 sq ft, the 2 to 3-bedroom units are ideal for young executives, couples or growing families who prefer to live and work near the city.

Launched in 2022, Towers A and C achieved a healthy take-up rate of 70.0%. Tower B, the final addition, was officially launched in April 2024 to coincide with Earth Day celebrations, promoting sustainable living. Slated for completion in Q3 2026, River Park has to date achieved a total sales value of RM494.0 million.

MANAGEMENT DISCUSSION & ANALYSIS
(cont'd)

PROPERTY DEVELOPMENT (cont'd)

RAPID CITY CENTRE (PHASE 3A)



Rapid City Centre (Phase 3A) is a well-planned 17.9-acre Light Industrial Park to support the growth of the Pengerang Integrated Petroleum Complex (PIPC) / RAPID project.

With an estimated GDV of RM106.0 million, Phase 3A comprises 64 industrial lots featuring a wide range of choices from cluster, semi-D to detached types.

Launched in 2022, we are optimistic about Johor's property market following the announcement of a special tax rate, investment incentives at PIPC, and the new investment target set by the Iskandar Regional Development Authority. This optimism is further fuelled by the catalysts of the Johor-Singapore Special Economic Zones and the Johor Bahru-Singapore Rapid Transit System, both of which have shown steady growth throughout the FY2024.

UPCOMING PROJECTS

PARK GREEN PAVILION BUKIT JALIL



Population Catchment

1.9 million

Job Creation

~ 273,000

Connected to the award-winning Pavilion Bukit Jalil Mall (World Gold Retail Winner), the upcoming 'Park Green' offers a final opportunity to secure a unit at the iconic Bukit Jalil City address.

Park Green Pavilion Bukit Jalil is the final masterpiece of the 50-acre award-winning Bukit Jalil City township, boasting a total GDV of RM4.9 billion. Sitting on 0.9 acres of freehold land with an estimated GDV of RM763.0 million, this low-density luxury development offers exceptional convenience, tranquillity, and a premium lifestyle in a sustainable township.

Designed for multi-generational urban living, Park Green Pavilion Bukit Jalil is a green-certified development that offers world-class amenities and nature right at your doorstep. Residents enjoy direct access to the award-winning Pavilion Bukit Jalil Mall and the lush 80-acre Bukit Jalil Recreational Park via a dedicated, covered link bridge. This sought-after address in Bukit Jalil is ideal for homeowners and investors alike, offering a final chance to secure a dream property in the iconic Bukit Jalil City.

UPCOMING PROJECTS (cont'd)

PARK GREEN PAVILION BUKIT JALIL (cont'd)

Scheduled to be launched by Q4 2024, this low-density freehold development consists of 453 spacious units with layouts ranging from 1,201 to 1,905 sq ft. As the final masterpiece of the crown jewel, it is expected to achieve another remarkable sale with ongoing interest and registrations.



Sustainable community living - Park Green Pavilion Bukit Jalil attained a Bronze Provisional GreenRE certification in the residential category.

MANAGEMENT DISCUSSION & ANALYSIS
(cont'd)

UPCOMING PROJECTS (cont'd)

MUTIARA LAKE PUCHONG



Mutiara Lake Puchong condominium is a hidden gem in Puchong's ever-growing and popular suburb. Fronting a beautiful lakeside view, the low-density condominium comprises 526 units. Each unit features 3-4 bedrooms with 1,023 sq ft and 1,345 sq ft built-ups.

With a family-friendly layout and a range of amenities suitable for all ages, Mutiara Lake Puchong is the perfect home for families looking for a harmonious multi-generational living environment and a healthy lifestyle.

With its proximity to IOI Puchong mall, direct access to Damansara-Puchong Highway and LRT station, Mutiara Lake Puchong offers both comfort and convenience alongside serene nature.

Slated to be launched by Q1 2025, this project carries an estimated GDV of RM352.0 million.

RIO



RIO is an affordable housing development (RUMAWIP), located in Bangsar South. It is ideal for discerning millennials looking for a starter home. The development covers a 1.6-acre land and features 336 apartment units, each with an 802 sq ft built-up area.

The apartments are designed to provide maximum comfort and convenience for young executives. With an estimated GDV of RM100.8 million, this desirable residential address offers quality living at an affordable price and is conveniently located near major landmarks and shopping destinations.

UKAY SPRING AMPANG

Ukay Spring is a highly exclusive enclave of gated and guarded mixed development on a 55-acre land, with an estimated total GDV of RM2.0 billion. Surrounded by beautiful, lush greenery for tranquil living, the development offers a variety of residential options, from linked villas to semi-detached, high-rise condominiums and a dedicated commercial centre.



With an estimated GDV of approximately RM307.0 million, the first phase of the development will consist of 115 units of linked villas and 28 units of semi-detached homes.

CONSTRUCTION AND PROJECT MANAGEMENT DIVISION

Domain Resources Sdn Bhd (Domain), a wholly owned subsidiary, specialises in construction and offers a range of professional expertise and project management capabilities, from planning and design to construction. The company is certified under the ISO 9001:2015 standard and has a proven track record of successfully completing large-scale projects on time, with greater cost efficiency, and good quality.

Besides providing key in-house contracting services, Domain continues to secure external new contracts and enhance its order book.

Below are some ongoing construction projects the company is undertaking during the current financial year.

PAVILION DAMANSARA HEIGHTS
(Total Contract Value: RM507.47 million)



Located in the heart of Damansara Heights, this prestigious development included nine new corporate towers, five blocks of luxury serviced residences, a hotel, and an office tower on top of a five-level retail space. The development also provides direct access to the Pavilion Damansara Heights Pusat Bandar Damansara MRT and eight levels of basement car park to cater to the bustling town centre.

Domain has been appointed as the Management Contractor for the sub-structure and superstructure works in Phase 1 and 2. Domain commenced the superstructure works for three blocks of serviced residences (R1, R2, R3) in March 2022, following the completion of the works last year. The current progress is 73.6%, 84.7%, and 94.2% for each block. The superstructure works for the three residential blocks are scheduled to be completed between Q4 of 2024 and Q1 of 2025.

THE MAPLE RESIDENCES
(Total Contract Value: RM394.3 million)

The Maple Residences is a freehold high-rise residential project located in Taman OUG, Kuala Lumpur. It occupies a 4.9-acre land within an integrated development known as W City OUG and comprises 940 freehold serviced apartment units.

Domain has been appointed as the contractor for the main building works. The construction work has progressed to 88.9% completion, and the project is expected to be completed by Q4 2024.



SUSTAINABILITY STATEMENT

ABOUT THE STATEMENT

Malton Berhad (Malton or the Group) is pleased to present our Sustainability Statement 2024 (SS2024), which discloses all our relevant Environmental, Social, and Governance (ESG) initiatives and performances for the financial year ended 30 June 2024 (FY2024). Over the years, the Group has taken a progressive approach to integrating sustainability into our businesses to strengthen our resilience. We remain committed to:



We continued to embrace our responsibility by adopting and upholding the environmental agenda in impactful ways that enhance the lifestyle of our customers. In doing so, we pledge to uphold high standards of governance and integrate ESG factors into our business operations, thereby creating sustainable value for all our stakeholders.

REPORTING FRAMEWORK

While Malton aims to achieve compliance with the Global Reporting Initiative (GRI) and United Nations Sustainable Development Goals (UN SDGs), our sustainability framework and standards are developed in accordance with the following guidance and frameworks:



STATEMENT OF USE

Malton's Sustainability Committee, assumes responsibility for the following statement. The information presented throughout SS2024 has been prepared in accordance with GRI Standards, as well as other relevant best practices in sustainability reporting frameworks.

REPORTING SCOPE AND BOUNDARY

The scope of our disclosure encompasses the Group's core business operations, activities of our corporate headquarters, and key projects. A detailed description of these projects can be accessed in the Management Discussion and Analysis section of our Annual Report. Our boundaries are defined by prioritising the Group's material matters.

Our core business operations and activities include:



REPORT QUALITY AND DATA ASSURANCE

All content included in this report adheres to GRI principles of accuracy, balance, clarity, comparability, reliability, and timeliness. The information is guided by GRI content principles including stakeholder inclusiveness, sustainability context, materiality, and completeness. The primary objective is to provide comprehensive disclosures that enhance understanding of Malton's sustainability performance.

All data presented in this report have been sourced internally and rigorously verified by respective business units or Senior Management to ensure accuracy and quality. In strengthening the credibility of the Sustainability Statement, Malton conducted a limited internal assurance review on the data presented in the statement.

Furthermore, all financial data in this SS2024 document has been verified by the Group's external auditor to bolster the credibility of the report.

MEMBERSHIP IN ASSOCIATIONS

As part of its business operations, Malton has maintained membership in the following professional and industry associations in FY2024:

Construction Industry Development Board (CIDB)
Master Builders Association Malaysia (MBAM)
Real Estate and Housing Developers' Association (REHDA)
International Real Estate Federation (FIABCI)
Certified Emergency Response Training Academy (CERT Academy)

These memberships reflect our commitment to industry best practices, continuous learning, and collaboration within our sector.

REPORTING PERIOD

SS2024 contains disclosures for the Group's financial period of FY2024, spanning from 1 July 2023 to 30 June 2024. SS2024 presents 3-year performance data for most disclosures, where applicable, to establish meaningful trend lines that enable readers to better monitor and comprehend comparative performance over time.

SUSTAINABILITY STATEMENT (cont'd)

REFERENCES

All references of "Malton", "the Company", "the Organisation", "the Group", "us" or "we" shall refer to Malton Berhad.

LIMITATIONS

We recognise that there may be gaps in our data. We are dedicated to enhancing our data collection processes to address these gaps, aiming to establish a clear and comprehensive reporting framework for ESG matters in future reports.

FORWARD-LOOKING STATEMENT

All forward-looking statements within SS2024, including plans, data, targets, operations, estimates and forecast figures, are based on reasonable assumptions made under current business trajectories. Therefore, an undue reliance should not be placed on them. Given that Malton's business model is exposed to unforeseen risks beyond its control, readers are encouraged to approach these statements as general guidance.

REPORT AVAILABILITY AND FEEDBACK CHANNEL

This SS2024 document can be viewed online on the Malton corporate website at www.malton.com.my.

We welcome all questions, feedback and ideas that can help improve our sustainability disclosures and performance. Any suggestions and comments can be sent to:

Corporate Communications Department
Contact : 03-2088 2888
Email : corpcomm@malton.com.my

SUPPORTING UN SUSTAINABILITY DEVELOPMENT GOALS

Malton has aligned itself with selected UN SDGs to provide a larger sustainability context to the Group's ESG agenda and support the realisation of a better future for all.

Environmental

- Compliance with Environmental Laws
- Committed to Green Buildings
- IBS & BIM Technology
- Energy Efficiency and Renewable Energy
- Water Efficiency
- Waste Management



Social

- Labour Practices
- Human Capital
- Affordable Housing
- Occupational Safety and Health
- Community Engagement



SUPPORTING UN SUSTAINABILITY DEVELOPMENT GOALS (cont'd)

Governance

- Legal and Regulatory Compliance
- Code of Conducts and Business Ethics
- Anti-Bribery and Anti-Corruption Policy
- Mandatory Tender Process for Awarding Contracts
- Data Privacy



Economic

- Economic Performance
- Infrastructure Investment
- Product Safety and Quality
- Support Local Procurement and Local Supply Chain



OVERVIEW OF FY2024 SUSTAINABILITY

Environmental

Electric vehicle (EV) charging stations installed at Duta Park Residences	**IBS & BIM Technology** for River Park and Mutiara Hilltop
Digital Transformation in operations	Provisional **GreenRE certified** project Park Green Pavilion Bukit Jalil and River Park
Adopting **Sustainable building materials**	**Reduction** in water & electricity consumption

SUSTAINABILITY STATEMENT (cont'd)

OVERVIEW OF FY2024 SUSTAINABILITY (cont'd)

Social

Invested RM137,840
on employee training programmes

Reduction
in employee turnover

970 hours
of employee training

99.7% of local talents
at workforce

36%
Women employees

Health & Safety training
for all construction worker

Contributed **RM377,015** to support underprivileged communities

ZERO
- human rights violation
- lost time incident
- fatalities occurred in the workplace

Governance & Economic

Total economic value generated of **RM726 mil**

Secure **Green financing**
for sustainable development

100% of procurement budget
spent on local suppliers

Averagely **80%** in Customer
Satisfaction Score

ZERO
- instances of bribery and corruption
- reported incidents of whistleblowing
- fines or sanctions on labour law non-compliance
- instances of cybersecurity breaches

MESSAGE FROM OUR SUSTAINABILITY COMMITTEE

Dear Stakeholders,

As Malaysia navigates its path towards economic recovery, the property sector has exhibited notable growth, paving the way for continued development. Despite this progress, the industry faces ongoing challenges, including inflation, supply chain disruptions, fluctuating raw material prices, and labour shortages.

In this context, the significance of sustainable practices has become increasingly evident. There is a growing global focus on ESG considerations, with stakeholders and the public demanding greater accountability and commitment in these areas.

At Malton, we understand that ESG performance is crucial for driving long-term operational sustainability and creating value. This year, we have made substantial strides in integrating ESG principles into our operations. The ESG Key Performance Indicators (KPIs) workshop we conducted in FY2024 was a key milestone in our commitment to sustainability.

This workshop was instrumental in refining and enhancing our approach to ESG management. It allowed us to review and establish KPIs across various ESG domains, including climate change, energy efficiency, and social impact. The insights gained from this workshop are helping us to better align our strategies with our sustainability goals and ensure that we effectively address the most pressing ESG issues.

Our commitment to integrating these KPIs into our business practices reflects our dedication to meet the evolving landscape of stakeholder expectations. By focusing on these key areas, we aim to drive meaningful change and contribute positively to both our industry and the broader community.

We are grateful for the continued support of our stakeholders, customers, and employees as we advance our sustainability efforts. Together, we are working towards a future where our business practices are closely aligned with our environmental and social responsibilities.

Thank you for your ongoing support as we navigate these challenges and work towards a more sustainable and prosperous future.

MANAGEMENT OF MATERIAL TOPICS

ASSESSING AND PRIORITISING MATERIAL TOPICS

In FY2023, Malton conducted a thorough Materiality Assessment Exercise (MAE) to accurately identify key topics significant to the Group. These topics have the potential to directly or indirectly impact Malton and its ongoing business operations. Given that there were no significant operational changes, the Group considers the findings of the MAE to remain pertinent for FY2024.

The MAE was guided by relevant reporting frameworks, including Bursa, GRI, FTSE4Good, TCFD, and SASB. It focused on three primary criteria:

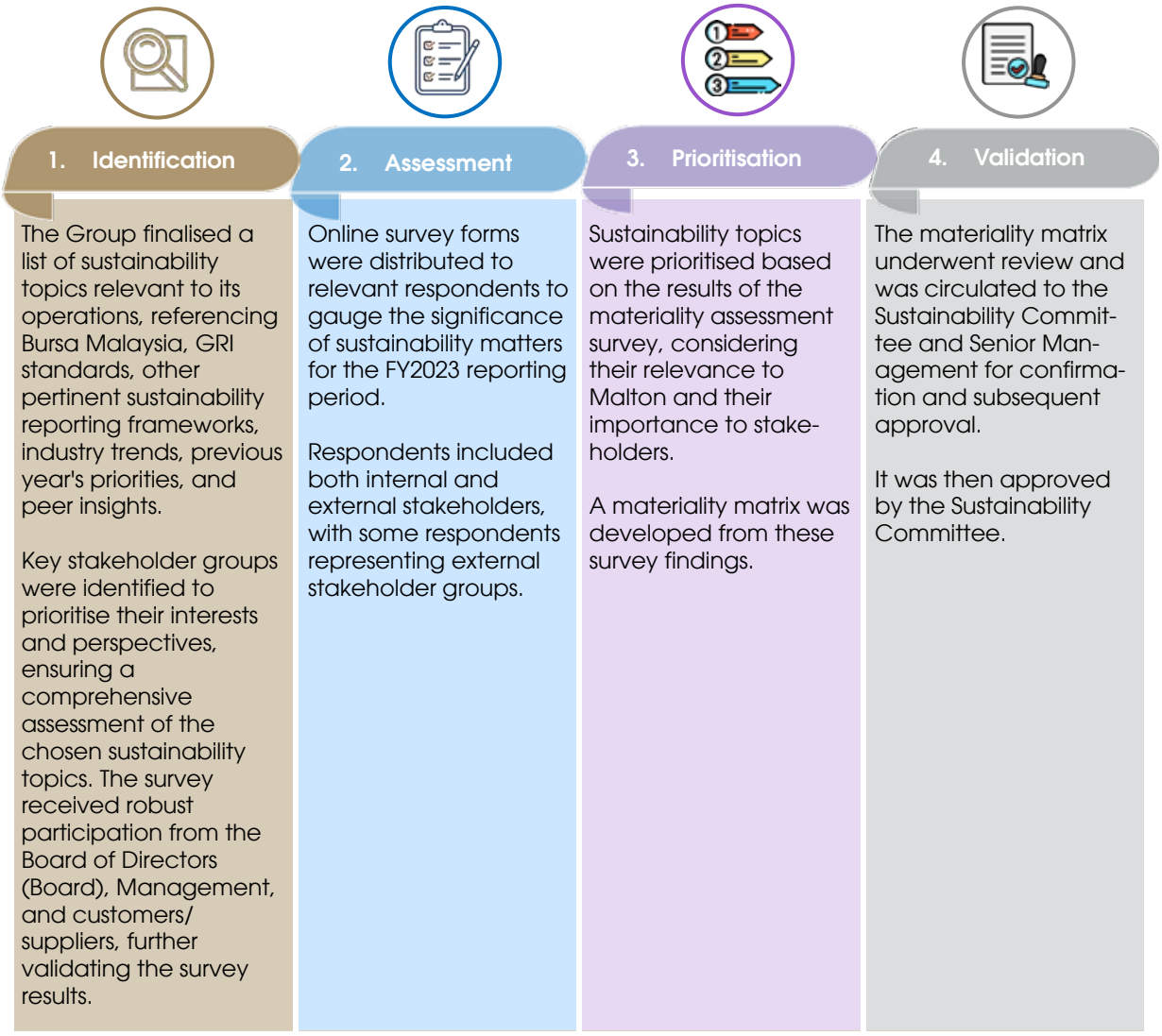
- Economic value generation for Malton
- Key stakeholders of the Group
- ESG performance, encompassing both financial and non-financial value creation

SUSTAINABILITY STATEMENT (cont'd)

MANAGEMENT OF MATERIAL TOPICS (cont'd)

ASSESSING AND PRIORITISING MATERIAL TOPICS (cont'd)

The overall materiality process is illustrated as follows:



By engaging both internal and external stakeholders, Malton has integrated a diverse array of views and perspectives into the prioritisation of key material topics. This approach enables the Group to develop business strategies that maximise benefits for all stakeholders involved.

STAKEHOLDER ENGAGEMENT

To enhance our sustainability agenda and approach, we are committed to fostering robust relationships with our stakeholders to better understand and address their concerns and needs in alignment with our corporate mission. By actively collaborating with stakeholders, we aim to enhance our capacity to prioritise effectively, thereby fostering long-term positive impacts on the economy, environment, and society.

MANAGEMENT OF MATERIAL TOPICS (cont'd)

STAKEHOLDER ENGAGEMENT (cont'd)

Malton recognises the pivotal role of key stakeholders in influencing our business operations. Therefore, we prioritise maintaining close communication with them through various channels. This approach enables us to integrate their insights and perspectives into our overarching business strategies.

During the FY2023 MAE exercise, which involved 101 respondents from 13 stakeholder groups, we ensured that the viewpoints of these stakeholders were comprehensively represented. Since there have been no significant operational changes at Malton, the findings from the FY2023 MAE are deemed applicable to FY2024 as well. This continuity ensures that our strategies remain aligned with stakeholder priorities and expectations over the coming year.

Key stakeholders with whom Malton have actively engaged include:

Area of Interest	Mode of Engagement	Frequency of Engagement	Malton's Response
Employees (comprising all individuals who work for the Group, including the Board and Management)			
• Business strategy and direction • Succession planning • Career development opportunities • Job satisfaction and retention • Training and development • Employee benefits and welfare • Workplace safety and health • Fair and equal treatment	• Annual performance appraisal • Internal communication channels (e-mails, group chats, etc.) • Virtual meetings • Safety and Health briefings • Voluntary programmes • Festive celebrations	• Annual • Ongoing • Ongoing • Quarterly • Ongoing • Ongoing	• Fair wages based on market rate • Fair and safe workplace • Transparent appraisal process based on performance • Career development programmes • Circulation of the Group's strategies and performance • Prioritisation of employee welfare
Customers			
• Innovative design • Product quality • Customer service and experience • ESG practices and commitment • Safety and security of products • Loyalty and rewards programmes • Fair pricing • Products that meet customer needs • Conducive environment to conduct business	• Online and offline communication • Customer satisfaction survey • Outreach events and roadshows • CSR programmes	• Ongoing • As required • Ongoing • Ongoing	• Maintaining high product quality in adherence to standards • Digitalisation to enhance customer experience and safety • Improved construction processes

SUSTAINABILITY STATEMENT (cont'd)

MANAGEMENT OF MATERIAL TOPICS (cont'd)

STAKEHOLDER ENGAGEMENT (cont'd)

Area of Interest	Mode of Engagement	Frequency of Engagement	Malton's Response
Government and Regulatory Authorities			
• Regulatory compliance • Supporting government policies and initiatives • Social contributions • Timely and responsive communication • Information sharing	• Report submission • Meetings • Site visits and inspections • Industry events and seminars	• As required • As required • As required • As required	• Compliance with relevant laws and regulations • Housing Credit Guarantee Scheme • Adoption of eco-friendly development features • Contribution to local communities through CSR
Financiers and Banks			
• Project launches and sales • Financial performance • Payment schedules • Financial risk management • Timely and responsive communication	• Meetings and formal correspondence • Project report • Corporate disclosures • Media announcements • Site visits • Public information on our corporate website	• As required • Ongoing • As required • As required • As required • Ongoing	• Periodic meetings and updates on projects
Shareholders and Investors			
• Regulatory compliance • Financial performance	• Publication of annual reports and financial statements • Public information on our corporate website • Analyst briefings • Regular shareholder communication • Annual general meetings	• Annually • As required • As required • As required • Annually	• Transparent and regular updates on projects and Malton's economic status

MANAGEMENT OF MATERIAL TOPICS (cont'd)

STAKEHOLDER ENGAGEMENT (cont'd)

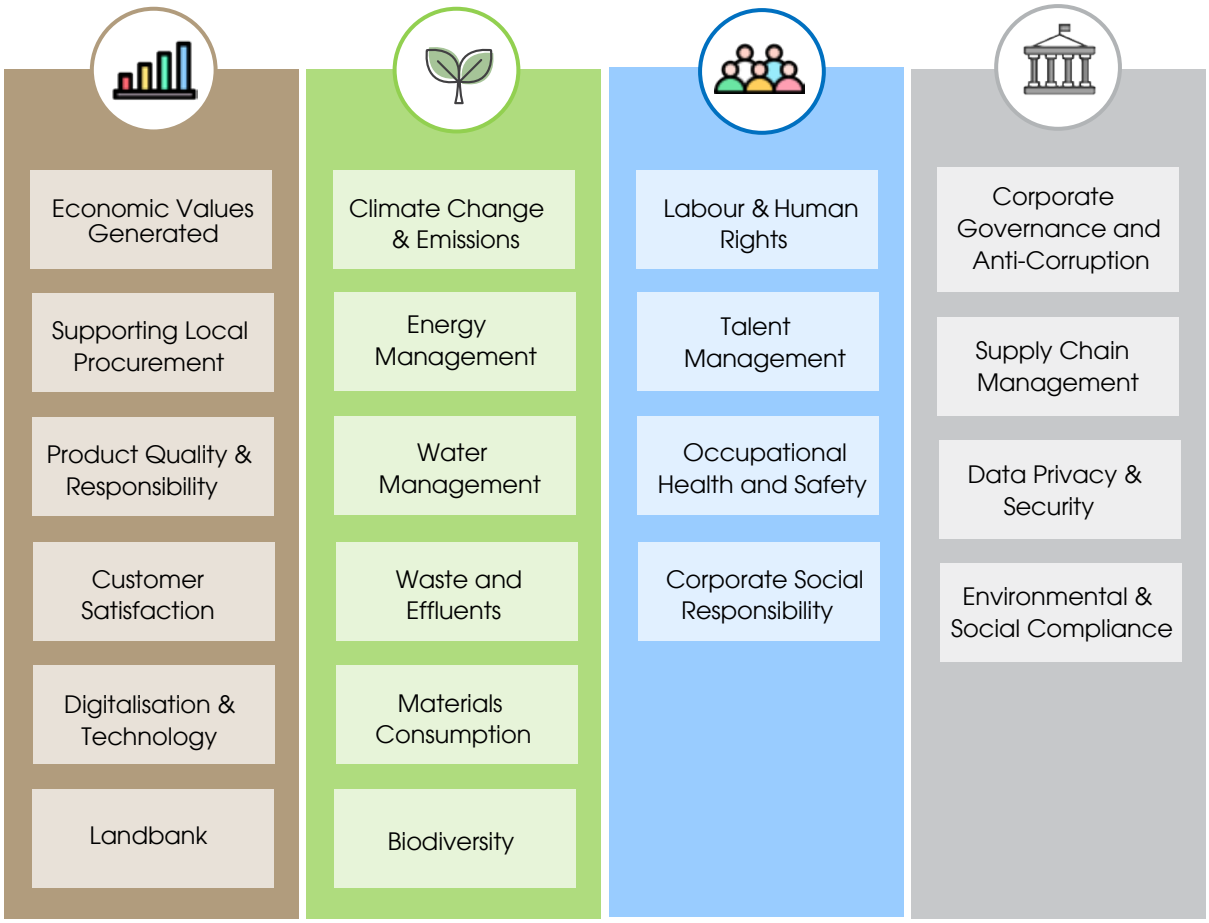
Area of Interest	Mode of Engagement	Frequency of Engagement	Malton's Response
Consultants, Vendors, and Contractors			
• Clear contract specifications • Honouring contractual obligations • Transparent procurement practices • Payment schedules • Safety, Health, and Environment practices • Technological reliability and performance • Fair price • Timely and responsive communication • Support for enhancing resource capacity	• Tender and bidding • Vendor assessment system • Meetings and site visits • Workshops and trainings • Annual performance evaluation	• Ongoing • Ongoing • Ongoing • Ongoing • Annually	• Open tender process for procurement • Timely payment • Systematic appointment and evaluation process
Media			
• Trustworthy and timely communication • Transparent business reporting	• Press releases • Conferences and media briefings • Product launches and corporate events • Networking sessions	• As required • As required • As required • Ongoing	• Regular updates and product launches
Local Communities			
• Infrastructure enhancement • Security and facilities management • Job and business opportunities • Community development	• Formal and informal meetings and dialogues • Social media and corporate website • CSR programmes	• As required • Ongoing • Ongoing	• Adherence to quality standards and compliance with regulations • Improvement of infrastructure around the development
Non-Governmental Organisations (NGO)			
• Environmental and social impacts • Supporting NGO objectives and programmes	• Formal and informal meetings and dialogues • Strategic partnerships • Joint events and programmes	• As required • As required • Ongoing	• Collaboration with NGOs to establish meaningful CSR programmes and other community enrichment initiatives

SUSTAINABILITY STATEMENT (cont'd)

MATERIALITY MATRIX

Based on the comprehensive MAE conducted in FY2023, the Group has effectively integrated crucial feedback from key stakeholders, resulting in the creation of a matrix. This matrix enables Malton to identify essential material topics that will guide the Group's business strategies and policies in FY2024 and beyond.





ESG KPIS AND TARGETS

Malton is committed to embedding sustainable practices into our business operations. In FY2024, we took a significant step forward by organising a focused ESG KPIs and Targets workshop. This workshop was a crucial part of our strategy to align our operations with sustainable goals. As a result, the Group has established the following targets, which will guide Malton in making substantial and impactful progress towards driving meaningful change:

Material Topic		KPIs / Targets
Economic	**Product Quality & Responsibility**	Achieve a minimum 76% QLASSIC score for each residential development.
	Customer Satisfaction	Achieve a minimum 80% in customer satisfaction score for each project annually.
	Supply Chain Management	At least 60% of local suppliers annually.
	Digitalisation & Technology	Increase digitalisation and paperless work processes via online payment transactions, e-leave system and e-invoicing by FY2025.
		Ensure 50% adoption of IBS and BIM technology in all high-rise developments by FY2025.
		Increase 5.0% MyMalton app users annually.
Governance	**Anti-Corruption**	Maintain zero incidents of bribery and corruption annually.
	Environmental and Social Compliance	Maintain an environmentally friendly project site and minimum penalties from authorities at project site annually.
	Data Privacy and Security	Zero substantiated cases of cybersecurity data breach annually.
		Zero substantiated complaints concerning breaches of customer data privacy annually.
		Implement network security monitoring tools by FY2026.
		Conduct cybersecurity risk assessments annually.
Environmental	**Climate Change and Emissions**	Progressively adopt TCFD in stages for sustainability reporting by FY2025.
		Reduce 10% of total CO2 emissions by FY2030.
	Green Certification	Achieve a minimum certified rating from GreenRE or Green Building Index for all new high-rise developments.
	Biodiversity	Allocate a minimum 10% of development areas to green space.
	Energy Management	Install EV charging stations for all future high-rise developments by FY2025.
		Achieve 100% energy-efficient lighting in all common areas for high-rise development by FY2025.
	Water Consumption	Increase the utilisation of water-saving sanitary wares and rainwater harvesting units by FY2025.
		Achieve a minimum of 30% catchment area for rainwater harvesting by FY2025.
	Waste and Effluents	Reduce 10% of waste generated to landfill by FY2027.
		Maintain effective waste management programme: • One inspection every quarter each project
		Set up recycling centres/points in all high-rise developments.
	Building Material Consumption	Promote adoption of environmentally friendly materials for all developments by FY2025.

SUSTAINABILITY STATEMENT (cont'd)

ESG KPIS AND TARGETS (cont'd)

Material Topic		KPIs / Targets
Social	Labour and Human Rights	Maintain zero cases of human rights violations annually.
		Maintain zero incidents of non-compliance to the Human Rights and Employment Policy in line with the Employment Act 1955 (Amendment 2022) annually.
	Diversity and Equal Opportunity Workplace	Maintain zero incidents of discrimination annually.
	Talent Management	Provide an average of 4 training hours per employee annually.
	Occupational Health and Safety	Maintain a safe and healthy environment workplace: • Zero fatalities annually • Zero lost time injury incidents annually
	Corporate Social Responsibility	Conduct a minimum of 10 community initiatives annually.

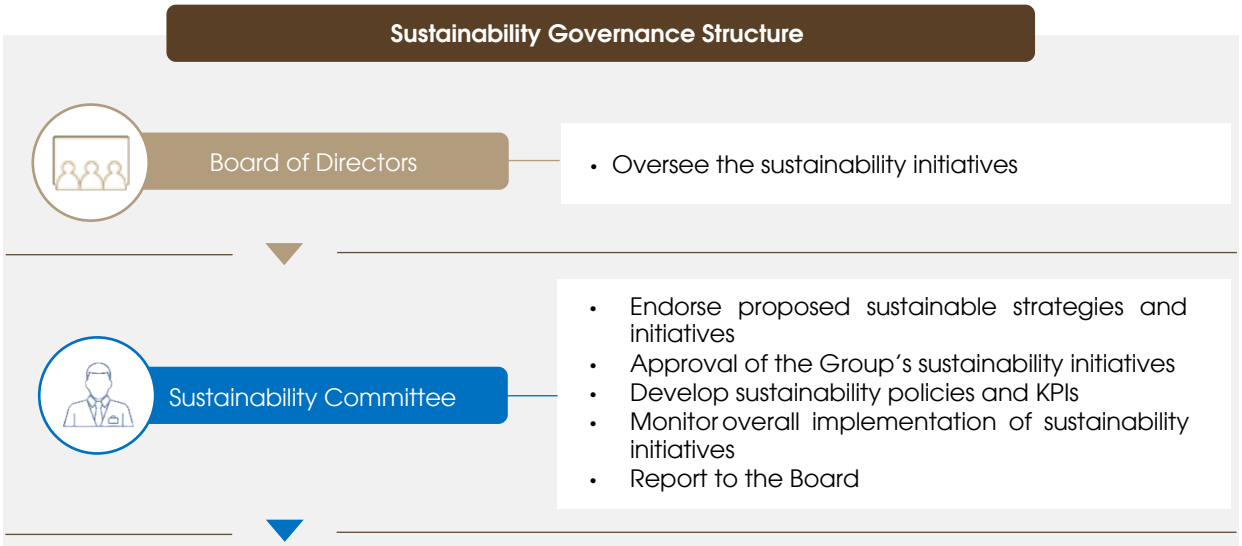
SUSTAINABILITY GOVERNANCE

Malton ensures effective sustainability governance through a robust structure that empowers both the Sustainability Committee and Management to oversee ESG risks. Guided by the Sustainability Committee and supported by Management, sustainability principles are integrated into policies, procedures, and practices across various operational aspects such as business conduct, product design, construction and project management, talent management, community engagement, and societal impact.

This governance framework not only oversees ESG risks but also facilitates timely communication and the provision of accurate information to the Group's highest decision-making bodies. This ensures leaders are well-informed on all business and operational matters, enabling informed strategic decision-making.

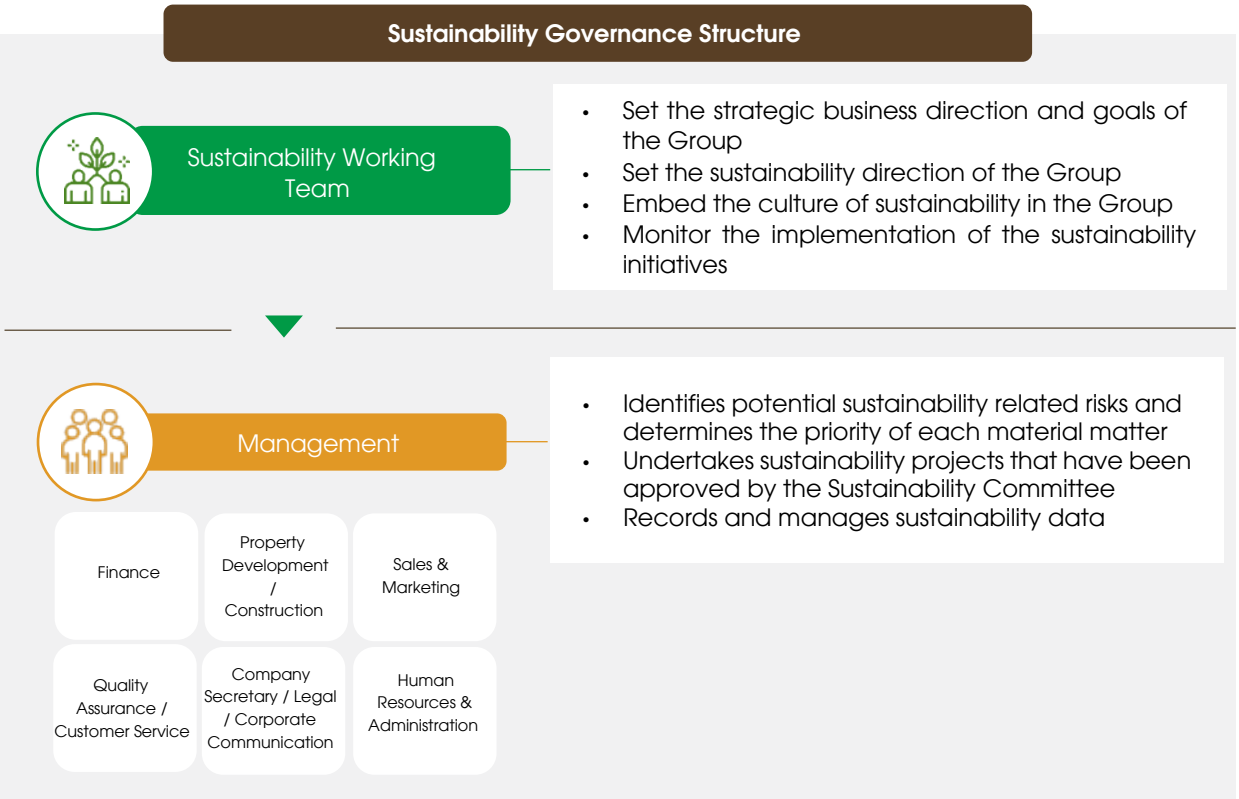
GOVERNANCE STRUCTURE

Below is an outline of the Group's current governance structure for assessing and overseeing sustainability matters within the organisation.



SUSTAINABILITY GOVERNANCE (cont'd)

GOVERNANCE STRUCTURE (cont'd)



RISK MANAGEMENT

Malton acknowledges the significant risks associated with ESG factors and recognises the profound impact that issues such as climate change, labour rights, occupational safety and health, and other relevant matters can have on business operations. These factors can potentially disrupt the Group's capacity to create value.

To ensure effective risk management, two (2) executive directors of the Malton Board are actively involved in the Risk Management Committee, ensuring robust oversight from top-level leadership. The following illustrates Malton's robust framework for managing risks within the Group.

SUSTAINABILITY STATEMENT (cont'd)

SUSTAINABILITY GOVERNANCE (cont'd)

RISK MANAGEMENT (cont'd)



Risk Management

The Sustainability Committee, alongside with Management, has implemented a rigorous framework for managing risks and internal controls at Malton. Detailed information regarding this framework can be found in the Statement on Risk Management and Internal Controls provided within this annual report.

- Malton actively strives to identify, monitor, and mitigate significant risks that could affect the Group's value creation, including ESG risks such as health and safety, and environmental conditions.
- The Group also ensures the timely updating of its risk register under the oversight of the Board.
- Malton has established a Risk Management Policy, which aligns with the ISO 31000:2018 Risk Management Standards.

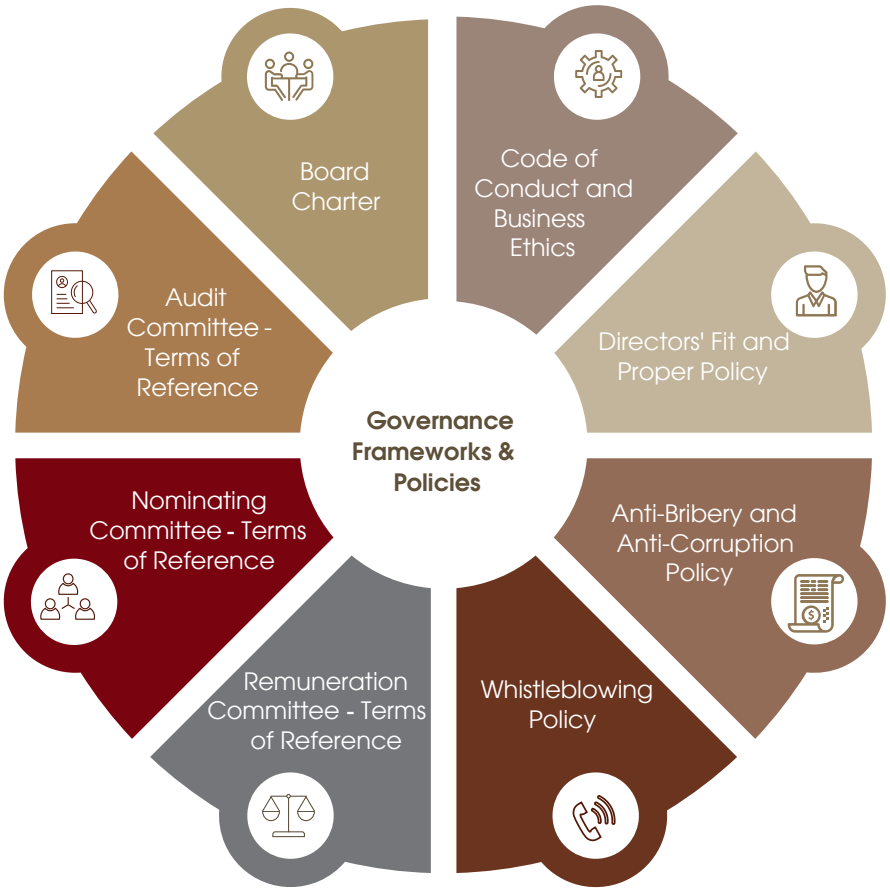
CORPORATE GOVERNANCE AND ANTI-CORRUPTION

Corporate governance is pivotal in guiding the Group towards becoming an ESG-driven company. By embracing and adhering to robust corporate governance principles, we ensure the preservation of integrity, corporate responsibility, and accountability across all our operations.

In support of these principles, we have established stringent Group policies that promote ethical business practices and uphold standards of organisational integrity. Key policies such as the Anti-Bribery and Anti-Corruption Policy (ABAC Policy), Whistleblowing Policy, and Data Privacy Policy offer comprehensive guidance to employees at every level within the Group.

CORPORATE GOVERNANCE AND ANTI-CORRUPTION (cont'd)

Furthermore, the Group has implemented a suite of governance frameworks and policies to effectively manage sustainability at Malton, including:



In addition, these policies extend beyond our employees and encompass relevant external stakeholders such as vendors and contractors. By mandating compliance with these policies, we strengthen corporate governance across our Group's entire value chain. Our policies are available on our corporate website at www.malton.com.my/corporate-governance for easy access.

MALTON EMPLOYEE HANDBOOK

All employees, including new staff, receive an employee handbook that acquaints them with Malton's corporate governance standards and policies. The handbook is accessible for download on the Company's intranet drive.

CODE OF CONDUCT AND BUSINESS ETHICS

Malton has established a Code of Conduct and Business Ethics (Code) applicable to the Board, Management and employees. The Code aims to cultivate a cohesive organisational culture within the Group, emphasising integrity, ethical conduct, accountability, transparency, and professionalism. It provides clear guidelines on managing conflicts of interest and outlines expected corporate behaviour in interactions with stakeholders, including vendors, contractors, and business partners.

SUSTAINABILITY STATEMENT (cont'd)

CORPORATE GOVERNANCE AND ANTI-CORRUPTION (cont'd)

CODE OF CONDUCT AND BUSINESS ETHICS (cont'd)

In particular, the Code addresses critical areas such as insider trading, guidelines for gifts, entertainment, and solicitations, as well as social media policies. The Board periodically reviews the Code to ensure its relevance and effectiveness in addressing ethical concerns within the organisation, where currently its compliance effectiveness is assessed every three years.

FY2022 - FY2024

ZERO instances of non-compliance or unethical conduct reported, demonstrating the commitment of Malton's employees to upholding the high standards set forth in the Code.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

Malton maintains an unwavering commitment to a zero-tolerance approach towards corruption and bribery in all aspects of its business operations. This uncompromising stance is reflected in the implementation of the Group's Anti-Bribery and Anti-Corruption Policy. Developed in accordance with Section 17A of the MACC Act 2009 (Amendment 2018), the ABAC Policy can be accessed via the following link: https://malton.irplc.com/investor-relations/pdf/Malton-Anti-Bribery-and-Anti-Corruption-Policy.pdf.

The ABAC Policy establishes essential measures and guidelines to effectively manage and address potential risks or situations related to bribery and corruption within Malton. It comprehensively covers various forms of corrupt activities, encompassing commissions and incentives, facilitation payments, gifts and entertainment, political contributions and donations, and any behaviours that could be deemed as constituting bribery and corruption.



Commitment

Malton remains committed to enhancing internal controls and procedures across the Group, effectively reducing and mitigating the risks associated with corruption.

Board Oversight

Under the oversight of the Board, all Directors and employees are required to provide written confirmation of their acknowledgement, understanding, and commitment to abide by the policy's provisions.

Review

The Group regularly conducts reviews to ensure compliance with legislative and regulatory amendments, as well as changes in the industry and business environment.

Improvement

Based on these reviews, necessary improvements to the ABAC Policy and associated control measures are identified and implemented.

CORPORATE GOVERNANCE AND ANTI-CORRUPTION (cont'd)

Anti-Corruption Training and Communication

All Directors and Senior Management staff have attended comprehensive anti-corruption training in the past. This includes training on Section 17A of the MACC Act. Training is provided periodically, notably when there are changes in the law or other circumstances or developments necessitating a training.

While no specific anti-corruption training was held for Directors and Senior Management in FY2024, the Board and Senior Management continue to perform annual reviews of the Group's anti-corruption and integrity policies to ensure relevance and robustness. The Board and Senior Management have continued to affirm their commitment to a zero-tolerance or no-compromise approach to anti-corruption, which serves as the foundation for all internal and external relationships and engagements with stakeholders.

Anti-Corruption Assessment

Internal risk assessments are performed to identify and evaluate potential risk areas, from which safeguards are subsequently developed to address these potential concerns. Malton has maintained a positive track record, with no reported cases of corruption within the Group during the financial year. However, the Group believes that it can further enhance its management approach by reviewing the current training provisions for all levels of the organisation.

WHISTLEBLOWING POLICY

Malton's Whistleblowing Policy establishes a formal process enabling individuals to raise genuine concerns and report instances of misconduct, malpractice, or improper conduct, including violations of the ABAC Policy. This policy applies universally across Malton Group, encompassing all employees as well as external parties such as advisers, consultants, service providers, suppliers, contractors, customers, investors, and members of the public.

To ensure the impartiality and dependability of this reporting avenue, the Audit Committee assumes a pivotal role in overseeing the process. Depending on the seriousness of the alleged misconduct, the Audit Committee may recommend appropriate corrective actions to the Board. Instances involving crimes such as assault, rape, burglary, and similar offences against individuals or property will be promptly reported to law enforcement authorities.

Individuals wishing to make a report can utilise the Whistleblowing form provided in the Whistleblowing Policy and send it via email to whistleblowing@malton.com.my.

The Group places utmost importance on maintaining the confidentiality of whistleblowers and ensuring protection from victimisation, harassment, or disciplinary action. Therefore, to the fullest extent possible, the identity of the whistleblower will be kept confidential as long as the disclosure is made in good faith.

FY2022 - FY2024

ZERO cases reported under the whistleblowing channel.

SUSTAINABILITY STATEMENT (cont'd)

CORPORATE GOVERNANCE AND ANTI-CORRUPTION (cont'd)

ENVIRONMENTAL AND SOCIAL COMPLIANCE

Malton diligently upholds its established policies, protocols, guidelines, and industry standards. As part of its ongoing commitment to improvement, the Group enhanced workplace safety and processes in collaboration with the Department of Occupational Safety and Health (DOSH) in FY2024.

Furthermore, the Group has not faced any regulatory actions related to corporate ethics, integrity, corporate governance, or anti-corruption issues.

Below are some of the regulations enforced across our business operations:

- Bursa Malaysia Main Market Listing Requirements
- Malaysia Code on Corporate Governance 2021
- Malaysian Anti-Corruption Commission Act 2009
- Employment Act 1955 (Amendment 2022)
- Occupational Safety and Health (Amendment) Act 2022
- Construction Work, Design and Management 2024
- Construction Industry Development Act 520:1994
- Environmental Quality Act 1974 (Act 127)
- Street, Drainage and Building Act 1974
- Uniform Building By-Laws 1984
- Fire Services Act 1988

The Group remains steadfast in its commitment to compliance by adhering to ISO regulations across multiple facets of its operations. Malton has implemented Standard Operating Procedures aligned with ISO 9001 for Quality Management and ISO 45001 for Safety and Health Management. To ensure continuous adherence, the company conducts annual internal and third-party quality audits for ISO 9001 and ISO 45001. Additionally, Malton performs regular safety and quality checks on a weekly and monthly basis.

ISO 9001

ISO 45001

SUPPLY CHAIN MANAGEMENT

Ensuring supply chain integrity is vital for the success and reliability of property development projects. It involves transparency, trust, and ethical conduct throughout the supply chain, from sourcing raw materials to delivering finished products.

Although Malton has not yet established formal supplier due diligence procedures regarding environmental and social criteria, the Group remains dedicated to preventing any contentious activities by its suppliers. This dedication aligns with our Code of Conduct and Business Ethics, which emphasises responsible business operations, environmental protection, and positive community engagement. Malton consistently upholds these principles to foster strong community relationships and fulfil our environmental responsibilities.

In line with the Code of Conduct and Business Ethics, Malton has adopted transparent procurement practices. The selection process for consultants, vendors, and contractors includes a thorough evaluation through an open tender system. To ensure high-quality product delivery, we have implemented a stringent tender procedure for selecting vendors and contractors.

Exceptions are allowed only in specific cases where the job requires specialists, critical trades, or work approved by the Executive Directors for direct negotiation. In such instances, Malton follows the best practices outlined in its management system procedures.

Anyone found violating our ABAC Policy or involved in bribery or corruption will face strict disciplinary measures, including suspension or termination of employment, as well as legal action. We maintain a zero-tolerance approach to such misconduct and prioritise the enforcement of our policies and legal obligations.

CORPORATE GOVERNANCE AND ANTI-CORRUPTION (cont'd)

DATA PRIVACY AND SECURITY

The Group is committed to safeguarding the confidentiality of personal information belonging to our stakeholders, in strict accordance with the Personal Data Protection Act 2010 and Personal Data Protection (Amendment) Bill 2024. To ensure the highest level of customer privacy, we have implemented an extensive array of cybersecurity measures and invested in advanced data protection systems. We have already established a cybersecurity strategy within the company, enhanced by integrating AI System to provide optimal protection for stakeholder information.

FY2022 – FY2024

ZERO substantiated complaints concerning breaches of customer privacy and losses of customer data.

Cybersecurity-related Policies and Procedures



Network Security Policy

- To determine who has access to network resources, aiming to allow access to authenticated users while denying access to unauthorised users.
- Compliance with network and data security regulations and internal standards.
- With policies in place, any violations can be easier to detect. Security is more easily enforced, threats more quickly contained, and risk rapidly reduced.



File Server Security Policy (for the Digital Age)

- Maintain a strict permission policy. Enforce policy to prevent unauthorised access, data breaches, and insider threats.
- Control the access of data/system in the server. Ensure information is preserved for confidentiality, integrity, and availability.
- Safeguarding sensitive information through robust security measures, encryption techniques, and adherence to privacy regulations.



Email and Internet Acceptable Use Policy

- Define the acceptable and unacceptable behaviour use of the Internet and email.
- Comply with current legislation.
- Implemented Multi-Factor Authentication solution.

SUSTAINABILITY STATEMENT (cont'd)

ECONOMIC IMPACTS

Malton has successfully generated direct and indirect economic values, benefiting both the organisation and its stakeholders. This sustained economic and financial performance is fundamental to advancing the Group's ESG agenda while bolstering shareholder value.

Furthermore, the Group actively facilitates the ongoing creation and equitable distribution of economic value across a broad spectrum of stakeholders. These include shareholders, investors, employees, social enterprises, NGOs, and others involved in the Group's ecosystem. Malton's continued economic growth contributes to a socio-economic multiplier effect, playing a pivotal role in job creation, fostering entrepreneurial opportunities, and supporting the development of the local supply chain.

ECONOMIC VALUES GENERATED

The property and construction industries faced significant disruptions over the past year due to unprecedented global challenges, leading to labour shortages and supply chain difficulties.

Despite these obstacles, Malton demonstrated remarkable resilience, achieving strong sales performance in new launches while maintaining low inventory levels throughout FY2024.

By implementing proactive cost-cutting measures and strategic initiatives during this period, the company effectively navigated the downturn's adverse impacts. These efforts ensured business continuity and fostered sustainable operational resilience for Malton.

Below is an overview of Malton's financial performance over the past three years:

Financial Year	FY2022 (RM'000)	FY2023 (RM'000)	FY2024 (RM'000)
Economic Value Generated	758,274	869,135	726,264
Economic Value Distributed			
- **Total monetary value/operating cost**	(558,577)	(877,017)	(604,133)
- **Total payout to employees in salaries and benefits**	(37,636)	(33,258)	(36,574)
- **Taxes paid to the government**	(28,310)	(45,689)	(36,496)
- **Repayments to Financiers**	(32,564)	(36,031)	(41,784)
- **Dividend Returns to Shareholders**	-	-	-
Economic Value Retained	101,187	(122,860)	7,277

For comprehensive details on the Group's financial performance and the direct economic value generated, please refer to the Management Discussion and Analysis section of this annual report.

INDIRECT ECONOMIC VALUES CREATION

At Malton, our Management approach to creating socio-economic benefits for stakeholders is deeply rooted in our commitment to sustainable practices and long-term prosperity.

We take a holistic view and prioritise three key areas:



ECONOMIC IMPACTS (cont'd)

INDIRECT ECONOMIC VALUES CREATION (cont'd)

These focal points align with our sustainability objectives, enabling us to generate positive socio-economic impacts while safeguarding environmental sustainability.

We are dedicated to sustainability principles and aim to create socio-economic benefits for our stakeholders. By prioritising job creation, fostering entrepreneurial opportunities, and supporting local supply chain development, we strive to promote inclusive growth, empower communities, and ensure the long-term prosperity of our organisation and those we serve.

VALUE CREATION THROUGH PROPERTY DEVELOPMENT

A range of infrastructure developments has been implemented to directly and indirectly benefit stakeholders, leading to job creation and increased economic activity. These include:

Affordable Developments



The development of affordable housing projects in Klang Valley offers accessible and cost-effective options for the rakyat, meeting the community's housing needs.

Completed Projects	• Pangsapuri Kenangan • Mutiara Square Affordable Shops
Upcoming Projects	• RIO • Mutiara Puchong Affordable Single-storey Shops • Ukay Spring RSKU Townhouse

Infrastructure Enhancement



Infrastructure improvements have been made to elevate the quality of life for our homebuyers and the surrounding community.

This includes developing access roads, bridges, schools, social centres, and health facilities, as well as ensuring reliable electricity, water supply, technology, and commercial services.

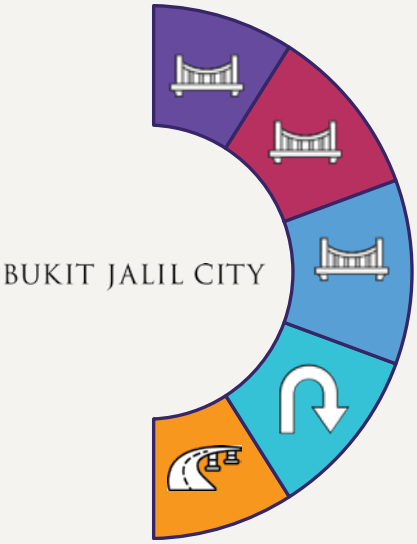
These upgrades aim to improve connectivity, deliver essential services, and create a supportive environment for economic growth.

SUSTAINABILITY STATEMENT (cont'd)

ECONOMIC IMPACTS (cont'd)

INDIRECT ECONOMIC VALUES CREATION (cont'd)

VALUE CREATION THROUGH PROPERTY DEVELOPMENT (cont'd)



Pedestrian Bridge
Connecting the surrounding community to Pavilion Bukit Jalil Mall.



Pedestrian Bridge
Connecting residents safely to the 80-acre Bukit Jalil Recreational Park.



Pedestrian Bridge
Enhancing pedestrian safety for the community.



U-turn
Facilitating easy flow of traffic into Bukit Jalil Highway.



Flyover
Linking Bukit Jalil City to Puchong via Bukit Jalil Highway.



Other Developments



Duta Park Residences
A bridge linking Duta Park with Jalan Ipoh and Sentul to alleviate traffic and improve connectivity in the surrounding area. (in progress)



River Park
Direct access from Federal Highway/ NPE Link and a new egress link to Old Klang Road to enhance accessibility and connectivity. (in progress)

ECONOMIC IMPACTS (cont'd)

INDIRECT ECONOMIC VALUES CREATION (cont'd)

VALUE CREATION FOR HOMEOWNERS

At the heart of value creation, Malton is dedicated to providing homeowners with exceptional value through innovative master planning and strategic locations that foster sustainable living. Our vision is to enrich lives by creating integrated developments where communities can thrive - living, working, and playing in a safe and connected environment. Guided by our tagline "Shaping Lifestyle Aspirations", we empower homeowners to achieve their ideal lifestyle and enjoy capital appreciation that extends beyond mere homeownership.

Capital Appreciation

Malton's developments are designed to provide homeowners with exceptional living spaces and assets that appreciate over time. Through careful planning and market insight, we ensure our projects offer substantial capital growth.

Economic & Population Growth

As a catalyst for the rejuvenation of Bukit Jalil, Malton takes pride in transforming this vibrant suburb into an epicenter of style and living. Our initiatives have sparked significant population growth, fostering a vibrant community that embraces modern living and enriched lifestyles.

Quality Lifestyle

Our developments offer a quality lifestyle enriched with premium amenities and an environment surrounded by nature. By blending modern comforts with natural beauty, we create living experiences that elevate our homeowners' well-being.



Job Creation

Our developments go beyond infrastructure - we provide essential employment opportunities that fuel local economies. By creating jobs, we empower individuals and families, ensuring long-term economic resilience.

Sustainable Living

By crafting sustainable developments, we are benefiting the current generation and laying the foundation for a positive impact on the environment for future generations.

World-class Amenities

Integrated with the world-class retail mall Pavilion Bukit Jalil, we offer residents direct access to the premier lifestyle mall while surrounded by world-class amenities for convenience and a well-rounded lifestyle.

Quality Craftmanship & Customer Satisfaction

Through meticulous craftsmanship and a strong focus on customer satisfaction, Malton ensures that every home is built to provide long-term value. Our commitment to quality translates into homes that enhance both comfort and investment for our homeowners.

Infrastructure Enhancement

Good connectivity and seamless access to public transportation are at the heart of Malton's infrastructure planning. By integrating efficient transportation links, we provide homeowners greater mobility and added value to their property.

SUSTAINABILITY STATEMENT (cont'd)

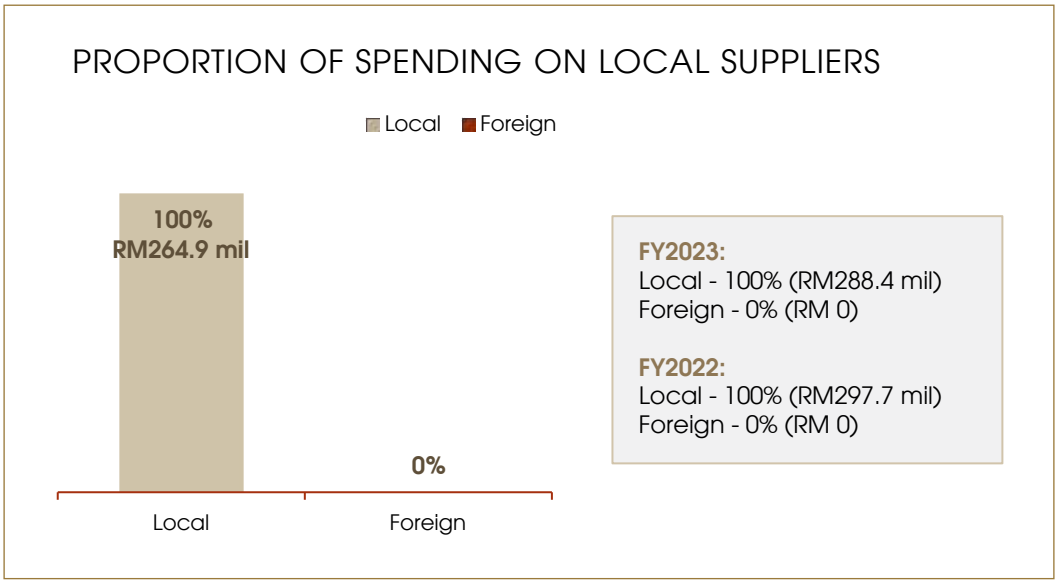
ECONOMIC IMPACTS (cont'd)

SUPPORTING LOCAL PROCUREMENT

Malton actively supports the growth of the Malaysian business ecosystem by promoting local suppliers and contractors who align with our vendor procurement policies. This approach allows us to keep the value we generate circulating within the Malaysian economy while also reducing our carbon footprint by minimising imports of foreign goods.

All our supply chain activities strictly adhere to relevant local laws, rules, and regulations, ensuring compliance with the legal framework of our operations in the country. Given that Malton's core business involves construction activities, we prioritise awarding contracts to local contractors for services such as construction, landscaping, and related areas.

The Group demonstrates its commitment to local procurement by sourcing 100% of its contracts locally over the past three years.



PRODUCT QUALITY AND RESPONSIBILITY

At Malton, our core belief centres on delivering high-quality products synonymous with the Malton brand. We prioritise the craftsmanship of units delivered to customers at vacant possession as the primary gauge of product quality. The Group firmly believes that implementing meticulous control throughout the planning and execution phases of product development is essential to ensuring positive outcomes.



Malton has maintained a Quality Management System (QMS) accredited by SIRIM to ISO 9001:2015 since 2017. All critical business operations and performance metrics are meticulously documented, monitored, and regularly reviewed to drive continuous improvement. Simultaneously, the Group adheres to all relevant laws, regulations, and standards to ensure compliance. This steadfast commitment establishes a robust framework for quality assurance and ongoing enhancement.

ECONOMIC IMPACTS (cont'd)

PRODUCT QUALITY AND RESPONSIBILITY (cont'd)

Furthermore, the Finishes and Detailing Guidelines were established since 2022 in accordance with Management's project directives. The adoption of Pre-Delivery Inspection and QLASSIC are contractually mandated to reinforce our dedication to quality assurance and compliance. By incorporating these requirements into project contracts, we ensure that our products consistently meet the highest standards of quality and customer satisfaction. Malton is committed to developing staff's dedication through ISO 9001 and QLASSIC training, demonstrating Management's strong support for ongoing quality improvement initiatives.

By establishing clear business operations and processes, Malton has sharpened its focus on personnel development through standardised practices and overseeing project execution. This measure assures that the Group consistently meets customer expectations and fosters innovation in product offerings.

QUALITY OVERSIGHT BY MANAGEMENT REVIEW COMMITTEE

Malton's Senior Management and Heads of Departments collectively form the Management Review Committee (MRC) to actively guide and enhance our quality standard. This oversight is conducted through the annual QMS Management Review Meeting (MRM).

The MRM serves as a robust platform for presenting the progress, status, and achievements of quality objectives and processes across key departments. These meetings enable thorough discussions and solutions regarding issues, risks, and challenges related to product and service quality. The MRC is crucial in defining the vision and enhancing quality standards, thereby promoting continuous improvement across the Group.

QUALITY ASSURANCE AND CUSTOMER SATISFACTION

Malton has set a Quality Policy that aligns with the communication and frameworks to promote a "Built-in-Quality" culture. Quality assurance and customer satisfaction are key drivers that help us build lasting relationships with our valued homeowners.

Malton has established a set of Finishes and Detailing Guidelines to enhance construction efficiency and design excellence. These guidelines are supported by a comprehensive check-and-balance system throughout the product development stages, ensuring efficient implementation and maintaining high-quality standards



Management and team brainstorming on Finishes and Detailing Guidelines, ensuring that every detail reflects their shared standards



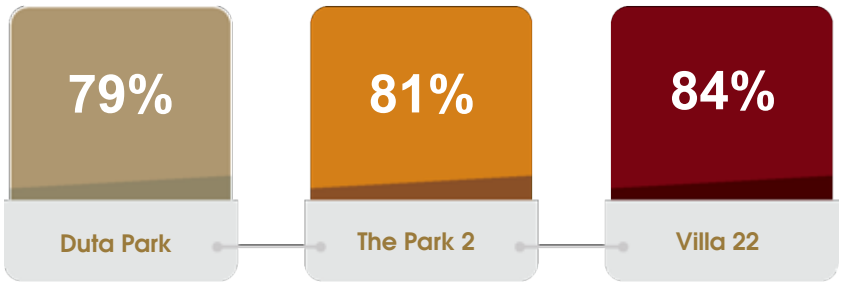
Thorough site-walk with Management to ensure product quality prior to handover of vacant possession

SUSTAINABILITY STATEMENT (cont'd)

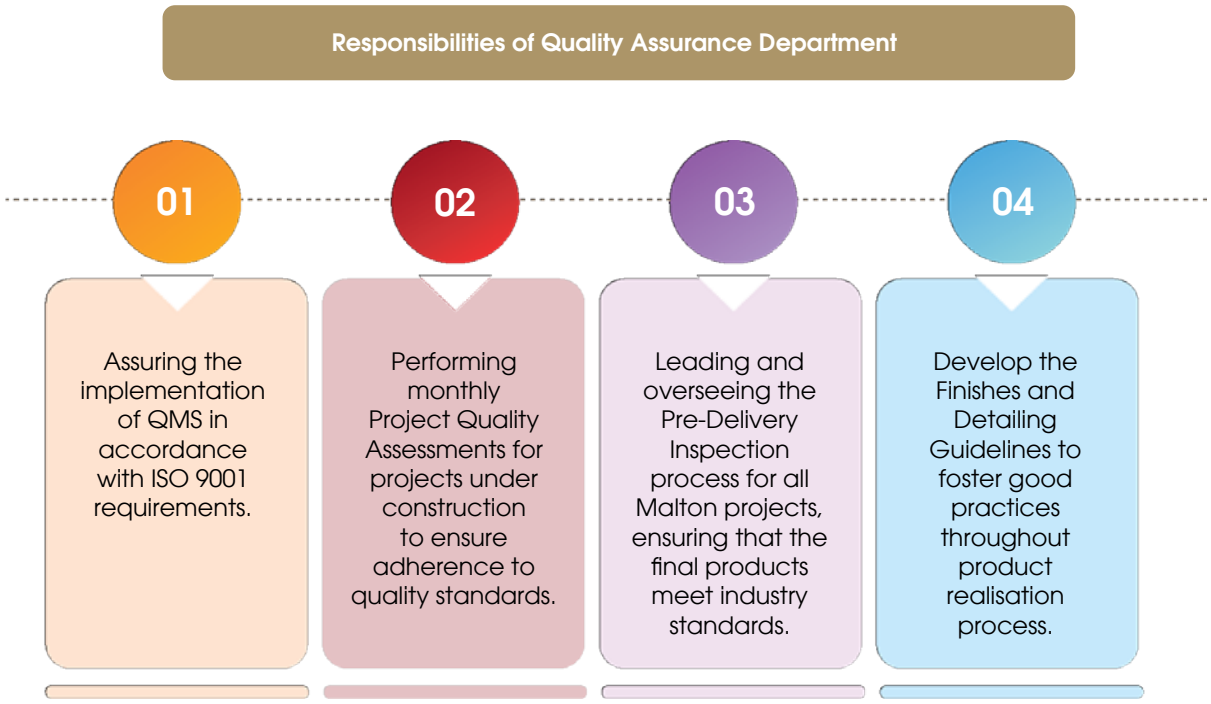
ECONOMIC IMPACTS (cont'd)

PRODUCT QUALITY AND RESPONSIBILITY (cont'd)

QLASSIC Score Highlights



The Group has established dedicated departments to manage product quality and enhance customer care namely, the Quality Assurance department and the Customer Care department. These departments play pivotal roles in ensuring rigorous quality standards and excellent customer service across all operations.



Customer Satisfaction

Customer satisfaction is paramount for our business sustainability. It serves as a central focus across all divisions, directly impacting our ability to secure new and repeat business opportunities, and to foster enduring relationships crucial for economic prosperity. Therefore, we are dedicated to consistently meeting and exceeding our customers' expectations.

ECONOMIC IMPACTS (cont'd)

PRODUCT QUALITY AND RESPONSIBILITY (cont'd)

Customer Satisfaction (cont'd)

To gauge our performance in this area, we track our resolution rate for customer complaints and administer customer satisfaction surveys during project handovers. These surveys offer valuable insights into our customers' levels of satisfaction.

Projects	Type	Customer Satisfaction Score
Rapid City Centre Phase 2	Shop offices	100%
The Park 2	High-rise residential	97%
Pangsapuri Kenangan	Affordable housing	96%
Villa 22	Semi-detached houses	91%
Rapid City Centre Phase 1	Shop offices	90%
The Park Sky Residence	High-rise residential	87%
SK One Residences	High-rise residential	82%
Duta Park Residences	High-rise residential	80%

MARKETING AND LABELLING

To support Malton's property development, the Sales and Marketing department is committed to producing comprehensive sales brochures that effectively promote the project. These brochures include essential details such as artist impressions, conceptual designs, facility plans, unit types and layouts, specifications, location maps, and developer contact information.

In addition to standard marketing content, the brochures will emphasise the project's unique selling points, such as the covered walkway to public transportation in River Park Bangsar South. The Group prioritises ethical product marketing and labelling, and in FY2024, there were no instances of non-compliance regarding product information, labelling, or marketing practices.

DIGITALISATION AND TECHNOLOGY

In today's competitive landscape, digitalisation and innovation are crucial for property developers to enhance operational efficiency and improve customer engagement. Embracing advanced technologies not only streamlines processes but also meets the evolving expectations of homeowners and communities. By prioritising these initiatives, developers can create smarter, more connected living environments that foster stronger relationships with residents.

MyMalton App

Launched in December 2021, the MyMalton app marks a major step in our digital transformation journey. This initiative aims to strengthen community connections while offering unparallel convenience to users on their smart devices. By embracing the MyMalton app, homeowners can access a wide range of property management services, receive the latest updates, and enjoy exclusive promotions from our lifestyle partners at Pavilion lifestyle malls. The user-friendly app streamlines property billing and offers real-time Pavilion privileges for Malton homeowners and the public.

SUSTAINABILITY STATEMENT (cont'd)

ECONOMIC IMPACTS (cont'd)

DIGITALISATION AND TECHNOLOGY (cont'd)

MyMalton App (cont'd)

In FY2024, the Group is committed to expanding its user base by 5.0% annually, underscoring Malton's dedication to strengthening its digital presence and elevating brand visibility. This strategic initiative reflects our focus on community engagement and sustainable growth in the digital landscape.

Community App

A community app thoughtfully designed with user-friendly engagement platform right at your fingertips for Malton homeowners. This platform allows homeowners to enjoy the convenience of instant customer service through various features, including facility booking, visitor registration, tenant management, announcements, and an e-billing system for seamless transactions with real-time data. This initiative not only fosters stronger community connections but also aligns with our commitment to reducing the carbon footprint.



Events & Promotions

Integrated with Pavilion privileges, the app offers a diverse range of exclusive events and promotions to its members. Whether you are a Malton homeowner or a member of the general public, you can stay informed about upcoming events and enjoy a world of privileges from the diverse tenant mix in Pavilion shopping malls.

Building Information Modelling

In addition to enhancing its digital presence, Malton is focused on streamlining operational efficiency by adopting Building Information Modelling (BIM) during the design and planning stages. BIM offers significant benefits, including improved collaboration, reduced errors, and enhanced project visualisation, ultimately leading to cost savings and timely project delivery. The Group aims to implement 50% of BIM technology across all its high-rise development, reinforcing its commitment to innovation and efficiency in construction.

On-going developments utilising BIM:

RIVERPARK
BANGSAR SOUTH

Mutiara Hilltop
PUCHONG

ECONOMIC IMPACTS (cont'd)

LANDBANK

Landbanks are crucial elements of property development, serving as strategic assets for constructing residential, commercial, and industrial spaces. To identify suitable landbank options, the Group conducts a comprehensive analysis of factors such as location, zoning regulations, infrastructure availability, and market demand.

These sites are transformed into vibrant real estate assets that meet community needs and contribute to urban growth and economic development. Efficient use of landbanks is crucial for shaping urban landscapes and fostering sustainable development.

Malton will continue to look for attractive land-banking acquisitions as and when opportunities arise.

ENVIRONMENTAL SUSTAINABILITY

Aligned with the Strategic Plan 2020-2030: Environmental Sustainability in Malaysia, Malton places significant emphasis on minimising its operations' environmental impact. Key concerns such as emissions, climate change, resource constraints, and biodiversity are integral to Malton's sustainability agenda.

As climate-related risks and opportunities remain inherent in Malton's business, the Group is steadfast in its commitment to combatting climate change and addressing relevant challenges through sustainable practices integrated into project and township development. This approach prioritises environmental stewardship while ensuring ongoing property maintenance and operation.



Since FY2022, Malton has developed a green features checklist tailored for its Property Development division. These initiatives enable the Group to systematically monitor and integrate green features across diverse projects. Through these measures and ongoing efforts, Malton aims to actively contribute to environmental preservation and promote sustainability.

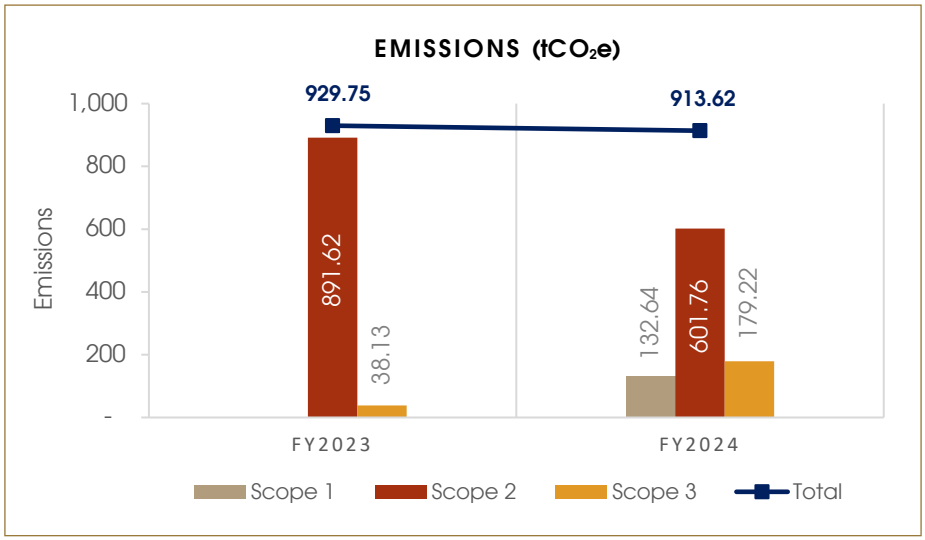
CLIMATE CHANGE AND EMISSIONS

Climate change presents significant challenges for property development. As the impacts of climate change, such as rising sea levels, increased flash floods and changing weather patterns, become more evident, developers like Malton must adopt sustainable practices and strategies to mitigate risks and enhance environmental resilience. Adaptation measures include incorporating elevated foundations and stormwater management systems, especially applicable to coastal properties and infrastructure.

In FY2024, Malton not only continued its proactive efforts to quantify and report Scope 2 emissions from purchased electricity but also took significant steps towards tracking and expanding its carbon accounting to include Scope 1 and Scope 3 emissions. The revision of Scope 3 emissions reporting now includes categories like Employee Commuting and Business Travel, leading to a significant increase in Scope 3 emissions. By measuring its carbon footprint, Malton can identify areas for improvement and develop targeted strategies towards addressing climate change-related risks and reducing total carbon emissions within its operations and the broader industry.

ENVIRONMENTAL SUSTAINABILITY (cont'd)

CLIMATE CHANGE AND EMISSIONS (cont'd)



Note:

1. *The conversion factor used to convert litres consumption to energy value is based on the Malaysia Energy Statistic Handbook 2020. Meanwhile, emission factors and Global Warming Potential (GWP) values are retrieved from the Intergovernmental Panel on Climate Change (IPCC) database.*
2. *The emission factor used for grid electricity is based on the United Nations Framework Convention on Climate Change (UNFCCC) Harmonised Grid Factors 2021 of 0.551 kgCO2e/kWh.*
3. *The emission factors used for Scope 3 (Categories Employee Commuting and Business Travel) are based on the United States Environmental Protection Agency (EPA) GHG Emission Factors Hub, while Global Warming Potential (GWP) values are retrieved from the Intergovernmental Panel on Climate Change (IPCC) database.*
4. *The total emission data of FY2023 presented in the above chart differs from the previous year due to an improved data compilation process, which now includes Scope 3 data.*

Compared to FY2023, Malton observed a slight downward trend in total emissions, reflecting a 1.73% reduction. This reduction is primarily attributed to decreased consumption following the completion of several projects. The decrease highlights Malton's progress in managing its carbon footprint more effectively amidst operational transitions. It also underscores the Group's commitment to driving energy-efficient initiatives and integrating sustainable energy practices, positioning Malton on a more sustainable path towards long-term environmental performance.

By embedding climate change considerations into all aspects of property development, Malton protects its assets from future risks and enhances the resilience of the communities it serves. This approach demonstrates Malton's dedication to sustainability, contributing to global climate efforts and solidifying its leadership in the industry.

ENERGY MANAGEMENT

Effective energy management is crucial for lowering operational costs, improving competitiveness, and promoting a sustainable economy. By adopting energy-efficient practices, such as utilising renewable energy sources, incorporating green building design principles, and using sustainable construction materials, Malton strives to decrease its carbon footprint and contribute to a more robust, environmentally friendly economy.

ENVIRONMENTAL SUSTAINABILITY (cont'd)

ENERGY MANAGEMENT (cont'd)

Construction activities are the main sources of energy consumption within the Group. This requires a focused approach to energy efficiency. Malton's strategies include adopting green building practices, such as incorporating renewable energy solutions and energy-efficient designs. For instance, at the Duta Park Residences project, initiatives like EV charging facilities, LED lighting in common areas, and solar street lighting contribute to overall energy efficiency and promote the use of renewable energy.

FUEL CONSUMPTION

In FY2024, Malton began tracking and disclosing fuel consumption, upholding its commitment to transparency and better energy management. The primary fuel type used is diesel, which is essential for construction machinery and transportation.

Fuel Consumption (litres)	FY2024
Diesel	50,000

To effectively manage and reduce fuel consumption, Malton has introduced targeted strategies that enhance operational efficiency while advancing its sustainability goals:

Utilisation of Modern Equipment

- Prioritising rental equipment under five years old to maximise fuel efficiency and reduce unnecessary energy consumption.

Transition to Grid Electricity

- Exploring the use of electricity supply to reduce dependency on diesel-powered generators at project sites.

Optimising Material Storage

- Placing material storage (laydown areas) strategically closer to work zones to reduce forklift movements, resulting in lower fuel consumption.

Adherence to Project Schedules

- Strictly adhering to project timelines to swiftly off-hire and demobilise major equipment, thereby minimising fuel usage during idle periods.

Preventive Maintenance

- Implementing regular preventive maintenance on all machinery and equipment to ensure optimal fuel efficiency and minimise mechanical downtime.

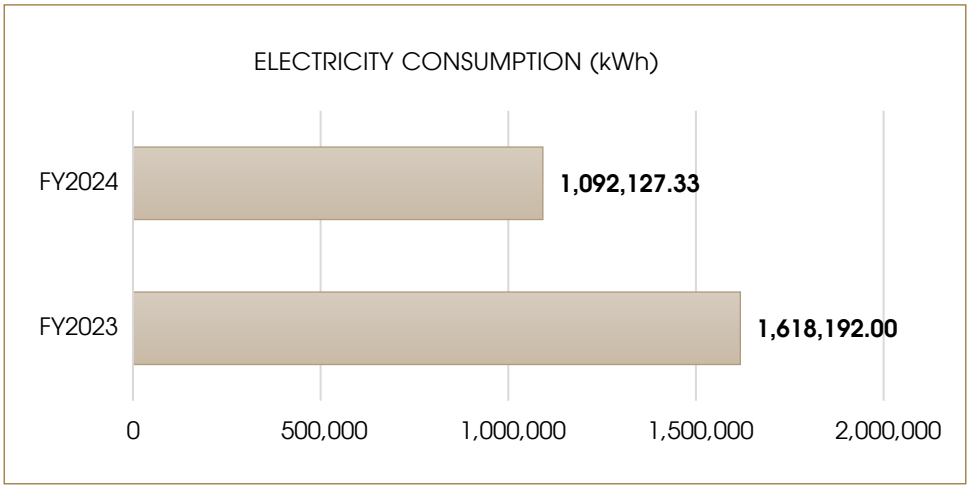
These initiatives drive more sustainable operations and align with Malton's broader objective of reducing its environmental footprint by managing fuel usage and emissions across its projects and operations.

ENVIRONMENTAL SUSTAINABILITY (cont'd)

ENERGY MANAGEMENT (cont'd)

ELECTRICITY CONSUMPTION

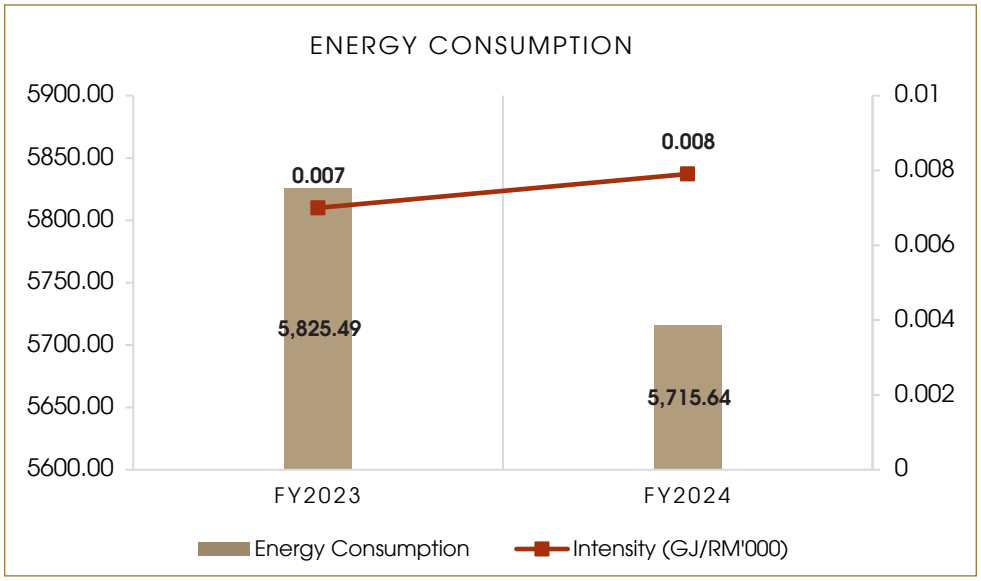
Electricity consumption primarily supports office operations, sales galleries, and site offices. Following the installation of solar photovoltaic (PV) panels on the rooftop of the commercial building, Menara BAC, Malton will continue to replicate and promote the transition to renewable energy. Malton observed a decrease in total electricity consumption in FY2024 as shown below.



Note:
1. *The electricity consumption data in FY2024 is derived from the average commercial tariff rate of RM 0.726/kWh.*

TOTAL ENERGY CONSUMPTION

By tracking both fuel and electricity usage, which are critical to the Group's operational and construction activities, Malton can develop targeted strategies to improve energy efficiency and reduce overall consumption.



Note:
1. *The energy consumption data is calculated based on the electricity consumption using the unit conversion of 1 kWh = 0.0036 GJ, and the conversion factor used to convert litres of fuel consumption to energy value is based on the Malaysia Energy Statistic Handbook 2020.*

ENVIRONMENTAL SUSTAINABILITY (cont'd)

ENERGY MANAGEMENT (cont'd)

TOTAL ENERGY CONSUMPTION (cont'd)

In FY2024, Malton observed an overall decrease in total energy consumption, even after accounting for the energy from fuel consumption. The improvement in energy consumption is attributed to the decrease in electricity consumption. Nevertheless, the Group remains steadfast in its efforts to integrate energy-efficient technologies and renewable energy solutions to mitigate the environmental impact and reduce overall carbon footprint effectively.

INTEGRATION OF ENERGY-EFFICIENT INITIATIVES IN PROPERTY DEVELOPMENT

Malton's commitment to energy efficiency begins at the conceptualisation stage. The Group designs passive systems to reduce indoor heat and minimise reliance on air-conditioning by optimising building orientations with a north-south alignment. Optimal window sizing and daylighting are utilised to maximise natural ventilation, while dedicated walkways and cycling networks are prioritised to encourage low-carbon mobility.

Malton also integrates efficient lighting designs and energy-efficient LED lights to enhance energy efficiency across its project developments, office buildings, and construction sites. Additional initiatives include motion-detection lighting, energy-efficient escalators, travelators, lifts with regenerative drives and sleep mode functions, solar PV panels, roof insulation, and automatic temperature-controlled or VRF air-conditioning systems.

In June 2024, Malton installed the first four EV charging stations at its newly completed Duta Park Residences to promote the EV ecosystem and accelerate the country's energy transition. Moving forward, the Group is committed to replicating green initiatives for all its upcoming property developments. These energy-efficient measures will enable efficient energy billing, promote sustainable living, and directly benefit homeowners by reducing energy costs and enhancing the overall quality of life within Malton's developments.



Malton rolled out its first EV charging stations at Duta Park Residences, promoting environmentally conscious transportation among its residents.

SUSTAINABILITY STATEMENT (cont'd)

ENVIRONMENTAL SUSTAINABILITY (cont'd)

ENERGY MANAGEMENT (cont'd)

GREEN BUILDING

Park Green Pavilion Bukit Jalil, our upcoming high-rise residential project, has recently achieved a Bronze Provisional GreenRE certification. Situated within the award-winning 50-acre Bukit Jalil City township, this marks our third green-certified project, following the successful River Park and Menara BAC green certification earlier.

This milestone underscores Malton's ongoing commitment to integrating green building concepts into its new property developments. Both the high-rise residential River Park and the commercial building Menara BAC have received Bronze Provisional GreenRE and Gold GreenRE certifications, respectively, from the Malaysian Green Real Estate.

Located at Bangsar South, River Park's achievement stems from the deliberate integration of innovative green features into the building's design. These features focus on EV charging stations, water efficiency and monitoring systems, high-performance glass to aid heat reduction, sustainable site planning, indoor environment quality, and materials and resources.

For Menara BAC, several green features have been implemented, including the use of renewable energy through solar PV panels, rainwater harvesting systems for landscape irrigation, and green concrete in the building's construction. These sustainable features went beyond design and encompassed building users' operational and maintenance practices, leading to increased energy savings and improved environmental performance.

Even during its construction activities, Malton prioritises the use of environmentally friendly materials and products, such as emulsion paint, eco-friendly building blocks, roof thermal insulation foam, and the avoidance of volatile organic compounds.

Moving forward, our Property Development division aims to continue achieving green certification for future high-rise residential developments, notably Mutiara Lake Puchong, aligning with the Malaysia Smart City framework set by the Ministry of Housing and Local Government.

ECO-FRIENDLY BUILDING MATERIALS





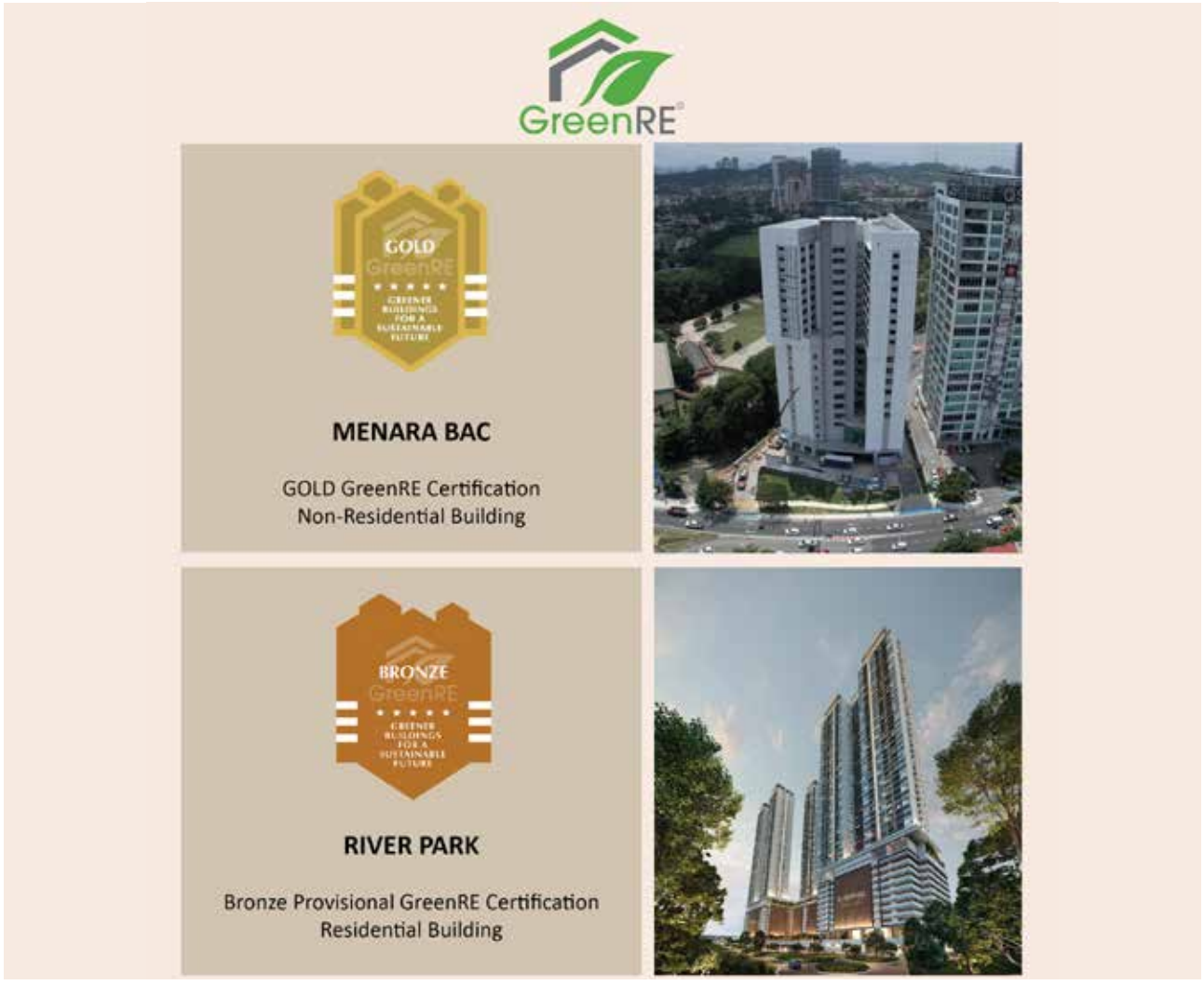


ENVIRONMENTAL SUSTAINABILITY (cont'd)

ENERGY MANAGEMENT (cont'd)

GREEN BUILDING (cont'd)





SUSTAINABILITY STATEMENT (cont'd)

ENVIRONMENTAL SUSTAINABILITY (cont'd)

ENERGY MANAGEMENT (cont'd)

GREEN BUILDING (cont'd)



ENVIRONMENTAL SUSTAINABILITY (cont'd)

ENERGY MANAGEMENT (cont'd)

INDUSTRIALISED BUILDING SYSTEM

Malton embraces innovation and technology to enhance sustainability in its projects. The Group utilises the Industrialised Building System (IBS), a construction method emphasising off-site manufacturing and assembly of building components. This approach involves prefabricating components such as walls, columns, and slabs in a controlled factory environment using advanced technology and machinery. IBS contributes to a more efficient and sustainable construction process by optimising resource utilisation and reducing environmental impact.

Acknowledging its benefits, Malton continues its commitment to sustainable development by harnessing the potential of IBS technology. Through this innovative approach, the Group aims to reduce relying on traditional delivery models and construction practices. By doing so, this will improve resource utilisation and efficiency while reducing labour costs and material wastage, as well as enhancing delivery speed.

Drawing from the successful experiences with IBS systems in current and upcoming projects, Malton is actively promoting its widespread adoption. Looking ahead, the plans extend beyond high-rise residential buildings to luxurious landed homes and high-rise commercial structures. This forward-thinking approach reflects our unwavering commitment to sustainable practices across the construction industry.

Ongoing high-rise developments utilising IBS technology:



River Park
Bangsar South



Mutiara Hilltop
Puchong

WATER MANAGEMENT

Water management in property development plays a crucial role in promoting sustainability and addressing the challenges of water scarcity. Sustainable water management is pivotal for the environment, economic prosperity, and social well-being of communities, making it imperative for developers to progress towards adopting strategies that ensure efficient water use.

According to the World Resources Institute's Aqueduct Water Risk Atlas, Malaysia is not classified as a water-stressed region. Therefore, none of our Group's operations are situated in areas experiencing water stress. Our primary facility is a corporate office that relies on municipal water supplied by Air Selangor.

Malton remains committed to implementing robust water conservation measures across all its projects. By integrating these practices, the Group aims to significantly reduce its water footprint and promote sustainable living.

SUSTAINABILITY STATEMENT (cont'd)

ENVIRONMENTAL SUSTAINABILITY (cont'd)

WATER MANAGEMENT (cont'd)

Water Saving Initiatives

Rainwater Harvesting



Implementation of rainwater harvesting systems across completed, ongoing, and future property developments for irrigation and landscaping.

Provision of tanks at Duta Park Residences for landscape watering at common facilities areas.

Water-Efficient Sanitary Fittings



Incorporation of water-efficient faucets and dual-flush systems in selected developments, promoting water conservation.

Smart Sensor Faucets



Smart sensor faucets are installed across all premises to reduce water usage by activating only when needed, ensuring efficiency and conservation.

Continuous Engagement and Improvement



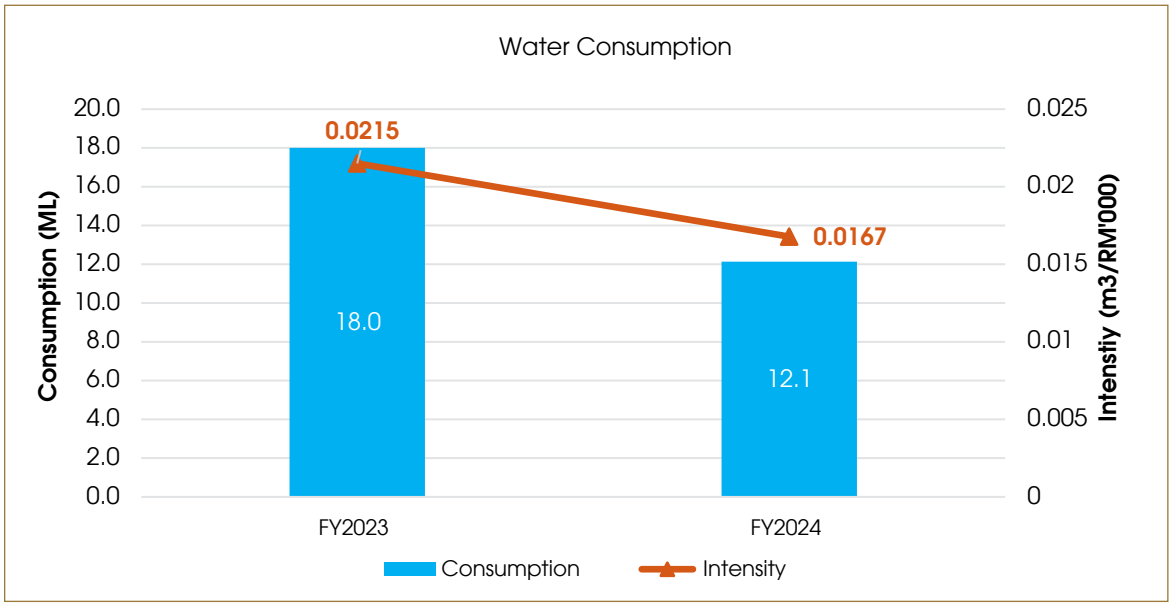
Active research and incorporation of advanced water conservation mechanisms.

Regular communication to employees on responsible water management practices.

ENVIRONMENTAL SUSTAINABILITY (cont'd)

WATER MANAGEMENT (cont'd)

In FY2024, Malton has observed a notable reduction in total water consumption to 12.1 Megalitres and a decrease in water intensity to 0.0167 m3/RM '000, compared to 18.0 Megalitres and 0.0215 m3/RM '000, respectively, in FY2023. These improvements are a direct result of its dedicated conservation strategies.



Looking forward, Malton is dedicated to improving its water management practices in all developments. The Group expects to make further improvements in efficiency, emphasising its ongoing commitment to responsible water management. The objective is to achieve a harmonious balance between operational needs and environmental stewardship, ensuring that sustainable practices guide its future initiatives.

MATERIALS CONSUMPTION

Efficient materials management is vital for sustainable property development, minimising environmental impact and optimising resource use throughout construction. Malton prioritises innovative strategies that integrate environmental stewardship with operational efficiency, ensuring its projects exemplify sustainable development.

The Group continues implementing rigorous measures to responsibly manage materials consumption across all construction activities. This included using advanced technologies and sustainable building techniques to enhance resource efficiency and reduce waste. By sourcing locally and choosing eco-friendly materials, the Group also minimises carbon emissions and supports local economies.



Concrete
- **FY2024: 38,000 m³**
- **FY2023 : 19,946 m³**

Rebar
FY2024: 3,000 tonnes
FY2023: 1,181 tonnes





Plywood
- **FY2024: 40,000 m²**

In FY2024, Malton observed an overall increase in material consumption, predominantly driven by the Group's expansion in development projects. This increase in activity led to a substantial rise in the use of essential construction materials, especially concrete and rebar, which are crucial for ensuring the structural integrity of large-scale developments.

SUSTAINABILITY STATEMENT (cont'd)

ENVIRONMENTAL SUSTAINABILITY (cont'd)

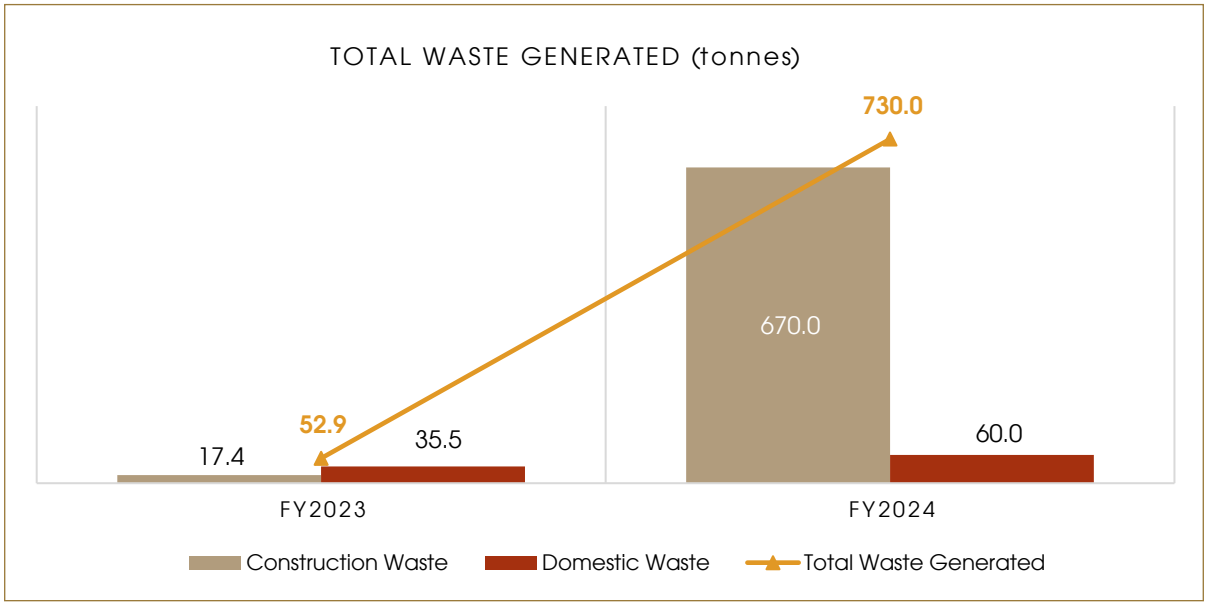
MATERIALS CONSUMPTION (cont'd)

As Malton continues to expand its development footprint, effective management of material resources is our top priority. We will focus on optimising procurement and utilisation practices to reduce environmental impact while bolstering project expansion. This includes continually exploring cutting-edge solutions to advance our materials management strategies and integrating innovative e-technologies to set benchmarks for environmental performance.

WASTE AND EFFLUENTS

In our dedication to environmental responsibility, Malton prioritises effective waste and effluent management across all business operations. The Group continuously assesses and enhances its construction processes to maximise the use of renewable and recyclable resources, thereby minimising waste. This approach ensures that materials are efficiently utilised, reducing the environmental impact associated with construction activities.

In FY2024, Malton observed a substantial increase in total waste generated, rising from 52.9 tonnes in FY2023 to 730.0 tonnes. This increase primarily stems from the progression of construction at the River Park project, which moved from initial piling and foundation work in FY2023 to active building construction in FY2024. With the project advancing into more intensive phases, the scale of waste has naturally risen. Nonetheless, the Group remains committed to managing waste effectively through enhanced processes and technologies, ensuring responsible resource use at each stage of development.



**Note: Above data is generated from River Park, a high-rise development. The total waste generated is equivalent to the waste directed to disposal as waste diversion initiatives, including recycling and reuse efforts, are in the early stages of implementation. The Group is in the process of strengthening these initiatives and improving data tracking to accurately report waste diversion metrics in future disclosures.*

In cognisance of diverting wastes from landfills, Malton embeds recycling and reusing efforts across all business operations. In FY2024, the Group began tracking and reporting e-waste recycling, with 98 units of e-waste successfully recycled. This demonstrates Malton's commitment to sustainable waste management and reducing its environmental footprint. As e-waste recycling is not quantified by weight, the Group is dedicated to progressively tracking and reporting waste diversion metrics, particularly from construction and domestic activities, in the future.

ENVIRONMENTAL SUSTAINABILITY (cont'd)

WASTE AND EFFLUENTS (cont'd)

The Group also remains committed to strictly adhering to stringent environmental procedures for handling and controlling waste, set forth by the Department of Environment (DOE) and local authorities.

The waste management practices include:



Scheduled Waste Handling
- Proper sorting, collection, storage, and disposal.
- Strictly adhering to regulatory requirements.



Engagement of Qualified Contractors
- Ensuring proper management and storage of hazardous materials to prevent secondary pollution.



Safety and Training
- Implementing comprehensive training and emergency plans, and providing protective gear and disaster-prevention equipment.

Malton's commitment to reducing waste is further demonstrated through innovative practices such as IBS, which reduces raw material consumption by precision manufacturing components in a controlled factory environment. This method significantly minimises waste compared to conventional construction techniques. In addition, the automated vacuum waste collection system at Duta Park Residences enhances efficiency by using underground pneumatic tubes to transport waste rapidly, streamlining recycling and separation processes.

Malton proudly reports that in FY2024, there were zero non-compliance reports or compounds related to waste management from local authorities and the Department of Environment. This achievement reflects its continuous dedication to effective waste and effluent management.

ENVIRONMENTAL MONITORING AND COMPLIANCE

At Malton, maintaining high standards of environmental monitoring and compliance is integral to its operations. The Group ensures rigorous oversight through dedicated Safety, Health, and Environmental (SHE) officers assigned to each business division. These officers are tasked with closely monitoring contractors and ensuring adherence to the SHE policy, which guides the management of environmental aspects throughout the organisation.

In safeguarding the environment, the Group ensures full compliance with the Environmental Quality Act 1974 at all its project sites in preventing or reducing any air, water, or noise pollution that may arise from its construction activities and carrying out stringent monitoring of its environmental performance.

ENVIRONMENTAL SUSTAINABILITY (cont'd)

ENVIRONMENTAL MONITORING AND COMPLIANCE (cont'd)

To minimise potential adverse impacts to the environment, the Group conducts monitoring and compliance activities, including:

- Bi-weekly inspection at project sites to monitor its contractors, focusing on construction waste management, noise pollution, air pollution and effluent management.
- Implementation of an emergency response plan.
- Enforcement of an environmental management plan.
- Use of safety, health and environment inspection checklist.

Noise Management	**Controlled Working Hours** Adherence to permissible working hours to mitigate noise impact. **Low Noise Equipment** Using equipment designed to minimise noise emissions. **Sound Barriers** Installing barriers to shield sensitive areas from excessive noise.
Water and Air Management	**Erosion and Sediment Control Plans** Implementing and maintaining erosion and sediment control plans, including silt traps and geotextile barriers. **Site Maintenance** Regular water spraying and trash screening to manage runoff and prevent contamination. **Retention Ponds** Using retention and detention ponds to manage stormwater and minimise site runoff.
Effluent Management	**Scheduled Sampling** Conducting regular sampling and monitoring to ensure that effluent discharge complies with allowable parameters before release. **Inspection and Compliance** Bi-weekly site inspections focusing on construction waste management, noise, air pollution, and effluent management.

Through these efforts, Malton ensures ongoing adherence to laws, regulations, and guidelines set forth by DOE, demonstrating its commitment to sustainable development and environmental protection.

ENVIRONMENTAL SUSTAINABILITY (cont'd)

BIODIVERSITY

At Malton, safeguarding biodiversity is integral to its development approach. While property development may not traditionally focus on ecological concerns, the Group ensures that its development is carefully planned to avoid disrupting areas of high biodiversity value. The Group deliberately select sites that are not adjacent to or within regions known for their rich biodiversity or habitats for species listed on the International Union for Conservation of Nature (IUCN) Red List.

Its commitment extends to preventing encroachment on habitats crucial for vulnerable or endangered species. To this end, the Group is proud to report zero operations located within or near sites classified as biodiversity hotspots based on RAMSAR and IUCN, in support of protecting valuable ecosystems.

SOCIAL RESPONSIBILITY

Our organisation recognises that true sustainability is built on a foundation of human potential. We're committed to fostering an inclusive workplace culture that not only attracts top talent but nurtures it, allowing everyone to thrive and contribute meaningfully to our shared goals. By investing in our people, we're investing in a resilient and innovative future for our company and the communities we serve.

We have implemented a range of initiatives designed to enhance employee well-being, from comprehensive health support to flexible working arrangements. Simultaneously, we're actively engaging with our customers, local communities, and the public through targeted outreach programs. These efforts aim to create meaningful connections and address specific needs.

Our commitment to sustainable development extends beyond our core business operations. We aim to create lasting value by integrating social progress with our projects. This involves strategic collaborations with local partners, implementation of community-focused initiatives, and investments in education and skill development programmes. These efforts are designed to complement our sustainability goals and contribute meaningfully to the areas where we operate.

DIVERSITY AND EQUAL OPPORTUNITY WORKPLACE

Malton maintains a dedicated workforce comprising 358 individuals across its diverse business divisions. We value and embrace the diversity inherent in various races, genders, religions, ages, socio-economic groups, and cultures within our organisation. This commitment to inclusivity fosters a collaborative environment that enhances productivity through teamwork, mutual respect, and support.



Discrimination in any form is strictly prohibited, as we actively promote multiculturalism and equal opportunities for all.



Our recruitment and selection processes are meticulously designed to ensure fairness, objectivity, and the absence of any discriminatory practices. We adhere to the principles of fair recruitment and labour management standards, in accordance with Malaysia's Employment Act 1955 (Amendment 2022) and industry-leading best practices.

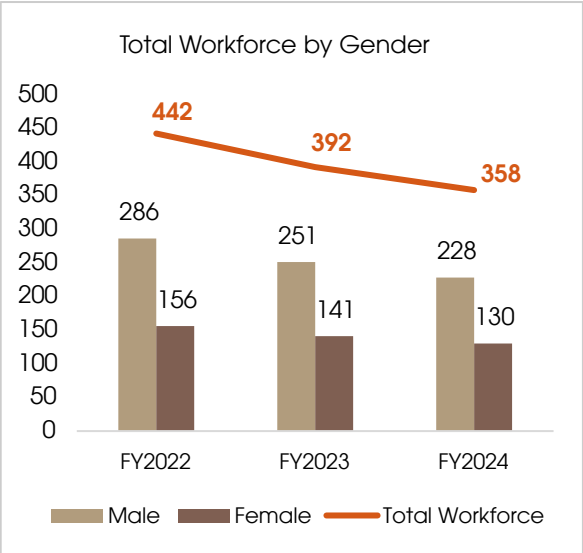
ZERO reported incidents of discrimination based on gender, religious beliefs or ethnicity within our organisation for the past three years (FY2022 - FY2024).

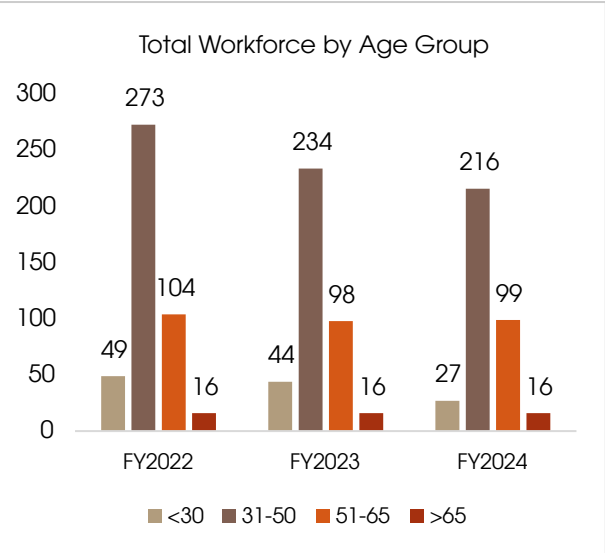
SUSTAINABILITY STATEMENT (cont'd)

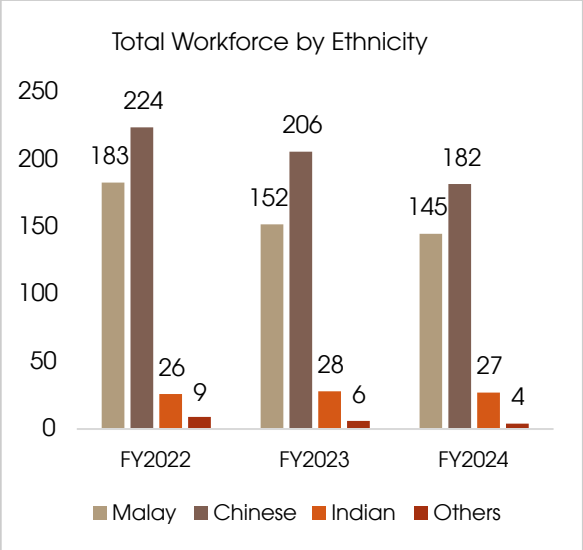
SOCIAL RESPONSIBILITY (cont'd)

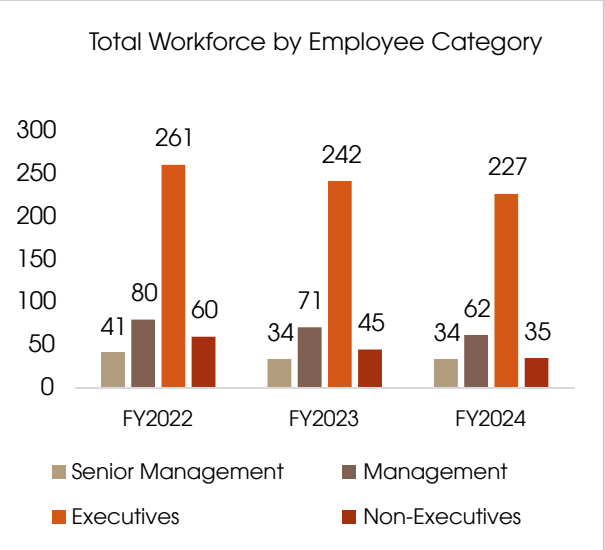
DIVERSITY AND EQUAL OPPORTUNITY WORKPLACE (cont'd)

OUR WORKFORCE





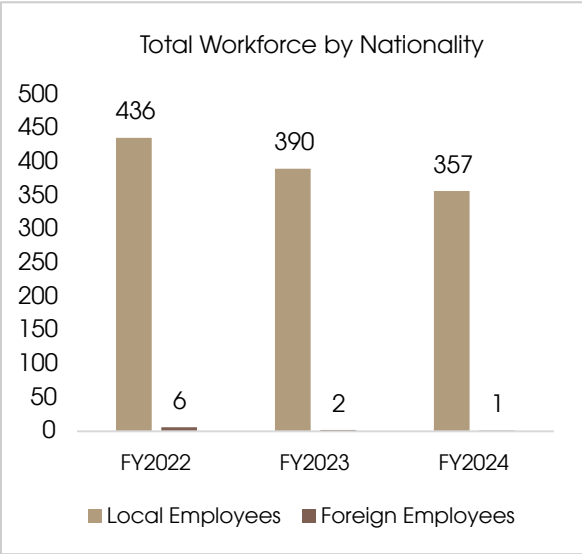


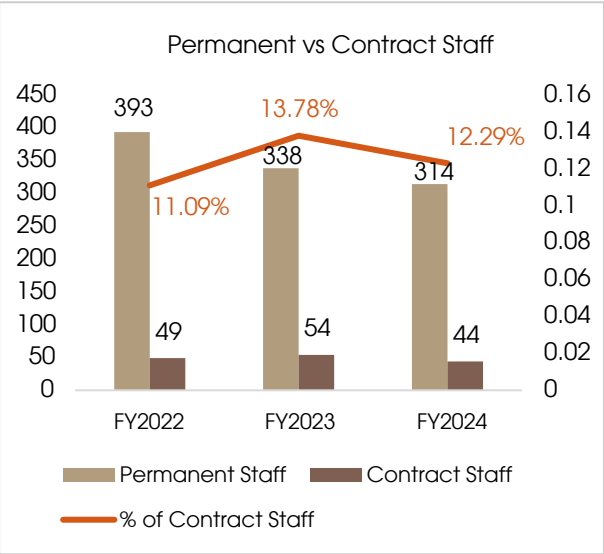


SOCIAL RESPONSIBILITY (cont'd)

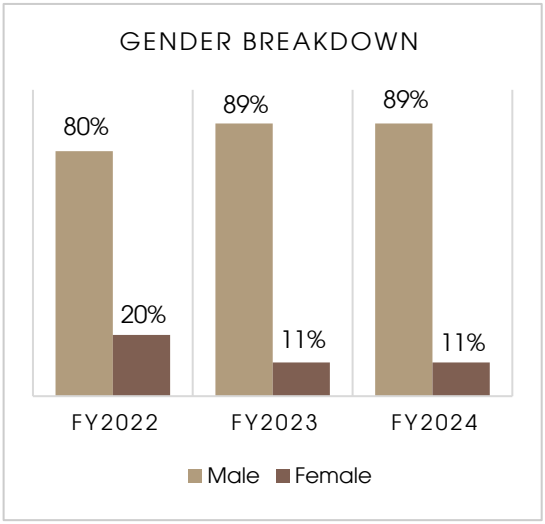
DIVERSITY AND EQUAL OPPORTUNITY WORKPLACE (cont'd)

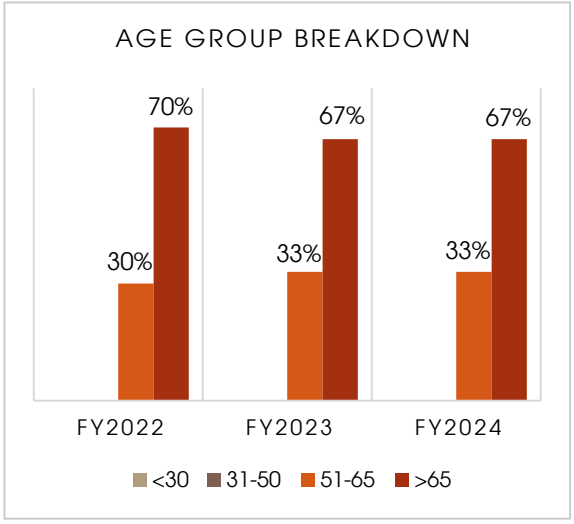
OUR WORKFORCE (cont'd)





BOARD OF DIRECTORS PROFILE





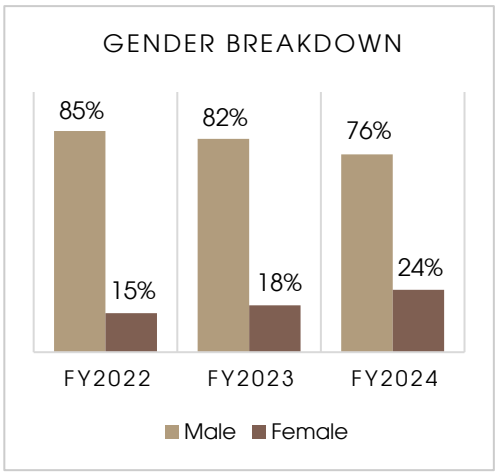
SUSTAINABILITY STATEMENT (cont'd)

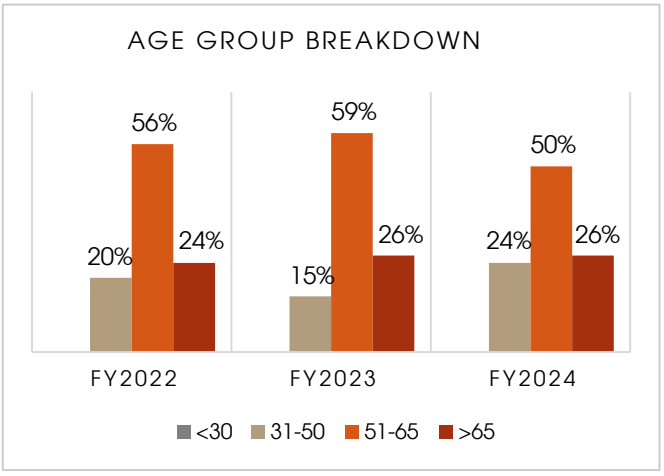
SOCIAL RESPONSIBILITY (cont'd)

DIVERSITY AND EQUAL OPPORTUNITY WORKPLACE (cont'd)

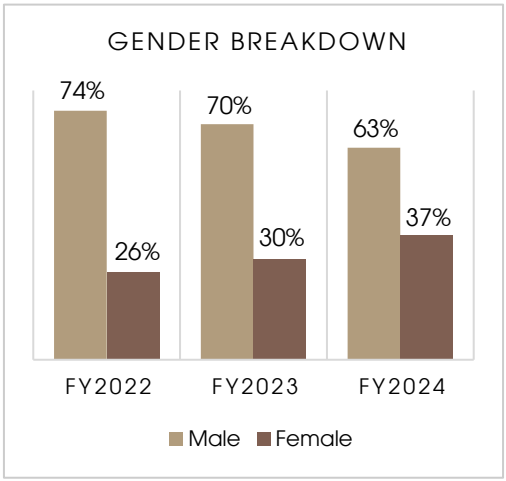
OUR WORKFORCE (cont'd)

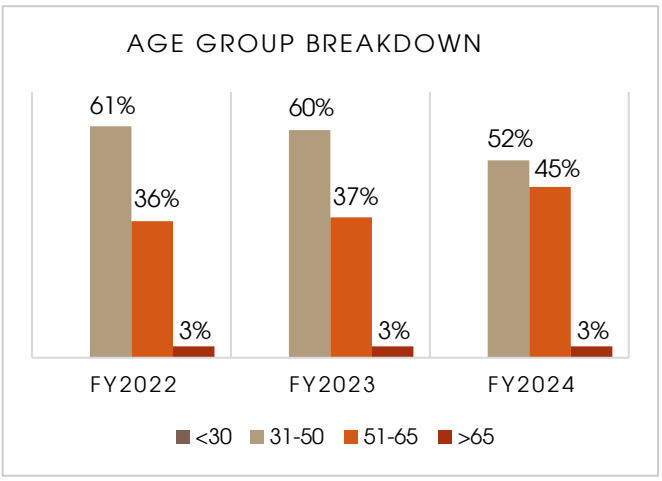
SENIOR MANAGEMENT STAFF PROFILE





MANAGEMENT STAFF PROFILE



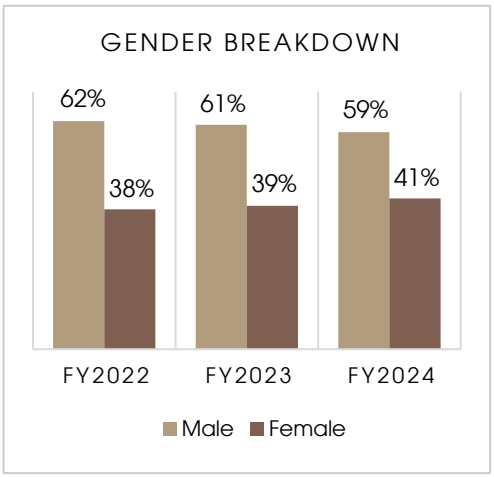


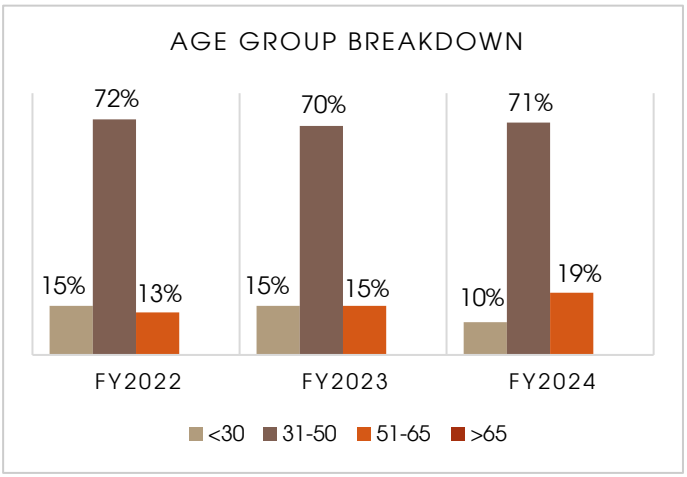
SOCIAL RESPONSIBILITY (cont'd)

DIVERSITY AND EQUAL OPPORTUNITY WORKPLACE (cont'd)

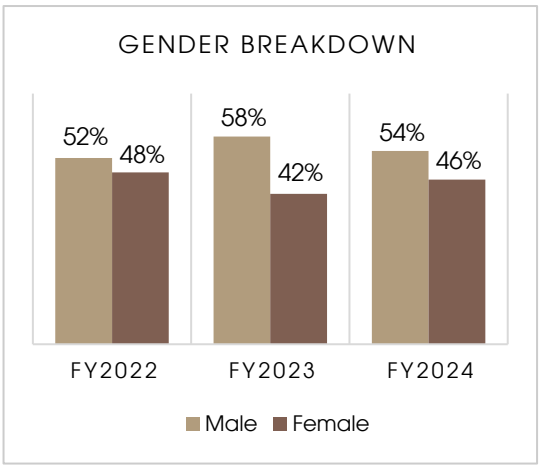
OUR WORKFORCE (cont'd)

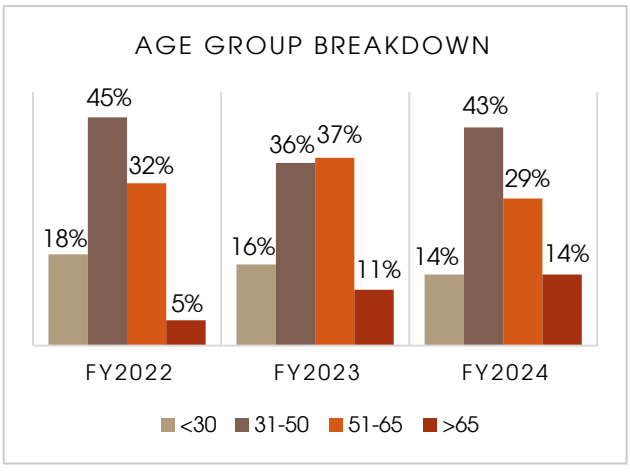
EXECUTIVE STAFF PROFILE





NON-EXECUTIVE STAFF PROFILE



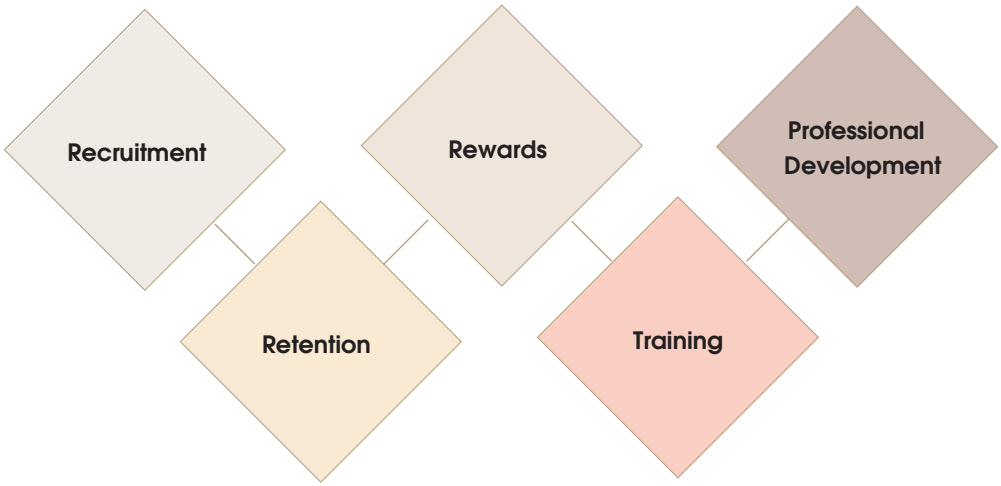


SOCIAL RESPONSIBILITY (cont'd)

TALENT MANAGEMENT

We recognise that our employees are our most valuable asset. Our workforce comprises skilled professionals with diverse expertise, essential for managing our varied business operations. In today's rapidly changing work environment, effective talent management is crucial. We're dedicated to nurturing a corporate culture that emphasises strong governance, competence, and sustainability.

Our talent management approach at Malton revolves around key pillars, including:



This comprehensive approach allows us to attract and retain exceptional talent while maximising their potential within Malton. We strictly adhere to Malaysia's Employment Act 1955 (Amendment 2022) and industry best practices to ensure fair treatment and compliance with labour standards.

To further strengthen our position as an employer of choice, we offer a competitive package of benefits and incentives that meets or exceeds market standards. By prioritising our employees' well-being and growth, we foster a motivated and engaged workforce. This, in turn, drives the Group's sustained success and expansion.

EMPLOYEE RIGHTS

The group cultivates a work environment that champions diversity, equality, and empowerment. Our commitment to fair treatment extends to all employees, safeguarding their human rights in line with fundamental principles and Malaysian Employment Laws. We maintain a strict zero-tolerance policy against bullying and discrimination.

We're dedicated to fair compensation, adhering to living wage standards that align with Malaysian government policies. We also keep up to date with changes in employment laws to ensure the best possible working conditions for our staff. Recent updates to Malaysian employment laws that we've adapted to include an increased salary threshold for overtime eligibility, now set at RM4,000.

FY2022 - FY2024

ZERO substantiated complaints concerning human rights violations within the organisation.

SOCIAL RESPONSIBILITY (cont'd)

TALENT MANAGEMENT (cont'd)

HIRING AND ATTRITION

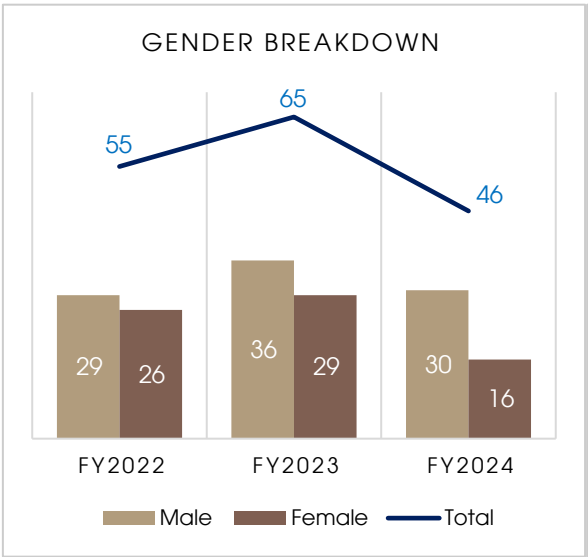
Our organisation navigates the challenges of today's dynamic job market, particularly the increased mobility among younger professionals. This trend is reflected in our experience, with 73% of employee attrition occurring at the executive level.

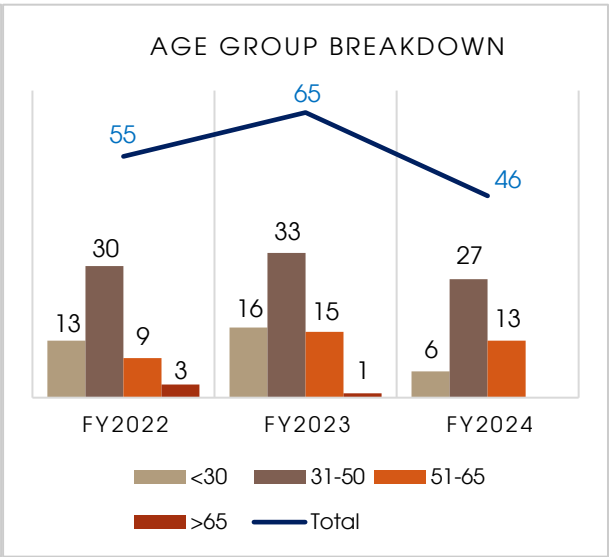
To address this, we have developed a comprehensive approach to talent management. We offer attractive compensation packages that include competitive salaries and job benefits. Recognising the importance of professional growth, we provide numerous opportunities for skill development and career advancement within our organisation.

We are committed to fostering a positive work environment that protects employees' rights and promotes a shared organisational culture. This approach helps create a sense of belonging, which we believe is crucial for long-term employee engagement and retention. While we focus on retaining experienced staff, we also value the fresh perspectives new talent brings. Our hiring strategies aim to identify individuals who align with our company values and vision for the future.

We are also leveraging technology to enhance our workforce management. By implementing automation and digitalisation in our operations, we're improving efficiency and creating more engaging roles for our employees. Through these combined efforts, we aim to build a resilient and engaged workforce capable of driving Malton's success in an ever-changing business landscape.

NEW HIRES



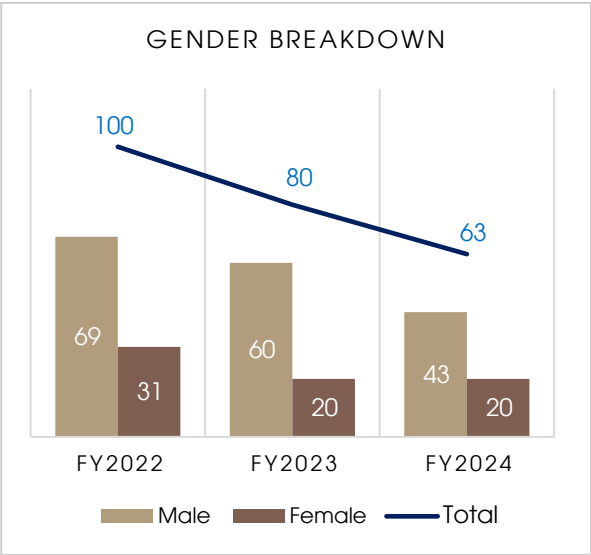


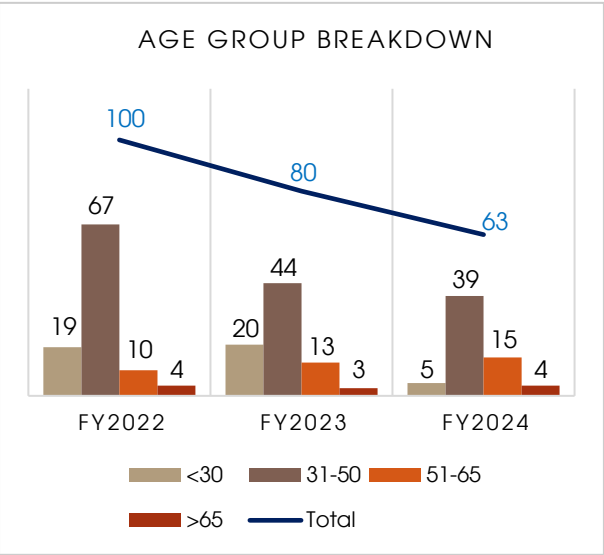
SUSTAINABILITY STATEMENT (cont'd)

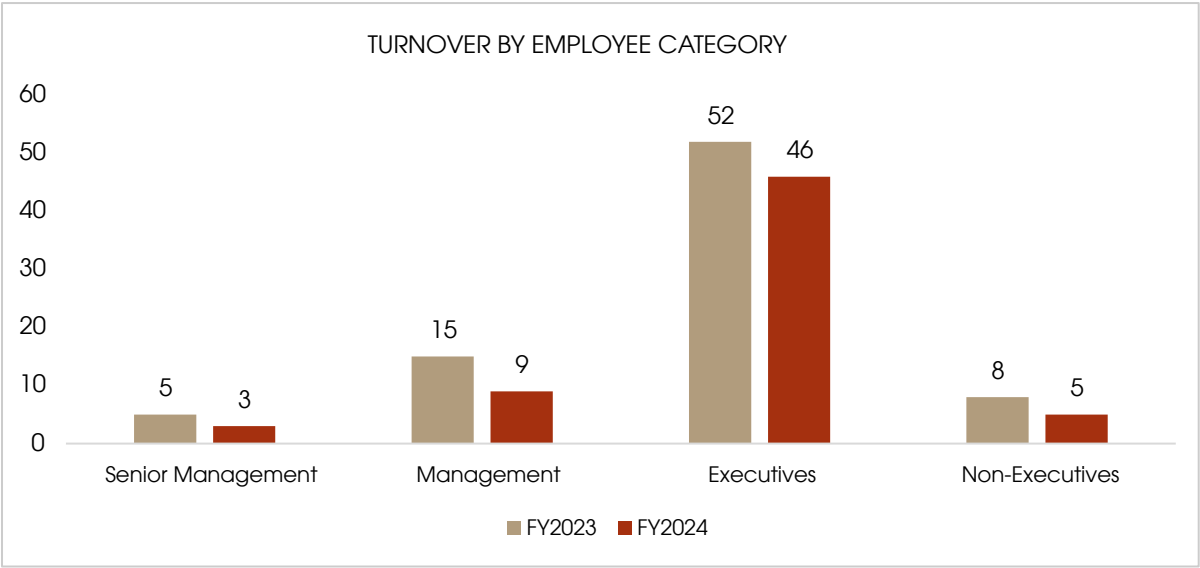
SOCIAL RESPONSIBILITY (cont'd)

TALENT MANAGEMENT (cont'd)

TURNOVER







In FY2023, Malton initiated a detailed analysis of employee turnover data. The results for FY2024 are promising, showing a significant decline in turnover rates. This improvement underscores the Group's successful talent management strategies, particularly its focus on employee engagement programs and value-added training initiatives. These efforts have not only boosted productivity but also enhanced job satisfaction, reflecting Malton's commitment to retaining a skilled workforce.

TRAINING AND DEVELOPMENT

At Malton, we recognise that our employees' growth is essential to our company's success. Our approach to training and development focuses on creating a skilled workforce that can meet current challenges and adapt to future industry changes.

SOCIAL RESPONSIBILITY (cont'd)

TALENT MANAGEMENT (cont'd)

TRAINING AND DEVELOPMENT (cont'd)

We offer a range of learning opportunities throughout the year, designed to enhance both general career skills and specific business competencies. These programs include workshops, mentoring sessions, and targeted training courses. By utilising both internal expertise and external industry professionals, we ensure our team receives well-rounded and up-to-date knowledge. Our training initiatives cover various topics, from technical skills to leadership development. This comprehensive approach helps us attract and retain talented individuals, improve job satisfaction, and increase overall workplace efficiency. It also ensures our employees are well-equipped to handle evolving industry trends, maintaining our competitive edge in the market.

In the past year, we dedicated 970 hours to employee learning and development initiatives. These sessions were attended by 123 participants.



Technical Training

- KL BIM Day 2023
- Handling Full Set of Accounts - A Practical Approach
- Land Development Feasibility Study
- Quality Managements Systems ISO 9001:2015 Internal Auditor Training
- Property Heads of Marketing Summit + Closed Door Industry Brainstorming for 2024



Soft Skills Training

- CEO Series 2023
- Managing Employee Well-Being Issues
- English for Communication, Business and Email Writing Skills
- Managing Poor Employee Performance



Sustainability Training

- ESG KPIs & Targets Workshop
- ESG Auditing Techniques



Digital and IT Competence

- Digital Marketing Strategies & Conference 2023
- Content Marketing & Lead Generation
- Collaboration for Cybersecurity Resillience & Innovation Forum 2023
- Protecting Data in A Connected World



Health & Safety Training

- Seminar Keselamatan Kebakaran
- MBAM Annual Safety & Health Conference 2024

SUSTAINABILITY STATEMENT (cont'd)

SOCIAL RESPONSIBILITY (cont'd)

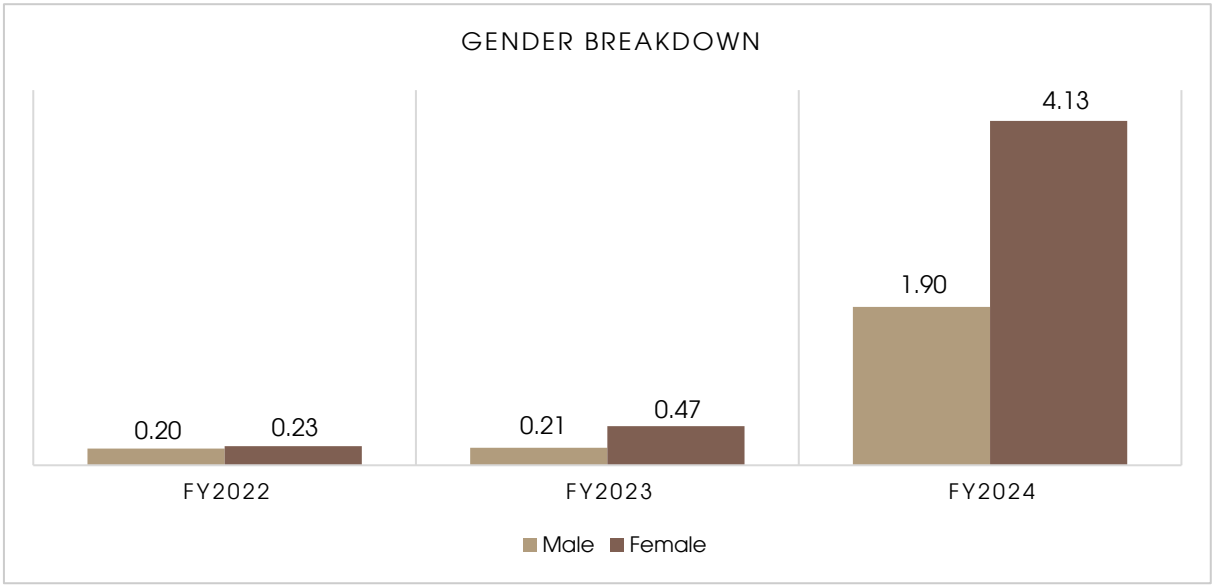
TALENT MANAGEMENT (cont'd)

TRAINING AND DEVELOPMENT (cont'd)

FY2024 Training Data

Business divisions	Property Development	Construction and Project Management	Business Development	Support Services
Total Training Hours	402	268	7	293
Total Training Spends	RM53,656	RM40,041	RM1,950	RM42,193
Total Training Hours as a Company	970			
Total Training Spends as a Company	RM137,840			
Average Training Hours per Employee	2.71			
Average Training Spend per Employee	RM385			
Total Employees Attended Training	123			

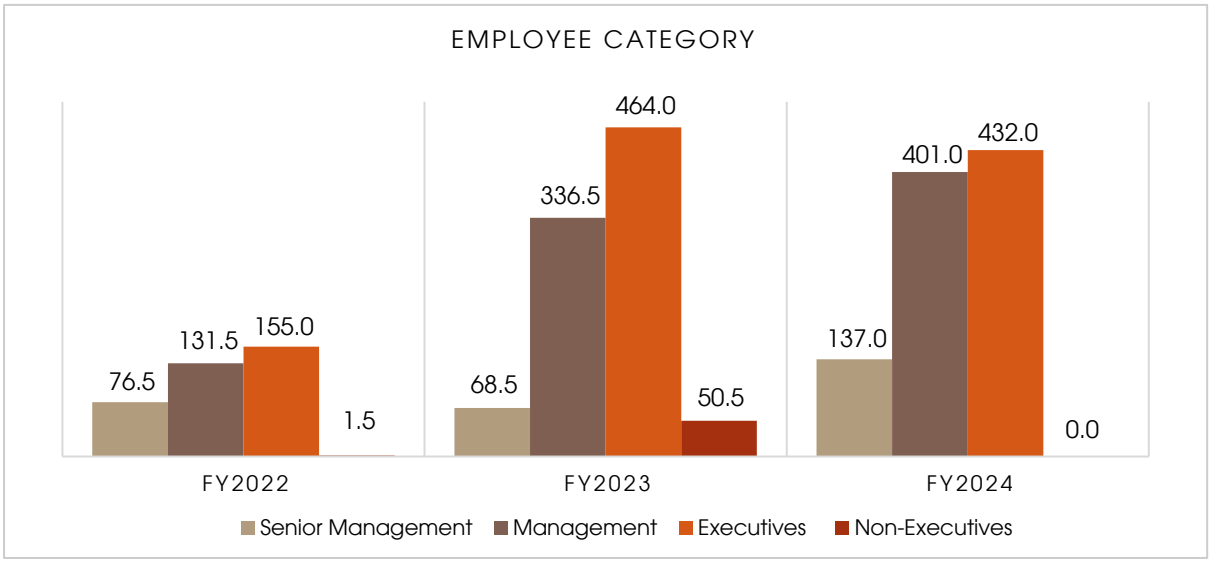
AVERAGE TRAINING HOURS PER EMPLOYEE



SOCIAL RESPONSIBILITY (cont'd)

TALENT MANAGEMENT (cont'd)

TOTAL TRAINING HOURS



Overall, we have seen an increase in total training hours, highlighting our commitment to workforce development. However, in FY2024, there were no training requests from the non-executive group. This absence can be attributed to the nature of their roles, which primarily involve non-technical positions. We value the contributions of every team member and are actively exploring ways to enhance training opportunities for these essential roles moving forward.

EMPLOYEE BENEFITS

Malton is committed to a merit-based approach in allocating benefits and remuneration, valuing individual qualifications and professional expertise over factors such as race, ethnicity, religion, nationality, gender, sexuality, or disability. We strictly adhere to the Employment Act 1955 (Amendment 2022), ensuring fair treatment and equal opportunities for all employees in line with established employment laws and regulations. As an organisation, we prioritise providing all statutory benefits to our workforce in full compliance with the prescribed legal frameworks, reflecting our commitment to employee well-being and ethical business practices.



SOCIAL RESPONSIBILITY (cont'd)

TALENT MANAGEMENT (cont'd)

Parental Leave

The Group provides parental leave for male and female employees. Beginning January 2023, married male employees are given seven paid paternity days per annum while female employees are given 98 days of paid maternity leave for each confinement period, in line with the Employment Act 1955 (Amendment 2022).

Parental Leave	FY2022	FY2023	FY2024
Total Employees Entitled to Parental Leave	307	278	276
Number of Employees Who Took Paternity Leave	7	2	2
Number of Employees Who Took Maternity Leave	7	8	7
***Return to Work Rates**			
Male	100%	100%	100%
Female	100%	62.5% (37.5% still on maternity leave)	57.14% (42.86% still on Maternity Leave)
****Retention Rates**			
Male	71.43%	N/A (staff have not completed the 12 months period)	N/A (staff have not completed the 12 months period)
Female	100%	12.5% (87.5% have not completed the 12 months period)	14.29% (85.71% have not completed 12 months period)

* Return to work after parental leave period
** Remain with the organisation for 12 months or more post-parental leave

OCCUPATIONAL HEALTH AND SAFETY

At Malton, we view occupational health and safety (OHS) as a fundamental aspect of our business operations. We recognise that a safe workplace is not just a legal requirement, but a moral imperative that directly impacts our productivity, employee well-being, and overall business success. We aim to create an environment where safety is ingrained in every aspect of our work culture.

We believe that a strong safety record is a key indicator of our operational excellence and commitment to our workforce. Our focus on OHS supports both employee well-being and our standing as a responsible organisation in the industry. We strive to foster a work environment where every employee feels safe, valued, and empowered to contribute to our safety initiatives.

OCCUPATIONAL HEALTH AND SAFETY COMPLIANCE

At Malton, we recognise the importance of adhering to occupational health and safety regulations in our operations. Our subsidiary, Domain Resources Sdn. Bhd. (Domain), which is directly involved in construction activities, strictly complies with the Occupational Safety and Health (Amendment) Act 2022, Construction Work, Design and Management 2024, and all relevant legal obligations, guidelines, and Codes of Practice.

SOCIAL RESPONSIBILITY (cont'd)

OCCUPATIONAL HEALTH AND SAFETY (cont'd)

OCCUPATIONAL HEALTH AND SAFETY COMPLIANCE (cont'd)

To ensure effective OHS governance, we've established a Safety Strategic Committee that brings together Senior Management expertise. This committee takes a data-driven approach, analysing safety metrics, incident reports, and industry trends to continuously refine our safety protocols. Their work is complemented by OHS champions across all our business units, who play a crucial role in translating our safety policies into day-to-day practices.

OHS PERFORMANCE

Our commitment to OHS is demonstrated by our ISO 45001:2018 certification, which signifies our systematic approach to managing occupational health and safety risks. Throughout FY2024, we maintained our focus on two key objectives: "Zero Fatality" and "Zero Lost Time Incident". These goals continue to drive our efforts to enhance workplace safety.



100%

of Domain's operational sites are certified with ISO 45001

Domain's Safety and Health Target



ZERO
Fatality



ZERO
Lost Time Incident

In FY2024, our commitment to occupational health and safety remained strong, with comprehensive monthly onsite audits conducted across all project sites. These inspections covered crucial areas including work site safety, structural and support erection procedures, machinery and worker protection, and facilities management.

We proudly maintained a perfect record with zero incidents, no fatalities, and full compliance with all OHS requirements.

Project(s)	The Maple	Mutiara Hilltop	River Park	RIO	Total (FY2024)	Total (FY2023)
Total Manhours	2,356,930	821,250	778,050	23,660	3,979,890	2,278,360
Fatality	0	0	0	0	0	0
Lost Time Injury	0	0	0	0	0	0
Fatality Rate	0	0	0	0	0	0
LTI Rate	0	0	0	0	0	0

**Note: The FY2023 OHS performance data were sourced from active projects during that reporting year, including The Maple, Pavilion Ceylon Hill, and VSQ2.*

SOCIAL RESPONSIBILITY (cont'd)

OCCUPATIONAL HEALTH AND SAFETY (cont'd)

OHS TRAINING

Our safety strategy is anchored by a strong commitment to continuous training for both employees and contractors. This commitment is essential for enhancing awareness and preparedness against potential workplace hazards. In addition to daily safety toolbox briefings conducted at project sites, we have significantly strengthened our OHS capabilities through targeted training programs. These programs, delivered by both external providers and our in-house OHS experts, have improved the safety competencies of our workforce.

In FY2024, our dedication to fostering a safety-first culture led to 284 staff and workers, including sub-contractor personnel, receiving comprehensive safety training. Throughout the year, we rolled out a diverse range of OHS learning programs, covering both technical and non-technical aspects. These programs were accessible to all Group employees via a combination of physical and online platforms.

A summary of the OHS-related programmes and training provided to our employees and project site workers including sub-contractors during FY2024 is outlined below:

Safety Training Programme	Participants	Attendance
OSHA Amendment 2022	Employees	20
Bow-Tie Application	Employees	6
Incident Investigation - Basic	Employees	10
Managing HSE in Highrise Construction	Employees	2
Rigging & Slinging	Project Team & Sub-Contractor	30
Fire Watcher	Project Team & Sub-Contractor	10
Emergency Drill	Project Team & Sub-Contractor	200
CEP program for SHO	Safety and Health Officer	6
Total Number of Employees Attended Safety Training (FY2024)		**284**

Total Number of Employees Attended Safety Training (FY2023)	302



Thorough inspection of abseiling equipment for safety and precision on-site.



Regular fire extinguisher training for emergency preparedness.

SOCIAL RESPONSIBILITY (cont'd)

CORPORATE SOCIAL RESPONSIBILITY

At Malton, we integrate Corporate Social Responsibility (CSR) into all aspects of our property development business. This integration ensures that our decisions and actions consistently reflect our commitment to the environment, communities, and stakeholders.

Our goal is to create developments that not only meet customer needs but also contribute positively to society. We believe that responsible business practices and sustainable development are key to long-term success and creating value for all parties involved.

AFFORDABLE HOUSING

We remain dedicated to enhancing the quality of life and fostering social cohesion within communities through the development of affordable housing projects in Malaysia.

Development	Location	GDV (RM/million)	Units	Status
Pangsapuri Kenangan 	*Shah Alam*	*16*	*86*	*Completed (June 2020)*
RIO 	*Bangsar South*	*100.8*	*336*	*Future*

COMMUNITY ENGAGEMENT

In alignment with our vision and mission, we remain steadfast in our commitment to making a positive impact on society by sharing the value created through our business model. Going beyond conventional corporate social responsibility activities, we strive to establish sustainable and meaningful outcomes that bring enduring benefits to society, particularly within local communities.

Throughout the year, we actively engaged with neighbouring communities and underprivileged groups holistically in the areas of education, sports, health and well-being, irrespective of age group and race. These initiatives included financial contributions and in-kind donations, as well as support and assistance, with the primary aim of delivering meaningful and lasting benefits to our society.

Furthermore, the Group strongly encourages employee volunteerism, providing them with opportunities to actively participate in meaningful community service or fundraising events. In FY2024, we contributed a total of RM377,015 to charitable causes, benefiting a diverse range of 15 organisations.

SUSTAINABILITY STATEMENT (cont'd)

SOCIAL RESPONSIBILITY (cont'd)

CORPORATE SOCIAL RESPONSIBILITY (cont'd)

COMMUNITY ENGAGEMENT (cont'd)

Total Community Investment (RM)		
FY2022	**FY2023**	**FY2024**
RM297,800	**RM413,144**	**RM377,015**
	(17 organisations)	*(15 organisations)*

Eco-Fun Charity Adventure Hunt

Malton has been a long-standing supporter of the A Piece of Hope Charity Fun Adventure Hunt, an annual event that promotes green initiatives while raising funds for those in need.

This year, we raised RM88,000 for the Kiwanis Club of Kuala Lumpur and Rotary Club of Metro Kuala Lumpur to aid children with Down Syndrome. The event provided an engaging platform for both adults and children to learn about sustainability while contributing to a meaningful cause.



Empowering Lives through Compassionate Support

Malton continuously extends financial aid to Persatuan Kebajikan Chen Ai, a welfare home providing shelter and care to children and senior citizens with disabilities. By contributing to their monthly expenses, we aim to improve their living conditions and give them a sense of hope for a brighter future.

At Malton, we believe that true success goes beyond the art of living—it's about giving back and empowering the less fortunate.



Granting Wishes, Spreading Smiles

Malton was one of the sponsors for Jom Durian 13, the largest charity durian festival that supports the Children's Wish Society of Malaysia to fulfill the wishes of terminally ill children.

This lively event celebrated the love for durian and served as a platform for raising awareness and funds to bring joy to children facing life-limiting illnesses across the nation. Together, we created lasting memories and smiles for those who needed it most.



SOCIAL RESPONSIBILITY (cont'd)

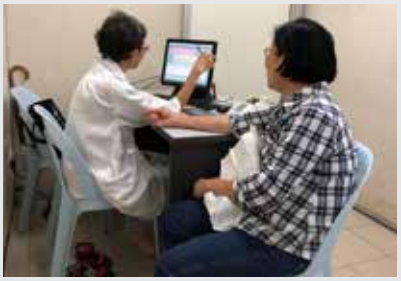
CORPORATE SOCIAL RESPONSIBILITY (cont'd)

COMMUNITY ENGAGEMENT (cont'd)

Nurturing Community Well-Being

Due to the increasing costs of healthcare services, Malton expanded its support to Persatuan Pendidikan Akhlak Chin Chee Kok, an organisation that provides Traditional Chinese Medicine services.

This support aimed to provide free consultations and essential medications to more needy families as an alternative healthcare option. Our goal is to promote a healthier community where well-being is a shared priority.



TASK-FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

TCFD Disclosures	
Governance	
Describe the Board's oversight of climate-related risks and opportunities.	To effectively support the Board, the Sustainability Committee and Management team at Malton are directly responsible for overseeing all material topics, including climate-related issues, through the Group's sustainability governance framework. Within this framework, the Group has formed a Sustainability Committee that leads all climate and sustainability initiatives, serving as the highest decision-making body for the Group's ESG strategies. For more details, refer to the Sustainability Governance section (pages 44 to 46) and the Climate Change and Emissions section (pages 61 to 62).
Describe the Management's role in assessing and managing climate-related risks and opportunities.	The Management of each department plays a key role within the sustainability governance framework by supporting the Sustainability Committee in implementing and overseeing sustainability initiatives at the operational level. Their responsibilities include setting relevant KPIs and targets, as well as developing the strategies and action plans needed to achieve them. This involves driving annual performance based on FY2024 baselines established for ESG KPIs and targets. In addition to managing performance, the Management team is tasked with providing the Group's Sustainability Committee with timely updates on energy consumption and other climate intensity metrics. When necessary, they also contribute recommendations and improvement plans to strengthen Malton's management of material topics. The Management team is responsible for ensuring robust mitigation strategies and systems are in place to address emerging and existing climate-related risks identified by the Risk Management Committee. For more details, please refer to the Sustainability Governance section on page 44 to 46.

SUSTAINABILITY STATEMENT (cont'd)

TASK-FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) (cont'd)

TCFD Disclosures	
Strategy	
Describe the climate-related risks and opportunities the organisation has identified over the short-, medium-, and long-term.	The Board and Management of Malton acknowledge the potential impact of climate-related risks on the Group's cash flow, reputation, and license to operate, including the risk of losing access to financing as investors and lenders increasingly integrate ESG and climate-risk considerations into their decisions. In response, the Group is committed to systematically and strategically addressing sustainability-related risks and opportunities to mitigate their impact on financial performance. Additionally, Malton's Sustainability Committee and Management have made significant efforts to comply with Practices 4.1 to 4.4 of the MCCG 2021, including regular participation in ESG briefings and training sessions to stay informed on sustainability trends. In FY2024, the relevant working groups and Management participated in a workshop to establish ESG KPIs and targets, aimed at improving the Group's sustainability performance and enhancing organisational resilience. For more details, refer to the ESG KPIs and Targets section (pages 43 to 44).
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management	
Describe the organisation's processes for identifying and assessing climate-related risks.	Presently, Malton does not have a dedicated process for identifying and assessing climate-related risks and opportunities. However, with the increasing impacts of climate change, such as a higher frequency of natural disasters like floods that may affect the viability of our landbank, the Group remains alert to these challenges. In order to remain proactive in light of climate change uncertainty and market transitions, the Group has initiated various environmental-related strategies. Key initiatives include transitioning to grid electricity to reduce reliance on diesel generators at project sites and optimising the use of modern equipment and strategic material storage to minimise fuel consumption. Additionally, Malton's adherence to preventive maintenance schedules ensures greater fuel efficiency and lower emissions across operations. More information about how these initiatives contribute to the Group's operational sustainability in the context of climate change can be found in the Environmental Sustainability section, pages 61 to 75. As necessary, climate-related risk findings will be presented to the relevant working groups and committees for management and integration into the Group's overall risk management framework, as outlined in the Sustainability Governance structure on pages 44 to 45.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	

TASK-FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) (cont'd)

TCFD Disclosures	
Metrics and Targets	
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Malton continues to monitor climate change and emissions data by quantifying CO2e emissions from its electricity consumption. Notably, in FY2024, the Group began tracking its direct energy consumption from diesel used for operational purposes. This data is then compared to the Group's revenue in RM million and operational scale to calculate average energy efficiency or intensity. CO2e emissions are measured in tonnes of CO2e per litre of fuel (covering diesel and petrol for Scope One and Scope Three energy consumption) and per kWh of electricity for Scope Two energy consumption. For more details, please refer to the Energy Management (pages 62 to 69) and Climate Change and Emissions (pages 61 to 62) sections.
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks.	In FY2024, the Group has expanded the scope of its emissions for more comprehensive carbon accounting, which includes Scope 1 and Scope 3 data from fuel consumption, business travel, and employee commuting. Malton generated 913.62 tCO2e in emissions, a 1.7% decrease from 929.75 tCO2e recorded the previous year. This reduction is primarily due to reduced energy demand following the completion of several projects. Nevertheless, the Group remains committed to improving energy efficiency and reducing its overall carbon footprint. Breakdown of FY2024 emissions: Scope 1: 132.64 tCO2e Scope 2: 601.76 tCO2e Scope 3: 179.22 tCO2e For further details, please refer to the Climate Change and Emissions section on pages 61 to 62.

SUSTAINABILITY STATEMENT (cont'd)

ESG PERFORMANCE DATA

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	0.00
Executive	Percentage	0.00
Non-executive/Technical Staff	Percentage	0.00
Senior Management	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	377,015.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	15
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	52.00
Management Above 50	Percentage	48.00
Executive Under 30	Percentage	10.00
Executive Between 30-50	Percentage	71.00
Executive Above 50	Percentage	19.00
Non-executive/Technical Staff Under 30	Percentage	14.00
Non-executive/Technical Staff Between 30-50	Percentage	43.00
Non-executive/Technical Staff Above 50	Percentage	43.00
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	24.00
Senior Management Above 50	Percentage	76.00
Gender Group by Employee Category		
Management Male	Percentage	63.00
Management Female	Percentage	37.00
Executive Male	Percentage	59.00
Executive Female	Percentage	41.00
Non-executive/Technical Staff Male	Percentage	54.00
Non-executive/Technical Staff Female	Percentage	46.00
Senior Management Male	Percentage	76.00
Senior Management Female	Percentage	24.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	89.00
Female	Percentage	11.00
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	1,587.68 *
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	284
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	401
Executive	Hours	432
Non-executive/Technical Staff	Hours	0
Senior Management	Hours	137
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	12.29

Internal assurance | External assurance | No assurance | (*)Restated

ESG PERFORMANCE DATA (cont'd)

Indicator	Measurement Unit	2024
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	9
Executive	Number	46
Non-executive/Technical Staff	Number	5
Senior Management	Number	3
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	12.100000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	730.00
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	132.64
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	601.76
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	179.22

Internal assurance | External assurance | No assurance | (*)Restated

SUSTAINABILITY STATEMENT (cont'd)

GLOBAL REPORTING INITIATIVES (GRI) CONTENT INDEX

Statement of use	Malton has reported the information cited in this GRI content index for the period 1 July 2023 until 30 June 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD		DISCLOSURE	SECTION REFERENCE
GRI 2: General Disclosures 2021	2-1	Organisational details	Corporate Information
	2-2	Entities included in the organisation's sustainability reporting	Reporting Scope and Boundary
	2-3	Reporting period, frequency and contact point	Report Availability and Feedback Channel
	2-5	External assurance	Report Quality and Data Assurance
	2-6	Activities, value chain and other business relationships	Stakeholder Engagement
	2-7	Employees	Diversity and Equal Opportunity Workplace, Our Workforce
	2-8	Workers who are not employees	
	2-9	Governance structure and composition	Sustainability Governance, Governance Structure
	2-10	Nomination and selection of the highest governance body	
	2-11	Chair of the highest governance body	
	2-12	Role of the highest governance body in overseeing the management of impacts	
	2-13	Delegation of responsibility for managing impacts	
	2-14	Role of the highest governance body in sustainability reporting	
	2-15	Conflicts of interest	Board of Directors
	2-16	Communication of critical concerns	Corporate Governance and Anti-Corruption, Whistleblowing Policy
	2-17	Collective knowledge of the highest governance body	Corporate Governance Overview Statement
	2-18	Evaluation of the performance of the highest governance body	
	2-19	Remuneration policies	
	2-20	Process to determine remuneration	
	2-22	Statement on sustainable development strategy	Message from Our Sustainability Committee
	2-23	Policy commitments	Sustainability Governance, Corporate Governance and Anti-Corruption
	2-24	Embedding policy commitments	
	2-25	Processes to remediate negative impacts	Corporate Governance and Anti-Corruption, Whistleblowing Policy

GLOBAL REPORTING INITIATIVES (GRI) CONTENT INDEX (cont'd)

GRI STANDARD		DISCLOSURE	SECTION REFERENCE
	2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance and Anti-Corruption, Whistleblowing Policy
	2-27	Compliance with laws and regulations	Corporate Governance and Anti-Corruption Social Responsibility, Talent Management Economic Impacts, Product Quality and Responsibility
	2-28	Membership associations	Membership In Associations
	2-29	Approach to stakeholder engagement	Stakeholder Engagement
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Management of Material Topics, Assessing and Prioritising Material Topics, Materiality Matrix
	3-2	List of material topics	
	3-3	Management of material topics	
ECONOMIC PERFORMANCE			
GRI 201: Economic Performance 2016	3-3	Management of material topics	Economic Impacts, Economic Values Generated
	201-1	Direct economic value generated and distributed	Economic Values Generated
	201-3	Defined benefit plan obligations and other retirement plans	Social Responsibility, Talent Management, Employee Benefits
INDIRECT ECONOMIC IMPACTS			
GRI 203: Indirect Economic Impacts 2016	3-3	Management of material topics	Economic Impacts, Indirect Economic Values Creation
	203-1	Infrastructure investments and services supported	Indirect Economic Values Creation, Value Creation Through Property Development
	203-2	Significant indirect economic impacts	Indirect Economic Values Creation, Value Creation for Homeowners
PROCUREMENT PRACTICES			
GRI 204: Procurement Practices 2016	3-3	Management of material topics	Supporting Local Procurement
	204-1	Proportion of spending on local suppliers	

SUSTAINABILITY STATEMENT (cont'd)

GLOBAL REPORTING INITIATIVES (GRI) CONTENT INDEX (cont'd)

GRI STANDARD		DISCLOSURE	SECTION REFERENCE
ANTI-CORRUPTION			
GRI 205: Anti-corruption 2016	3-3	Management of material topics	Corporate Governance and Anti-Corruption, Anti-Bribery and Anti-Corruption Policy
	205-1	Operations assessed for risks related to corruption	Anti-Bribery and Anti-Corruption Policy, Anti-Corruption Assessment
	205-2	Communication and training about anti-corruption policies and procedures	Anti-Bribery and Anti-Corruption Policy
	205-3	Confirmed incidents of corruption and actions taken	Corporate Governance and Anti-Corruption, Whistleblowing Policy
CUSTOMER PRIVACY			
GRI 418: Customer Privacy 2016	3-3	Management of material topics	Data Privacy and Security
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	
MATERIALS			
GRI 301: Materials 2016	3-3	Management of material topics	Environmental Sustainability, Materials Consumption
	301-1	Materials used by weight or volume	
ENERGY			
GRI 302: Energy 2016	3-3	Management of material topics	Environmental Sustainability, Energy Management
	302-1	Energy consumption within the organisation	Energy Management, Total Energy Consumption
	302-2	Energy consumption outside of the organisation	
	302-3	Energy intensity	
WATER AND EFFLUENTS			
GRI 303: Water and Effluents 2018	3-3	Management of material topics	Environmental Sustainability, Water Management
	303-1	Interactions with water as a shared resource	
	303-2	Management of water discharge-related impacts	
	303-5	Water consumption	
BIODIVERSITY			
GRI 304: Biodiversity 2016	3-3	Management of material topics	Environmental Sustainability, Biodiversity
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	
EMISSIONS			
GRI 305: Emissions 2016	3-3	Management of material topics	Environmental Sustainability, Climate Change and Emissions
	305-1	Direct (Scope 1) GHG emissions	
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-3	Other indirect (Scope 3) GHG emissions	
	305-4	GHG emissions intensity	

GLOBAL REPORTING INITIATIVES (GRI) CONTENT INDEX (cont'd)

GRI STANDARD		DISCLOSURE	SECTION REFERENCE
WASTE			
GRI 306: Waste 2020	3-3	Management of material topics	Environmental Sustainability, Waste and Effluents
	306-1	Waste generation and significant waste-related impacts	
	306-2	Management of significant waste-related impacts	Environmental Sustainability, Environmental Monitoring and Compliance
	306-3	Waste generated	Environmental Sustainability, Waste and Effluents
	306-4	Waste diverted from disposal	
	306-5	Waste directed to disposal	
EMPLOYMENT			
GRI 401: Employment 2016	3-3	Management of material topics	Social Responsibility, Talent Management
	401-1	New employee hires and employee turnover	Talent Management, Hiring and Attrition
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Management, Employee Benefits
	401-3	Parental leave	
LABOUR / MANAGEMENT RELATIONS			
GRI 402: Labour/ Management Relations 2016	3-3	Management of material topics	Social Responsibility, Talent Management
OCCUPATIONAL HEALTH AND SAFETY			
GRI 403: Occupational Health and Safety 2018	3-3	Management of material topics	Social Responsibility, Occupational Health and Safety
	403-1	Occupational health and safety management system	Occupational Health and Safety, Occupational Health and Safety Compliance
	403-2	Hazard identification, risk assessment, and incident investigation	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, OHS Training
	403-5	Worker training on occupational health and safety	Occupational Health and Safety, OHS Training
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, Occupational Health and Safety Compliance
	403-8	Workers covered by an occupational health and safety management system	
	403-9	Work-related injuries	Occupational Health and Safety, OHS Performance
TRAINING AND EDUCATION			
GRI 404: Training and Education 2016	3-3	Management of material topics	Social Responsibility, Talent Management
	404-1	Average hours of training per year per employee	Talent Management, Training and Development

SUSTAINABILITY STATEMENT (cont'd)

GLOBAL REPORTING INITIATIVES (GRI) CONTENT INDEX (cont'd)

GRI STANDARD		DISCLOSURE	SECTION REFERENCE
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 405: Diversity and Equal Opportunity 2016	3-3	Management of material topics	Social Responsibility, Diversity and Equal Opportunity Workplace
	405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunity Workplace, Our Workforce
NON-DISCRIMINATION			
GRI 406: Non-discrimination 2016	3-3	Management of material topics	Social Responsibility, Talent Management
	406-1	Incidents of discrimination and corrective actions taken	Talent Management, Employee Rights
CHILD LABOUR			
GRI 408: Child Labour 2016	3-3	Management of material topics	Social Responsibility, Talent Management
FORCED OR COMPULSORY LABOUR			
GRI 409: Forced or Compulsory Labour 2016	3-3	Management of material topics	Social Responsibility, Talent Management
LOCAL COMMUNITIES			
GRI 3: Material Topics 2021	3-3	Management of material topics	Social Responsibility, Corporate Social Responsibility
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Stakeholder Engagement, Corporate Social Responsibility
	413-2	Operations with significant actual and potential negative impacts on local communities	
SUPPLIER SOCIAL ASSESSMENT			
GRI 414: Supplier Social Assessment 2016	3-3	Management of material topics	Corporate Governance and Anti-Corruption, Supply Chain Management

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Malton Berhad (Board) recognises that corporate governance, ethical values and practices are essential and necessary to provide a framework for compliance of regulations and laws and best practices to enhance shareholders' value, long-term sustainability and growth. In this context, the Board is wholly committed to ensuring high standards of corporate governance and ethics are implemented and practiced throughout the Group. The Board supports the principles expounded in the Malaysian Code on Corporate Governance 2021 (MCCG).

This statement which provides an outline of the corporate governance practices of the Group pursuant to the principles set out in the MCCG for the financial year ended 30 June 2024, shall be read in conjunction with the Corporate Governance Report of Malton Berhad 2024 (CG Report) which is available on Malton's website at www.malton.com.my

MCCG PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

Board responsibilities

The Board assumes the responsibility for effective stewardship and control of leading the Group in planning and strategizing goals and objectives for the Group to safeguard the interests of the shareholders and stakeholders.

The Board is collectively responsible in exercising oversight on the management of the businesses of the Group to ensure that operations are carried out in accordance to its directions to achieve sustainable results and long-term success. The Board has established the standard of ethical values and governance framework for the Group to achieve its goals and objectives. The implementation of the business plans and strategies to achieve the goals are delegated to the executive members of the Board and Management.

The Board, in discharging its duties, has adopted the following strategies:-

- The Board is responsible for setting and planning the goals and objectives for the Group.
- The Board is responsible for driving the sustainability and ESG objectives for the Group.
- Set the standard of ethical values and good governance through Code of Conduct and Business Ethics for implementation by Management throughout the Group.
- Develop, implement and oversee the conduct of business operations together with Management.
- Implement mechanisms to monitor progress against the goals and objectives.
- Based on the Code of Conduct and Business Ethics established for the Group, the Board together with Management develop a control framework through Discretionary Authority Limits and Standard Operating Procedures for the Group to ensure internal controls are in place.
- Established Anti-Bribery and Anti-Corruption Policy and Whistleblowing Policy, in compliance with the requirements set out in the MACC (Amendment) Act 2018 (MACC Act), with the aim to foster the growth of a business environment that is free of corruption.
- Identify principal risks which could affect the Group and develop the necessary mitigation measures to alleviate, pre-empt or resolve the effects of the risks.
- Succession planning for continuous growth and smooth operation of the Group's business which include mentorship and development of employees' skills and competencies.
- Develop and implement communication policies for the Group for effective communication with shareholders and other stakeholders.

In addition to delegating certain operational authorities to Management, the Board has also established the following Board Committees to assist the Board in the oversight of various areas of its duties.

- Audit Committee
- Nominating Committee
- Remuneration Committee
- ESOS Committee

Each committee has its own terms of reference, which sets out the functions, responsibilities and authorities of the committee.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

MCCG PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Chairman

The primary role of the Non-Independent Non-Executive Chairman is to ensure that the Board practises good governance in discharging its duties and responsibilities. He leads the Board in setting the vision and direction of the Group. The Chairman also ensures that the Board is effective in overseeing the business of the Group. The Chairman sets the tone on ethical values and good corporate governance that are implemented throughout the Group. The Chairman, with the support of the Board members, manage the roles and responsibilities of the Board as a whole and set the agenda for board discussions.

The division of the roles and responsibilities of the Non-Independent Non-Executive Chairman and the Executive Directors is clear. The Executive Directors are responsible for overseeing the implementation of business plans to achieve the vision and strategic direction for the Group keeping in line with ethical values and governance framework approved by the Board. In this regard, the Board has put in place mechanisms to monitor the progress based on the goals and objectives of the Group. The Executive Directors and Management are primarily responsible for running the day-to-day operations of the Group.

Company Secretary

The Board recognises that the company secretary plays an important role in advising the Board on governance matters and in ensuring that an effective system of corporate governance is established. The company secretary also plays a key role in guiding and advising the Board on compliance matters such as company and securities law and listing requirements. The company secretary also advises the Board on policies and procedures and manages the agenda, facilities and communication for meetings of the Board and shareholders. In order to contribute and function effectively, the company secretary must have the necessary qualification recognized by the relevant regulatory authorities and experience and capability to carry out duties of this position. In addition, the company secretary needs to keep abreast with the developments around corporate and securities law, listing requirements and corporate governance practices. Accordingly, a structured training programme is in place for the company secretary to improve knowledge and skills.

The Company Secretary of Malton is a fellow member of the Malaysian Institute of Chartered Secretaries and Administrators. The Board has unrestricted access to the advice of the Company Secretary on all matters concerning governance and regulatory requirements.

Meetings

Board meetings are structured with pre-determined agendas. Notification on Board meetings is sufficiently given to enable full attendance at Board meetings. Board papers which are appropriate and complete with comprehensive information are prepared and circulated prior to each Board meeting. Board papers are targeted to be distributed to the Directors within 5 business days in advance of the board meeting for their review and request further information and explanation, if necessary. The Directors also have unfettered access to all information within the Group in furtherance of their duties. Minutes which record the deliberations and decisions of the meetings are circulated for review by the Board members on accuracy and completeness.

MCCG PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS cont'd)

Meetings (cont'd)

The Board is scheduled to meet at least five (5) times a year, with additional matters addressed by way of circular resolutions and additional meetings convened as and when necessary. The Board met five (5) times during the financial year ended 30 June 2024. The attendance of the Directors and Board meetings held during the financial year under review is set out below.

Name	Total Meetings Attended
Tan Sri Lim Siew Choon	5 of 5
Puan Sri Tan Kewi Yong	5 of 5
Datuk Hong Lay Chuan	5 of 5
Chua Thian Teck	5 of 5
Dato' Siew Mun Wai	5 of 5
Arunasalam A/L Muthusamy	5 of 5
Baharum Bin Harun (appointed on 3 July 2023)	5 of 5
The late Guido Paul Philip Joseph Ravelli (deceased on 24 March 2024)	3 of 4

Board Charter and Code of Conduct and Business Ethics

The Board Charter sets out the roles and responsibilities of the Board and serves as a reference to the Board on the matters for the Board deliberation and the roles and responsibilities delegated to Management and Board Committees.

The Board Charter is reviewed periodically to ensure that it remains consistent with the vision and mission and strategic direction of the Group, in compliance with governance and regulatory changes.

The Board Charter is available on Malton's website at www.malton.com.my.

The Board has established a Code of Conduct and Business Ethics for the Group which sets out the standard professional and personal behaviour for all employees at the work place. The Code of Conduct and Business Ethics serves as a guide on matters concerning conflicts of interest, confidentiality, fraud, staff relations, safeguard of properties, compliance with laws and regulations amongst others.

The Code of Conduct and Business Ethics is available on Malton's website at www.malton.com.my.

Anti-Bribery and Anti-Corruption Policy

In line with the requirements of the MACC Act, the Board has formalised the anti-bribery and anti-corruption policy and procedures of the Group. The Board upholds a business environment that is free of corruption.

Pursuant to the Anti-Bribery and Anti-Corruption Policy, the Whistleblowing Policy and Procedures enable concerns of possible improprieties and malpractices in the Group to be brought to the attention of the Board and Management in an appropriate manner. The reporting procedure and process are set out in the policy.

The Anti-Bribery and Anti-Corruption Policy and Whistleblowing Policy of the Group are available on Malton's website at www.malton.com.my.

MCCG PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Board Composition and Independent Directors

The Board currently comprises seven (7) directors, three (3) of whom are independent directors. The ratio of independent directors on Board of Malton fulfils the requirements of Paragraph 15.02(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Main Market Listing Requirements") which sets out that at least two (2) directors or 1/3 of the board of directors of a listed issuer, whichever is the higher, are independent directors. In the event of any vacancy in the board of directors which results in non-compliance in the composition of the Board, the Board must fill the vacancy within three (3) months.

The Board has established an evaluation procedure which is carried out, on an annual basis, to ensure that independent directors meet the criteria of independent directors set out in the Main Market Listing Requirements and the effectiveness and contribution of each independent director. In the opinion of the Board as a whole, the independent directors have met the criteria set out in the Main Market Listing Requirements. Each independent director has affirmed his independency and brings invaluable judgement to bear on issues of strategy, performance, allocation of resources, risk management, internal controls and standards of conduct for the Group. The minority shareholders are well represented by the presence of the existing independent non-executive directors in the Board who have shown that they are individuals with integrity and highly capable and competent to carry out their duties and responsibilities.

The Board takes cognizance that the MCCG recommends that the tenure of an independent director should not exceed a cumulative term of 9 years. None of the independent directors of Malton has served a term exceeding 9 years. As set out above, the Group has established annual evaluation to determine and ensure the independency of each independent director and if each of them has contributed positively and effectively as an independent director. The evaluation process will determine if an independent director will remain objective and continue to be fair and impartial in all Board deliberations and decision making. The continued tenure of independent directors also brings stability to the Board and the Group benefits from the directors who have, over time, gained valuable insight of the Group, its market and industry. Re-election of directors is carried out every year at the annual general meeting. All directors are required to submit themselves for re-election at least once every 3 years. Following the recommendation set out in the MCCG, the Board will seek shareholders' approval to retain them as Independent Non-Executive Directors through a two-tier voting process.

Nominating Committee

The Board established the Nominating Committee on 24 October 2002. The Nominating Committee currently comprises:-

- Arunasalam A/L Muthusamy (Independent Non-Executive Director) – *Chairman*
- Dato' Siew Mun Wai (Independent Non-Executive Director) – *Member*
- Baharum Bin Harun (Independent Non-Executive Director) - *Member*

The late Guido Paul Philip Joseph Ravelli served as Chairman of the Nominating Committee until his demise on 24 March 2024. Mr Arunasalam A/L Muthusamy was designated the Chairman and Encik Baharum Bin Harun was appointed a member of the Committee on 20 June 2024.

The functions, responsibilities and authority of the Nominating Committee are set out in its terms of reference. The main objectives of the Nominating Committee are to assess, make recommendations and consider candidates for appointment to the Board. The scope of responsibilities of the Nominating Committee also covers the assessment of the performance and effectiveness of the Board as a whole and the Directors individually.

The Board had established a Directors' Fit and Proper Policy for the Group which sets out the fit and proper criteria for appointment and re-appointment of Directors on the Boards of the Group. The policy serves as a guide to the Nominating Committee and the Board in their review and assessment of candidates proposed for appointment onto the Board as well as assessment of directors who are seeking re-election and other periodic assessments.

The Directors' Fit and Proper Policy of the Group is available on Malton's website at www.malton.com.my.

MCCG PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Nominating Committee (cont'd)

For new appointment to the Board, the Nominating Committee may consider recommendations from existing directors, major shareholders, independent professional recruitment specialists or professional bodies to identify suitably qualified candidates.

In accordance with the Directors' Fit and Proper Policy, the Nominating Committee will consider the following criteria in the evaluation of candidates for new appointment:-

- Character and integrity covering compliance with legal obligations and regulatory requirements, personal integrity, financial integrity and reputation

- Experience and competence including qualification, skills, relevant experience and expertise and past performance track record

Additionally, in the case of appointment as independent directors, the Nominating Committee will review:-

- Relationship of the candidate with the existing Directors and senior management to assess independency and ability to discharge the duties of an independent director

- Time and commitment including ability to devote a certain amount of time as a member of the Board

For the financial year ended 30 June 2024, the Nomination Committee reviewed the performance of the Board members, individually and collectively as a Board and also the Board Committees based on the following key aspects:-

- Size of the Board
- Composition of the Board to assess the ratio of Independent Directors
- Assessment of independency of the Independent Directors
- Diversity of skills and experience of the Board
- Scope of responsibilities and discharge of duties of the Board as a whole and the Board members individually
- Effectiveness of the Board as a whole and the Board members individually
- Review of the tenure of each director
- Functions of Board Committees and the Terms of Reference
- Discharge of duties and responsibilities of the Board Committees

The Nominating Committee is satisfied that the Board as a whole and the Board members individually have fulfilled their duties and responsibilities effectively and are suitably qualified in their respective positions.

Additionally, the annual re-election of a director is contingent upon satisfactory evaluation of the performance and contribution to the Board and Group.

On the review of the Remuneration Committee, ESOS Committee and Audit Committee, the Nominating Committee concluded that each Board Committee carried out its functions and responsibilities effectively in accordance with its terms of reference.

An evaluation of the Independent Directors was also carried out to assess their independency and competency to continue in office as independent directors of Malton on self-assessment basis and by the other members of the Board. It was concluded that each independent director has continuously maintained his independency and is competent to continue serving as an independent director of the Company.

MCCG PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Board Diversity

The Board presently does not have any gender policies in its evaluation of candidacy and assessment of the performance of the Board as a whole or the Directors individually as the main considerations for a Board appointment and performance as a Director is on character, integrity, experience and competency.

The Board takes cognizance of the recommendations on gender diversity set out in the MCCG and will evaluate the policies from time to time and if found suitable and necessary, revise the policies to meet the requirements of the Company.

Remuneration Committee

The function for assessment of the remuneration of directors and senior management is charged to the Remuneration Committee. The responsibilities and authority of the Remuneration Committee are set out in its terms of reference. The Committee will review the remuneration package of each Executive Director from time to time to assess and make appropriate recommendation, if necessary, to ensure that remuneration packages are competitive to attract and retain capable executives who can manage the Group successfully. Executive Directors have no part in the decision-making process of their own remuneration.

The determination of remuneration packages of independent non-executive directors is a matter of the Board as a whole. The independent non-executive directors do not partake in decisions affecting their remuneration.

The terms of reference of the Remuneration Committee is available on Malton's website www.malton.com.my

The Board endorsed the formation of the Remuneration Committee on 24 October 2002 to assist the Board in the discharge of its responsibilities in this matter. Currently, the Remuneration Committee comprises:-

- Arunasalam A/L Muthusamy – Chairman
- Baharum Bin Harun – Member (appointed on 20 June 2024)
- Chua Thian Teck – Member

The late Guido Paul Philip Joseph Ravelli served as Chairman of the Remuneration Committee until his demise on 24 March 2024. Arunasalam A/L Muthusamy was redesignated Chairman and Baharum Bin Harun was appointed a member of the Remuneration Committee on 20 June 2024.

During the financial year ended 30 June 2024, the Remuneration Committee carried out the review of the remuneration policies, structure and packages of each director and reported to the Board of Directors.

The aggregate remuneration of the Directors for the financial year ended 30 June 2024 is set out below.

	Salaries RM	EPF RM	Fees RM	Meeting Allowance RM	Benefit-In-Kind RM	Total RM
Tan Sri Lim Siew Choon	-	-	240,000	-	42,024	282,024
Puan Sri Tan Kewi Yong	840,000	100,800	-	-	22,700	963,500
Datuk Hong Lay Chuan	1,120,000	134,400	-	-	22,700	1,277,100
Chua Thian Teck	1,200,000	134,400	-	-	26,125	1,360,525
Dato' Siew Mun Wai	-	-	48,000	11,000	-	59,000
Arunasalam A/L Muthusamy	-	-	48,000	11,000	-	59,000
Baharum Bin Harun	-	-	48,000	6,000	-	54,000
The late Guido Paul Philip Joseph Ravelli	-	-	36,000	7,000	5,400	48,400
Total	**3,160,000**	**369,600**	**420,000**	**35,000**	**118,949**	**4,103,549**

MCCG PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Personal Development

The Board believes that continuous pursuit of information and learning and the development of new skills is essential for the Directors to carry out and fulfil their duties and responsibilities. The Directors continuously review programmes, conferences, seminars and forums based on the suitability of the subject matter. In addition to attending conferences, seminars and training programmes, the Directors are committed to keeping abreast with matters relating to economy, business, property and construction industries, finance, legal and regulatory updates and other related issues. All of the Directors have attended the Directors' Mandatory Accreditation Programme required by Bursa Malaysia Securities Berhad. During the financial year ended 30 June 2024, the directors attended various seminars, forums and training including Operational Analyses and Process Improvements with Financial Outcomes, Electric Vehicle Charging Bay Guidelines by PLAN Malaysia, Advocacy sessions for Directors of Main Market Listed Issuers, Unlocking the Potential of Wellness and Medical Tourism in Malaysia, Mandatory Accreditation Programme Part II: Leading for Impact, Conflict of interests by Directors organised by Asia School of Business/Iclif Education Center and Ethics (From Theory to Practice) – ICAEW (Institute of Chartered Accountants in England & Wales) and MIA International Accountants Conference 2024 – Navigating New Frontiers, Embracing Sustainability.

MCCG PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The current Audit Committee comprises three (3) independent non-executive directors.

The Audit Committee primarily assists the Board in the review of financial reporting, internal control framework, risk management assessment and mitigation and evaluation of the performance and audit independence of the external auditors.

The Audit Committee comprises members from a wide range and diverse background in qualification, skills and experience necessary to discharge their duties. All of the members are financial literate and familiar with matters concerning property development and construction. In addition to the requirement that the Audit Committee must comprise only non-executive directors, the Audit Committee has a policy that requires a former key audit partner to observe a cooling-off period of a least three (3) years before being appointed as a member of the Audit Committee. None of the current members of the Audit Committee is a former key audit partner of the auditors of the Group.

Information on the Audit Committee is set out in the Audit Committee Report in this Annual Report.

Risk Management and Internal Control

The Board together with Management have established a risk management and internal control framework which is essentially designed to identify the risks that could impede the performance of the Group with mitigation strategies which include planning and taking steps to reduce the probability of the risks and severity of the risks.

Information on the risk management and internal control framework is set out in the Statement on Risk Management and Internal Control in this Annual Report.

Internal Audit Function

The Group has established an internal audit department which reports directly to the Audit Committee. The internal audit team carries out its audit duties based on its established internal audit framework that covers business audit, system audit, operational and financial audits and reports its findings and recommendations to the Audit Committee. The internal audit team will also, on directives from the Audit Committee, issue notices and memorandum on audit findings and recommendations for improvement to the relevant heads of departments. The internal auditors also review the quarterly results together with the Audit Committee prior to recommendation to the Board for approval and release.

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

Communication with Stakeholders

The Board subscribes to the corporate disclosure framework under the Main Market Listing Requirements. The Group has established its website www.malton.com.my which provides the shareholders and public access to information in relation to property launches, corporate matters, announcements and financial reports released to Bursa Malaysia Securities Berhad, analysts' reports and other investors' relations matters. The Board values and encourages communications with the shareholders and other stakeholders for them to establish better understanding of the Group's objectives and performance. Annual General Meetings are appropriate forums for shareholders to participate in questions and answer sessions with Directors and Management.

OTHER CORPORATE DISCLOSURES

1. Material contracts

There were no material contracts involving the interests of the Directors and/or major shareholders of the Company other than those disclosed in the Recurrent Related Party Transactions set out below and Related Party Transactions and Balances presented in the Financial Statements of this Annual Report.

2. Audit and non-audit fees paid to external auditors

The Group paid a total of RM605,600 to Deloitte PLT and affiliates for audit and non-audit services for the financial year ended 30 June 2024. The details of the payments are set out below.

	Company RM	Group RM
Audit fees	110,000	509,000
Non-audit fees		
- Review of Statement on Risk Management and Internal Control	5,000	5,000
- Tax Compliance	11,500	68,100
- Transfer pricing services	11,000	11,000
- Housing Development Accounts	-	12,500
Total	**137,500**	**605,600**

3. Recurrent related party transactions

The Group was granted shareholders' mandate to enter into Recurrent Related Party Transactions for the sale of trading stock properties with related parties and construction and project management services contracts with related parties of Tan Sri Lim Siew Choon and Puan Sri Tan Kewi Yong at the 28th Annual General Meeting of Malton held on 22 November 2023.

During the financial year ended 30 June 2024, there were no new recurrent related party transactions pursuant to the above-mentioned mandates.

4. Malton Employees' Share Option Scheme

The Malton Employees' Share Option Scheme (Malton ESOS) was established on 20 April 2016. Malton ESOS which expired on 19 April 2021, was extended by five (5) years until 19 April 2026. Malton ESOS is currently the only existing employees' share option scheme under the Company.

OTHER CORPORATE DISCLOSURES (cont'd)

4. Malton Employees' Share Option Scheme (cont'd)

Some of the details of the Malton ESOS are set out below.

		Number of options				
Date of grant of options	Exercise price per option RM	Granted	Balance as of 1 July 2023	Exercised	Lapsed	Balance as of 30 June 2024
23 February 2017	0.80	16,115,000	2,905,600	-	320,000	2,585,600

Malton ESOS options granted to the directors are set out below.

	Number of options			
Date of grant of options	Granted	Balance as of 1 July 2023	Lapsed	Balance as of 30 June 2024
Tan Sri Lim Siew Choon	300,000	300,000	-	300,000
Puan Sri Tan Kewi Yong	450,000	450,000	-	450,000
Datuk Hong Lay Chuan	450,000	450,000	-	450,000
Chua Thian Teck	450,000	450,000	-	450,000
The late Guido Paul Philip Joseph Ravelli	150,000	150,000	150,000	-
TOTAL	**1,800,000**	**1,800,000**	**150,000**	**1,650,000**

The total maximum allocation applicable to the directors and senior management is approximately 17.7% of the total maximum allocation available to all of the eligible employees under the Malton ESOS, all of which were granted to the directors and senior management.

DIRECTORS' RESPONSIBILITY IN PREPARING THE FINANCIAL STATEMENTS

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group at the end of the financial year and of the results and the cash flow of the Group for the financial year.

The Directors are satisfied that, in preparing the financial statements of the Group for the financial year ended 30 June 2024, the Group has adopted approved applicable accounting standards in Malaysia and complied with the provisions of the Companies Act, 2016.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Malton Berhad (Malton) aspires to be the leading lifestyle and innovative property developer in the region. The Board of Directors of Malton (Board) concurs that, to achieve long term growth and sustainability of the business of the Group and enhance return to the shareholders and other stakeholders, it is imperative for Malton and its subsidiaries (Group) to have a sound risk management framework and internal control system as integral features of the corporate governance structure of the Group.

The focus of risk management is to identify and assess risks and manage them to reduce the exposure and impact of the risks on the Group. Having a robust and effective risk management framework, embedded into the culture of the Group, to govern and analyse, treat, monitor and communicate the risks across the Group will promote organisational effectiveness and contribute towards the achievement of corporate strategies and goals. The Group has established a risk management policy which aligns with the ISO31000:2018 Risk Management Standards.

The internal control system of the Group is designed to minimize risks and protect assets, ensure accuracy of records, promote operational efficiency, and ensure adherence to policies, rules, regulations and laws.

Risk Management Framework

The Group's business comprises Property Development Division, Construction and Project Management Division and Property Trading. The Board and Senior Management have developed a risk management framework within the governance system of the Group, essentially designed to determine and analyse the risks that could disrupt the operations of the Group.

We strive to control, as much as possible, future outcomes by acting proactively rather than reactively. Therefore, effective risk management is very important to us to reduce both the possibility of a risk occurring and its potential impact. The Group's risk management process begins with understanding the operating environment in which we operate, the current state of affairs and any situation and circumstances that could pose a threat to our businesses.

The risk management framework of the Group serves to:-

- Identify the risks faced by the Group;
- Determine the risks target areas;
- Establish the risk appetite of the Group;
- Evaluate the likelihood and impact of the risks on the target areas and Group as a whole;
- Determine and implement the mitigation and control strategies to eliminate or reduce the severity of the risks;
- Monitor and manage the process of mitigation and control;
- Evaluate the effectiveness of the mitigation strategies;
- Develop any further necessary measures to manage risks;
- Record and report the results of mitigation and control;
- Review of the risk management process and procedures periodically.

Risk Governance Structure

The management for each business division is primarily responsible for the day-to-day risk assessment of the operations of the divisions encompassing identifying risks, assessing the impact of the risks and taking appropriate actions to manage and mitigate risks guided by established systems of controls. Each business division is tasked with monitoring and managing the process of mitigation and report the results to the Executive Directors and Senior Management.

Risk Governance Structure (cont'd)

Senior Management comprising the head of each business division, namely Property Development, Construction and Project Management and Property Trading, together with the Executive Directors are entrusted with identifying principal risks that could affect the operations for each business division, assessment of the impact of the risks and establish the policies and mechanisms to mitigate the risks.

The Board, as a whole, is responsible for the oversight of risk management framework of the Group which includes ensuring that a sound system of risk management and internal controls is in place.

The significant risks identified are categorized as follows:-

- **Economic risks**

  The Group recognises economic risks are macroeconomic circumstances which include economic volatility, political stability, foreign policy uncertainty, trade uncertainties and government policies that could affect market trends and prices, wages, taxes and cost of materials among other things and may adversely affect profits.

- **Financial risks**

  Financial risks include exposure to fluctuations in interest rates, foreign exchange fluctuations, cash flow liquidity and financial leverage.

- **Environmental conditions**

  Environmental risks include actual or potential threats of adverse effects on the community and environment by effluents, emissions, wastes, resource depletions arising out of business activities.

- **Market risks**

  The Group recognises the market trends and conditions like low demand, oversupply, or an economic decline could make a development unfeasible or unprofitable. Factors like interest rates, employment rates, and demographics can impact prices and saleability.

- **Operational risks**

  The Group recognises operational risks which may include inadequate procedures, systems or policies, system failures, employee errors, breach of internal controls and incidents of fraud. Potential risks to operations also include unexpected variations to cost, defects or late delivery penalties and delays in acquiring regulatory approval.

- **Health and Safety**

  The Group recognises that managing occupational safety and health is an integral part of managing the business. Through our risk management process, we identify hazards, evaluate and analyse the risks associated with those hazards, then taking action to eliminate the hazards or control the risks that can't be eliminated to minimize injury and illness potential.

- **Cybersecurity**

  The Group recognises the risks arising from disruptions to information technology infrastructure, as well as the threat of cyber terrorism and information security breaches.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

Risk Governance Structure (cont'd)

The assessment of risks mainly covers the following areas:-

1. Review of Business Opportunities

The Board and Senior Management have established a process for the review of business opportunities which include carrying out detailed feasibility studies, market researches, formulation of potential development plans, financial and operational requirements to assess the viability of the opportunities, identify potential areas of risks and where necessary, plans to alleviate or reduce the effects of any potential risks.

2. Review of Property Development Projects

Property Development is based on expectation of a future demand. To be a successful property developer, we must get our development to the market at the right time and the right price. The development profits depend on how we manage the development costs against timeline. Before inception and during the progress of a development project, the development team needs to manage, amongst others, legal requirements, local authorities, neighbourhood expectations, consultants and contractors. Based on the requirements and challenges of a development project, the Board and Senior Management have formulated a risk management framework to identify and assess the type of risks, levels of the risks, potential effects of the risks and risks mitigation process.

3. Review of Construction Projects

The development and construction teams will, prior to commencement of any development and construction activities, review the construction requirements including equipment and machinery specifications, type and usage of materials to assess the impact of the activities on the community and environment and also well-being and safety of the work force on site. The teams will make the necessary recommendations to address and minimise the effects of any potential risks to the community, environment and ensure the wellbeing and safety of the work force on site.

4. Review of Financial Requirements and Cash Flow Management

Prior to the implementation of any approved development or construction projects, the Executive Directors and Senior Management will review the budget and overall cash flow requirements to assess and plan the financing requirements and cost of financing.

5. Health and Safety Practices

Health and safety of employees at the work place, whether at various construction sites or offices, has a substantial impact on the Group. The Group has implemented initiatives to identify hazards in the workplace and put in place, measures to minimise them and inculcate safety at workplace. Employees are informed and trained on health and safety hazards and measures.

Internal Control System

The characteristics of the internal control system of the Group comprises a control environment, risk assessment, control activities, information and communication and monitoring.

Internal Control System (cont'd)

The internal control system of the Group include the following areas:-

1. Integrity and Ethical Values

The Board and Senior Management set the tone of integrity and conducts in respect of good corporate governance and corporate behaviour. The Code of Conduct and Business Ethics sets out the standards of integrity and values required of each employee. The Code covers requirements on conduct in the work place, dealings with external parties, compliance with laws and regulations, protection of the Group's and conflict of interest amongst others.

Employee Handbook provides guidance and information related to the vision and mission of the Group, policies and procedures and employment entitlement and benefits. The Employee Handbook also address matters and actions relating misconduct and breach of employment guidelines.

2. Commitment to Competency of Employees

We are committed to recruiting people with necessary qualification, knowledge and competencies to complement the required skills for our business. We have established programmes and initiatives to equip employees and enhance their abilities and skills in driving the Group forward through ongoing emphasis on performance management and employee development. It is the Group's practice to train the employees from time to time in order for them to perform well in their current positions and also for career advancement.

The Group has an appraisal system in place to gauge the performance of the employees and ensure that individuals who perform well are recognised and rewarded appropriately.

Succession Planning is crucial to the continuity of the business strategies of the Group. Talents who show leadership qualities and potential are given the opportunity and training for career development.

3. Board of Directors and Audit Committee

The Board is overall responsible for the corporate governance of the Group. The Audit Committee supports the Board in the review of the adequacy and effectiveness of the internal control system of the Group.

4. Internal Audit Function

The Group has established an internal audit department which carries out the internal audit function in the Group. The findings of the internal audit department are regularly reported to the Audit Committee. The Audit Committee meets at least five (5) times a year with the Board to discuss significant issues discovered during the internal audit process and makes the necessary recommendations to the Board.

5. Organisation Structure

The Group is led by the Board and Senior Management who have clear roles and responsibilities and lines of reporting. Separation of duties within the organisation identifies the areas of responsibilities and defines the lines of accountability. The lines of reporting enable proper delegation of authority and duties for planning, execution and monitoring of business operations.

6. Risk Management

The risk management process of the Group encompasses identifying occurrence and circumstances which could adversely affect the operations of the Group, analysing the risks and impact, determining response strategies, monitoring and report on the implementation and outcome of the response. By doing so, the Group endeavours to protect and create value for the stakeholders of the Group including the shareholders, employees, customers and suppliers.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

Internal Control System (cont'd)

7. Anti-Bribery and Anti-Corruption Policy

The Group has established policies and procedures to ensure specifically to identify, analyse, assess internal and external corruption risk exposure. The corruption risk assessment procedures include:-

a. Risk of corruption and fraud activities arising from lapses in the Group's organisation governance framework and internal systems.
b. Financial transactions that may disguise as corrupt payments.
c. Business activities in countries or sectors that pose higher corruption risk.
d. Non-compliance by external parties acting on behalf of Malton Group.
e. Relationships with third parties in the supply chain which are likely to expose the Group to corruption.

Comprehensive assessment of anti-corruption risk will be carried out at least once every three years with intermittent assessments to be conducted when necessary to ensure relevance and compliance with the legislation.

8. Whistleblowing Policy and Procedures

Whistleblowing Policy and Procedures of the Group provides the avenue for employees and external parties to raise legitimate concerns on any misconduct, illegal activities, unethical or inappropriate behaviour committed by the employees of the Group. Written reports are to be addressed to the Senior Independent Director and Company Secretary of the Group. Anonymous reports are not accepted. All reports will be handled with utmost confidentiality to protect the whistleblower against victimization or reprisal.

9. Standard Operating Policies and Procedures and Limits of Authority

Each department within the Group has its own standard operating policies and procedures (SOPs) which set out guidances, references and expectations for execution of work duties. One of the advantages of having SOPs in place is consistency in the delivery of products and services. The SOPs are reviewed periodically to ensure that practices keep pace with the development in the market and industry and amendments in the regulatory environment.

10. Budgeting Process

Budgets are drawn up for each project before commencement and for business units, on an annual basis.

The budgets are presented to the Senior Management and Executive Directors for review and approval. The performance of projects and the Group is monitored and reviewed periodically based on the approved budgets and forecasts. The Senior Management reviews the reports on the performance and variances and where appropriate and necessary, take remedial actions.

11. Tender Process

The Group has established a tender process for awards of contracts. The pre-qualification exercise involves evaluation of relevant experiences and financial capabilities of the contractors and suppliers. Tenders are opened in the presence of the consultants, staff from the project and contracts departments and Management. The tender values are recorded and kept private and confidential. Further assessment is carried out through interviews and inspection of the quality of materials and workmanship. Tender reports are presented to the Tender Committee for review and comments. Management team will carry out a final review and negotiation prior to shortlisting the tenderers for recommendation to the Senior Management where selection will be decided.

Internal Control System (cont'd)

12. Meetings

The purpose of meetings is to inform and provide updates on business activities and performance of business divisions and the Group as a whole. Meetings bring the leadership in a forum to provide guidance and solve problems with the ultimate goal of meeting the objectives of the Group.

Each business division holds scheduled operation meetings where development and construction progress reports are presented and reviewed. Agenda of the meeting include work progress, quality of work, whether schedules are met, manpower requirements, risks and controls, issues encountered and solutions reached.

At monthly management meetings, the Group's strategies and performance are reviewed and discussed. Presentation includes information on sales and marketing performance, financial performance, property development projects, construction projects, quality assurance and talent management.

13. Site Visits

Management carries out periodic visits to project sites to inspect work progress and quality of work to check if construction is carried out according to the development plan and schedule.

14. Financial Reports

Monthly management reports containing operational budgets and financial performance and indicators of projects are presented at management meetings.

The Group's quarterly financial statements and annual audited financial statements are reviewed by the Audit Committee and thereafter recommended to the Board for consideration and approval prior to release to Bursa Malaysia Securities Berhad.

15. Safeguard of Assets

The Group ensures that proper accounting of assets is kept. Insurance policies are in place to ensure that the assets are sufficiently covered against loss and damages. Scheduled inspection and maintenance of machinery is carried out to assure that they are maintained in optimal conditions.

The Board is assured that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group. The Board will review its risk management framework from time to time to ensure its relevance and compliance with the relevant legislations and guidelines.

The External Auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and AAPG 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report.

AUDIT COMMITTEE REPORT

The Audit Committee of Malton Berhad was formed on 8 March 2002. The current Audit Committee comprises three (3) independent non-executive directors.

- Arunasalam A/L Muthusamy – *Independent Non-Executive Director* (Chairman)
- Dato' Siew Mun Wai – *Independent Non-Executive Director* (Member)
- Baharum Bin Harun – *Independent Non-Executive Director* (Member)

The late Guido Paul Philip Joseph Ravelli served as a member of the Audit Committee until his demise on 24 March 2024. Baharum Bin Harun was appointed a member of the Audit Committee on 20 June 2024.

Both Arunasalam A/L Muthusamy and Dato' Siew Mun Wai are members of chartered accountancy bodies United Kingdom. Mr Arunasalam is a Fellow Member of the Association of Chartered Certified Accountants and a Chartered Accountant of the Malaysian Institute of Accountants. Dato' Siew Mun Wai is a Fellow Member of the Institute of Chartered Accountants in England & Wales and a Chartered Accountant of the Malaysian Institute of Accountants.

The Audit Committee met five (5) times during the financial year ended 30 June 2024. The attendance of the Audit Committee members during the financial year is set out below.

Name	Total Meetings Attended
Arunasalam A/L Muthusamy	5 of 5
Dato' Siew Mun Wai	5 of 5
The late Guido Paul Philip Joseph Ravelli	3 of 4

All of the Audit Committee meetings for the financial year ended 30 June 2024 were held prior to the appointment of Baharum Bin Harun to the Committee. He was therefore not involved in any of the meetings.

TERMS OF REFERENCE

Objectives of the Audit Committee

The primary objectives of the Committee are to:-

1. Provide oversight of the financial reporting process, the audit process, the internal control system of the Malton Berhad and its subsidiaries and compliance with laws and regulations.

2. Maintain, through regularly scheduled meetings, an open line of communication between the Board, Management, external auditors and internal auditors; and

3. Oversee and appraise the quality of the audits conducted by the external auditors and internal auditors.

Membership of the Audit Committee

1. The Company must appoint an Audit Committee from amongst its directors and must be composed of not fewer than 3 members, all of whom shall be non-executive directors with a majority of them being independent directors.

2. At least one member of the Audit Committee:-

    i. must be a member of the Malaysian Institute of Accountants; or

    ii. if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:-

        a. he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or

        b. he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or

TERMS OF REFERENCE (cont'd)

Membership of the Audit Committee (cont'd)

iii. fulfils such other requirements as prescribed by Bursa Malaysia Securities Berhad.

3. No alternate director shall be appointed as a member of the Committee.

4. If a member of the Committee for any reason ceases to be a member with the result that the number is reduced to below three (3), the Board of Directors shall, within 3 months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

5. A person who is a former audit partner in charge of the external audit of the Company is required to observe a cooling-off period of at least three (3) years before he/she can be considered for appointment as a director or a member of the Audit Committee of the Company.

Chairman of the Audit Committee

The members of the Committee shall elect a Chairman from among themselves who shall be an independent director subject to the endorsement of the Board of Directors.

Authority of the Audit Committee

The Committee shall, in accordance with a procedure to be determined by the Board of Directors and at the cost of the Company:-

1. Have the authority to investigate any matter within its terms of reference;

2. Have the resources which are required to perform its duties;

3. Have full and unrestricted access to any information pertaining to the Group;

4. Have direct communication channels with the external auditors and also the internal auditors;

5. Be able to obtain independent professional advice or other advice necessary for the discharge of its duties; and

6. Be able to convene meeting with the external auditors and/or internal auditors excluding the attendance of other directors and/or employees, whenever it is deemed necessary.

The Chairman of the Committee shall engage on a continuous basis with senior management on matters affecting the Group.

Where the Committee is of the view that a matter reported by it to the Board of Directors of the Company has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Committee shall promptly report such matter to Bursa Malaysia Securities Berhad.

Key Functions and Responsibilities

The primary functions of the Committee are to review the following and report the same to the Board of Directors:-

1. The audit plan, audit findings and audit reports and evaluation of the system of internal controls with the external auditors and assistance given by the employees of the Group to the external auditors;

2. The adequacy of scope, competency and resources of the internal audit function and the necessary authority to carry out its duties;

3. The internal audit plan and processes, the results of the internal audit assessments and investigation undertaken and whether appropriate actions are taken on the recommendation of the internal audit function and/or the Committee;

AUDIT COMMITTEE REPORT
(cont'd)

TERMS OF REFERENCE (cont'd)

Key Functions and Responsibilities (cont'd)

4. The quarterly results and year-end financial statements, prior to review by the Board of Directors, focusing particularly on:-

   i. changes in or implementation of major accounting policy changes;

   ii. significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters are addressed; and

   iii. compliance with accounting standards and other legal requirements.

5. All related party transactions and conflict of interest situations that arose, persist and may arise within the Group including information on the framework in place for the purposes of identifying, evaluating, approving, reporting and monitoring such conflict of interest situations and related party transactions.

6. Audit programme and processes of the external auditors including evaluation of the performance and audit independence of the external auditors and whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment;

7. Any resignation of external auditors of the Company; and

8. Recommendation for nomination of a person or persons as external auditors.

Meetings and Reporting of the Audit Committee

1. The quorum in respect of a meeting of the Committee shall be a majority of independent directors.

2. The Committee shall meet each quarter of a financial year to review the unaudited results of the Group and on an annual basis, to review the audited financial statements. Additional meetings may be convened, as the Chairman shall decide, in order to fulfil its duties.

3. The Company Secretary or any person appointed by the Audit Committee shall be the Secretary of the Audit Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and other supporting explanatory documentation for circulation to the Committee Members prior to each meeting. The Secretary will also be responsible for keeping the minutes of the meetings of the Committee and circulating them to the members and to the other members of the Board of Directors. The Chairman shall convene a meeting of the Committee to consider any matter that the external auditors believe should be brought to the attention of the directors and/or shareholders of the Company.

4. Any other directors and/or employees of the Company may attend a meeting of the Committee upon an invitation of the Committee.

5. All or any member of the Committee may participate in a meeting of the Committee by telephone conferencing, video conferencing or any communication equipment that allows all persons participating in the meeting to communicate with each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

INTERNAL AUDIT FUNCTION

The Group has established an internal audit department which reports directly to the Audit Committee. During the financial year ended 30 June 2024, the internal audit department carried out its audit duties based on its established internal audit framework that covered business audit, system audit, operational and financial audits and reported the findings to the Audit Committee. The Audit Committee together with the internal auditors, Executive Directors and Management reviewed the quarterly unaudited financial results and year-end audited financial statements and reported its assessment to the Board of Directors prior to release to Bursa Malaysia Securities Berhad.

The internal audit department comprises two personnel headed by Mr Pang Kean Fei, a Member of the Association of Chartered Certified Accountants and Certified Internal Auditor. He is also a member of the Institute of Internal Auditor Malaysia since 2011.

The internal audit team which reports directly to the Audit Committee is free from any relationships and conflict of interest that may impair objectivity and independence.

The total cost incurred for the internal audit function of the Group for the financial year ended 30 June 2024 was approximately RM436,670.

The Internal Audit Department is required to present the audit programme prior to commencement of each financial year for review and approval by the Audit Committee. During the financial year ended 30 June 2024, the Internal Audit Department presented audit reports on the business and operational activities of the property development and construction divisions.

In carrying internal audit work, the internal audit personnel carried on-site inspections, examine documents, interview relevant employees and discuss observations with the relevant department heads. These reports presented the findings on the activities carried out by the various departments and through the activities, evaluated the quality and effectiveness of internal controls in place and risks areas. The internal audit team also made recommendations for improvements and appropriate mitigation measures.

ACTIVITIES CARRIED OUT BY THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2024

During the financial year ended 30 June 2024, the Audit Committee had reviewed the quarterly unaudited financial results together with members of Management and reported its comments to the Board of Directors prior to release to Bursa Malaysia Securities Berhad.

The Audit Committee reviewed the internal audit report on related party transactions conducted during the financial year ended 30 June 2024 based on established guidelines and procedures to ensure that the transactions were entered into by the Group on an arm's length basis on terms which are not more favourable than those transacted with the public and not detrimental to the interest of the minority shareholders. It was confirmed that the related party transactions were conducted in compliance with established guidelines and procedures at prevailing market prices and on terms which are not more favourable than those transacted with the public and not detrimental to the interest of the minority shareholders.

The internal audit reviewed and presented reports to the Audit Committee on operational functions and internal controls on the following:-

- Sales and Marketing Department emphasising on policies and procedures relating to expenses and agent fees
- General Workers' Wages on the process and controls of computation and payment procedures
- Recurrent Related Party Transactions with the focus on procedures, documentation and disclosure
- Fixed Assets of Construction Division including policy on acquisition, monitoring and safeguard
- Staff Expenses Claims on verification and approval process
- Payroll with the focus on controls for payroll process, accuracy, compliance with statutory requirements
- Sales Administration on the controls on billings, execution of documents
- Subcontracting on the controls for award of contracts, terms of contracts, approval process for variation orders
- Procurement emphasising on approval policy and process, monitoring based on budget and documentation

AUDIT COMMITTEE REPORT
(cont'd)

ACTIVITIES CARRIED OUT BY THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2024 (cont'd)

The Audit Committee met with the external auditors, prior to commencement of the audit for the financial year ended 30 June 2024 and discussed the planning report presented by the external auditors. The planning report covered the objectives, scope and procedures of audit work to be carried out by the external auditors. During the review of the year-end audited financial statements, the external auditors had also reported to the Audit Committee on the audit progress and findings made during audit process. The Audit Committee met and reviewed the year-end audited financial statements together with the external auditors and Management and reported its assessment to the Board of Directors prior to release to Bursa Malaysia Securities Berhad.

The Audit Committee also met with the external auditors without presence of the executive members of the Board and Management to discuss matters relating to the audit process and assistance and cooperation extended by Management and employees of the Group.

As practiced in the previous years, the Audit Committee also reviewed the independence policies and procedures of the external auditors for assessment of independency of the external auditors.

MALTON BERHAD

[Registration No: 199401035205 (320888-T)]

FINANCIAL STATEMENTS

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REPORT OF THE DIRECTORS

REPORT OF THE DIRECTORS

The Directors of **MALTON BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and the provision of management services to its subsidiary companies.

The principal activities of the subsidiary companies are disclosed in Note 15 to the financial statements.

RESULTS OF OPERATIONS

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

	The Group RM'000	The Company RM'000
Profit/(Loss) before tax	43,773	(4,597)
Income tax expense	(17,885)	(804)
Profit/(Loss) for the financial year	25,888	(5,401)
Profit/(Loss) attributable to:		
Owners of the Company	29,791	(5,401)
Non-controlling interests	(3,903)	-
	25,888	(5,401)

In the opinion of the Directors, the results of operations 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, other than gain on fair value adjustment of investment properties, reversal of freehold land previously written down to net realisable value, impairment loss and gain on fair value adjustment of investment in redeemable preference shares, write down of completed units to net realisable value and impairment loss on other receivables, as disclosed in Note 13, 14, 18, 21, 22 to the financial statements respectively.

DIVIDENDS

No dividends were paid or declared by the Company since the end of the previous financial year. Further, the Directors do not recommend any declaration of dividend in respect of the current financial year.

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 did not issue any new shares and debentures during the financial year.

SHARE OPTIONS

The Employees' Share Option Scheme ("ESOS") which was established on 20 April 2016 for the benefit of eligible employees and directors of the Group. The ESOS is to be in force for a period of five (5) years and had subsequently expired on 19 April 2021. The Board of Directors of the Company had on 15 April 2021 approved the extension of duration of ESOS for a further five (5) years commencing from 20 April 2021 to 19 April 2026.

The salient features of the ESOS are disclosed in Note 27 to the financial statements.

The movements of the options over the unissued ordinary shares in the Company granted under the ESOS during the financial year are as follows:

		Number of options over ordinary shares			
Date of grant	**Exercise price per share RM**	**Balance as of 1.7.2023**	**Granted**	**Lapsed**	**Balance as of 30.6.2024**
23.2.2017	0.80	2,905,600	-	320,000	2,585,600

REPORT OF THE DIRECTORS
(cont'd)

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, 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 have 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 value of current assets as shown in the accounting records of the Group and of the Company have 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 written off as bad debts or the amount of 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 current assets in the financial statements of the Group and of the Company misleading; or

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

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

(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 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 in the financial year in which this report is made.

DIRECTORS

The Directors of the Company 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 Lim Siew Choon
Puan Sri Tan Kewi Yong
Datuk Hong Lay Chuan
Chua Thian Teck
Dato' Siew Mun Wai
Arunasalam A/L Muthusamy
Baharum Bin Harun
Guido Paul Philip Joseph Ravelli (Deceased on 24 March 2024)

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 Lim Siew Choon
Datuk Hong Lay Chuan
Datuk Lim Chon Hoo
Datuk Lee Whay Hoong
Chua Thian Teck
Ahmad Lazri Bin Long Ahmad Zainal Abidin
Mohd Khairuddin Bin Hj. Nawani

DIRECTORS' INTERESTS

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

	Number of ordinary shares			
	Balance as of 1.7.2023	**Bought**	**Sold**	**Balance as of 30.6.2024**
Shares in the Company				
Direct interest				
Tan Sri Lim Siew Choon	22,681,800	-	-	22,681,800
Indirect interest				
Tan Sri Lim Siew Choon	207,901,489	600,000	15,500,000	193,001,489*
Puan Sri Tan Kewi Yong	207,901,489	600,000	15,500,000	193,001,489*

* Held through Malton Corporation Sdn. Bhd.

DIRECTORS' INTERESTS (cont'd)

In addition to the above, the following Directors have an interest in the shares of the Company, by virtue of the options granted pursuant to the ESOS of the Company:

	Number of options over ordinary shares			
	Balance as of 1.7.2023	**Granted**	**Lapsed**	**Balance as of 30.6.2024**
Tan Sri Lim Siew Choon	300,000	-	-	300,000
Puan Sri Tan Kewi Yong	450,000	-	-	450,000
Datuk Hong Lay Chuan	450,000	-	-	450,000
Chua Thian Teck	450,000	-	-	450,000
Guido Paul Philip Joseph Ravelli	150,000	-	150,000	-

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive a benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of full-time employees of the Company as 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, except for any benefits which may be deemed to have arisen by virtue of any transactions with companies in which certain Directors have substantial financial interest in the ordinary course of business.

	The Group		The Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Executive directors:				
Salaries and other emoluments	3,160	2,720	3,160	2,720
Defined contribution plan	370	317	370	317
	3,530	3,037	3,530	3,037
Non-executive directors:				
Fees	660	624	420	384
Allowances	35	42	35	42
	695	666	455	426
	4,225	3,703	3,985	3,463

The estimated monetary value of benefits-in-kind received and receivable by the Directors otherwise than in cash from the Group and the Company amounted to RM152,000 and RM119,000 (2023: RM158,000 and RM124,000), respectively.

DIRECTORS' BENEFITS (cont'd)

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

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS OR AUDITORS

The Group and the Company maintain 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 Group and of the Company. The amount of insurance premium paid during the year is RM36,000.

The total amount of sum insured for Directors and Officers of the Group for the financial year amounted to RM30,000,000.

There were no indemnity given to or insurance affected for the auditors of the Group and of the Company in accordance with Section 289 of the Companies Act, 2016.

SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The details of significant event subsequent to the end of the financial year are disclosed in Note 41 to the financial statements.

REPORT OF THE DIRECTORS
(cont'd)

AUDITORS' REMUNERATION

The amount paid/payable as remuneration of the auditors for the year ended 30 June 2024 is as disclosed below.

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Statutory audit fees	509	509	110	110
Non-audit fees	97	239	28	167

AUDITORS

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

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

DATUK HONG LAY CHUAN

CHUA THIAN TECK

Kuala Lumpur
25 October 2024

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALTON BERHAD
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **MALTON BERHAD**, which comprise the statements of financial position of the Group and of the Company as at 30 June 2024 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 material accounting policy information, as set out on pages 137 to 234.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, 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.

(Forward)

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALTON BERHAD
(Incorporated in Malaysia) (cont'd)

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 recognition from property development and construction activities

Revenue from property development and construction activities recognised during the year as disclosed in Note 5 to the financial statements amounted to RM654 million, which represents 95% of the Group's revenue.

Property development revenue is recognised over the period of the project by reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of the performance obligation 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 project).

Judgement is required in determining the progress of property development towards the complete satisfaction of the performance obligation, 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.

Revenue from construction contracts is recognised over time which depends on the extent to which the performance obligation has been satisfied, which is measured by determining the stage of completion. The stage of completion is determined by the proportion that contract construction costs incurred for work performed to date compared to the estimated total construction costs.

Judgement is required in determining the stage of completion, the extent of the construction costs incurred, the estimated total construction revenue and costs.

We focused on this area because of the magnitude of the revenue and the costs recognised by the Group from these activities, which are based on significant estimates and judgments.

Refer to "key estimate and assumptions" in Note 4(a)(i) and (ii), revenue in Note 5 and property development costs in Note 20 to the financial statements.

(Forward)

Key Audit Matters (cont'd)

How the scope of our audit responded to the key audit matter

Our audit procedures included among others:

- Obtained understanding of the revenue recognition process, including the accuracy and timing of revenue recognition towards satisfaction of performance obligation, and tested the associated relevant controls surrounding revenue recognition.

- Reviewed the agreements for property development and construction projects. Tested the accuracy of the management's computation for the progress of property development and construction projects towards the complete satisfaction of performance obligation taking into account the construction or development costs recognised during the financial year and the budgeted cost by testing a sample of costs incurred to date to the relevant supporting documentation (such as contractor's claim certificates, surveyor certificates, architect certificate and others) and reviewing the management prepared budgets ensuring that project budgets are reasonable. We also performed site-visits for individually significant on-going projects to arrive at an overall assessment as to whether percentage of progress towards complete satisfaction of performance obligation determined on a cost-to-cost basis was reasonable. Further, checked the cost incurred by contractors of which invoice/progress claim has yet to be received.

- Evaluated the reasonableness of the estimates made and assessed whether or not these estimates showed any evidence of management bias, based on historical accuracy of management's estimates in prior years. Discussed and tested changes in total estimated costs of a sample of construction and property development projects from prior years with management and assessed the consistency of assumptions applied across projects. Also, interviewed management's project team on the reasonableness of the budgeted costs to the completion of a sample of projects.

Valuation of Inventories

As at 30 June 2024, the Group has unsold inventories amounting to RM172 million. Inventories for sale are stated at the lower of cost and net realisable value (NRV). The determination of the estimated net realisable value of these unsold inventories is dependent upon the directors' expectation of future selling prices.

We focused on this, as this is the specific risk area most susceptible to misstatements and area that involves significant degree of management judgement, and accounting estimates on determining future selling price.

Refer to "key estimate and assumptions" in Note 4(b)(iv), and inventories in Note 21 to the financial statements.

(Forward)

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALTON BERHAD
(Incorporated in Malaysia) (cont'd)

Key Audit Matters (cont'd)

How the scope of our audit responded to the key audit matter

Our audit procedures included among others:

- Reviewed and understood the management process for determination of NRV of inventories and evaluated the design and implementation of the relevant controls.
- For unsold inventory, we tested management's assessment of NRV by reference to recent transacted prices of comparable properties, taking into consideration the estimated selling price less cost to sell.
- Physically sighted a sample of unsold properties, focusing on long-aged properties, to ascertain if any write-down was warranted due to physical obsolescence and deterioration of the properties.
- Where the estimation of NRV is based on the report of management's specialist (i.e. independent valuer), we assessed the appropriateness of the independent valuer's scope of work and evaluated the independence and qualification of the independent valuer. Had discussions with the independent valuer on the methodologies and techniques used in performing the valuation and obtained and tested data provided by management to the independent valuer.

Fair value of investment properties

As at 30 June 2024, the investment property portfolio of the Group amounted to RM224 million. The investment properties of the Group are held at fair value, which is based on independent external valuations performed by management's specialist. The valuation process involves determination of the appropriate valuation method to be used and underlying assumptions to be applied.

We focused on this as the use of valuation methods, assumptions and estimates require significant judgment. The valuation is sensitive to the key assumptions applied and various unobservable inputs.

Refer to "key estimate and assumptions" in Note 4(b)(iii), and investment properties in Note 13 to the financial statements.

How the scope of our audit responded to the key audit matter

Our audit procedures included among others:

- Assessed the appropriateness of the independent valuer's scope of work, evaluated the independence and qualification of the independent valuer.

(Forward)

Key Audit Matters (cont'd)

- Had discussions with the independent valuer on the methodologies and techniques used in performing the valuation, challenged the assumptions used in the valuation and obtained and tested data provided by management to the independent valuer.

- Engaged internal specialist to review valuation report and to assess the reasonableness of the basis of valuation of a significant investment property.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon, and Corporate Information, Corporate Structure, Group Financial Highlights, Board of Directors, Key Senior Management, Chairman's Statement, Management Discussion and Analysis, Sustainability Statement, Corporate Governance Overview Statement, Audit Committee Report, Group Properties and Statement of Shareholders, which we are expected to be made available to us after that date.

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.

When we read the Corporate Information, Corporate Structure, Group Financial Highlights, Board of Directors, Key Senior Management, Chairman's Statement, Management Discussion and Analysis, Sustainability Statement, Corporate Governance Overview Statement, Audit Committee Report, Group Properties and Statement of Shareholders, if we conclude that there is a misstatement therein, we are required to communicate the matter to those charged with governance and request management to correct the other information accordingly.

(Forward)

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALTON BERHAD
(Incorporated in Malaysia) (cont'd)

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.

(Forward)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

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

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

(Forward)

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALTON BERHAD
(Incorporated in Malaysia) (cont'd)

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 towards 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

25 October 2024

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	The Group 2024 RM'000	The Group 2023 RM'000	The Company 2024 RM'000	The Company 2023 RM'000
Revenue	5	684,732	831,917	15,193	13,819
Cost of sales	6	(554,323)	(682,156)	-	-
Gross profit		130,409	149,761	15,193	13,819
Other income		41,054	71,048	5,466	6,511
Share in results of an associated company	16	478	(378)	-	-
Share in results of joint ventures	17	-	(33,452)	-	-
Selling and distribution expenses		(7,239)	(6,586)	-	-
Administrative expenses		(64,165)	(188,337)	(17,652)	(13,279)
Impairment loss of redeemable preference share D	18	(7,397)	-	-	-
Impairment loss on trade receivables	8	(178)	(4,043)	-	-
Impairment loss on other receivables	8	(7,405)	(325)	-	-
Finance costs	7	(41,784)	(64,859)	(7,604)	(8,788)
Profit/(Loss) before tax	8	43,773	(77,171)	(4,597)	(1,737)
Income tax expense	9	(17,885)	(21,656)	(804)	(844)
Profit/(Loss) for the year		25,888	(98,827)	(5,401)	(2,581)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the year		25,888	(98,827)	(5,401)	(2,581)
Profit/(loss) attributable to:					
Owners of the Company		29,791	(83,286)	(5,401)	(2,581)
Non-controlling interests	29	(3,903)	(15,541)	-	-
		25,888	(98,827)	(5,401)	(2,581)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		29,791	(83,286)	(5,401)	(2,581)
Non-controlling interests		(3,903)	(15,541)	-	-
		25,888	(98,827)	(5,401)	(2,581)
Earnings/(Loss) per ordinary share:					
Basic (sen)	10	5.64	(15.77)		
Diluted (sen)	10	5.64	(15.77)		

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

STATEMENTS OF FINANCIAL POSITION
AS OF 30 JUNE 2024

	Note	The Group 2024 RM'000	The Group 2023 RM'000	The Company 2024 RM'000	The Company 2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	20,897	23,427	672	423
Right-of-use assets	12	2,629	4,265	226	407
Investment properties	13	223,705	221,705	-	-
Land held for property development	14	559,025	536,828	-	-
Investment in subsidiary companies	15	-	-	497,886	501,017
Investment in associated companies	16	23,500	23,022	-	-
Investment in joint ventures	17	-	-	-	-
Other investments	18	145,836	203,234	-	-
Deferred tax assets	19	18,988	18,727	-	82
Total non-current assets		994,580	1,031,208	498,784	501,929
Current assets					
Property development costs	20	275,356	369,156	-	-
Inventories	21	171,743	144,363	-	-
Trade receivables	22	341,130	398,626	-	-
Other receivables and prepaid expenses	22	54,408	85,436	999	775
Contract assets	23	135,690	287,056	-	-
Amount owing by associated company		2,843	2,233	-	-
Amount owing by joint ventures		42,238	37,249	-	-
Amount owing by subsidiary companies	24	-	-	127,315	148,116
Tax recoverable		3,995	900	-	644
Short-term funds	25	547	527	547	527
Fixed deposits with licensed banks	36	37,184	67,751	2,975	2,925
Cash and bank balances	26	212,055	140,030	1,482	1,501
Total current assets		1,277,189	1,533,327	133,318	154,488
Total assets		2,271,769	2,564,535	632,102	656,417

(Forward)

STATEMENTS OF FINANCIAL POSITION

AS OF 30 JUNE 2024
(cont'd)

	Note	The Group 2024 RM'000	The Group 2023 RM'000	The Company 2024 RM'000	The Company 2023 RM'000
Capital and reserves					
Share capital	27	528,552	528,552	528,552	528,552
Reserves/(Accumulated losses)	28	421,508	391,717	(1,197)	4,204
		950,060	920,269	527,355	532,756
Non-controlling interests	29	(1,884)	2,019	-	-
Total equity		948,176	922,288	527,355	532,756
Non-current liabilities					
Bank borrowings - non-current portion	31	262,789	287,330	-	-
Hire-purchase payables - non-current portion	32	553	304	185	-
Lease liabilities - non-current portion	33	881	2,575	49	238
Deferred tax liabilities	19	49,969	49,969	-	12
Total non-current liabilities		314,192	340,178	234	250
Current liabilities					
Trade payables	34	566,165	643,451	-	-
Other payables and accrued expenses	34	123,842	138,538	1,976	2,277
Redeemable preference shares	30	-	79,824	-	-
Contract liabilities	23	2,825	9,322	-	-
Amount owing to subsidiary companies	24	-	-	3,034	3,199
Amount owing to joint venture		2,164	93	-	-
Bank borrowings - current portion	31	304,701	405,921	99,246	117,757
Hire-purchase payables - current portion	32	259	390	46	-
Lease liabilities - current portion	33	1,971	1,801	189	178
Tax liabilities		7,474	22,729	22	-
Total current liabilities		1,009,401	1,302,069	104,513	123,411
Total liabilities		1,323,593	1,642,247	104,747	123,661
Total equity and liabilities		2,271,769	2,564,535	632,102	656,417

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Non-distributable reserves			Distributable reserve			
The Group	Share capital RM'000	Revaluation reserve RM'000	Option reserve RM'000	Retained earnings RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total RM'000
As of 1 July 2022	528,552	2,065	943	471,995	1,003,555	17,560	1,021,115
Share options lapsed under ESOS	-	-	(70)	70	-	-	-
Total comprehensive loss for the year	-	-	-	(83,286)	(83,286)	(15,541)	(98,827)
As of 30 June 2023	528,552	2,065	873	388,779	920,269	2,019	922,288
As of 1 July 2023	528,552	2,065	873	388,779	920,269	2,019	922,288
Share options lapsed under ESOS	-	-	(76)	76	-	-	-
Total comprehensive income/(loss) for the year	-	-	-	29,791	29,791	(3,903)	25,888
As of 30 June 2024	528,552	2,065	797	418,646	950,060	(1,884)	948,176

(Forward)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(cont'd)

	Non-distributable reserve		Distributable reserve	
The Company	**Share capital RM'000**	**Option reserve RM'000**	**Retained earnings/ (Accumulated losses) RM'000**	**Total RM'000**
As of 1 July 2022	528,552	943	5,842	535,337
Share options lapsed under ESOS	-	(70)	70	-
Total comprehensive loss for the year	-	-	(2,581)	(2,581)
As of 30 June 2023	528,552	873	3,331	532,756
As of 1 July 2023	528,552	873	3,331	532,756
Share options lapsed under ESOS	-	(76)	76	-
Total comprehensive loss for the year	-	-	(5,401)	(5,401)
As of 30 June 2024	528,552	797	(1,994)	527,355

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
Profit/(Loss) for the year	25,888	(98,827)	(5,401)	(2,581)
Adjustments for:				
Income tax expense recognised in profit or loss	17,885	21,656	804	844
Finance costs	41,784	64,859	7,604	8,788
Depreciation of:				
Property, plant and equipment	3,770	4,852	151	116
Right-of-use assets	1,949	2,904	181	316
Write-offs of:				
Land held for development	1,039	21,016	-	-
Property, plant and equipment	47	3	-	3
Write down long-term leasehold land - proprietor's entitlement to net realisable value	-	29,400	-	-
Reversal of long-term leasehold land previously written down	(1,178)	-	-	-
Reversal of freehold land previously written down	(4,452)	-	-	-
Write down of completed units to net realisable value	2,272	663	-	-
Allowance for impairment loss in:				
Trade receivables	178	4,043	-	-
Other receivables	7,405	324	-	-
(Gain)/Loss on fair value adjustment on:				
Investment properties	(1,848)	(1,246)	-	-
Redeemable preference shares	(20,372)	69,369	-	-
Share in results of:				
Associated company	(478)	378	-	-
Joint ventures	-	33,452	-	-
Gain on disposal of property, plant and equipment	-	(73)	-	(4)
Recognition/(Reversal) of provision for foreseeable losses (Note 6)	505	(2,738)	-	-
Distribution income on short-term funds	(14)	(14)	(14)	(14)
Interest income	(3,134)	(2,364)	(5,445)	(6,481)
Deferred day one loss in profit or loss:				
Redeemable preference shares B	-	985	-	-
Redeemable preference shares D	(1,027)	(850)	-	-
Impairment loss of redeemable preference shares D (Note 18)	7,397	-	-	-
(Reversal)/Provision for release of bumiputera quota	(2,812)	2,812	-	-
Reversal of allowance for impairment loss:				
Trade receivables (Note 22)	(429)	(46)	-	-
Other receivables (Note 22)	(250)	-	-	-
Derecognition of deferred day one loss	-	3,228	-	-
Impairment loss on investment in subsidiary companies (Note 15)	-	-	3,131	-
Gain on lease termination	-	(106)	-	-
Operating Profit Before Working Capital Changes	74,125	153,680	1,011	987

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(cont'd)

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES (CONT'D)				
Decrease/(Increase) in:				
Property development costs	93,295	(29,459)	-	-
Trade receivables	57,747	(115,481)	-	-
Other receivables and prepaid expenses	23,873	(9,875)	(273)	3
Inventories	(37,652)	24,505	-	-
Contract assets	151,366	(72,954)	-	-
Amount due from associated company	(610)	(2,233)	-	-
Amount due from joint ventures	(4,989)	1,127	-	-
Amount due from subsidiary companies	-	-	(2,419)	62,788
(Decrease)/Increase in:				
Trade payables	(77,286)	(14,482)	-	-
Other payables and accrued expenses	(11,884)	22,932	(301)	1,209
Contract liabilities	(6,497)	(14,820)	-	-
Amount owing to joint venture	2,071	93	-	-
Amount due to subsidiary companies	-	-	(165)	266
Cash Generated From/(Used In) Operations	263,559	(56,967)	(2,147)	65,253
Income tax paid	(36,496)	(45,689)	(68)	(923)
Net Cash From/(Used In) Operating Activities	227,063	(102,656)	(2,215)	64,330
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES				
Additions to investment properties (Note 13)	(152)	(12,278)	-	-
Additions to land held for property development (Note 14)	(9,606)	(6,576)	-	-
Additions to property, plant and equipment (Note (i))	(711)	(1,203)	(150)	(87)
(Placement)/Withdrawal of:				
Fixed deposits pledged to licensed banks	(4,917)	21,017	-	(73)
Restricted cash at bank	15,772	(23,944)	-	-
Additions to short-term funds	(20)	(16)	(20)	(16)
Advances from/(to) subsidiary companies	-	-	28,591	(40,770)
Proceeds from disposal of property, plant and equipment	-	78	-	4
Interest received	3,134	2,364	74	72
Distribution income on short-term funds received	14	14	14	14
Acquisition of an associated Company (Note 16)	-	(23,400)	-	-
Proceed from redemption of redeemable preference shares	71,400	7,677	-	-
Net Cash generated From/(Used In) Investing Activities	74,914	(36,267)	28,509	(40,856)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024
(cont'd)

		The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES					
Drawdown from bank borrowings		670,898	623,720	230,000	240,147
Repayments of bank borrowings		(793,861)	(449,331)	(244,801)	(254,374)
Repayments of hire-purchase payables		(458)	(214)	(19)	-
Repayment of lease liabilities		(1,837)	(2,964)	(178)	(327)
Redemption of redeemable preference shares (Note 30)		(79,824)	-	-	-
Interest paid		(41,784)	(36,031)	(7,604)	(8,788)
Net Cash (Used In)/From Financing Activities		(246,866)	135,180	(22,602)	(23,342)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		55,111	(3,743)	3,692	132
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		140,507	144,250	(3,456)	(3,588)
CASH AND CASH EQUIVALENTS AT END OF YEAR	36	195,618	140,507	236	(3,456)

Note (i)

During the financial year, the Group and the Company acquired property, plant and equipment at an aggregate cost of RM1,287,000 (2023: RM1,203,000) and RM400,000 (2023: RM87,000) respectively of which RM576,000 (2023: RMNIL) for the Group and RM250,000 (2023: RMNil) for the Company were acquired under hire-purchase arrangements. Cash payments for the acquisition of property, plant and equipment of the Group and of the Company amounted to RM711,000 (2023: RM1,203,000) and RM150,000 (2023: RM87,000) respectively.

1. GENERAL INFORMATION

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

The principal activities of the Company are that of investment holding and the provision of management services to its subsidiary companies.

The principal activities of the subsidiary companies are disclosed in Note 15.

The registered office of the Company is located at 19-0, Level 19, Pavilion Tower, 75, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

The principal place of business of the Company is located at Level 18 & 19, Pavilion Tower, 75, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.

The financial statements of the Group and of the Company have been approved by the Board of Directors for issuance on 25 October 2024.

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 ("MFRSs"), International Financial Reporting Standards ("IFRSs") 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 material accounting policies in Note 3.

The financial statements are presented in Ringgit Malaysia ("RM"), unless otherwise stated, which is the Group's and the Company's functional currency.

Adoption of new standard and amended Malaysian Financial Reporting Standards

In the current financial year, the Group and the Company adopted all the new standard and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to their operations and effective for current financial year as follows:

MFRS 17	Insurance Contracts
Amendments to:	
MFRS 4	Extension of Temporary Exemptions from applying MFRS 9
MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
MFRS 101	Disclosure of Accounting Policies
MFRS 108	Definition of Accounting Estimates
MFRS 112	International Tax Reform – Pillar Two Model Rules
MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 101 *Disclosure of Accounting Policies*

The Group and the Company have adopted amendments to MFRS *101 Presentation of Financial Statements* and MFRS Practice Statement 2 - *Disclosures of Accounting Policies* from 1 July 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's and the Company's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in Note 3.

Amendments to MFRS 112 *International Tax Reform – Pillar Two Model Rules*

The Group and the Company have adopted the amendments to MFRS 112 for the first time in the current financial year. The scope of MFRS 112 was amended to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development ("OECD"), including tax laws that implements Qualified Domestic Minimum Top-up Tax aligned with Pillar Two Model Rules as described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in MFRS 112, so that the Group and the Company would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, the Group and the Company respectively is required to disclose that it has applied the exception and to disclose separately its current tax expense related to Pillar Two income taxes. Further details on the adoption of the amendments are presented in Note 9.

New Standards and Amendments to MFRSs in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new standards and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and the Company are listed below:

MFRS 18	Presentation and Disclosure in Financial Statements[4]
MFRS 19	Subsidiaries without Public Accountability: Disclosure[4]
Amendments to:	
MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
MFRS 16	Lease Liability in a Sale and Leaseback[1]
MFRS 101	Classification of Liabilities as Current or Non-current[1]
MFRS 101	Non-current Liabilities with Covenants[1]
MFRS 107 and MFRS 7	Supplier Finance Arrangements[1]
MFRS 121	Lack of Exchangeability[2]
MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]

[1] Effective for annual periods beginning on or after 1 January 2024, with earlier application permitted.
[2] Effective for annual periods beginning on or after 1 January 2025, with earlier application permitted.
[3] Effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.
[4] Effective for annual periods beginning on or after 1 January 2027, with earlier application permitted.
[5] Effective date deferred to a date to be determined and announced by MASB, with earlier application permitted.

The abovementioned new standards 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 new standards and amendments to MFRSs will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

3. MATERIAL ACCOUNTING POLICIES

Basis of Accounting

The material accounting policies are set out below.

(a) **Revenue Recognition**

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

A performance obligation is a promise to transfer a distinct goods or service (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 or goods and services taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, penalties 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.

The 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:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- 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.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

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

Revenue for 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.

(i) Property development revenue

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 project by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of the performance obligation 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 project).

(ii) Sale of completed properties

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

(iii) Revenue from construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work and claims. Under the terms of the contracts, the Group has an enforceable right to payment for performance completed to date and that the customer controls the assets during the course of construction by the Group and that the construction services performed does not create an asset with an alternative use to the Group.

Revenue from construction contracts is recognised progressively over time based on the percentage of completion by using the cost-to-cost method ("input method"), based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The directors consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under MFRS 15. Work done is measured based on actual and expected cost incurred for project activities. There is no significant financing component in construction contracts with customers as the period between the recognition of revenue under the percentage of completion and the milestone payment is generally within the normal business operating cycle.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

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

(iv) Management fees

Management fees are recognised when such services are rendered.

(v) Rental income

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

(b) **Income Tax**

Income tax in profit or loss for the financial year comprises current and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using 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.

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.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

(b) **Income Tax (cont'd)**

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 amendments to MFRS 112 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.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(c) **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 investment with the investee; and
- has the ability to use its power to affect its returns.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

(c) **Basis of Consolidation (cont'd)**

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.

(d) **Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Capital work-in-progress is not depreciated. Depreciation of other 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:

Buildings - leasehold	Over the lease period
Furniture and fittings	10%
Office equipment	10%
Motor vehicles	20%
Site equipment	10% - 20%
Electrical installations	10%
Computers	20%
Office renovations	10%
Sales gallery	20% - 25%

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 net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss.

(e) **Investment Properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are based on active market prices, adjusted, if necessary, for any difference in the nature, location or conditions of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair value are included in profit or loss in the period in which they arise.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

(e) **Investment Properties (cont'd)**

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.

(f) **Inventories**

(i) Land held for property development

Land held for property development consists of land held for future development on which no significant development has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at cost less impairment losses (if any). Costs associated with the acquisition of land include the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

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.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

(f) **Inventories (cont'd)**

(ii) Property development costs

Property development costs are determined on a specific identification basis. Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or that meet the definition of inventories are recognised as an asset and stated at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses. The asset is subsequently recognised as an expense in profit or loss when or as the control of the asset is transferred to the customer over time or at a point in time.

Property development cost of unsold unit is transferred to completed development unit once the development is completed.

(iii) Completed development 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.

(g) **Contract Assets and Contract Liabilities**

Contract asset is the right to consideration in exchange 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 an 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 customer 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 contract.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

(h) **Contract Costs**

The Group recognise the incremental costs of obtaining a contract with a customer, which are expected to be recovered, as an asset. The incremental costs of obtaining a contract are costs incur to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in profit or loss when the carrying amount of the contract cost asset exceeds the expected revenue less expected costs that will be incurred.

(i) **Borrowing Costs**

Interest incurred on borrowings costs that are directly attributable to the acquisition, construction or production of a qualifying asset 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 whereby the assets are no longer qualifying asset.

All other borrowing costs are recognised as an expense in profit or loss in the period in which they are incurred.

(j) **Financial Instruments**

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

Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the Group recognises the difference as follows:

(i) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as gain or loss.

(ii) In all other cases, the difference is deferred and amortised over the life of the instrument or realised fully on settlement.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

(j) **Financial Instruments (cont'd)**

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification of financial assets

The Group classifies the financial assets in the following categories:

- at fair value through profit and loss ("FVTPL"); or
- at amortised cost.

The Group determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Group's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets measured at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

These financial assets are initially recognised at fair value, and subsequently carried at amortised cost using effective interest rate methods less any accumulated impairment. 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 interest income is recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

(j) **Financial Instruments (cont'd)**

Financial assets measured at amortised cost (cont'd)

For financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts excluding expected credit losses, through the expected life of the financial asset, or, where appropriate, a shorter period, to the gross carrying amount of the financial asset on initial recognition. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Financial assets measured at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are measured at fair value through profit or loss. These financial assets are initially recorded at fair value and transaction costs is recognised statement of profit or loss. Subsequently, these are measured at fair value, with fair value changes recognised in the statement of profit or loss in the period in which they arise.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial Liabilities and Equity Instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

(j) **Financial Instruments (cont'd)**

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 are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest rate method.

(i) Financial liabilities measured subsequently at amortised cost

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

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 a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid or payable is recognised in profit or loss.

Redeemable Preference Shares

The redeemable preference shares are regarded as compound instruments. The component part of compound instruments issued by the Company is classified financial liabilities in accordance with the substance of the contractual arrangements and the definitions of a financial liability.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

Basis of Accounting (cont'd)

(k) **Financial Guarantee Contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of debt instruments.

Financial guarantee contracts issued by the Group are initially recognised at their fair values and, if not designated as at FVTPL, are subsequently measured at higher of:

- the amount of the obligation under the contract, as determined in accordance with MFRS 137 Provisions, Contingent Liabilities and Contingent Assets; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

(l) **Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that make strategic decisions.

(m) **Statement of Cash Flows and 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 and bank balances, fixed deposits with licensed banks, and short-term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

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 other than as follows:

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

(a) Critical Judgements in Applying the Group's Accounting Policies (cont'd)

(i) Revenue recognition on property development projects

Revenue from property development is recognised 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, which is measured on the basis of 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).

Significant judgement is required in determining the total expected property development, which includes relying on the opinion or service of experts, past experience and continuous monitoring of the budgeting process. These management estimates and judgements affect the cost-based input method computations and the amount of revenue and profit recognised during the year, as well as assessing the recoverability of the property development projects.

Estimated losses are recognised in full when determined. Property development revenue and costs estimates are reviewed and revised periodically as work progresses.

(ii) Revenue recognition on construction contracts

As revenue from on-going construction contracts is recognised over time, the amount of revenue recognised at the reporting date depends on the extent to which the performance obligation has been satisfied. This is done by determining the stage of completion. The stage of completion is determined by the proportion that contract construction costs incurred for work performed to date compare to the estimated total contract construction costs.

Significant judgement is required in determining the stage of completion, the extent of the construction costs incurred, the estimated total construction revenue and costs, as well as the recoverability of the construction project and contract cost. Estimated losses are recognised in full when determined. Construction revenue and costs estimates are reviewed and revised periodically as work progresses and as variation orders are approved.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

(b) Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made 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 other than as follows:

(i) Impairment of trade receivables, other receivables and contract assets – expected credit loss ("ECL") model

The policy for allowance for impairment loss of the Group and of the Company is based on the ECL model as required by MFRS 9. Significant estimate is required in determining the impairment of trade receivables, other receivables and contract assets. Impairment loss is measured based on expected credit loss model is based on assumptions on the risk of default and expected loss rates. The Group and the Company use judgment in making these assumption and selecting the inputs to the ECL based on past collection records, existing market conditions as well as forward looking estimates as of the end of the reporting period.

(ii) Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits to the extent 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. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(iii) Fair value measurements and valuation processes

Some of the Group's assets are measured at fair value for the financial reporting purposes. The directors use their judgement in selecting and applying an appropriate valuation technique for fair value measurements.

In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engaged third party qualified valuers to perform the valuation. The directors work closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed in Note 13 and Note 18.

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 historical trends, management estimates of future selling pricing and valuation. Possible changes in these estimates could result in revisions to the valuation of inventories.

During the year, the management has written down certain completed units to their net realisable value. Further details are disclosed in Note 8 and 21.

(v) Impairment in investment in subsidiary companies

The Company reviews the carrying amount of its investment in subsidiary companies to determine whether there is an indication that those assets or Cash Generating Unit ("CGU") have suffered an impairment loss. When there is an indication that the carrying amount of an asset or CGU may be impaired, the asset's recoverable amount, being the higher of its fair value less costs to sell and its value-in-use ("VIU"), will be assessed. The assessment of the recoverable amounts involves a number of methodologies.

In determining the VIU of an asset or CGU, being the future economic benefits to be expected from its continued use and ultimate disposal, the Company makes estimates and assumptions that require significant judgements. While the Company believes these estimates and assumptions of VIU could be reasonable and appropriate, changes on these estimates and assumptions of VIU could impact the Company's financial position and results.

The carrying amount of investment in subsidiary companies as at the reporting period is RM497,886,000 (2023: RM501,017,000). Further details are disclosed in Note 15.

5. REVENUE

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from:				
Property development (Note 23)	351,350	366,879	-	-
Construction contracts (Note 23)	302,601	427,027	-	-
Completed properties	22,813	31,415	-	-
Rental income from investment properties	7,868	6,576	-	-
Management fee receivable from third party	100	-	-	-
Management fee receivable from joint venture (Note 24)	-	20	-	-
Management fee receivable from subsidiary companies (Note 24)	-	-	15,193	13,819
	684,732	831,917	15,193	13,819
Timing of revenue recognition:				
Point in time	22,813	31,415	-	-
Over time	661,919	800,502	15,193	13,819
	684,732	831,917	15,193	13,819

6. COST OF SALES

	The Group	
	2024 RM'000	2023 RM'000
Cost of property development sold	251,712	262,207
Cost of construction contracts	264,933	378,835
Cost of inventories sold	21,751	27,093
Cost to obtain contract (Note 23)	15,422	16,759
Recognition/(Reversal) of provision for foreseeable loss (Note 20)	505	(2,738)
	554,323	682,156

7. FINANCE COSTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest expenses on:				
Term loans/Bridging loans	7,157	6,441	-	-
Revolving credits	29,428	24,702	7,381	7,921
Bank overdrafts	1,120	2,117	198	369
Lease liabilities (Note 12 & 33)	271	264	20	25
Hire-purchase	39	50	5	-
Trade facilities	2,403	948	-	-
Others	1,366	1,509	-	473
Amortised cost adjustment on:				
Redeemable preference shares (Note 30)	-	28,828	-	-
	41,784	64,859	7,604	8,788

8. PROFIT/(LOSS) BEFORE TAX

(a) Profit/(Loss) before tax is arrived at after (crediting)/charging:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Gain on disposal of property, plant and equipment	-	(73)	-	(4)
Interest income on:				
Fixed deposits	(1,233)	(1,188)	(74)	(72)
Housing development account	(1,520)	(976)	-	-
Others	(381)	(200)	-	-
Amount owing by subsidiary companies (Note 24)	-	-	(5,371)	(6,409)
	(3,134)	(2,364)	(5,445)	(6,481)
Distribution income on short-term funds	(14)	(14)	(14)	(14)
Rental income	(5,249)	(4,217)	-	-

(Forward)

8. PROFIT/(LOSS) BEFORE TAX (cont'd)

(a) Profit/(Loss) before tax is arrived at after (crediting)/charging: (cont'd)

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(Gain)/Loss on fair valuation of in redeemable preference shares (Note 18)	(20,372)	69,369	-	-
Deferred day one loss in profit or loss:				
Redeemable preference shares B	-	985	-	-
Redeemable preference shares D (Note 18)	(1,027)	(850)	-	-
Impairment loss of redeemable preference share D (Note 18)	7,397	-	-	-
Gain on fair value adjustments of investment properties (Note 13)	(1,848)	(1,246)	-	-
Allowance for impairment loss:				
Trade receivables (Note 22)	178	4,043	-	-
Other receivables (Note 22)	7,405	325	-	-
Reversal of allowance for impairment loss:				
Trade receivables (Note 22)	(429)	(46)	-	-
Other receivables (Note 22)	(250)	-	-	-
Depreciation of:				
Property, plant and equipment (Note 11)	3,770	4,852	151	116
Right-of-use assets (Note 12)	1,949	2,904	181	316
Reversal of long-term leasehold land previously written down (Note 14)	(1,178)	-	-	-
Reversal of freehold land previously written down (Note 14)	(4,452)	-	-	-
Write-offs:				
Land held for property development expenditures (Note 14)	1,039	21,016	-	-
Property, plant and equipment (Note 11)	47	3	-	3
Write down of long-term leasehold land - proprietor's entitlement to net realisable value (Note 14)	-	29,400	-	-
Write down of completed units to net realisable value (Note 21)	2,272	663	-	-
Audit fees:				
Statutory	509	509	110	110
Non-audit fees	97	239	28	167
Short term lease rental of premises payable to third party (Note 12)	1,245	518	563	207
Low-value assets lease rental (Note 12)	5	5	5	5
Dividend income	-	(58,650)	-	-
Gain on lease termination	-	(106)	-	-
(Reversal)/Provision for release of bumiputera quota (Note 34)	(2,812)	2,812	-	-
Derecognition of deferred day one loss	-	3,228	-	-
Impairment loss on investment in subsidiary companies (Note 15)	-	-	3,131	-

8. PROFIT/(LOSS) BEFORE TAX (cont'd)

(b) Staff costs

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Wages, salaries and bonuses	28,813	26,299	5,203	4,474
Defined contribution plan	3,255	2,978	541	454
Social security contributions	255	257	29	26
EIS contributions	26	21	3	3
	32,349	29,555	5,776	4,957

(c) Directors' remuneration

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive directors:				
Salaries and other emoluments	3,160	2,720	3,160	2,720
Defined contribution plan	370	317	370	317
	3,530	3,037	3,530	3,037
Non-executive directors:				
Fees	660	624	420	384
Allowances	35	42	35	42
	695	666	455	426
	4,225	3,703	3,985	3,463

The estimated monetary value of benefits-in-kind received and receivable by the Directors otherwise than in cash from the Group and the Company amounted to RM152,000 and RM119,000 (2023: RM158,000 and RM124,000), respectively.

9. INCOME TAX EXPENSE

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Estimated tax payable:				
Current	19,147	31,456	734	806
(Over)/Underprovision in prior years	(1,001)	(1,028)	-	38
	18,146	30,428	734	844
Deferred tax (Note 19):				
Current	(195)	(7,243)	-	-
(Over)/Underprovision in prior years	(66)	(1,529)	70	-
	(261)	(8,772)	70	-
Income tax expense	17,885	21,656	804	844

(Forward)

9. INCOME TAX EXPENSE (cont'd)

A reconciliation of income tax expense applicable to profit/(loss) before tax at the applicable statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit/(Loss) before tax	43,773	(77,171)	(4,597)	(1,737)
Tax expense at the applicable statutory income tax rate of 24% (2022: 24%)	10,506	(18,521)	(1,103)	(417)
Tax effects of:				
Expenses not deductible for tax purposes	18,188	54,678	1,870	1,223
Income not subject to tax	(10,482)	(16,125)	-	-
Recognition of deferred tax assets not recognised previously	(11)	(55)	-	-
Deferred tax asset not recognised	751	4,236	(33)	-
(Over)/Underprovision in prior years in respect of estimated tax payable	(1,001)	(1,028)	-	38
(Over)/Underprovision in prior years in respect of deferred tax	(66)	(1,529)	70	-
Income tax expense	17,885	21,656	804	844

Based on information available for the current financial year, the Directors have assessed and expects that the Group and the Company would not have any potential tax exposure relating to the Pillar Two Model Rules since the Group and the Company does not fall within the scope of the Pillar Two Model Rules.

The Directors are continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

9. INCOME TAX EXPENSE (cont'd)

As mentioned in Note 3, the tax effects of deductible temporary differences, unused tax losses and unabsorbed capital allowances which would give rise to deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unabsorbed capital allowances can be recognised. As of 30 June 2024, the estimated amount of deductible temporary differences, unused tax losses and unabsorbed capital allowances, for which the tax effects have not been recognised in the financial statements due to uncertainty of their realisation, is as follows:

	The Group	
	2024	**2023**
	RM'000	**RM'000**
Deductible temporary differences arising from:		
Other payables and accrued expenses	2,955	2,879
Property development cost	12,411	15,205
Property, plant and equipment	(21,448)	(19,184)
Investment properties	2,340	2,340
Right-of-use assets	(270)	(415)
Lease liabilities	272	420
Unused tax losses	105,567	99,771
Unabsorbed capital allowances	18,725	16,452
	120,552	117,468

The unused tax losses and unabsorbed capital allowances are subject to the agreement by the tax authorities. 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 offsetting against future taxable profits of the respective subsidiary companies in the Group.

Under the Malaysia Finance Act 2021, the Group's unused tax losses from year of assessment 2018 be allowed to be carried forward for a maximum period of 10 consecutive years of assessment i.e. year of assessment 2028.

The unused tax losses of the Group will expire as follows:

	2024	**2023**
	RM'000	**RM'000**
Expiry year of assessment		
Year of assessment 2028	56,919	56,962
Year of assessment 2029	4,518	4,536
Year of assessment 2030	9,863	9,876
Year of assessment 2031	7,392	7,406
Year of assessment 2032	14,468	14,495
Year of assessment 2033	6,507	6,496
Year of assessment 2034	5,900	-
	105,567	99,771

10. EARNINGS/(LOSS) PER ORDINARY SHARE

Basic

The basic earnings/(loss) per ordinary share of the Group has been calculated based on the profit/(loss) attributable to ordinary equity holders of the Company and on the weighted average number of ordinary shares in issue and ranking for dividend during the year as follows:

	The Group	
	2024 RM'000	2023 RM'000
Profit/(Loss) attributable to ordinary equity holders of the Company	29,791	(83,286)

	The Group	
	2024 '000	2023 '000
Weighted average number of ordinary shares in issue and ranking for dividend	528,141	528,141

Basic earnings/(loss) per ordinary share:

	The Group	
	2024 Sen	2023 Sen
Profit/(Loss) attributable to ordinary equity holders of the Company	5.64	(15.77)

10. EARNINGS/(LOSS) PER ORDINARY SHARE (cont'd)

Diluted

The diluted earnings/(loss) per ordinary share of the Group has been calculated based on the profit/(loss) attributable to ordinary equity holders of the Company and on the weighted average number of ordinary shares after adjustment for the effects of all dilutive potential ordinary shares as follows:

	The Group	
	2024 RM'000	2023 RM'000
Profit/(Loss) attributable to ordinary equity holders of the Company	29,791	(83,286)

	The Group	
	2024 '000	2023 '000
Weighted average number of ordinary shares in issue and ranking for dividend	528,141	528,141

Diluted earnings/(loss) per ordinary share:

	The Group	
	2024 Sen	2023 Sen
Profit/(Loss) attributable to ordinary equity holders of the Company	5.64	(15.77)

The assumed conversion of the option has an anti-dilutive effect.

11. PROPERTY, PLANT AND EQUIPMENT

The Group	Leasehold building RM'000	Furniture and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Site equipment RM'000	Electrical installations RM'000	Computers RM'000	Office renovations RM'000	Sales gallery RM'000	Capital work-in-progress RM'000	Total RM'000
Cost											
As of 1 July 2022	5,500	4,573	2,069	9,609	16,708	297	4,773	7,090	9,204	9,065	68,888
Additions	-	42	10	503	198	-	119	-	331	-	1,203
Disposal	-	(1)	(1)	(999)	-	-	(20)	-	-	-	(1,021)
Write-offs (Note 8)	-	-	-	-	-	-	(35)	-	-	-	(35)
As of 30 June 2023/1 July 2023	5,500	4,614	2,078	9,113	16,906	297	4,837	7,090	9,535	9,065	69,035
Additions	-	14	21	837	180	-	184	35	16	-	1,287
Disposal	-	-	-	-	-	-	(4)	-	-	-	(4)
Write-offs (Note 8)	-	-	(6)	-	-	-	(11)	-	(43)	-	(60)
As of 30 June 2024	5,500	4,628	2,093	9,950	17,086	297	5,006	7,125	9,508	9,065	70,258

(Forward)

11. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The Group	Leasehold building RM'000	Furniture and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Site equipment RM'000	Electrical installations RM'000	Computers RM'000	Office renovations RM'000	Sales gallery RM'000	Capital work-in-progress RM'000	Total RM'000
Accumulated Depreciation											
As of 1 July 2022	1,100	4,147	1,583	9,185	13,547	297	4,373	6,289	1,283	-	41,804
Charge for the year (Note 8)	100	83	80	273	1,773	-	179	273	2,091	-	4,852
Disposal	-	(1)	-	(999)	-	-	(16)	-	-	-	(1,016)
Write-offs (Note 8)	-	-	-	-	-	-	(32)	-	-	-	(32)
As of 30 June 2023/ 1 July 2023	1,200	4,229	1,663	8,459	15,320	297	4,504	6,562	3,374	-	45,608
Charge for the year (Note 8)	100	81	74	341	797	-	159	133	2,085	-	3,770
Disposal	-	-	-	-	-	-	(4)	-	-	-	(4)
Write-offs (Note 8)	-	-	(2)	-	-	-	(11)	-	-	-	(13)
As of 30 June 2024	1,300	4,310	1,735	8,800	16,117	297	4,648	6,695	5,459	-	49,361
Net book value											
As of 30 June 2024	4,200	318	358	1,150	969	-	358	430	4,049	9,065	20,897
As of 30 June 2023	4,300	385	415	654	1,586	-	333	528	6,161	9,065	23,427

(Forward)

11. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The Company

	Furniture and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Computers RM'000	Office renovations RM'000	Total RM'000
Cost						
As of 1 July 2022	765	376	1,661	1,305	1,187	5,294
Additions	42	4	-	41	-	87
Disposal	-	-	-	(3)	-	(3)
Write-offs (Note 8)	-	-	-	(5)	-	(5)
As of 30 June 2023/ 1 July 2023	807	380	1,661	1,338	1,187	5,373
Additions	-	10	299	91	-	400
Disposal	-	-	-	(4)	-	(4)
As of 30 June 2024	807	390	1,960	1,425	1,187	5,769
Accumulated depreciation						
As of 1 July 2022	565	277	1,660	1,208	1,129	4,839
Charge for the year (Note 8)	33	17	-	41	25	116
Disposal	-	-	-	(3)	-	(3)
Write-offs (Note 8)	-	-	-	(2)	-	(2)
As of 30 June 2023/ 1 July 2023	598	294	1,660	1,244	1,154	4,950
Charge for the year (Note 8)	35	17	30	44	25	151
Disposal	-	-	-	(4)	-	(4)
As of 30 June 2024	633	311	1,690	1,284	1,179	5,097
Net book value						
As of 30 June 2024	174	79	270	141	8	672
As of 30 June 2023	209	86	1	94	33	423

11. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Included in property, plant and equipment of the Group and of the Company are fully depreciated property, plant and equipment with a cost of RM38,949,000 (2023: RM32,603,000) and RM4,714,000 (2023: RM5,665,000) respectively, which are still in use.

Included in property, plant and equipment of the Group are property, plant and equipment under hire-purchase arrangements with net book value of RM1,030,000 (2023: RM1,291,000).

12. RIGHT-OF-USE ASSETS

	The Group RM'000	The Company RM'000
Cost		
At 1 July 2022	11,383	1,162
Additions	4,944	543
Disposal (Note (d))	(1,767)	-
Write-off (Note (e))	(3,185)	-
At 30 June 2023/1 July 2023	11,375	1,705
Additions	313	-
At 30 June 2024	11,688	1,705
Accumulated depreciation		
At 1 July 2022	8,399	982
Charge for the year (Note 8)	2,904	316
Disposal (Note (d))	(1,767)	-
Write-off (Note (e))	(2,426)	-
At 30 June 2023/1 July 2023	7,110	1,298
Charge for the year (Note 8)	1,949	181
At 30 June 2024	9,059	1,479
Carrying amount		
At 30 June 2024	2,629	226
At 30 June 2023	4,265	407

12. RIGHT-OF-USE ASSETS (cont'd)

(a) The Group and the Company lease several office buildings and sales galleries. The average lease term of the Group and the Company is 2 to 5 years and 3 years (2023: 2 to 5 years and 2 to 3 years) respectively.

(b) In the current financial year, amounts recognised in profit and loss are as below:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amounts recognised in profit and loss				
Depreciation of right-of-use assets (Note 8)	1,949	2,904	181	316
Interest expense on lease liabilities (Note 7)	271	264	20	25
Expenses relating to short-term leases (Note 8)	1,245	518	563	207
Expenses relating to leases of low-value assets (Note 8)	5	5	5	5

(c) During the year, the total cash outflow for leases for the Group and the Company amounted to RM2,108,000 (2023: RM3,228,000) and RM198,000 (2023: RM352,000) respectively (Note 33).

(d) Disposal represents right-of-use asset for which lease term expired in the previous financial year.

(e) Write-off represents right-of-use asset which was early terminated and lease agreement was derecognised in the previous financial year.

13. INVESTMENT PROPERTIES

The Group	At fair value		
	Freehold properties RM'000	Long-term leasehold properties RM'000	Total RM'000
As of 1 July 2022	56,849	151,332	208,181
Fair value adjustments (Note 8)	1,524	(278)	1,246
Additions	12,000	278	12,278
As of 30 June 2023	70,373	151,332	221,705
As of 1 July 2023	70,373	151,332	221,705
Fair value adjustments (Note 8)	-	1,848	1,848
Additions	-	152	152
As of 30 June 2024	70,373	153,332	223,705

(a) **Investment properties**

At fair value

The fair values of the Group's investment properties as of 30 June 2024 have been arrived at by the directors based, among others, on valuations performed by the independent valuers that are not related to the Group using the comparison method of valuation and current prices in an active market for similar properties.

The fair values of the Group's investment properties are classified as a Level 3 fair value item for the purposes of fair value hierarchy disclosure.

13. INVESTMENT PROPERTIES (cont'd)

The following table shows the significant unobservable input used in the valuation model:

Type	Significant unobservable inputs	Relationship of unobservable inputs and fair value measurement
Freehold properties	Sale price of comparable land and buildings	The higher the sale price of comparable land and buildings, the higher the fair value
Long-term leasehold properties	Sale price of comparable land and buildings	The higher the sale price of comparable land and buildings, the higher the fair value

(b) **Investment properties pledged as securities**

As of 30 June 2024, the freehold property and long-term leasehold properties of the Group amounting to RM176,142,000 (2023: RM162,142,000), are charged to licensed banks for credit facilities granted to the Group as mentioned in Note 31.

(c) The following are recognised in profit or loss in respect of investment properties:

	The Group	
	2024 RM'000	2023 RM'000
Rental income	(11,157)	(9,139)
Direct operating expenses	4,301	3,786

14. LAND HELD FOR PROPERTY DEVELOPMENT

	The Group	
	2024 RM'000	2023 RM'000
At beginning of year:		
Freehold land - at cost	14,995	14,995
Long-term leasehold land - at cost	127,011	127,011
Long-term leasehold land - proprietor's entitlement	307,167	404,767
Development expenditure	87,655	124,747
	536,828	671,520
Additions during the year:		
Development expenditure	9,606	6,576
Development expenditure written off (Note 8)	(1,039)	(21,016)
Development expenditure reclassified to other receivables	-	(22,652)
Write down of long-term leasehold land - proprietor's entitlement to net realisable value (Note 8)	-	(29,400)
Derecognition of long-term leasehold land - proprietor's entitlement	-	(68,200)
Reversal of long-term leasehold land previously written down (Note 8)	1,178	-
Reversal of freehold land previously written down (Note 8)	4,452	-
Transfer from/(to) inventories:		
Freehold land - at cost (Note 21)	9,000	-
Leasehold land - at net realisable value (Note 21)	(1,000)	-
At end of year:		
Freehold land - at cost	28,447	14,995
Long-term leasehold land - at cost	127,189	127,011
Long-term leasehold land - proprietor's entitlement	307,167	307,167
Development expenditure	96,222	87,655
	559,025	536,828

(a) Certain long-term leasehold land of the Group amounting to RM202,567,000 (2023: RM199,316,000) are charged to licensed bank for credit facilities granted to the Group as mentioned in Note 31.

(b) The title deeds in respect of the long-term leasehold land - proprietor's entitlement are not registered under the subsidiary companies' names as these title deeds will be transferred directly to purchasers upon sale of the properties.

14. LAND HELD FOR PROPERTY DEVELOPMENT (cont'd)

(c) During the financial year, the Group assessed the net realisable value of its freehold land by referencing current market prices. As a result of this evaluation, the Group reversed previously written-down costs amounting to RM4,452,000, reflecting these costs to the net realisable value of the land.

(d) During the financial year, the Group reversed previously written-down costs on its long term leasehold land amounting to RM1,178,000. The reversal was made following the application for the development order, which supports the recoverable amount of the land cost based on the intended development.

15. INVESTMENT IN SUBSIDIARY COMPANIES

	The Company	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost	515,493	515,493
Less: Accumulated impairment losses	(17,607)	(14,476)
	497,886	501,017
Accumulated impairment losses		
At beginning of year	14,476	14,476
Impairment losses during the year (Note 8)	3,131	-
At end of year	17,607	14,476

(a) Investment in subsidiaries are stated at cost less accumulated impairment loss.

(b) At the reporting date, the Company conducted an impairment review of its investment in subsidiary companies where indications of impairment were noted. Consequently, the Company has recognised impairment losses in respects of its investment in subsidiaries where their recoverable amounts are lower than carrying amount. Accordingly, an impairment loss of RM3,131,000 was recognised in profit or loss.

15. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

The details of the subsidiary companies are as follows:

Name	Country of incorporation	Proportion of ownership interest and voting power 2024 %	2023 %	Principal activities
Direct Subsidiary Companies				
Khuan Choo Realty Sdn Bhd	Malaysia	100	100	Investment in property, investment holding, and provision of management services
Bukit Rimau Development Sdn Bhd	Malaysia	100	100	Property development
Domain Resources Sdn Bhd	Malaysia	100	100	Construction, project management, consultancy services and property trading
Domain Stable Construction Sdn Bhd	Malaysia	100	100	Property development
Pembinaan Gapadu Sdn Bhd	Malaysia	100	100	Property development
Regal Marvel Capital Sdn Bhd	Malaysia	100	100	Investment holding and provision of treasury and fund management services
Khuan Choo Property Management Sdn Bhd	Malaysia	100	100	Property development and property management
Malton Development Sdn Bhd	Malaysia	100	100	Property development
Kumpulan Gapadu Sdn Bhd	Malaysia	100	100	Property development and investment holding

(Forward)

15. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

The details of the subsidiary companies are as follows: (cont'd)

Name	Country of incorporation	Proportion of ownership interest and voting power 2024 %	2023 %	Principal activities
Direct Subsidiary Companies				
Layar Raya Sdn Bhd	Malaysia	100	100	Property development
Ehsan Armada Sdn Bhd	Malaysia	100	100	Property development
Macorp Sdn Bhd	Malaysia	100	100	Investment holding
Memang Perkasa Sdn Bhd	Malaysia	51	51	Property development
Indirect Subsidiary Companies (Held through Khuan Choo Realty Sdn Bhd)				
Asia-Condo Corporation Sdn Bhd	Malaysia	100	100	Property development and investment
Gapadu Development Sdn Bhd	Malaysia	100	100	Property development
Gapadu Harta Sdn Bhd	Malaysia	100	100	Property development
Khuan Choo Development Sdn Bhd	Malaysia	100	100	Property development
Horizontal Promenade Sdn Bhd	Malaysia	100	100	Property development
Rentak Sejati Sdn Bhd	Malaysia	100	100	Property development
Silver Setup Sdn Bhd	Malaysia	100	100	Property development and investment holding
World East Hotel Sdn Bhd	Malaysia	100	100	Dormant

15. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

The details of the subsidiary companies are as follows: (cont'd)

Name	Country of incorporation	Proportion of ownership interest and voting power 2024 %	2023 %	Principal activities
Indirect Subsidiary Companies (Held through Khuan Choo Realty Sdn Bhd)				
Khuan Choo Sdn Bhd	Malaysia	100	100	Property trading and property development
Melariang Sdn Bhd	Malaysia	100	100	Property development and investment holding
Ambang Suriamas Sdn Bhd	Malaysia	100	100	Investment holding
Indirect Subsidiary Companies (Held through Domain Resources Sdn Bhd)				
Domain Property Services Sdn Bhd	Malaysia	100	100	Property management services
Domain EPC Sdn Bhd	Malaysia	100	100	Project management services
DMP Construction Sdn Bhd	Malaysia	100	100	Dormant
Domain Project Management Sdn Bhd	Malaysia	100	100	Dormant

15. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

The details of the subsidiary companies are as follows: (cont'd)

Name	Country of incorporation	Proportion of ownership interest and voting power 2024 %	2023 %	Principal activities
Indirect Subsidiary Company (Held through Silver Setup Sdn Bhd)				
Silver Quest Development Sdn Bhd	Malaysia	100	100	Property development
Indirect Subsidiary Company (Held through Melariang Sdn Bhd)				
Interpile (M) Sdn Bhd	Malaysia	100	100	Property development
Indirect Subsidiary Company (Held through Kumpulan Gapadu Sdn Bhd)				
Pioneer Haven Sdn Bhd	Malaysia	100	100	Property development

All subsidiary companies above are audited by Deloitte PLT, Malaysia.

Composition of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Principal Activity	Country of incorporation	Number of wholly-owned subsidiaries 2024	2023
Property development	Malaysia	18	18
Construction contracts	Malaysia	3	3
Property trading	Malaysia	1	1
Investment holding	Malaysia	5	5
Dormant	Malaysia	3	3

Principal Activity	Country of incorporation	Number of non-wholly-owned subsidiaries 2024	2023
Property development	Malaysia	1	1

15. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

Details of non-wholly owned subsidiary companies that have material non-controlling interests are as follows:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Loss allocated to non-controlling interests		Accumulated non-controlling interests (Note 29)	
		2024	2023	2024	2023	2024	2023
		%	%	RM'000	RM'000	RM'000	RM'000
Memang Perkasa Sdn Bhd ("MPSB")	Malaysia	49	49	(3,903)	(15,541)	(1,884)	2,019

The components of non-controlling interests are measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The measurement basis is selected for individually for each combination. Subsequent to initial recognition, the accumulated amount of non-controlling interests is equal to the initial amount plus the non-controlling interests' share of subsequent changes in equity.

15. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

Summarised financial information in respect of each of the Group's subsidiary company that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations:

	2024 RM'000	2023 RM'000
MPSB		
Statement of financial position		
Non-current asset	121,995	121,368
Current assets	359	23,099
Current liabilities	(124,193)	(138,341)
Total equity	(1,839)	6,126
Statement of profit or loss and other comprehensive income		
Administrative expenses	(2,616)	(21,146)
Finance cost	(5,349)	(10,571)
Loss before tax	(7,965)	(31,717)
Income tax expense	-	-
Loss for the year	(7,965)	(31,717)

16. INVESTMENT IN ASSOCIATED COMPANIES

	The Group	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost	23,400	23,400
Share in post-acquisition reserves	100	(378)
	23,500	23,022
Share in post-acquisition reserves:		
At beginning of the year	(378)	-
Share of results for the year	478	(378)
At end of the year	100	(378)

16. INVESTMENT IN ASSOCIATED COMPANIES (cont'd)

The Group holds a 50% interest in Kristaljaya Sdn Bhd and possesses the power to direct the relevant activities of the investee. However, the Group does not have control or joint control over the arrangement. As a result, the Group has classified Kristaljaya Sdn Bhd as an associate, given its power to exercise significant influence.

The details of the associated company are as follows:

Name	Country of incorporation	Proportion of ownership interest and voting power 2024 %	2023 %	Principal activities
Indirect Associated Company (Held through Ambang Suriamas Sdn Bhd)				
Kristaljaya Sdn Bhd *@^	Malaysia	50	50	Property development

* The financial statements of the associated company are audited by auditors other than the auditors of the Company.

@ The financial year end of the associated company is 31 December.

^ The management account of the associated company is examined for the purpose of equity accounting.

Investment in associate is stated at cost less accumulated impairment loss and it is accounted for using the equity method in the Group's consolidated financial statements. Under the equity method, an investment in an associate is initially recognised in the Group's consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of of the profit or loss and other comprehensive income of the associate.

The summarised management account of the associated company for the year ended 30 June 2024 has been used for the purpose of applying the equity method of account is set out below:

	2024 RM'000	2023 RM'000
Assets and Liabilities		
Total assets	124,640	88,207
Total liabilities	(94,699)	(59,221)
Net assets	29,941	28,986

16. INVESTMENT IN ASSOCIATED COMPANIES (cont'd)

The details of the associated company are as follows: (cont'd)

	2024 RM'000	2023 RM'000
Group's share of net assets	14,971	14,493
Goodwill	8,529	8,529
Group's share of net assets of associated company	23,500	23,022
Results		
Total revenue	11,615	-
Profit/(Loss) for the financial year	955	(756)
Group's share of profit/(loss) for the financial year	478	(378)

The information disclosed reflects the amounts presented in the management account of the relevant associate and not the Group's share of those amounts. They have been amended to reflect adjustments made by the Company when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

17. INVESTMENT IN JOINT VENTURES

	The Group	
	2024 RM'000	2023 RM'000
At cost	102	102
Unquoted ordinary shares, at cost	102	102
Deferred day one loss on RPS-D	4,992	4,992
	5,094	5,094
Share in post-acquisition reserves	(5,094)	(5,094)
	-	-
Share in post-acquisition reserves:		
At beginning of the year	(5,094)	28,358
Share of results for the year	-	(33,452)
At end of the year	(5,094)	(5,094)

17. INVESTMENT IN JOINT VENTURES (cont'd)

Investment in joint ventures represents investment in Amberstraits Sdn Bhd ("ASB") and Regal Path Sdn Bhd ("RPSB").

As at 30 June 2024, the effective equity interest of the Group in ordinary share capital of ASB and RPSB is 51%.

However, pursuant to the Amberstraits Shareholders' Agreement dated 25 September 2019 entered between ASB, Khuan Choo Realty Sdn Bhd ("KCRSB") and Jelang Tegas Sdn Bhd ("JTSB"), KCRSB and JTSB had a joint control over ASB as all Board Reserve Matters and Shareholder Reserve Matters require the unanimous approval of JTSB and KCRSB.

Further, pursuant to the Regal Path Shareholders' Agreement dated 10 October 2019 entered between KCRSB, JTSB, Q PBJ Sdn Bhd ("QPBJ"), ASB and RPSB, KCRSB, JTSB and QPBJ had a joint control over RPSB as all Board Reserve Matters and Shareholder Reserve Matters require the unanimous approval of KCRSB, JTSB and QPBJ. On 2 June 2023, subsequent to the full redemption of redeemable preference share by QPBJ, QPBJ is no longer having interest by way of RPS in RPSB and RPSB revised its constitution. KCRSB and JTSB continue to have joint control over RPSB as all Board Reserve Matters and Shareholder Reserve Matters require the unanimous approval of KCRSB and JTSB only. Accordingly, management believed that the Group had lost the control over ASB and RPSB as a holding company and therefore, investments in ASB and RPSB were then recognised as investment in joint ventures.

ASB and RPSB were assessed as a separate vehicles that have rights to their assets, and obligations for the liabilities, relating to the joint arrangement. KCRSB and JTSB only have the joint arrangement with rights to the net assets of the arrangement. Therefore, investments in ASB and RPSB have been treated as investment in joint ventures.

The summarised financial information of the significant joint venture is as follows:

	2024 RM'000	2023 RM'000
Assets and Liabilities		
Total assets	540,515	636,451
Total liabilities	(556,276)	(655,222)
Net liabilities	(15,761)	(18,771)
Group's share of net liabilities of joint venture	(8,038)	(9,573)

17. INVESTMENT IN JOINT VENTURES (cont'd)

The summarised financial information of the significant joint venture is as follows: (cont'd)

	2024 RM'000	2023 RM'000
Results		
Total revenue	-	104,978
Profit/(Loss) for the financial year	3,010	(83,627)
Group's share of loss recognised during the financial year	-	(33,452)
Unrecognised Group's share of profit/(loss) during the financial year	1,535	(9,198)

The Group has not recognised profit relating to RPSB where its unrecognised share of loss as at 30 June 2024 amounting to RM7,663,000 (2023: RM9,198,000) exceeds the Group's interest in this joint venture. The Group has no obligation in respect of this unrecognised share of loss as at 30 June 2024.

18. OTHER INVESTMENTS

	The Group	
	2024 RM'000	2023 RM'000
Transferable golf and country club memberships - at cost	245	245
Redeemable preference shares ("RPS") - B	132,849	183,877
Redeemable preference shares ("RPS") - D	12,742	19,112
	145,836	203,234

The movement of RPS-B carried at FVTPL as follows:

	The Group	
	2024 RM'000	2023 RM'000
Balance as at 1 July	183,877	271,096
Less: Redeemable preference shares redeemed	(71,400)	(17,850)
Fair value gain/(loss) (Note 8)	20,372	(69,369)
Balance as at 30 June	132,849	183,877

18. OTHER INVESTMENTS (cont'd)

The movement of RPS-D carried at amortised cost as follows:

	The Group	
	2024 RM'000	2023 RM'000
Balance as at 1 July	19,112	10,294
Add: Redeemable preference shares subscribed	-	10,173
Less : Deferred day one loss	-	(2,205)
	-	7,968
	19,112	18,262
Deferred day one loss recognised in profit or loss during the year (Note 8)	1,027	850
	20,139	19,112
Less: Accumulated impairment loss	(7,397)	-
	12,742	19,112

	The Group	
	2024 RM'000	2023 RM'000
Movement in accumulated impairment loss:		
At beginning of year	-	-
Impairment during the year (Note 8)	(7,397)	-
	(7,397)	-

RPS-D are initially recognised at its fair value on the respective transacted dates. The difference between the consideration paid and fair value at transacted dates has been recognised as an increase to the cost of investment in joint venture. The Group recognises impairment losses based on expected credit losses ("ECL") model using the general approach, which measures the impairment losses at an amount equal to 12-month ECL.

During the financial year, the Group redeemed part of the RPS-B by way of Optional Redemption (as disclosed in the amended salient features of RPS-B below). 71,400,000 RPS-B was redeemed at a redemption amount of RM1.00 each, by way of cash, at a total cash redemption of RM71,400,000.

18. OTHER INVESTMENTS (cont'd)

On 2 June 2023, RPSB amended its Constitution to revise the salient features of RPS-B, which took effect on that date, as outlined below:

(i) The RPS-B shall have no voting rights, save for the right of a holder of a RPS-B to one vote per RPS-B held at a meeting of RPSB on a resolution to vary any right attached to RPS-B, the holders of RPS-B shall vote as a class of their own. All issued and outstanding RPS-B shall be deemed to form a single class of shares in RPSB.

(ii) The RPS-B entitle the holders to annual cumulative preferential dividend payable in cash at the rate of seven percent (7.0%) per annum calculated based on the issue price of RM1.00 per RPS-B which will be accrued until the RPS-B are redeemed ("RPS Preference Dividend"). With effect from 2 June 2023, the RPS Preference Dividend will be accrued until 1 June 2023 ("the Stop Date").

(iii) With effect from 2 June 2023, the RPS-B entitled the holder to further dividend of three percent (3.0%) per annum ("Further Dividend) in respect of each outstanding RPS-B provided that RPS-B Final Dividend Amount has been repaid in full by RPSB and that RPSB has sufficient available profits at the financial year end to meet the payment of entire Further Dividend.

(iv) RPS-B are redeemable in the following events:

(a) Optional Redemption (may be effected by RPSB at any time); or

(b) Early Redemption (upon the occurrence of an Asset Sale Event - a sale, conveyance or other disposition, directly or indirectly, of the Pavilion Bukit Jalil Mall by RPSB where the proceeds received by RPSB from such sale, conveyance or disposition are sufficient to pay the aggregate redemption amounts of RPS-A, RPS-B and RPS-C issued by RPSB and RPS-D, RPS- A2 and RPS-B2 if issued by RPSB). This Early Redemption option is not applicable with effect from 2 June 2023; or

(c) Mandatory Redemption (on the seventh (7th) anniversary of the issue date of the first tranche of RPS-A. However, RPS-A holders have the option to postpone the mandatory redemption date of both RPS-A and RPS-B by one (1) calendar year by delivering a written notice to RPSB on or before the sixth (6th) anniversary of the issue date of the first tranche of RPS-A.) With effect from 2 June 2023, the mandatory redemption date has been fixed on 10 October 2026 ("the Final Redemption Date"); or

(d) Reinvestment (as set out in (vii) below) (effected by RPS-A holders serving a reinvestment notice to RPSB). This Reinvestment option is not applicable with effect from 2 June 2023.

18. OTHER INVESTMENTS (cont'd)

(v) In the event of an Optional Redemption of RPS-B:

(a) RPSB to the extent permitted by applicable law, declare and pay to each RPS-B holders the sum of all the accrued and unpaid RPS Preference Dividend plus an amount that would result in the RPS-B holders achieving an IRR of 12% in respect of such RPS-B after taking into account and without double counting, all accrued and unpaid RPS Preference Dividend, plus the aggregate of the RPS-B Cash Flows[1] received by the RPS-B holders in respect of such RPS-B (collectively referred to as "RPS-B Final Dividend Amount"). With effect from 2 June 2023, the IRR of 12% is ended on the Stop Date and RPSB may at any time give a Redemption Notice under option to pay the RPS-B Final Dividend.

RPS-B Cash Flows, in relation to each RPS-B, means:

- dividends (including RPS Preference Dividend), interests and distribution received by RPS-B holders; plus
- moneys received by RPS-B holders on the redemption or any return of capital; plus
- the proportional RPS-D redemption amount received by the relevant RPS-B holders in respect of such RPS-B.

(b) RPSB shall redeem all of the RPS-B outstanding for an amount equal to the RPS-B Redemption Amount for every one RPS-B held.

RPS-B Redemption Amount, means:

- RPSB is permitted to declare and pay the RPS-B Final Dividend Amount in full, the RPS-B Issue Price, or
- where, RPSB does not have sufficient distributable profits to permit the declaration and payment in full of the RPS-B Final Dividend Amount, the sum of RPS-B Issue Price plus an amount not exceeding the RPS-B Final Dividend Amount that RPSB is unable to pay as dividends.

(vi) In the event of a Mandatory Redemption of RPS-B:

RPSB shall pay the RPS-B Final Dividend Amount and the RPS-B Redemption Amount in the manner set out in (iv)(a) and (iv)(b) above. Each RPS-B holder shall also pay to RPSB an amount equal to the RPS-B issue price of RM1.00 for every one RPS-B held to concurrently subscribe for one ordinary share in RPSB.

(Forward)

18. OTHER INVESTMENTS (cont'd)

(vi) In the event of a Mandatory Redemption of RPS-B: (cont'd)

Provided always that if RPS-A holders deliver a written notice to RPSB by no later than thirty (30) days prior to the sixth (6th) anniversary of the issue date of the first tranche of RPS-A (or seventh (7th) anniversary if the mandatory redemption date of both RPS-A and RPS-B is extended by one (1) calendar year), indicating that they do not intend to subscribe for ordinary shares in RPSB, RPSB shall only be required to declare a final dividend and redeem each outstanding RPS-B in cash without the relevant RPS-B holders subscribing for ordinary shares in RPSB.

(vii) The rights attached to the RPS-B may only be varied or abrogated with the consent in writing of the RPS-B holders of at least seventy-five percent (75%) of the issued RPS-B respectively, and may be so varied or abrogated either whilst RPSB is a going concern or during or in contemplation of a winding-up.

The salient features of the RPS-D are as follows:

(i) The RPS-D shall have no voting rights, save for the right of a holder of a RPS-D to one vote per RPS-D held at a meeting of the Company on a resolution to vary any right attached to RPS-D, the holders of RPS-D shall vote as a class of their own. All issued and outstanding RPS-D shall be deemed to form a single class of shares in the Company.

(ii) The RPS-D does not confer on its holder the right to receive any specific dividend or other distribution.

(iii) RPS-D are redeemable in the following events:

(a) Optional Redemption (may be effected by RPSB at any time); or

(b) Early Redemption (upon the occurrence of an Asset Sale Event – a sale, conveyance or other disposition, directly or indirectly, of the Pavilion Bukit Jalil Mall by RPSB). Where the proceeds received by RPSB from such sale, conveyance or disposition are sufficient to pay the aggregate redemption amounts of RPS-A, RPS-B and RPS-C issued by RPSB and RPS-D, RPS-A2 and RPS-B2 if issued by RPSB). Early Redemption is not applicable with effect from 2 June 2023.

(c) Mandatory Redemption (on the seventh (7th) anniversary of the issue date of the first tranche of RPS-A. However, RPS-A holders has the option to postpone the mandatory redemption date of both RPS-A and RPS-B by one (1) calendar year by delivering a written notice to RPSB on or before the sixth (6th) anniversary of the issue date of the first tranche of RPS-A).With effect from 2 June 2023, the mandatory redemption date has been fixed on 10 October 2026 ("the Final Redemption Date")

18. OTHER INVESTMENTS (cont'd)

The salient features of the RPS-D are as follows: (cont'd)

(iv) The rights attached to the RPS-D may only be varied or abrogated with the consent in writing of the RPS-D holders of at least seventy-five percent (75%) of the issued RPS-D respectively, and may be so varied or abrogated either whilst RPSB is a going concern or during or in contemplation of a winding-up.

(v) RPS-D holders are entitled to a Redemption Amount equivalent to RM1.00.

19. DEFERRED TAX ASSETS/(LIABILITIES)

Certain deferred tax assets and 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deferred tax assets	18,988	18,727	-	82
Deferred tax liabilities	(49,969)	(49,969)	-	(12)
	(30,981)	(31,242)	-	70

The deferred tax assets/(liabilities) provided in the financial statements are in respect of the tax effects on the following:

The Group 2024	At beginning of year RM'000	Recognised in profit or loss (Note 9) RM'000	At end of year RM'000
Deferred tax liabilities:			
Property development cost	(49,968)	-	(49,968)
Property, plant and equipment	(994)	460	(534)
Right-of-use assets	(295)	(201)	(496)
	(51,257)	259	(50,998)

(Forward)

19. DEFERRED TAX ASSETS/(LIABILITIES) (cont'd)

The Group 2024	At beginning of year RM'000	Recognised in profit or loss (Note 9) RM'000	At end of year RM'000
Deferred tax assets:			
Unused tax losses	3,060	(1,687)	1,373
Property development cost	11,262	189	11,451
Other payables and accrued expenses	955	771	1,726
Unabsorbed capital allowances	27	26	53
Lease liabilities	315	174	489
Others	4,396	529	4,925
	20,015	2	20,017
	(31,242)	261	(30,981)

The Group 2023	At beginning of year RM'000	Recognised in profit or loss (Note 9) RM'000	At end of year RM'000
Deferred tax liabilities:			
Property development cost	(57,600)	7,632	(49,968)
Investment properties	(3,583)	3,583	-
Property, plant and equipment	(596)	(398)	(994)
Right-of-use assets	-	(295)	(295)
	(61,779)	10,522	(51,257)
Deferred tax assets:			
Unused tax losses	2,093	967	3,060
Property development cost	7,594	3,668	11,262
Other payables and accrued expenses	2,521	(1,566)	955
Unabsorbed capital allowances	3,629	(3,602)	27
Property, plant and equipment	1,619	(1,619)	-
Lease liabilities	58	257	315
Others	4,251	145	4,396
	21,765	(1,750)	20,015
	(40,014)	8,772	(31,242)

19. DEFERRED TAX ASSETS/(LIABILITIES) (cont'd)

	At beginning of year RM'000	Recognised in profit or loss (Note 9) RM'000	At end of year RM'000
The Company			
2024			
Deferred tax liabilities:			
Property, plant and equipment	(12)	12	-
Deferred tax assets:			
Other payables and accrued expenses	77	(77)	-
Right-of-use assets	5	(5)	-
	70	(70)	-
2023			
Deferred tax liabilities:			
Property, plant and equipment	(12)	-	(12)
Deferred tax assets:			
Other payables and accrued expenses	77	-	77
Right-of-use assets	5	-	5
	70	-	70

20. PROPERTY DEVELOPMENT COSTS

	The Group	
	2024 RM'000	2023 RM'000
At beginning of year:		
Freehold land - proprietor's entitlement	-	10,250
Long-term leasehold land - at cost	3,522	7,057
Long-term leasehold land - proprietor's entitlement	228,157	209,082
Development expenditure	536,623	382,021
	768,302	608,410
Additions during the year:		
Long-term leasehold land - at cost	695	672
Long-term leasehold land - proprietor's entitlement	108	19,075
Development expenditure	285,053	273,090
	285,856	292,837

(Forward)

20. PROPERTY DEVELOPMENT COSTS (cont'd)

	The Group	
	2024 RM'000	2023 RM'000
Cumulative costs realisable as an expense in profit or loss:		
Previous years	(470,929)	(268,275)
Current year	(248,980)	(260,952)
Closed out due to completion of projects	565,192	58,298
	(154,717)	(470,929)
Costs closed out during the year due to completion of projects	(565,192)	(58,298)
Provision for foreseeable losses:		
Previous years	-	(2,738)
Current year (Note 6)	(505)	2,738
	(505)	-
Transfer to inventories	(58,388)	(2,864)
At end of year	275,356	369,156

(a) The title deeds in respect of the freehold and long-term leasehold land - proprietor's entitlement are not registered under the subsidiary companies' names as these title deeds will be transferred directly to purchasers upon sale of the properties.

(b) Certain long-term leasehold land - proprietor's entitlement of the Group under property development amounting RM127,813,000 (2023: RM94,658,000) are charged to licensed banks for credit facilities granted to the Group as mentioned in Note 31.

(c) Pursuant to the Joint Development Agreement ("JDA") dated 16 March 2010, and the Supplemental Agreement dated 3 July 2012 ("SA"), Bukit Jalil Development Sdn Bhd ("BJDSB"), a third party, was required to deliver vacant possession of a parcel of freehold land measuring approximately 50 acres to PHSB for development. All the development costs shall be borne by PHSB. PHSB is entitled to 82% of the gross development value of the development, whereas BJDSB is entitled to 18% of the gross development value of the development provided that the total entitlement of BJDSB should not be lesser than RM220,000,000 in accordance with the terms of the JDA and the SA.

20. PROPERTY DEVELOPMENT COSTS (cont'd)

Included in property development costs is freehold land proprietor's entitlement amounting to RMNil (2023: RM10,250,000). As at year end, amount of RM9,220,000 (2023: RM10,568,000) (Note 34(c)) is payable to BJDSB, a third party. The directors have recognised the said proprietor's entitlement progressively in respect of the completed developments and on-going development projects, pursuant to the JDA and the SA.

(d) Pursuant to the Joint Venture Agreement ("JVA") dated 3 January 2012, Gagasan Matrik Sdn Bhd ("GMSB"), a third party, was required to deliver vacant possession of a parcel of long-term leasehold land to Kumpulan Gapadu Sdn Bhd ("KGSB"), a wholly-owned subsidiary company, for development. All the development costs shall be borne by KGSB. KGSB is entitled to the gross development value of the development less GMSB's entitlement of RM102,000,000 in accordance with the terms of the JVA.

Included in property development costs is long-term leasehold land proprietor's entitlement amounting to RM102,000,000 (2023: RM102,000,000), of which RMNil (2023: RM5,372,000) (Note 34(b)) is payable to GMSB, a third party.

(e) In 2012, Malton Development Sdn Bhd ("MDSB"), a wholly-owned subsidiary company, entered into a Joint Venture Agreement ("JVA") with Virtue Court Sdn Bhd ("VCSB"), a third party. Pursuant to the JVA and a Supplemental Agreement dated 5 May 2014 ("SA"), VCSB is required to deliver vacant possession of a parcel of a long-term leasehold land measuring approximately 19,859 square meters to MDSB for development. All the development costs shall be borne by MDSB. MDSB is entitled to the gross development value of the development less VCSB's entitlement of RM74,800,000 in accordance with the terms of the JVA and the SA.

Included in property development costs is long-term leasehold land proprietor's entitlement amounting to RM74,800,000 (2023: RM74,800,000), of which RM226,000 (2023: RM226,000) (Note 34(b)) is payable to VCSB.

(f) In 2003, Ehsan Armada Sdn Bhd ("EASB"), a wholly-owned subsidiary company entered into a Joint Development Agreement ("JDA") with Darul Omni Sdn Bhd ("DOSB"), a third party. Pursuant to the JDA and the Supplemental Letter dated 8 December 2010 ("SL"), DOSB was required to deliver vacant possession of a parcel of leasehold land measuring approximately 83 acres to EASB for development. All the development costs shall be borne by EASB. EASB is entitled to 80.5% of the gross development value of the development, whereas DOSB is entitled to 19.5% of the gross development value of the development. Pursuant to the Supplemental Letter dated 27 August 2018 ("SL"), there is a revision of the entitlement to 3.2% of the gross development value of the development for the balance commercial development land.

20. PROPERTY DEVELOPMENT COSTS (cont'd)

Included in property development costs is long-term leasehold land proprietor's entitlement amounting to RM8,333,000 (2023: RM8,255,000).

(g) In 2010, Asia-Condo Corporation Sdn Bhd ("ACCSB"), a wholly-owned subsidiary company entered into a Joint Venture Agreement ("JVA") with Tekad Harapan Sdn Bhd ("THSB"), a third party. THSB is required to deliver vacant possession of a parcel of long-term leasehold land to ACCSB for development. All the development costs shall be borne by ACCSB. ACCSB is entitled to the gross development value of the development less THSB's entitlement in accordance with the terms of the JVA. THSB is entitled to 20% of the gross development value of the development and 35% of profit after tax of the entire development project.

Included in property development costs is long-term leasehold land proprietor's entitlement amounting to RM43,132,000 (2023: RM43,132,000).

21. INVENTORIES

	The Group	
	2024	2023
	RM'000	RM'000
At cost:		
Completed properties	170,743	135,363
Commercial land	-	9,000
	170,743	144,363
At net realisable value:		
Leasehold land (Note 14)	1,000	-
	171,743	144,363

During the financial year, the Group has transferred a freehold commercial land amounting to RM9,000,000 (Note 14) from inventories to land held for property development due to change of management plan on land use.

During the financial year, the Group has transferred a leasehold residential land amounting to RM1,000,000 (Note 14) from land held for property development to inventories due to change of management plan on land use.

The cost of inventories of the Group recognised as an expense during the financial year includes write down of inventories to net realisable value amounting to RM2,272,000 (2023: RM663,000). (Note 8)

Included in inventories are completed properties with cost amounting to RM20,806,000 (2023: RM23,416,000) charged to licensed banks for credit facilities granted to the Group as mentioned in Note 31.

Included in inventories are completed properties and commercial land with cost amounting to RM20,806,000 (2023: RM31,306,000) charged to licensed banks for credit facilities granted to certain subsidiary companies as mentioned in Note 31.

22. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAID EXPENSES

Trade receivables comprise mainly amounts receivable from customers for construction works carried out, project management services provided and sales of properties developed by the Group. The credit period granted to customers generally ranges from 7 to 90 days (2023: 7 to 90 days) unless otherwise agreed under contractual obligations.

Trade receivables are as follows:

	The Group	
	2024	**2023**
	RM'000	**RM'000**
Trade receivables	217,958	302,619
Less: Allowance for impairment loss	(11,003)	(11,254)
	206,955	291,365
Retention sum held by contract customers	85,704	85,734
Stakeholder sum held by solicitors	48,471	21,527
	341,130	398,626

Included in trade receivables of the Group amounting to RM263,413,000 (2023: RM260,322,000) is due from related parties.

Retention sum held by contract customers and stakeholder sum held by solicitors are due upon expiry of retention periods ranging from 6 to 24 months (2023: 6 to 24 months).

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 and customers from the ordinary course of construction business. 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.

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. Of the receivables balance at the end of the reporting period, approximately 74% (2023: 84%) is receivable from 3 (2023: 3) major debtors. Maximum concentration of credit risk to any single counterparty is 45% (2023: 48%) of gross trade receivables at the reporting date.

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.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the asset. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

22. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAID EXPENSES (cont'd)

The ECL of the trade receivables are estimated using a provision matrix based on the Group'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.

Movement in the allowance for impairment loss

	The Group	
	2024	2023
	RM'000	RM'000
At beginning of year	11,254	7,257
Impairment loss recognised (Note 8)	178	4,043
Reversal of impairment loss (Note 8)	(429)	(46)
At end of year	11,003	11,254

Aging analysis of trade receivables

	The Group	
	2024	2023
	RM'000	RM'000
Retention sum/stakeholder sum	134,175	107,261
Not past due	14,143	48,484
Past due less than 1 month	9,796	9,411
Past due 1 to 2 months	42,931	35,804
Past due more than 2 months	140,085	197,666
Total	341,130	398,626

Other receivables, deposits and prepaid expenses consist of:

	The Group		The Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Other receivables (Notes (c))	70,470	93,437	631	625
Less: Allowance for impairment loss	(27,041)	(19,886)	-	-
	43,429	73,551	631	625
Deposits	8,637	10,235	368	149
Prepaid expenses	2,342	1,650	-	1
	54,408	85,436	999	775

22. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAID EXPENSES (cont'd)

Movement in the allowance for impairment loss

	The Group	
	2024	2023
	RM'000	RM'000
At beginning of year	19,886	19,561
Impairment loss recognised (Note 8)	7,405	325
Reversal of impairment loss (Note 8)	(250)	-
At end of year	27,041	19,886

(a) During the financial year, the Group recognised an impairment loss of RM7,405,000 on other receivables, attributable to the assessment of long-overdue outstanding balances.

(b) In 2006, MDSB entered into joint venture development agreements ("JVDA") with various third parties ("JV Partners"). Pursuant to the JVDA, the JV Partners were required to deliver vacant possession of the leasehold land ("the Land") to MDSB for development. All the development costs would be borne by MDSB and MDSB was entitled to the entire proceeds from the development. In consideration for the Land delivered, the JV Partners were entitled to a fixed sum of RM25,000,000 paid by MDSB in accordance with the terms of the JVDA.

In 2010 and 2011, MDSB entered into deeds of assignment with the third party to assign the development rights of the land to the said third party which was partially development.

Pursuant to the deed of assignment dated 26 June 2020, MDSB, the JV Partners and the said third party entered into another deed of assignment to re-assign the development rights of the balance portion of the land valued to RM7,130,000 to MDSB for a total consideration of RM10. As of 30 June 2024, the net of allowance for impairment loss on the receivable from the said third party is RM8,900,000 (2023: RM8,900,000).

22. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAID EXPENSES (cont'd)

(c) Included in other receivables of the Group is an amount of RM9,792,281 (2023: RM18,246,656), which represents deposits and advances made by Domain Resources Sdn Bhd ("DRSB"), a wholly-owned subsidiary company, to Acres and Hectares Development Sdn Bhd ("A&H"), a third party, pursuant to Joint Development Agreement dated 9 December 2013. A&H appointed DRSB as the Project Development Manager for a project known as Taman Perumahan Yayasan Islam Kelantan ("Project"). Advances to A&H is interest-free, unsecured and repayable on demand.

Pursuant to the letter of appointment, DRSB is required to carry out and perform works on behalf of A&H. In consideration for DRSB agreeing to be appointed as the Project Development Manager in accordance with the scope of works, DRSB shall be entitled to a remuneration of a sum equivalent to 70% of the profit before taxation derived from the Project, after taking into account all development costs relating to the Project but before taking into account DRSB's remuneration.

23. CONTRACT ASSETS/(LIABILITIES)

	The Group	
	2024 RM'000	2023 RM'000
Contract assets:		
Property development	54,763	222,744
Construction	51,923	34,405
	106,686	257,149
Contract cost:		
Property development		
Sales commission and agency fee	29,004	29,907
Total	135,690	287,056
Contract liabilities:		
Property development	2,122	4,332
Construction	703	4,990
	2,825	9,322

Staff costs included in current additions of construction include salaries, contributions to Employees Provident Fund ("EPF") and all other staff related expenses. Contributions to EPF by the Group during the year amounted to RM1,161,535 (2023: RM1,085,734).

23. CONTRACT ASSETS/(LIABILITIES) (cont'd)

(a) Contract assets and contract liabilities from property development:

	The Group	
	2024 RM'000	2023 RM'000
Contract assets	54,763	222,744
Contract liabilities	(2,122)	(4,332)
Net	52,641	218,412
At beginning of the year	218,412	169,930
Consideration paid/payable to customers	47,744	41,958
Revenue recognised during the year (Note 5)	351,350	366,879
Progress billing during the year	(564,865)	(360,355)
At end of the year	52,641	218,412

The movement of the contract cost assets is as follows:

	The Group	
	2024 RM'000	2023 RM'000
At 1 July	29,907	24,954
Addition during the year	14,519	21,712
Amortised during the year (Note 6)	(15,422)	(16,759)
At 30 June	29,004	29,907

Revenue from property development activities is recognised over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2024 is RM501,915,000 (2023: RM590,978,000). The remaining performance obligations are expected to be recognised as below:

	The Group	
	2024 RM'000	2023 RM'000
Within 1 year	159,568	272,563
Between 1 to 4 years	342,347	318,415
Total	501,915	590,978

23. CONTRACT ASSETS/(LIABILITIES) (cont'd)

(b) Contract assets and contract liabilities from construction:

	The Group	
	2024 RM'000	2023 RM'000
Contract assets	51,923	34,405
Contract liabilities	(703)	(4,990)
Net	51,220	29,415
At beginning of the year	29,415	(4,924)
Revenue recognised during the year (Note 5)	302,601	427,027
Progress billing during the year	(280,796)	(392,688)
At end of the year	51,220	29,415

The construction revenue is recognised progressively based on the actual cost incurred to date on the construction projects as compared to the total budgeted cost for the respective projects.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2024 is RM1,166,645,960 (2023: RM625,077,000). The remaining performance obligations are expected to be recognised as below:

	The Group	
	2024 RM'000	2023 RM'000
Within 1 year	227,396	237,283
Between 1 to 4 years	939,250	387,794
Total	1,166,646	625,077

(c) Contract cost:

The above cost to obtain contracts are amortised to cost of sales when the related revenues are recognised.

24. RELATED PARTY TRANSACTIONS AND BALANCES

Amount owing by subsidiary companies, comprising mainly unsecured advances and payments made on behalf, is repayable on demand and bears interest fixed at 4.50% (2023: 4.50%) per annum except for management fees receivable, which is interest-free.

Amount owing to subsidiary companies, which arose mainly from unsecured advances and payments made on behalf, is interest-free and repayable on demand.

Amount owing from/(to) joint ventures and owing from associate, which arose mainly from progress billings receivable, unsecured advances and payments made on behalf, is interest-free and repayable on demand.

The related parties of the Company and subsidiary companies and its relationship are as follows:

Related Parties	Relationship
Pavilion REIT ("REIT")	A real estate investment trust in which certain directors of the Company, namely Tan Sri Lim Siew Choon and Puan Sri Tan Kewi Yong are directors of the manager of the REIT and have direct financial interests.
Pavilion REIT Management Sdn Bhd	A company in which certain directors of the Company, namely Tan Sri Lim Siew Choon and Puan Sri Tan Kewi Yong have direct financial interest.
Impian Ekspresi Sdn Bhd	A company in which a director of the Company, namely Tan Sri Lim Siew Choon has indirect financial interest.
Jendela Mayang Sdn Bhd	A company in which a director of the Company, namely Tan Sri Lim Siew Choon has direct financial interest.
WCT OUG Development Sdn Bhd	A company in which a director of the Company, namely Tan Sri Lim Siew Choon has direct financial interest.
WCT Holdings Berhad	A company in which a director of the Company, namely Tan Sri Lim Siew Choon has direct financial interest.
Lumayan Indah Sdn Bhd	A company in which a director of the Company, namey Tan Sri Lim Siew Choon has indirect financial interest.
Kuala Lumpur Pavilion Sdn Bhd	A company in which certain directors of the Company, namely Tan Sri Lim Siew Choon and Puan Sri Tan Kewi Yong have direct financial interest.
Regal Path Sdn Bhd	A company in which certain directors of the Company and its subsidiary company has indirect financial interest.
Amberstraits Sdn Bhd	A company in which certain directors of the Company and its subsidiary company has direct financial interest.

24. RELATED PARTY TRANSACTIONS AND BALANCES (cont'd)

During the financial year, significant related party transactions, which are carried out on negotiated basis are as follows:

	The Company	
	2024	2023
	RM'000	RM'000
With subsidiary companies:		
Management fee received/receivable (Note 5)	(15,193)	(13,819)
Interest income received/receivable (Note 8)	(5,371)	(6,409)
Accounting fees paid/payable	120	96

	The Group		The Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
With related parties:				
Impian Ekspresi Sdn Bhd				
Progress billing receivable	-	(2,938)	-	-
Jendela Mayang Sdn Bhd				
Progress billing receivable	(93)	(7,694)	-	-
WCT OUG Development Sdn Bhd				
Progress billing receivable	(118,391)	(94,030)	-	-
WCT Berhad				
Progress billing receivable	(148,871)	(218,582)	-	-
Pavilion REIT				
Rental of premises paid/payable	2,446	2,374	366	361
Pavilion REIT Management Sdn Bhd				
Rental of premises received/receivable	(393)	(393)	-	-
Lumayan Indah Sdn Bhd				
Rental of premises paid/payable	198	198	198	198
Kuala Lumpur Pavilion Sdn Bhd				
Property management fee	115	114	-	-
WCT Holdings Bhd				
Rental received from letting office space	(393)	(393)	-	-
Regal Path Sdn Bhd				
Management fee receivable (Note 5)	-	(20)	-	-
Amberstraits Sdn Bhd				
Accounting, banking and general fee receivable	-	(6)	-	-

24. RELATED PARTY TRANSACTIONS AND BALANCES (cont'd)

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel of the Group and of the Company include Executive Directors of the Company and certain members of senior management of the Group and of the Company.

The remuneration of key management personnel during the year are as follows:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short-term employee benefits	3,855	3,386	3,615	3,146
Defined contribution plans	370	317	370	317
	4,225	3,703	3,985	3,463

The estimated monetary value of benefits-in-kind received and receivable by the key management personnel otherwise than in cash from the Group and from the Company during the financial year amounted to RM152,000 and RM119,000 (2023: RM158,000 and RM124,000), respectively.

Included in the remuneration of key management personnel is the remuneration of Directors of the Company as disclosed in Note 8(c).

25. SHORT-TERM FUNDS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At fair value through other profit or loss				
Investments in unit trust funds in Malaysia	547	527	547	527

26. CASH AND BANK BALANCES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	18,278	41,463	1,482	1,501
Housing development accounts	193,777	98,567	-	-
	212,055	140,030	1,482	1,501

The housing development accounts are maintained by the Group in accordance with Section 7(A) of the Housing Developers (Control and Licensing) Act, 1966. These accounts, which consist of monies received from house purchasers, are for the payments of property development expenditure incurred and are restricted from use in other operations. The surplus monies, if any, will be released to the Group upon completion of the property development projects and after all property development expenditure have been fully settled.

27. SHARE CAPITAL

	The Group and The Company			
	2024		2023	
	No. of shares ('000)	RM'000	No. of shares ('000)	RM'000
Issued and fully paid-up:				
Ordinary shares	528,141	528,552	528,141	528,552

Share Options

The Employees' Share Option Scheme ("ESOS") which was established on 20 April 2016 for the benefit of eligible employees and directors of the Group was due to expire on 19 April 2021. During the previous year, the ESOS was extended for a further period of five years expiring on 19 April 2026.

The number in the Company's ESOS options are as follows:

	2024 Unit '000	2023 Unit '000
Number of options over ordinary shares	2,586	2,906

27. SHARE CAPITAL (cont'd)

The salient features of the ESOS are as follows:

(a) The total number of shares which may be made available shall not exceed 15% of the issued and paid-up share capital of the Company at the time of offer of the ESOS.

(b) The ESOS shall be in force for a duration of five years with effect from 20 April 2016 and may be further extended for such durations, subject to an aggregate duration of not more than ten years from the effective date of the ESOS.

(c) All employees, including directors, who are confirmed full-time employees of the Group and have been serving for at least one year within the Group are eligible.

(d) Any allocation of options under the ESOS shall require prior approval from the ESOS committee.

(e) No option shall be granted for less than 100 shares or more than the maximum allowable allotment as follows:

(i) the number of options allocated, in aggregate, to the directors and senior management of the Group shall not exceed 70% of the total options available under the ESOS; and

(ii) number of options allocated to any individual director or executive who, either singly or collectively through his/her associates, holding 20% or more in the issued and paid-up share capital of the Company shall not exceed 10% of the total options available under the ESOS.

(f) The option price shall be at a discount of not more than 10% from the weighted average market price of the Company as shown in the Daily Official List issued by Bursa Malaysia Securities Berhad for the five market days immediately preceding the date of offer or at par value of the ordinary

(g) shares of the Company, whichever is higher.

(h) There is no retention period imposed on the shares arising from the exercise of ESOS options except for the non-executive directors which has a retention period of 1 year.

(i) The ESOS Committee may at any time and from time to time, during the duration of the ESOS and impose any other terms and/or conditions deemed appropriate by the ESOS Committee in its sole discretion including amending or varying any terms and conditions imposed earlier in the discretion think fit.

28. RESERVES/(ACCUMULATED LOSSES)

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-distributable:				
Revaluation reserve	2,065	2,065	-	-
Option reserve	797	873	797	873
Distributable:				
Retained earnings/ (Accumulated losses)	418,646	388,779	(1,994)	3,331
Total	421,508	391,717	(1,197)	4,204

Revaluation reserve

Revaluation reserve represents the increase in the fair value of long-term leasehold properties prior to its reclassification as investment properties.

Option reserve

Option reserve, which relates to the equity-settled share options granted to eligible employees by the Group and the Company, is made up of the cumulative value of services received from employees recorded on grant of the share options. When the grant is exercised, the amount from the option reserve is transferred to share capital. When the share grants expire, the amount from the option reserve is transferred to retained earnings.

29. NON-CONTROLLING INTERESTS

Included in non-controlling interests is 3,385,000 (2023: 3,385,000) Redeemable Preference Shares ("RPS") issued by MPSB which is held by Tegap Dinamik Sdn Bhd ("TDSB"), a third party, amounting to RM18,617,500 (2023: RM18,617,500).

The RPS shall confer on the holder the following rights:

(a) The RPS shall not be entitled to receive any fixed dividend;

(b) The RPS shall not be mandatorily redeemed on the maturity date, which is 3 December 2025;

29. NON-CONTROLLING INTERESTS (cont'd)

The RPS shall confer on the holder the following rights: (cont'd)

(c) Unless redeemed earlier, RPS shall, on the maturity date, be automatically converted into new ordinary shares at conversion ratio fixed at 100 RPS surrendered for cancellation for every one new ordinary share of RM1.00 each;

(d) The RPS shall rank in priority to the ordinary shares of MPSB but rank behind all secured and unsecured obligations of MPSB; and

(e) The RPS is redeemable at the option of the issuer at any time after the issued date and during the tenure of the RPS.

30. REDEEMABLE PREFERENCE SHARES

	The Group	
	2024 RM'000	2023 RM'000
Principal	-	3,000
Accrued interest	-	76,824
	-	79,824
Current	-	79,824
Non-current	-	-
	-	79,824

On 5 September 2013, PHSB had entered into Subscription Agreement with a third party, to issue 3,000,000 redeemable preference shares ("RPS") of RM1 each.

The RPS is carried at amortised cost and the premium payable at redemption was to be accounted for as interest expense over the expected life of the RPS. In prior year, the Group recognised an amortised cost adjustment of RM28,828,000 as disclosed in Note 7.

During the year, the Group has settled the sum of redeemable preference shares to the holder amounting to RM79,824,000.

The salient features of the redeemable preference shares were as follows:

(a) The RPS shall not bear any fixed dividend. No dividend shall be declared and paid on the ordinary shares of PHSB unless the dividends on the RPS have been declared and paid on the basis that the dividend payable on each RPS shall not be lesser than the dividend payable on the ordinary shares for any of the financial year.

30. REDEEMABLE PREFERENCE SHARES (cont'd)

The salient features of the redeemable preference shares were as follows: (cont'd)

(b) The RPS shall rank behind all secured and unsecured obligations of PHSB but will rank in priority to the ordinary shares of PHSB in respect of return of capital upon liquidation or otherwise for the par value of the RPS. All RPS rank pari passu amongst one another.

(c) The total issued and paid-up preference share capital shall always represent 30% of the total share capital of PHSB.

(d) Each RPS entitles the holder to participate in any distributions of PHSB (including surplus assets and profits) on the basis that such distribution accrued to/payable on each RPS shall not be lesser than the distributions declared and/or payable in respect of each ordinary share.

(e) Each RPS entitles the holder to participate in any further preference shares issued/offered by PHSB.

(f) The registered holder of the RPS shall not have any right to vote at any general meeting of PHSB, unless the meeting was converted for the purpose of reducing the capital, or winding-up or where the proposition to be submitted to the meeting directly affects the rights and privileges of the holder of RPS.

(g) The RPS shall not be convertible into ordinary shares of PHSB.

(h) The RPS may be redeemable wholly in cash at the option of PHSB or the subscriber, upon full completion of the mixed development project undertaken by PHSB and full disposal of all saleable development units of the said project. Partial redemption is not permissible.

31. BANK BORROWINGS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Secured:				
Term loans	218,700	241,164	8,000	15,800
Bank overdrafts (Note 36)	16,194	18,992	1,246	4,957
Revolving credits	267,775	329,686	90,000	97,000
Trade facilities	57,600	59,958	-	-
Bridging loans	7,221	43,451	-	-
	567,490	693,251	99,246	117,757
Less: Amount due within next 12 months (included under current liabilities)	(304,701)	(405,921)	(99,246)	(117,757)
Non-current portion	262,789	287,330	-	-

31. BANK BORROWINGS (cont'd)

The non-current portion is repayable as follows:

	The Group	
	2024 RM'000	2023 RM'000
Between 1 - 2 years	202,130	287,330
Between 2 - 5 years	60,659	-
	262,789	287,330

As of reporting date, the Group and the Company have the following credit facilities from licensed banks:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Secured:				
Term loans	233,200	227,200	20,000	20,000
Bridging loans	181,468	226,468	-	-
Revolving credits	545,000	520,000	145,000	145,000
Trade facilities	100,000	100,000	-	-
Bankers guarantee	91,265	101,265	13,500	14,000
Bank overdrafts*	17,000	22,000	1,500	5,000
	1,167,933	1,196,933	180,000	184,000

* Bank overdrafts include a credit facility of RM1,500 (2023: RM5,000) under Islamic financing.

The interest rates per annum are as follows:

	The Group		The Company	
	2024 per annum %	2023 per annum %	2024 per annum %	2023 per annum %
Secured:				
Term loans	5.37 to 10.00	5.14 to 6.87	10.00	10.00
Bridging loans	4.33 to 5.42	4.34 to 5.42	-	-
Revolving credits	4.34 to 9.51	4.34 to 10.25	5.52 to 7.95	4.45 to 7.95
Bank overdrafts	4.32 to 8.72	6.95 to 8.35	6.04 to 6.04	7.06 to 7.81

31. BANK BORROWINGS (cont'd)

The borrowings of the Group and of the Company are secured against the following:

(i) Charge over the investment properties, land held for property development, property development costs, completed properties and commercial land of certain subsidiary companies as mentioned in Notes 13, 14, 20 and 21, respectively.

(ii) A debenture incorporating a fixed and floating charge over present and future assets of certain subsidiary companies and deposit of share certificates of a subsidiary company.

(iii) Fixed deposits of the Company and certain subsidiary companies as mentioned in Note 36.

(iv) Assignment and charge over the Debt Service Reserve Account and Interest Service Reserve Account as mentioned in Note 36.

The borrowings of the subsidiary companies are also covered by the corporate guarantee of the Company.

32. HIRE-PURCHASE PAYABLES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Total outstanding	886	737	257	-
Less: Interest-in suspense outstanding	(74)	(43)	(26)	-
Principal outstanding	812	694	231	-
Less: Amount due within 12 months (included under current liabilities)	(259)	(390)	(46)	-
Non-current portion	553	304	185	-

The non-current portion is payable as follows:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Between 1 - 2 years	402	123	99	-
Between 2 - 5 years	151	181	86	-
	553	304	185	-

32. HIRE-PURCHASE PAYABLES (cont'd)

For the financial year ended 30 June 2024, the effective interest rates for the hire-purchase payables of the Group and of the Company ranges from 4.10% to 8.06% and 4.67% (2023: 4.10% to 8.06% and Nil) per annum. Interest rates are fixed at the inception of the hire-purchase arrangements.

33. LEASE LIABILITIES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 July	4,376	3,261	416	200
Addition during the year	313	4,944	-	543
Finance costs (Note 7)	271	264	20	25
Payment of lease rental (Note 12)	(2,108)	(3,228)	(198)	(352)
Derecognition	-	(865)	-	-
At 30 June	2,852	4,376	238	416

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current	881	2,575	49	238
Current	1,971	1,801	189	178
At 30 June	2,852	4,376	238	416

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Maturity Analysis:				
Year 1	1,971	1,801	189	178
Year 2	881	1,818	49	189
Year 3	-	757	-	49
At 30 June	2,852	4,376	238	416

34. TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES

Trade payables comprise mainly amount outstanding to contractors and consultants for property development projects. The credit period granted to the Group ranges from 30 to 120 days (2023: 30 to 120 days).

Trade payables are as follows:

	The Group	
	2024	2023
	RM'000	RM'000
Trade payables	251,315	372,807
Accrued uncertified work performed by sub-contractors	132,589	130,585
Accrued costs to completion of projects	31,209	13,896
	415,113	517,288
Retention sum payable to sub-contractors	151,052	126,163
	566,165	643,451

Other payables and accrued expenses are as follows:

	The Group		The Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Other payables (Note (b) and (c))	81,125	79,986	1,036	1,396
Accrued expenses	42,552	55,739	940	881
Amount owing to directors (Note (a))	165	1	-	-
Prorision for release of bumiputera quota	-	2,812	-	-
	123,842	138,538	1,976	2,277

34. TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES

Movement of provision for release of bumiputera quota is as follows:

	The Group	
	2024 RM'000	2023 RM'000
At beginning of year	2,812	-
(Reversal)/Provision made during the year (Note 8)	(2,812)	2,812
At end of year	-	2,812

(a) Amount owing to directors, which arose mainly from unsecured advances, was interest-free and repayable on demand.

(b) Included in other payables are proprietor's entitlements payable to Gagasan Matrik Sdn Bhd and Virtue Court Sdn Bhd, third parties, of RMNil (Note 20(d)) and RM226,000 (Note 20(e)) (2023: RM5,372,000 (Note 20(d)) and RM226,000 (Note 20(e))) respectively.

(c) Included in other payables is an amount of RM9,220,000 (2023: RM10,568,000) representing the proprietor's entitlement payable to BJDSB pursuant to the Joint Development Agreement dated 16 March 2010 and Supplemental Agreement dated 3 July 2012 as disclosed in Note 20(c).

35. DIVIDENDS

No dividends were paid or declared by the Company since the end of the previous financial year.

The Directors do not recommend any declaration of dividend in respect of the current financial year.

36. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed deposits with licensed banks	37,184	67,751	2,975	2,925
Cash and bank balances (Note 26)	212,055	140,030	1,482	1,501
Bank overdrafts (Note 31)	(16,194)	(18,992)	(1,246)	(4,957)
	233,045	188,789	3,211	(531)
Less: Non cash and cash equivalents:				
Fixed deposits pledged to licensed banks	(27,884)	(22,967)	(2,975)	(2,925)
Debt Service Reserve Account and Interest Service Reserve Account	(9,543)	(25,315)	-	-
	195,618	140,507	236	(3,456)

Included in fixed deposits with licensed banks of the Group and of the Company is an amount of RM27,884,000 (2023: RM22,967,000) and RM2,975,000 (2023: RM2,925,000) respectively, pledged to financial institutions for banking facilities granted to subsidiary companies as mentioned in Note 31.

Included in cash and bank balances is an amount of RM9,543,000 (2023: RM25,315,000) representing Debt Service Reserve Account and Interest Service Reserve Account with licensed banks to secure the banking facilities granted to the subsidiary companies as mentioned in Note 31. The Group has restricted rights on the accounts and therefore the amount cannot be used in business operation.

The interest rates for fixed deposits range from 1.60% to 2.90% (2023: 1.15% to 2.90%) per annum. The fixed deposits have a maturity period of 1 to 365 days (2023: 1 to 365 days).

37. CAPITAL COMMITMENT

The Group and the Company did not have any capital commitments as at 30 June 2024 and 30 June 2023.

38. SEGMENTAL REPORTING

For management purposes, the Group is organised into the following operating divisions:

(i) Property development segment is involved in the business of constructing and developing residential and commercial properties. The reportable segment has been formed by aggregating the property construction and development segments, which are regarded by management to exhibit similar economic characteristics.

(ii) Construction contracts segment is involved in the business of construction works for development of residential and commercial properties.

(iii) Property trading segment is involved in the business of sales of developed residential and commercial properties.

(iv) Others segment, which is involved in the business of investment holding, project management, property investment and management, and provision of management and accounting services, is not material to the Group and therefore not separately reported.

Inter-segment revenue mainly comprise construction works performed and provision of management services to the subsidiary companies.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

38. SEGMENTAL REPORTING (cont'd)

2024	Property development RM'000	Construction contracts RM'000	Property trading RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External sales	351,350	302,601	22,813	7,968	-	684,732
Inter-segment sales	-	103,129	-	61,862	(164,991)	-
	351,350	405,730	22,813	69,830	(164,991)	684,732
Results						
Segment results	47,513	20,628	555	54,903	(41,668)	81,931
Distribution income on short-term funds and interest income						3,148
Finance costs						(41,784)
Share in results of an associated company						478
Profit before tax						43,773
Income tax expense						(17,885)
Profit for the year						25,888
Attributable to:						
Owners of the Company						29,791
Non-controlling interests						(3,903)
						25,888

38. SEGMENTAL REPORTING (cont'd)

2023	Property development RM'000	Construction contracts RM'000	Property trading RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External sales	366,879	427,027	31,415	6,596	-	831,917
Inter-segment sales	-	40,485	-	64,695	(105,180)	-
	366,879	467,512	31,415	71,291	(105,180)	831,917
Results						
Segment results	38,326	16,133	3,720	37,497	(76,536)	19,140
Distribution income on short- term funds and interest income						2,378
Finance costs						(64,859)
Share in results of joint ventures						(33,452)
Share in results of an associated company						(378)
Loss before tax						(77,171)
Income tax expense						(21,656)
Loss for the year						(98,827)
Attributable to:						
Owners of the Company						(83,286)
Non-controlling interests						(15,541)
						(98,827)

38. SEGMENTAL REPORTING (cont'd)

2024	Property development RM'000	Construction contracts RM'000	Property trading RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Assets						
Segment assets	1,957,784	1,124,206	102,179	1,872,434	(2,806,471)	2,250,132
Unallocated assets						21,637
						2,271,769
Liabilities						
Segment liabilities	1,360,555	714,779	20,281	1,733,323	(2,562,788)	1,266,150
Unallocated liabilities						57,443
						1,323,593
Other information						
Capital expenditure	211	660	-	399	-	1,270
Depreciation of property, plant and equipment	2,374	1,224	-	172	-	3,770

2023	Property development RM'000	Construction contracts RM'000	Property trading RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Assets						
Segment assets	2,128,620	1,209,364	153,144	2,104,868	(3,051,089)	2,544,907
Unallocated assets						19,628
						2,564,535
Liabilities						
Segment liabilities	1,575,405	819,751	36,367	1,939,113	(2,801,087)	1,569,549
Unallocated liabilities						72,698
						1,642,247
Other information						
Capital expenditure	857	222	-	124	-	1,203
Depreciation of property, plant and equipment	2,504	2,213	-	135	-	4,852

39. FINANCIAL INSTRUMENTS

(i) Capital Risk Management

The Group and the Company manage their capital to ensure that it will be able to continue as a going-concern while maximising returns to their shareholders through the optimisation of debt and equity balance. The Group's and the Company's overall strategy remain unchanged from 2023.

The Group and the Company did not engage in any transaction involving financial derivative instruments during the financial year.

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 June 2024.

The Group is not subject to externally imposed capital requirements.

Gearing ratio

The gearing ratio at the end of the reporting period is as follows:

	The Group	
	2024	**2023**
	RM'000	**RM'000**
Total debts	571,154	778,145
Fixed deposits with licensed banks, cash and bank balances	(249,239)	(207,781)
Net debts	321,915	570,364
Equity	948,176	922,288
Debt to equity ratio	33.95%	61.84%

Total debts are defined as redeemable preference shares, long and short-term borrowings, hire-purchase payables and lease liabilities as described in Notes 30, 31, 32 and 33.

Equity includes all capital, reserves and non-controlling interests of the Group that are managed as capital.

39. FINANCIAL INSTRUMENTS (cont'd)

(i) Capital Risk Management (cont'd)

Material Accounting Policies

Details of the material accounting policies and methods adopted (including the criteria for recognition, the bases of measurement and the bases for recognition of income and expenses), for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

Categories of Financial Instruments

	The Group	
	2024 RM'000	2023 RM'000
Financial assets		
At FVTPL:		
Other investments	145,836	203,234
Short-term funds	547	527
At amortised cost:		
Trade receivables	341,130	398,626
Other receivables	52,066	83,786
Amount owing by joint ventures	42,238	37,249
Amount owing by associated company	2,843	2,233
Fixed deposits with licensed banks	37,184	67,751
Cash and bank balances	212,055	140,030
Financial liabilities		
At amortised cost:		
Trade payables	566,165	643,451
Other payables and accrued expenses	123,842	138,538
Bank borrowings	567,490	693,251
Redeemable preference shares	-	79,824
Amount owing to joint venture	2,164	93
Hire-purchase payables	812	694
Lease liabilities	2,852	4,376

(Forward)

39. FINANCIAL INSTRUMENTS (cont'd)

(i) Capital Risk Management (cont'd)

Categories of Financial Instruments (cont'd)

	The Company	
	2024	2023
	RM'000	RM'000
Financial assets		
At FVTPL:		
Short-term funds	547	527
At amortised cost:		
Other receivables	999	775
Amount owing by subsidiary companies	127,315	148,116
Fixed deposits with licensed banks	2,975	2,925
Cash and bank balances	1,482	1,501
Financial liabilities		
At amortised cost:		
Other payables and accrued expenses	1,976	2,277
Bank borrowings	99,246	117,757
Hire-purchase payables	231	-
Amount owing by subsidiary companies	3,034	3,199
Lease liabilities	238	416

(ii) Financial Risk Management Objectives

The operations of the Group are subject to a variety of financial risks, including foreign currency risk, interest rate risk, credit risk, liquidity risk and cash flow 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 the Group's financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which cover the management of these risks.

(a) Foreign Currency Risk Management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's exposure to foreign exchange rate risk is minimal.

39. FINANCIAL INSTRUMENTS (cont'd)

(ii) Financial Risk Management Objectives (cont'd)

(b) Interest Rate Risk Management

The Group and the Company are exposed to interest rate risk through the impact of rate changes on interest-bearing borrowings.

The carrying amounts, the range of applicable interest rates during the year and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk are disclosed in Note 31.

Interest rate exposure is measured using sensitivity analysis as disclosed below:

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's and the Company's profit/(loss) after tax for the financial year ended 30 June 2024 would increase/decrease by RM2,156,000 and RM377,000 (2023: RM3,635,000 and RM120,000) respectively. This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

The Group's sensitivity to interest rates has decreased during the current period mainly due to the lower variable rate debt instruments.

(c) 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 trade receivables, other receivables and contract assets. The Group extends credit to its customers/debtors based upon careful evaluation of the customer's/debtor's financial condition and credit history. Trade and other receivables are monitored on an ongoing basis by the Group's credit control department.

The Group is exposed to significant concentration of credit risk to a few customers arising from construction business as disclosed in Note 22.

The Company is exposed to credit risk mainly from its subsidiary companies. The Company monitors the results of its subsidiary companies regularly and repayments made by the subsidiary companies.

The Group's and the Company's credit risk on deposits and cash and bank balances are limited as the Group and the Company place their funds with reputable financial institutions with high credit ratings.

39. FINANCIAL INSTRUMENTS (cont'd)

(ii) Financial Risk Management Objectives (cont'd)

(c) Credit Risk Management (cont'd)

Exposure to credit risk

The Group measures the loss allowance for trade receivables, other receivables and contract assets at an amount equal to lifetime expected credit loss (ECL) and for other financial assets (measured at amortised cost) at 12-month ECL by applying simplified approach and general approach respectively, as required by MFRS 9. The Company measures the loss allowance for other receivables and amount owing by subsidiary companies at an amount equal to lifetime expected credit loss (ECL) and for other financial assets (measured at amortised cost) at 12-month ECL by applying simplified approach and general approach respectively, as required by MFRS 9. Impairment loss is measured based on expected credit loss model is based on assumptions on the risk of default and expected loss rates. The Group and the Company use judgment in making these assumption and selecting the inputs to the ECL based on past collection records, existing market conditions as well as forward looking estimates as of the end of the reporting period.

As at the end of the reporting period, the Group's maximum exposure to credit risk is the carrying amount of financial assets which are mainly trade and other receivables, short-term funds, fixed deposits with licensed banks and cash and bank balances. The Company's maximum exposure to credit risk is the carrying amount of financial assets which are mainly other receivables, amount owing by subsidiary companies, short-term funds, fixed deposits with licensed banks and cash and bank balances.

(d) Liquidity Risk Management

The Group and the Company seek to invest cash assets safely and profitably. The Group and the Company also seek to control credit risk by setting counterparty limits and ensuring that sale of goods and services are made to customers with an appropriate credit history, and monitoring customers' financial standing through periodic credit review and credit checks at point of sales. The Group and the Company consider the risk of material loss in the event of non-performance by a financial counterparty to be unlikely.

The following tables detail the Group's and the Company's remaining contractual maturity for its 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. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group and the Company may be required to pay.

39. FINANCIAL INSTRUMENTS (cont'd)

(ii) Financial Risk Management Objectives (cont'd)

(d) Liquidity Risk Management (cont'd)

	Weighted average effective interest rate per annum %	Less than 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000	Total RM'000
The Group						
2024						
Non-interest bearing instruments	-	692,832	-	-	-	692,832
Hire-purchase payables	4.10 - 8.06	281	436	169	-	886
Variable interest rate instruments	4.32 - 10.00	326,518	216,603	65,002	-	608,123
Lease liabilities	5.50 - 6.00	2,084	932	-	-	3,016
The Company						
2024						
Non-interest bearing instruments	-	5,010	-	-	-	5,010
Hire-purchase payables	4.67	51	109	97	-	257
Variable interest rate instruments	5.52 - 10.00	106,947	-	-	-	106,947
Lease liabilities	6.00	200	52	-	-	252

39. FINANCIAL INSTRUMENTS (cont'd)

(ii) Financial Risk Management Objectives (cont'd)

(d) Liquidity Risk Management (cont'd)

	Weighted average effective interest rate per annum %	Less than 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000	Total RM'000
The Group						
2023						
Non-interest bearing instruments	-	791,311	-	-	-	791,311
Hire-purchase payables	2.44 - 4.52	413	130	194	-	737
Variable interest rate instruments	4.34 - 10.25	435,533	308,291	-	-	743,824
Redeemable preference shares	45.65	116,264	-	-	-	116,264
Lease liabilities	5.50 - 6.00	1,905	2,723	-	-	4,628
The Company						
2023						
Non-interest bearing instruments	-	5,476	-	-	-	5,476
Variable interest rate instruments	4.45 - 10.00	126,265	-	-	-	126,265
Lease liabilities	6.00	189	252	-	-	441

39. FINANCIAL INSTRUMENTS (cont'd)

(ii) Financial Risk Management Objectives (cont'd)

(e) Cash Flow Risk

The Group and the Company review their cash flow position regularly to manage their exposure to fluctuations in future cash flows associated with their monetary financial instruments.

(iii) Fair Value of Financial Instruments

(a) The carrying amounts of current financial assets and financial liabilities are reasonable approximation of fair values, either due to their short term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date. The fair value of long-term financial assets and financial liabilities are determined by the present value of future cash flow estimated and discounted using the current interest rates for similar instruments at the end of the reporting period. There is no material difference between fair values and carrying values of these assets and liabilities as at the end of the reporting period.

(b) **Fair value hierarchy**

As at the end of the reporting period, the Group and the Company held the following financial instruments carried at fair values in the statements of financial position:

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Level 2				
Financial assets at FVTPL:				
Short-term funds #	547	527	547	527
Other investments ^	245	245	-	-

The fair values of investments in unit trust funds are valued using the net asset value of the investment funds.

^ The fair values of unquoted investment in transferable golf and country club memberships are determined by reference to recent market transactions of identical assets.

40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details the reconciliation of the opening and closing amounts in the statements of financial position of the Group and the Company for each liability for which cash flows have been, or would be, classified as financing activities in the statements of cash flows of the Group and the Company:

	As at 1.7.2023 RM'000	Drawdown RM'000	Repayment RM'000	Non-cash item* RM'000	As at 30.6.2024 RM'000
The Group					
Bank borrowings (Note 31)	674,259	670,898	(793,861)	-	551,296
Hire-purchase payables (Note 32)	694	-	(458)	576	812
Lease liabilities (Note 33)	4,376	-	(1,837)	313	2,852

	As at 1.7.2022 RM'000	Drawdown RM'000	Repayment RM'000	Non-cash item RM'000	As at 30.6.2023 RM'000
The Group					
Bank borrowings (Note 31)	499,870	623,720	(449,331)	-	674,259
Hire-purchase payables (Note 32)	908	-	(214)	-	694
Lease liabilities (Note 33)	3,261	-	(2,964)	4,079	4,376

	As at 1.7.2023 RM'000	Drawdown RM'000	Repayment RM'000	Non-cash item* RM'000	As at 30.6.2024 RM'000
The Company					
Bank borrowing (Note 31)	112,801	230,000	(244,801)	-	98,000
Hire-purchase payables (Note 32)	-	-	(19)	250	231
Lease liabilities (Note 33)	416	-	(178)	-	238

	As at 1.7.2022 RM'000	Drawdown RM'000	Repayment RM'000	Non-cash item RM'000	As at 30.6.2023 RM'000
The Company					
Bank borrowings (Note 31)	127,028	240,147	(254,374)	-	112,801
Lease liabilities (Note 33)	200	-	(327)	543	416

* These represent the additions in property, plant and equipment for motor vehicles acquired under hire-purchase arrangement.

41. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The following is the significant event of the Group subsequent to the financial year ended 30 June 2024:

On 2 July 2024, Pembinaan Gapadu Sdn Bhd, a wholly-owned subsidiary of Malton had entered into a conditional sale and purchase agreement with Sering Manis Sdn Bhd ("SMSB"), a 51%-owned subsidiary of Global Oriental Berhad, to acquire 4 parcels of freehold development land measuring approximately 30.167 acres in Mukim Bentong and District of Bentong, Pahang from SMSB for a purchase consideration of RM65,000,000.00 to be settled in cash. Subsequently, on 4 October 2024, all the conditions precedent of the sales and purchase agreement have been fulfilled.

STATEMENT BY DIRECTORS

The Directors of **MALTON 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 of 30 June 2024 and of their financial performance and their 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,

DATUK HONG LAY CHUAN

CHUA THIAN TECK

Kuala Lumpur
25 October 2024

DECLARATION BY THE DIRECTOR PRIMARILY RESPONSIBLE

FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **CHUA THIAN TECK**, the Director primarily responsible for the financial management of **MALTON 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.

CHUA THIAN TECK

Subscribed and solemnly declared by
the abovenamed **CHUA THIAN TECK** at
KUALA LUMPUR this 25th day of October 2024.

Before me,

COMMISSIONER FOR OATHS

GROUP PROPERTIES

DEVELOPMENT PROPERTIES

Location	Tenure	Initial gross land area	Balance of net land area for development	Usage	Net book value as at 30 June 2024 RM'000	Date of acquisition/ revaluation*
PN 77546 Lot No. 43001 Pekan Baru Subang Daerah Petaling Selangor	Leasehold expiring on 2.10.2101	12.00 acres	10.60 acres	Proposed commercial development	29,159	24.6.2002
Geran No. 123368 Lot 4193 Geran No. 123369 Lot 4194 Geran No. 123370 Lot 4195 Geran No. 31298 Lot 4293 Geran No. 31299 Lot 4294 Geran No. 31300 Lot 4295 Geran No. 31301 Lot 4296 Mukim Cheras District of Ulu Langat Selangor	Freehold	41.73 acres	38.34 acres	Proposed mixed development	9,459	22.8.2006 24.5.2007 30.6.2007
HS(D) 808 & 809 Lot 19 & 20 Mukim of Hulu Terengganu	Leasehold expiring on 15.9.2061	108.49 acres	108.49 acres	Proposed mixed development	4,214	27.7.2002

DEVELOPMENT PROPERTIES (cont'd)

Location	Tenure	Initial gross land area	Balance of net land area for development	Usage	Net book value as at 30 June 2024 RM'000	Date of acquisition/ revaluation*
HS(D) No. 83257 to 83259, PT No.5223 to 5225, Mukim Bandar Ulu Kelang Daerah Gombak Selangor	Leasehold expiring on 18.2.2107	55.05 acres	55.05 acres	Proposed mixed development	173,408	10.11.2011
PN 28792 to 28794, Lot No. 65928 to 65930, Mukim Pekan Desa Puchong Daerah Petaling Selangor	Leasehold expiring on 17.4.2104	8.03 acres	8.03 acres	Proposed residential development	10,054	21.5.2007
PN 53357 Lot No. 30138 Mukim Setapak Daerah Kuala Lumpur WP Kuala Lumpur	Leasehold expiring on 15.1.2107	0.14 acres	0.14 acres	Proposed residential development	1,229	17.2.2022
Geran No. 59763 Lot No. 28815 Mukim Setapak Daerah Kuala Lumpur WP Kuala Lumpur	Freehold	0.40 acres	0.40 acres	Proposed residential development	3,519	17.2.2022

Net book value of the development properties are stated at Group land cost together with the related development expenditure incurred to the ongoing and remaining unsold properties.

GROUP PROPERTIES
(cont'd)

INVESTMENT PROPERTIES

Location	Tenure	Approximate age of the building year	Net lettable area Sq. Ft	Usage	Net book value as at 30 June 2024 RM'000	Date of acquisition/ revaluation*
Mezzanine Floor Menara Goldstone (Holiday Inn Express) Jalan Raja Chulan Kuala Lumpur	Freehold	40	7,631.62	Office	5,600	30.6.2024*
Level 6 Menara Goldstone (Holiday Inn Express) Jalan Raja Chulan Kuala Lumpur	Freehold	40	8,976.00	Office	6,560	30.6.2024*
Menara Khuan Choo Lot 20021, PN 52798 Seksyen 57 Bandar Kuala Lumpur WP Kuala Lumpur	Leasehold expiring on 11.11.2113	6	82,524.00	Office	122,000	27.8.2024*
Unit 2-111A 2nd Floor, Endah Parade Shopping Mall, Taman Sri Endah Kuala Lumpur	Leasehold expiring on 19.2.2083	25	462.00	Retail	130	1.12.1996
15th Floor, Menara Liberty, 1008 Jalan Sultan Ismail Kuala Lumpur	Leasehold expiring on 6.2.2078	23	12,475.00	Office	7,100	30.6.2024*
20th Floor, Menara Liberty, 1008 Jalan Sultan Ismail Kuala Lumpur	Leasehold expiring on 6.2.2078	23	9,795.00	Office	7,900	30.6.2024*
21st & 22nd Floor Menara Liberty 1008, Jalan Sultan Ismail Kuala Lumpur	Leasehold expiring on 6.2.2078	23	21,673.00	Office	11,800	30.6.2024*
L12-21, L12-22, L12-23, Wangsa 118 Jalan Wangsa Delima Wangsa Maju Kuala Lumpur	Leasehold expiring on 19.4.2104	9	8,839.00	Office	4,402	30.6.2024*
Ground and Sub-basement Floor Bukit Jalil City Kuala Lumpur	Freehold	-	-	Car Parks	46,213	30.6.2024*

INVESTMENT PROPERTIES (cont'd)

Location	Tenure	Approximate age of the building year	Net lettable area Sq. Ft	Usage	Net book value as at 30 June 2024 RM'000	Date of acquisition/ revaluation*
Geran No. 50058 Lot No. 168 Seksyen 94A Daerah Kuala Lumpur WP Kuala Lumpur	Freehold	-	11,872.59	Sales Gallery	12,000	30.6.2024*
PROPERTY, PLAND AND EQUIPMENT						
4th Floor, Wisma Tecna, No. 18A Section 51A/223 46100 Petaling Jaya Selangor	Leasehold expiring on 8.9.2067	26	20,342.00	Office	4,200	28.2.2001

** Date of valuation*

STATEMENT OF SHAREHOLDERS

ORDINARY SHARES AS AT 10 OCTOBER 2024

Share Capital	:	RM528,552,632 divided into 528,140,541 Ordinary Shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote per Ordinary Share

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 10 OCTOBER 2024

Size of Shareholdings	No of Holders	Total Holdings	%
Less than 100	65	2,091	#
100 to 1,000	1,364	1,124,599	0.21
1,001 to 10,000	3,587	19,360,556	3.67
10,001 to 100,000	2,077	70,337,023	13.32
100,001 to less than 26,407,027*	391	244,314,783	46.26
26,407,027* and above	4	193,001,489	36.54
	7,488	528,140,541	100.00

\# Negligible
* 5% of the Share Capital

SUBSTANTIAL SHAREHOLDERS AS AT 10 OCTOBER 2024

	Direct Interest		Deemed Interest	
Names	No of Shares	%	No of Shares	%
Malton Corporation Sdn Bhd	193,001,489	36.54	-	-
Tan Sri Lim Siew Choon	22,681,800	4.29	193,001,489*	36.54
Puan Sri Tan Kewi Yong	-	-	193,001,489*	36.54

DIRECT AND DEEMED INTEREST OF DIRECTORS IN THE ORDINARY SHARES OF MALTON BERHAD AS AT 10 OCTOBER 2024

	Direct Interest		Deemed Interest	
Names	No of Shares	%	No of Shares	%
Tan Sri Lim Siew Choon	22,681,800	4.29	193,001,489*	36.54
Puan Sri Tan Kewi Yong	-	-	193,001,489*	36.54
Datuk Hong Lay Chuan	-	-	-	-
Chua Thian Teck	-	-	-	-
Dato' Siew Mun Wai	-	-	-	-
Arunasalam A/L Muthusamy	-	-	-	-
Baharum Bin Harun	-	-	-	-

* held via Malton Corporation Sdn Bhd

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS OF ORDINARY SHARES AS AT 10 OCTOBER 2024

	Names	No of Shares	%
1.	Malton Corporation Sdn Bhd	58,017,995	10.98
2.	RHB Nominees (Tempatan) Sdn Bhd (Pledged securities account for Malton Corporation Sdn Bhd)	56,683,494	10.73
3.	Alliancegroup Nominees (Tempatan) Sdn Bhd (Pledged securities account for Malton Corporation Sdn Bhd)	43,300,000	8.20
4.	Cimsec Nominees (Tempatan) Sdn Bhd (CIMB for Malton Corporation Sdn Bhd)	35,000,000	6.63
5.	Affin Hwang Nominees (Tempatan) Sdn Bhd (Pledged securities account for Tan Sri Lim Siew Choon)	22,166,800	4.20
6.	Affin Hwang Nominees (Tempatan) Sdn Bhd (Pledged securities account for Koh Goh Yuan)	19,240,000	3.64
7.	Cimsec Nominees (Tempatan) Sdn Bhd (CIMB for Prinsip Waras Sdn Bhd)	18,600,000	3.52
8.	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged securities account for Merry Noel Robert)	6,528,200	1.24
9.	Maybank Nominees (Tempatan) Sdn Bhd (Pledged securities account for Ooi Keng Thye)	5,743,100	1.09
10.	HLB Nominees (Tempatan) Sdn Bhd (Pledged securities account for Toh Hooi Hak)	5,721,900	1.08
11.	LTK (Melaka) Sdn Bhd	5,604,200	1.06
12.	Olive Lim Swee Lian	5,239,100	0.99
13.	UOB Kay Hian Nominees (Asing) Sdn Bhd (Exempt AN for UOB Kay Hian Pte Ltd) (A/C Clients)	5,054,300	0.96
14.	Maybank Nominees (Tempatan) Sdn Bhd (Pledged securities account for Lee Kim Hooi)	4,057,000	0.77
15.	Ooi Keng Thye	3,798,200	0.72
16.	Affin Hwang Nominees (Tempatan) Sdn Bhd (Pledged securities account for Chee Chi Vun)	3,687,000	0.70
17.	Ooi Chieng Sim	3,379,400	0.64
18.	Cimsec Nominees (Tempatan) Sdn Bhd (CIMB for Choo Chuo Siong)	3,008,000	0.57

STATEMENT OF SHAREHOLDERS
(cont'd)

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS OF ORDINARY SHARES AS AT 5 OCTOBER 2023 (Cont'd)

	Names	No of Shares	%
19.	Tan Yee Fong	2,869,700	0.54
20.	Cartaban Nominees (Tempatan) Sdn Bhd (Standard Chartered Bank (Singapore) Limited for Toh Hooi Hak)	2,655,300	0.50
21.	Ng Seng Beng	2,172,100	0.41
22.	Maybank Nominees (Tempatan) Sdn Bhd (Pledged securities account for GJH Capital Sdn Bhd)	2,043,200	0.39
23.	Tan Ah Heng	2,000,000	0.38
24.	Maybank Nominees (Tempatan) Sdn Bhd (Pledged securities account for Lee Kian Jin)	1,905,000	0.36
25.	Public Nominees (Tempatan) Sdn Bhd (Pledged securities account for Ooi Keng Thye)	1,818,200	0.34
26.	Khoo Chai Pek	1,770,000	0.33
27.	Maybank Nominees (Tempatan) Sdn Bhd (Pledged securities account for TNTT Realty Sdn Bhd)	1,700,000	0.32
28.	HSBC Nominees (Asing) Sdn Bhd (Exempt AN for The Hongkong And Shanghai Banking Corporation Limited) (HBAP-SGDIV-ACCL)	1,595,000	0.30
29.	Affin Hwang Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Gan Siong Kang)	1,410,000	0.27
30.	Yeoh Phek Leng	1,305,000	0.25
	TOTAL	328,072,189	62.11

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Ninth Annual General Meeting (29th AGM) of MALTON BERHAD (Company) will be conducted on a virtual basis through live streaming and online remote participation and voting from the broadcast venue at Level 19, Pavilion Tower, No. 75, Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia using Remote Participation and Voting (RPV) facilities via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn Bhd in Malaysia on Friday, 22 November 2024 at 10.00 a.m. and any adjournment thereof for the following purposes:-

AGENDA

ORDINARY BUSINESS

1.	To lay the Financial Statements of the Company for the year ended 30 June 2024 together with the Directors' Report and Report of the Auditors thereon	For discussion only
2.	To approve the directors' fees, allowances and benefits payable to non-executive directors as set out in the explanatory note for the period from the conclusion of the 29th AGM of the Company until the conclusion of the next Annual General Meeting (AGM) of the Company	Ordinary Resolution 1
3.	To re-elect Tan Sri Lim Siew Choon who retires by rotation pursuant to Article 86 of the Constitution of the Company (Constitution) and being eligible, offered himself for re-election	Ordinary Resolution 2
4.	To re-elect Puan Sri Tan Kewi Yong who retires by rotation pursuant to Article 86 of the Constitution and being eligible, offered herself for re-election	Ordinary Resolution 3
5.	To re-appoint Deloitte PLT who have indicated their willingness, as Auditors of the Company, and to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration	Ordinary Resolution 4

SPECIAL BUSINESS

6. Authority to allot and issue shares — Ordinary Resolution 5

"THAT pursuant to Section 75 and 76 of the Companies Act, 2016 (Act), the Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Main Market Listing Requirements) and subject to the approval of the relevant governmental/regulatory authorities (if any), the Directors of the Company be and are hereby empowered to allot and issue new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% or up to the threshold as approved by Bursa Malaysia Securities Berhad (Bursa Securities) of the total number of issued shares of the Company (excluding treasury shares, if any) at the time of issue.

THAT pursuant to Section 85 of the Act to be read together with Article 10 of the Constitution, that approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered with new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to this mandate.

AND THAT the Directors be and are also empowered to seek the approval from Bursa Securities for the listing of and quotation for the additional shares issued AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company."

7. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature in respect of Sale of Trading Stock Properties — Ordinary Resolution 6

"THAT approval be and is hereby given to the Company and its subsidiaries to enter into and give effect to recurrent related party transactions of a revenue or trading nature and with all classes of related parties in respect of sale of trading stock properties as stated in Section 2.4 of the Circular to Shareholders dated 30 October 2024 which are necessary for the Group's day-to-day operations subject to the following:-

(a) the transactions are in the ordinary course of business and are carried out at arm's length basis on normal commercial terms of Malton Group (Malton and its subsidiaries) and on terms not more favourable to the related parties than those generally available to the public where applicable and not to the detriment of the minority shareholders; and
(b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the renewal of shareholders' mandate during the financial year based on the following information:-

(i) the type of the recurrent related party transactions made; and
(ii) the names of the related parties involved in the recurrent related party transactions made and their relationship with the Company.

(c) and such approval shall be in force immediately upon passing of this resolution until:

(i) the conclusion of the next AGM of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
(iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is the earliest; and the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

8. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature in respect of Construction Related Services and Project Management Services

Ordinary Resolution 7

"THAT approval be and is hereby given to the Company and its subsidiaries to enter into and give effect to recurrent related party transactions of a revenue or trading nature and with related parties in respect of construction related services and project management services as stated in Section 2.4 of the Circular to Shareholders dated 30 October 2024 which are necessary for the Group's day-to-day operations subject to the following:-

(a) the transactions are in the ordinary course of business and are carried out at arm's length basis on normal commercial terms of Malton Group (Malton and its subsidiaries) and on terms not more favourable to the related parties than those generally available to the public where applicable and not to the detriment of the minority shareholders; and

(b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the renewal of shareholders' mandate during the financial year based on the following information:-

(i) the type of the recurrent related party transactions made; and
(ii) the names of the related parties involved in the recurrent related party transactions made and their relationship with the Company.

(c) and such approval shall be in force immediately upon passing of this resolution until:

(i) the conclusion of the next AGM of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
(iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is the earliest; and the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

BY ORDER OF THE BOARD

HOR SHIOW JEI
(MAICSA 7023954) (SSM PC No. 202008003615)
Company Secretary

Kuala Lumpur
Dated: 30 October 2024

NOTICE OF ANNUAL GENERAL MEETING
(cont'd)

Notes:

1. The 29th AGM of the Company will be conducted on a virtual basis through live streaming and online remote participation and voting from the broadcast venue at Level 19, Pavilion Tower, No. 75, Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia using RPV facilities via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn Bhd in Malaysia. Please follow the procedures provided in the Administrative Guide for the 29th AGM of the Company in order to register, attend, participate and vote remotely via virtual meeting facilities.

2. The conduct of the virtual 29th AGM of the Company is in line with the revised Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022 ("Revised Guidance Note and FAQs"). According to the Revised Guidance Note and FAQs, an online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Companies Act, 2016 provided that the online platform is located in Malaysia.

3. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out in the Notice of the 29th AGM of the Company shall be put to vote by poll. A Poll Administrator and Independent Scrutineer will be appointed to conduct the polling process and verify the results of the poll respectively.

4. A member of the Company who is entitled to attend, participate and vote at the 29th AGM of the Company is entitled to appoint a proxy (or in the case of a corporation, to appoint a representative) to attend, participate and vote in his stead. A member shall not be entitled to appoint more than 2 proxies to attend, participate and vote at the same meeting. Where a member appoints 2 proxies, he shall specify in the instrument appointing the proxies the proportions of his shareholdings to be represented by each proxy.

5. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it shall not be entitled to appoint more than 2 proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account to attend, participate and vote at the same meeting. Where 2 proxies are appointed, it shall specify the proportion of shareholdings to be represented by each proxy.

6. Where an exempt authorised nominee appoints proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

7. The proxy form must be signed by the appointor or his attorney duly authorised in writing or in the case of a corporation, executed under its common seal or by a duly authorised attorney.

8. All proxy forms must be deposited at the share registrar of the Company, ShareWorks Sdn Bhd at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the meeting.

9. Only members registered in the Record of Depositors as at 15 November 2024 shall be eligible to attend, participate and vote at the 29th AGM or appoint a proxy to attend, participate and vote on his/her behalf.

EXPLANATORY NOTES ON ORDINARY RESOLUTIONS AND/OR SPECIAL BUSINESS

FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 30 JUNE 2024

The Financial Statements of the Company for the year ended 30 June 2024 tabled for discussion pursuant to the provisions of Section 340 (1) of the Act, do not require approval of the shareholders and hence, will not be put for voting.

ORDINARY RESOLUTION 1

The proposed Ordinary Resolution 1 if passed, will facilitate the payment of Directors' fees, allowances and benefits payable to the non-executive directors of the Company as set out below for the period from the conclusion of the 29th AGM of the Company until the conclusion of the next AGM of the Company.

Type of payment	RM
Directors' fees for each month	32,000
Meeting allowance for each meeting for each director	1,000
Benefits	Claimable expenses incurred in carrying out their duties as directors

ORDINARY RESOLUTIONS 2 AND 3

Tan Sri Lim Siew Choon and Puan Sri Tan Kewi Yong are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 29th AGM. Their profiles are set out under Board of Directors in the Annual Report 2024.

The Nominating Committee has conducted annual assessment for the retiring Directors. Based on the results of the assessment, the Board is satisfied with the performance and contribution of the retiring directors and supports their re-election and recommends the re-election of the retiring directors for approval of the shareholders at the 29th AGM of the Company.

ORDINARY RESOLUTIONS 4 AND 5

Ordinary Resolution 5 is proposed to give flexibility to the Directors to issue and allot shares at any time in their absolute discretion, without convening a general meeting, for the purpose of raising funds for working capital and/or strategic development of Malton Berhad and/or its subsidiaries. This mandate sought is a renewal of the mandate obtained from the shareholders at the 28th AGM of the Company held on 22 November 2023 which will expire at the conclusion of the 29th AGM of the Company to be held on 22 November 2024.

As at 25 October 2024, the mandate obtained from the shareholders at the 28th AGM of the Company was not utilised, thus no proceeds were raised from this mandate.

ORDINARY RESOLUTIONS 6 AND 7

The proposed Ordinary Resolutions 6 and 7, if passed, will enable the Company and its subsidiaries (Group) to enter into any of the recurrent related party transactions of a revenue or trading nature set out in the Circular to Shareholders of the Company dated 30 October 2024 which are necessary for the Group's day-to-day operations. This authority, unless revoked or varied by resolution passed by the shareholders of the Company at a general meeting, will expire at the conclusion of the next AGM of the Company, or the expiration of the period within which the next AGM of the Company is required by law to be held, whichever is earlier.

NOTICE OF ANNUAL GENERAL MEETING
(cont'd)

EXPLANATORY NOTES ON ORDINARY RESOLUTIONS AND/OR SPECIAL BUSINESS (cont'd)

PERSONAL DATA PRIVACY

By registering for the remote participation and electronic voting meeting and/or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate and vote at the 29th AGM of the Company, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 29th AGM of the Company and the preparation and compilation of the attendance lists, minutes and other documents relating to the 29th AGM of the Company, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

MALTON BERHAD
[Registration No: 199401035205 (320888-T)]
(Incorporated in Malaysia)

ADMINISTRATIVE GUIDE FOR 29TH ANNUAL GENERAL MEETING ("29TH AGM") OF MALTON BERHAD ("MALTON" OR "COMPANY")

Date	:	**22 November 2024 (Friday)**
Time	:	**10.00 a.m.**
Meeting Platform	:	www.swsb.com.my
Mode of Communication	:	Members may submit questions to the Board of Directors ("Board") prior to the 29th AGM of the Company to agm@malton.com.my **no later than 10.00 a.m. on 20 November 2024** or to use the Question and Answer ("Q&A") Platform to transmit questions to the Board via Remote Participation and Voting ("RPV") facilities during live streaming.
Broadcast Venue	:	Level 19, Pavilion Tower, 75, Jalan Raja Chulan, 50200 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur, Malaysia

MODE OF MEETING

- The 29th AGM of the Company ("29th AGM") will be held and conducted on a virtual basis through live streaming and online remote participation and voting ("RPV").
- Please note that it is your responsibility to ensure the stability of your internet connectivity throughout the 29th AGM as the quality of the live webcast and online remote voting are dependent on your internet bandwidth and stability of your internet connection.
- The Broadcast Venue of the 29th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the 29th AGM to be present at the main venue of the 29th AGM.
- NO Members or Proxy(ies)/Corporate Representative(ies)/Attorney(s) from the public shall be physically present at the Broadcast Venue on the day of the 29th AGM.
- All Members of the Company, whether Individual Members, Corporate Members, Proxy Holders, Authorised Nominees or Exempt Authorised Nominees who wish to attend the 29th AGM will have to register to attend, participate and vote remotely by using the RPV Facility, the details of which are set out below.
- Kindly check the latest updates via announcements on Bursa Malaysia Berhad's website at www.bursamalaysia.com.

RPV FACILITY

1. Should you wish to attend the 29th AGM, you are required to register yourself by using the RPV Facility in accordance with the instructions as set out under paragraph 5 below.

   With the RPV Facility, you may exercise your rights as a Member to attend, participate (including to pose questions in the form of real-time submission of typed texts) to the Board of the Company) and vote remotely at the 29th AGM.

RPV FACILITY

2. **Individual Members** are strongly encouraged to take advantage of the RPV Facility to attend, participate and vote remotely at the 29th AGM. Please refer to the details as set out under RPV Facility for information. If an Individual Member is unable to participate in the online 29th AGM, he/she is encouraged to appoint the Chairperson of the 29th AGM as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein..

3. **Corporate Members** (through Corporate Representative(s) or appointed proxy(ies)) who wish to participate and vote remotely at the 29th AGM must contact the poll administrator, **ShareWorks Sdn Bhd ("ShareWorks")** with the details set out below for assistance and will be required to provide the following documents to the Company **no later than 20 November 2024 at 10.00 a.m**.:

   a. Certificate of Appointment of its Corporate Representative or Form of Proxy under the seal of the corporation or signed by its attorneys or in accordance with the provision of its constitution or by an authorised officer duly authorised on behalf of the corporation. If the Form of Proxy is not executed under the seal of the corporation, please attach a copy of that corporation's constitution for verification;

   b. Copy of the Corporate Representative's or proxy's identity card (MyKad) (front and back)/ Passport; and

   c. Corporate Representative's or proxy's email address and mobile phone number.

   The Corporate Members are encouraged to appoint the Chairman of the 29th AGM as their proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

4. **Nominee Company Members** who wish to attend, participate and vote remotely at the 29th AGM can request their Nominee Companies to appoint their proxy(ies) to attend, participate and vote remotely at the 29th AGM. Please contact the poll administrator, **ShareWorks** with the details set out below for assistance and will be required to provide the following documents to the Company **no later than 20 November 2024 at 10.00 a.m**.:

   a. Form of Proxy under the seal of the Nominee Company or signed by its attorneys or in accordance with the provision of its constitution or by an authorised officer duly authorised on behalf of the corporation. If the Form of Proxy is not executed under the seal of the corporation, please attach a copy of that corporation's constitution for verification;

   b. Copy of the proxy's identity card (MyKad) (front and back)/ Passport; and

   c. Proxy's email address and mobile phone number.

   The Nominee Company Members are encouraged to request their Nominee Companies to appoint the Chairman of the 29th AGM as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

RPV FACILITY (cont'd)

5. The procedures for the RPV in respect of the live streaming and remote voting at the 29th AGM are as follows:

Procedures		Action
Before the 29th AGM		
(i)	Register as a user	• If you have already registered an account on the website, you are not required to register again. • Access website www.swsb.com.my • Click "**Login**" and click "**Register**" to sign up as a user. The registration will be open from **10.00 a.m. on 1 November 2024** and close at **10.00 a.m. on 21 November 2024**. • Complete the registration process and upload a softcopy of MyKAD (front and back) (for Malaysian members) or Passport (for non-Malaysian members). • Read and agree to the terms & conditions and thereafter submit your request. • Upon submission, kindly login to the valid email address and verify your user ID within one (1) hour. • Upon verification of the user ID, **ShareWorks** will send an email notification to approve you as a user. • After verification of your registration against the General Meeting Record of Depositors of the Company as of **15 November 2024**, the system will send you an email to notify you if your registration is approved or rejected after **15 November 2024**. • If your registration is rejected, you can contact **ShareWorks** for clarifications or to appeal.
	On the day of the 29th AGM	
(ii)	Login to www.swsb.com.my	• Login with your user ID and password for remote participation at the 29th AGM at any time from **9.30 a.m. (30 minutes before the commencement of the 29th AGM on 22 November 2024 at 10.00 a.m.)**
(iii)	Participate through Live Streaming	• Select "**Virtual Meeting**" from the main menu. • Click the "**Join Meeting**" located next to the event. You are required to provide your full name as per CDS records and your user registered email address. • Kindly click the video link and insert the password given to you in your email notification to join the live video streaming. • If you have any questions for the Board, you may use the Q&A platform to transmit your question. The Board will try to respond to all questions submitted by remote participants during the 29th AGM. If time is a constraint, the responses will be emailed to you at the earliest possible time after the 29th AGM ended. • Please take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at the location of the remote participants.
(iv)	Online remote voting	• Select "**Voting**" located next to the "**Join Meeting**" and indicate your votes for the resolutions that are tabled for voting. • Voting session will commence once the Chairman of the 29th AGM declare that the voting platform is activated and will end once the Chairman announces the completion of the voting session. • Please cast your vote on all resolutions as appeared on the screen and submit your votes. Once submitted, your votes will be final and cannot be changed.
(v)	End of RPV Facilities	• The RPV facilities will end and the Messaging window will be disabled the moment the Chairman of the 29th AGM announces the closure of the 29th AGM.

APPOINTMENT OF PROXY

Only Member whose name appears on the General Meeting Record of Depositors on **15 November 2024** shall be eligible to attend, participate and vote at the 29th AGM or appoint Proxy(ies)/Corporate Representative(s)/ Attorney(s) to attend, participate and vote on his/her/its behalf.

If a Member appoints his/her/its Proxy(ies)/Corporate Representative(s)/Attorney(s) to attend, participate and vote at the 29th AGM, please ensure the duly executed Form of Proxy or the Certificate of Appointment of its Corporate Representative are submitted to the Share Registrar, ShareWorks Sdn Bhd at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia **not later than 20 November 2024 at 10.00 a.m**.

Please note that if an Individual Member has submitted his/her Form of Proxy prior to the 29th AGM and subsequently decides to personally attend and participate in the 29th AGM via RPV Facilities, the Individual Member shall proceed to contact **ShareWorks** to revoke the appointment of his/her/its proxy **no later than 20 November 2024 at 10.00 a.m**.

POLL VOTING

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 29th AGM shall be put to vote by way of a poll. The Company has appointed **ShareWorks** as Poll Administrator to conduct the poll by way of electronic means and **SharePolls Sdn Bhd** as Independent Scrutineers to verify the poll results.

The Independent Scrutineers will verify the poll results followed by the Chairman's declaration whether the resolution is duly passed.

NO RECORDING OR PHOTOGRAPHY

Strictly NO recording or photography of the proceedings of the 29th AGM is allowed.

NO DOOR GIFTS OR E-VOUCHERS

There will be NO distribution of door gifts or e-vouchers.

DIGITAL COPIES OF DOCUMENTS FOR THE 29TH AGM

The following items are now available at the corporate website at www.malton.com.my or Bursa Malaysia Berhad's website at www.bursamalaysia.com:

i. Notice of the 29th AGM and Proxy Form
ii. Administrative Guide on the 29th AGM
iii. Annual Report 2024
iv. CG Report 2024
v. Circular to Shareholders dated 30 October 2024

ENQUIRY

If you have any enquiry prior to the virtual meeting, please contact Mr. Kou / Mr. Chan during office hours from 8.30 a.m. to 5.30 p.m. on Mondays to Fridays:

ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Malaysia

Telephone Number : 03-6201 1120
Email : ir@shareworks.com.my

PROXY FORM

MALTON

MALTON BERHAD
[Registration No: 199401035205 (320888-T)]
(Incorporated in Malaysia)

I/We, _____
(full name in BLOCK)

CDS Account No _____ NRIC No/Passport No/Company No _____ of

_____
(address)

_____
(address)

Email address _____ Contact No _____

a member of Malton Berhad holding _____ Ordinary Shares, hereby appoint:

Name of Proxy (Full Name)	NRIC No/Passport No	% of Shareholding to be represented (Refer to Notes 4 and 5 set out below)
Address	Email Address	Contact No

or failing him/her

Name of Proxy (Full Name)	NRIC No/Passport No	% of Shareholding to be represented (Refer to Notes 4 and 5 set out below)
Address	Email Address	Contact No

or Chairman of the meeting as my/our proxy for me/us on my/our behalf at the Twenty-Ninth Annual General Meeting of Malton Berhad (29th AGM of the Company) to be conducted on a virtual basis through live streaming and online remote participation and voting from the broadcast venue at Level 19, Pavilion Tower, No. 75, Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia using Remote Participation and Voting (RPV) facilities via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn Bhd in Malaysia on Friday, 22 November 2024 at 10.00 and any adjournment thereof and to vote as indicated below.

	RESOLUTIONS	For	Against
Ordinary Resolution 1	To approve the directors' fees, allowances and benefits payable to non-executive directors as set out in the explanatory note for the period from the conclusion of the 29th AGM of the Company until the conclusion of the next Annual General Meeting (AGM) of the Company		
Ordinary Resolution 2	To re-elect Tan Sri Lim Siew Choon who retires by rotation pursuant to Article 86 of the Constitution of the Company (Constitution) and being eligible, offered himself for re-election		
Ordinary Resolution 3	To re-elect Puan Sri Tan Kewi Yong who retires by rotation pursuant to Article 86 of the Constitution and being eligible, offered herself for re-election		
Ordinary Resolution 4	To re-appoint Deloitte PLT who have indicated their willingness, as Auditors of the Company, and to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration		
Ordinary Resolution 5	Authority to allot and issue shares		
Ordinary Resolution 6	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature in respect of Sale of Trading Stock Properties		
Ordinary Resolution 7	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature in respect of Construction Related Services and Project Management Services		

Please indicate with an "X" in the relevant boxes for each resolution. Unless voting instructions are indicated as above, the proxy may abstain from voting as he/she deems fit.

_____

Signature(s) /Common Seal of member (s)

Date:

Notes:

1. The 29th AGM of the Company will be conducted on a virtual basis through live streaming and online remote participation and voting from the broadcast venue at Level 19, Pavilion Tower, No. 75, Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia using RPV facilities via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn Bhd in Malaysia. Please follow the procedures provided in the Administrative Guide for the 29th AGM of the Company in order to register, attend, participate and vote remotely via virtual meeting facilities.
2. The conduct of the virtual 29th AGM of the Company is in line with the revised Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022 ("Revised Guidance Note and FAQs"). According to the Revised Guidance Note and FAQs, an online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Companies Act, 2016 provided that the online platform is located in Malaysia.
3. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out in the Notice of the 29th AGM of the Company shall be put to vote by poll. A Poll Administrator and Independent Scrutineer will be appointed to conduct the polling process and verify the results of the poll respectively.
4. A member of the Company who is entitled to attend, participate and vote at the 29th AGM of the Company is entitled to appoint a proxy (or in the case of a corporation, to appoint a representative) to attend, participate and vote in his stead. A member shall not be entitled to appoint more than 2 proxies to attend, participate and vote at the same meeting. Where a member appoints 2 proxies, he shall specify in the instrument appointing the proxies the proportions of his shareholdings to be represented by each proxy.
5. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it shall not be entitled to appoint more than 2 proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account to attend, participate and vote at the same meeting. Where 2 proxies are appointed, it shall specify the proportion of shareholdings to be represented by each proxy.
6. Where an exempt authorised nominee appoints proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
7. The proxy form must be signed by the appointor or his attorney duly authorised in writing or in the case of a corporation, executed under its common seal or by a duly authorised attorney.
8. All proxy forms must be deposited at the share registrar of the Company, ShareWorks Sdn Bhd at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the meeting.
9. Only members registered in the Record of Depositors as at 15 November 2024 shall be eligible to attend, participate and vote at the 29th AGM or appoint a proxy to attend, participate and vote on his/her behalf.

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AFFIX
STAMP

The Share Registrar
SHAREWORKS SDN BHD
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur

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MALTON

www.malton.com.my

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