PLENITUDE

Plenitude Berhad
Annual Report 2021

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About Us

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

The Plenitude Group's portfolio of business in property and hospitality has a reliable track record.

Recognised for their strategic locations, easy accessibility and comprehensive amenities, notable projects and real estate developments include:

- Taman Bukit Tebrau, Kota Tinggi
- Taman Desa Tebrau, Johor Bahru
- Taman Putra Prima, Puchong
- Bukit Bintang, Sungai Petani
- The Marin at Ferringhi, Penang

Plenitude's hospitality assets are:

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

and two residences:

- The Nomad Residences Bangsar, Kuala Lumpur
- Tanjung Point Residences, Penang

Corporate Information

Board of Directors

Chua Elsie
Non-Independent
Non-Executive Chairman

Tan Kak Teck
Independent
Non-Executive Director

Ir Teo Boon Keng
Independent
Non-Executive Director

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

Tee Kim Chan
Independent
Non-Executive Director

Audit Committee

Tan Kak Teck
Chairman

Ir Teo Boon Keng
Member

**Dato' Lok Bah Bah @
Loh Yeow Boo**
Member

Remuneration Committee

**Dato' Lok Bah Bah @
Loh Yeow Boo**
Chairman

Tee Kim Chan
Member

Nomination Committee

Tee Kim Chan
Chairman

**Dato' Lok Bah Bah @
Loh Yeow Boo**
Member

Tan Kak Teck
Member

Principal Bankers

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

Auditors

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

Company Secretary

Rebecca Lee Ewe Ai
MAICSA 0766742
SSM PC 202008002636

Wong Yuet Chyn
MAICSA 7047163
SSM PC 202008002451

Share Registrar

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

Registered Office

2nd Floor, No. 2,
Jalan Sri Hartamas 8,
Sri Hartamas,
50480 Kuala Lumpur,
Wilayah Persekutuan (KL)
Tel: +603 6201 0051
Fax: +603 6201 0071

Stock Exchange Listing

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

Website Address

plenitude.com.my

Corporate Calendar

Annual General Meeting

Notice of Annual General Meeting
8th October 2021

21st Annual General Meeting
8th November 2021

Proposed Dividend

Final single-tier of 2.0 sen per share

Financial Year End
30th June 2021

Announcement
30th September 2021

Approval
8th November 2021

Announcements of FY2021 Consolidated Results

1st Quarter
17th November 2020

2nd Quarter
22nd February 2021

3rd Quarter
25th May 2021

4th Quarter
7th September 2021

Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Financial Statements of Plenitude Berhad ("Plenitude" or "the Group") for the financial year ended 30 June 2021 ("FY2021").

The world continues to battle the Covid-19 pandemic which has adversely impacted the global economy and our way of life. The financial year 2021 has been challenging and the continued impact of movement restrictions has weighed heavily on our hotel division's performance.

The property market is expected to see a mixed performance due to prevailing uncertainties and the hotel industry is expected to be lacklustre until we achieve herd immunity and both interstate and global travel are allowed. Consumer confidence is expected to improve by the end of 2021, supported by the vaccination programme rollout and the current low interest rate environment. For the FY2021, the Group recorded revenue of **RM208.5 million** and a net profit of **RM8.7 million** compared to revenue of **RM188.8 million** and net profit of **RM4.9 million** for the previous financial year ended 30 June 2020.

Plenitude's property development segment remains the Group's key revenue contributor at 90% while the hotel segment contributed 10% and this is consistent with decisions for generating recurring revenue from non-property development.

The financial position of the Group remains healthy with low gross debt to equity ratio of 0.23x, achieved despite the cash outflow of **RM7.6 million** paid out as dividend in November 2020. The Group's cash and cash equivalents at the close of the financial year remained strong at **RM295.3 million**.

Dividend

Despite the challenging business environment, the Board is indeed very pleased to recommend a first and final Single-tier Dividend of 2.0 sen per share on 381,533,758 ordinary shares, amounting to RM7,630,675 in respect of the FY2021. The proposed dividend represents a Net Dividend Yield of 2.0% (2.0sen/RM1.00) is subject to shareholders' approval at the forthcoming Annual General Meeting.

It is noteworthy that Plenitude has consistently paid dividends for every financial year since its listing in 2003. The Proposed Dividend will be tabled for shareholders' approval at the forthcoming Twenty-First (21st) Annual General Meeting ("AGM") of the Company.

Future Prospects

The overall outlook for the Group's property and hospitality businesses remains challenging due to the protracted and evolving Covid-19 situations worldwide. However, the Group is of the view that with the progressive rollout of the mass vaccination programme by the government the local economy will begin to recover steadily, and the economic recovery will also be boosted by the government's introduction of various multi-billion fiscal stimulus packages.

As the world, and Malaysia, continue to endure the effects of the pandemic, we remain vigilant on our outlook. The Group will continue to monitor the latest developments relating to the pandemic and operating condition and address any development accordingly, with the long-term view of maximizing value for our shareholders. Plenitude will remain prudent in financial management without sacrificing opportunities for growth and improvements. The Group will continue to pursue its long-term strategies of strengthening its regional footprint, growing its recurring income base, pursuing its domestic business agenda, and continue reviewing its asset portfolio. The Group continues to lookout for prime and strategic development lands for future development thereby ensuring continuous and sustainable business growth.

Acknowledgement

My thanks to the staff of Plenitude for their dedication and loyalty. My sincere appreciation to our shareholders for their strong support and to our customers and business partners for their confidence.

Finally, my thanks to all my fellow Directors for their commitment and invaluable advice and guidance.

Chua Elsie
Chairman

DIAMOND

TAMAN PUTRA PRIMA, PUCHONG

Launch Q1, 2021	**Total GDV** Estimated RM176 million	**Location** Puchong, Selangor	**Tenure** Freehold
Type of Development Residential, Landed	**Type of Product** 2 & 3 Storey Terrace House	**Land Size** 22' × 63' / 75'	**Built-up** From 1,826 – 2,896 sq ft

3 Storey terrace house
**artist impression*

Board Of Directors' Profile

Chua Elsie
Non-Independent
Non-Executive Chairman
Age 63 | Female | Malaysian

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

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

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

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

Tan Kak Teck
Independent
Non-Executive Director
Age 62 | Male | Malaysian

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

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

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

Ir Teo Boon Keng
Independent
Non-Executive Director
Age 67 | Male | Malaysian

Ir Teo Boon Keng was appointed to the Board on 2 July 2012. He is a member of the Audit Committee. He has a Bachelor of Science (Hons) in Civil Engineering from University of Newcastle Upon Tyne, United Kingdom.

Ir Teo is a Registered Professional Engineer with the Board of Engineers Malaysia and a Member of the Institution of Engineers Malaysia.

He began his professional career with the Ministry of Works (JKR) Malaysia. He has been a Development Consultant and Consulting Civil & Structural Engineer for over 30 years.

Dato' Lok Bah Bah @ Loh Yeow Boo

Independent
Non-Executive Director

Age 72 | Male | Malaysian

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

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

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

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

Tee Kim Chan

Independent
Non-Executive Director

Age 67 | Male | Malaysian

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

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

Other Information

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

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

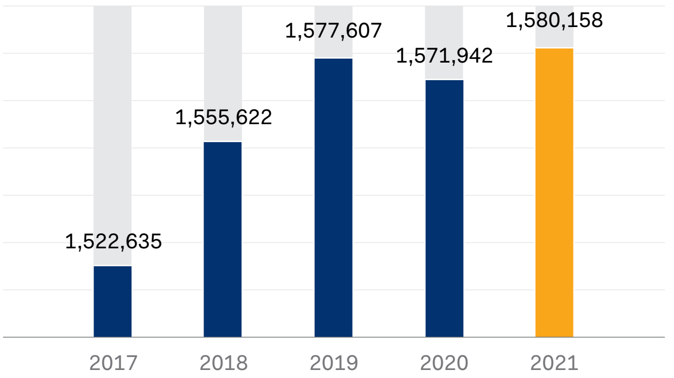
c. **Conviction for Offences**
None of the directors have been convicted for any offences within the past 5 years and have not been imposed with any public sanction or penalty by the relevant bodies during the financial year other than traffic offences, if any.

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

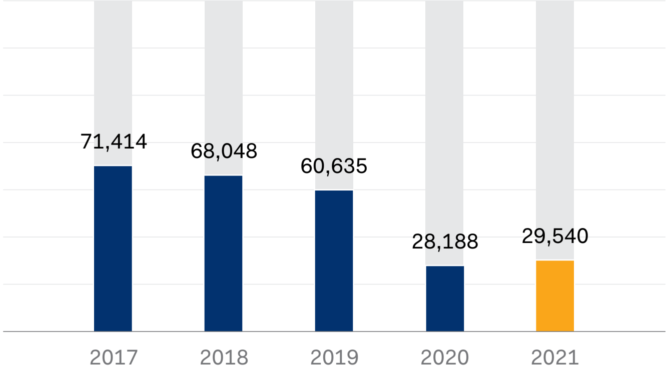
e. **Attendance for Board Meetings for The Financial Year Ended 30 June 2021**
The directors' attendance at the Board Meetings for the financial year ended 30 June 2021 is presented on page 52 of the Annual Report.

Financial Highlights

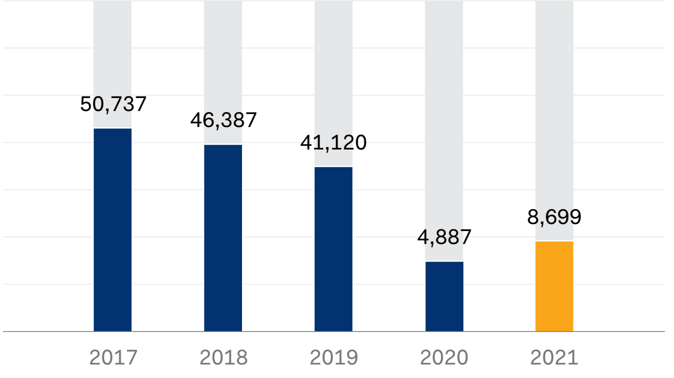
Shareholders' Equity
(RM'000)



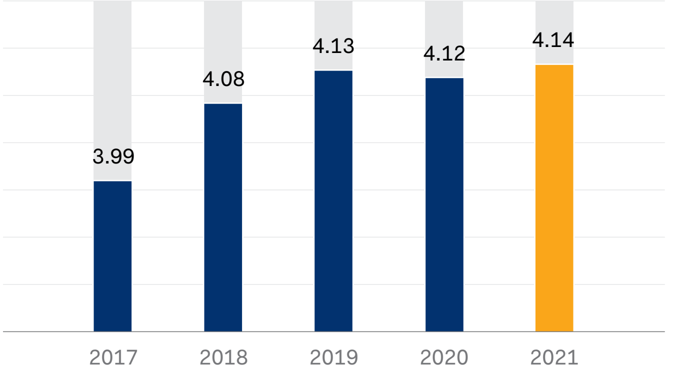
Profit Before Tax
(RM'000)



Net Profit for the Financial Year
(RM'000)



Net Assets per Share
(RM)



Financial Year Ended 30 June

(RM'000)	2017^	2018*	2019*	2020*	2021*
Revenue	226,204	239,919	226,570	188,835	208,493
Profit Before Tax	71,414	68,048	60,635	28,188	29,540
Net Profit for the Financial Year Attributable to Owners of the Company	50,737	46,387	42,248	8,171	11,924
Total Assets	1,714,295	1,724,005	1,904,897	1,902,309	2,179,076
Cash & Cash Equivalents	343,484	329,768	167,858	96,283	295,305
Total Borrowings	31,138	24,338	139,208	136,158	367,452
Issued and Paid Up Capital	381,534	381,534	381,534	381,534	381,534
Shareholders' Equity Attributable to Owners of the Company	1,522,635	1,555,622	1,577,607	1,571,942	1,580,158
Basic Earnings per Share (sen)	13.30	12.20	11.10	2.10	3.10
Net Assets per Share (RM)	3.99	4.08	4.13	4.12	4.14
Final Single-tier Dividend per Share (sen)	4.5	4.5	4.5	2.0	2.0

^ Figures reported based on FRS Framework

* Figures reported based on MFRS Framework

Novotel Kuala Lumpur City Centre


Executive Room

KUALA LUMPUR
CITY CENTRE

Gourmet Bar

Food Exchange

Sustainability Statement

Overview

The year 2020–2021 was significant for Plenitude for a couple of reasons. It was the year in which we celebrated having served our valued customers for 20 years plus the year in which we revitalised our strategy to be able to serve another 20 years and more.

This Sustainability Statement ("Statement") provides a concise narrative of how the Plenitude Group of Companies ("Plenitude" or "the Group") has reflected its commitment towards addressing its environmental, social and governance impacts as well as being cognizant of such impacts on its ability to create financial and non-financial values. This Statement also encapsulates the Group's overarching strategy in managing prioritised sustainability-related risks and opportunities. As we continue to push boundaries, we recognise the importance of sustainability as an enabler in our business strategy.

The scope of the Statement covers material issues arising from the principal activities and business operations of the holding company and all its subsidiaries within the Group which consist of two key divisions – Property Division and Hotel Division for the financial period from 1st July 2020 to 30th June 2021 ("FY2021"). This Statement includes information and data from specific projects and our value chain activities.

This Statement has been prepared in reference to the following frameworks and guidelines which highlight the Group's commitment in undertaking business in a responsible and sustainable manner:

(i) Bursa Malaysia's Sustainability Reporting Guide 2nd Edition;
(ii) Global Reporting Initiative ("GRI") Standards;
(iii) United Nation's Sustainable Development Goals; and
(iv) Plenitude's Sustainability Framework.

We have not sought any external assurance for the current Statement and data we disclose. The Group recognises the added value of conducting independent evaluation and endorsement on our information disclosure and will consider seeking assurance in the future.

Sustainability Framework

The Group strives to conduct its business operations according to pragmatic principles and sustainable practices with a long-term sustainability strategy comprising three main pillars ("EES"):

(i) Economic Sustainability
(ii) Environmental Sustainability
(iii) Social Sustainability

These are being seen as measures to generate long term benefits in terms of business continuity and value creation.

Plenitude's approach to sustainability is driven by the Group's sustainability framework with the Group's vision and mission at the apex of the framework.

Vision

Building sustainable Real Estate business activities and communities of the future

Mission

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

3 Pillars

Economic

- Economic Performance
- Anti-corruption
- Compliance
- Customer Satisfaction
- Indirect Economic Impact
- Innovation
- Procurement Practices and Supply Chain

Environmental

- Waste
- Energy
- Emissions
- Water and Effluents
- Materials
- Product and Services Responsibility (Environmental)

Social

- Occupational Health and Safety
- Employment
- Training and Education
- Community Development
- Product and Services Responsibility (Social)

Communications

- Social Media
- Corporate Website
- Email
- Newsletters
- Annual General Meeting
- Events

Stakeholders

- Shareholders and Investors
- Employees
- Customers
- Government and Regulatory Authority
- Media
- Suppliers and Contractors
- Communities
- Business Partners

Aligned to Sustainable Development Goals

SUSTAINABLE DEVELOPMENT GOALS

Contribution To the United Nations Sustainable Development Goals (UNSDGs)

We endeavoured to begin aligning our business practices with UNSDGs to serve as a stepping stone towards enhancing our awareness to sustainability practices on global scale. Plenitude adopted several Goals of the UNSDGs that are relevant to Plenitude's value chain. The Group maintains a strong focus to address some of the world's most pressing challenges through an urgent and universal clarion call to conserve and protect the planet as well as maintaining the integrity of the natural environment and economic prosperity for the nation. We are committed to playing our part in the shift to a more sustainable future and taking into account the objectives outlined by the 17 SDGs.

We value and encourage feedback from all our stakeholders as a measure to continuously enhance our reporting performance and practices. We can be reached at:

Chief Executive Officer
Plenitude Berhad
2nd Floor, No. 2 Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel : +603-62010051
Email: ir@plenitude.com.my
Website: plenitude.com.my

Sustainability Governance

Good adherence to corporate governance reflects our commitment to provide highest level of assurance to our stakeholders by considering their best interests in our operations. The creation of a sustainability governance structure is aimed to steer our ongoing efforts to improve our business practices by taking into account sustainable considerations that would benefit the Group's operations and meet the expectations of our stakeholders in the long term. The practices and policies of the Group is based on adherence to regulatory requirements and standards that guide us on any formal decision and policy-making exercises related to the Group.

At Plenitude, our Board of Directors plays a pivotal role in supervising, developing and endorsing matters related to risk, audit, remuneration and corporate governance policies. Sustainability priorities are affirmed by the Board and these are cascaded down to Chief Executive Officer, Sustainability Management Committee and Working Committee to develop strategic plans to realise the sustainability goals and objectives.

GOVERNANCE STRUCTURE

Board of Directors

- Fully accountable for sustainability matters in the Group.
- Deliberates and determines the Group's sustainability strategies and policies.
- Reviews and approves the sustainability report.

Chief Executive Officer and Sustainability Management Committee

- Formulates and reviews sustainability strategies and present it to the Board.
- Oversees the overall strategy implementation and provides strategic guidance.
- Evaluates economic, environmental, social and governance risks and opportunities within the Group.

Sustainability Working Committee

- Comprises respective heads of operating subsidiaries and other department's representatives.
- Operationalize the plans in the respective business units and divisions.
- Coordinates and implements Group-wide sustainability activities.
- Collate sustainability related information against measurable indicators.

Governance Policies

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

1. Board Charter
    - Outline the authority, responsibilities, membership and operation of the Board adopting principles of good corporate governance and practice, in accordance with applicable laws in Malaysia.
    - To promote together with Senior Management, good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour.
    - To oversee the conduct of the Group's business including the formulation of strategy and performance objectives, control and accountability systems, corporate governance framework, risk management practices and human capital management.
    - Identify principal risks and ensuring the implementation of appropriate internal controls and mitigation measures.

2. Code of Conduct
    - To establish standards of ethical behaviour based on trustworthiness and acceptable values.
    - To uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines.
    - Enhance the standard of corporate governance and corporate behaviour.

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

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

5. Anti-Corruption Policy
    - Adopt a zero-tolerance policy against all forms of bribery and corruption.
    - To provide the necessary measures to prevent any corrupt practices and the right channels to report any suspected instances of corruption or attempted corruption.
    - To ensure that employees declare any gift received and that all contracts or purchase orders are awarded solely based on determining factors such as competitiveness, quality of works, track records and after sales services.

Stakeholder Engagement

The Group defines stakeholders as individuals, entities or organisations that have the capability to impact and influence Plenitude's business model and its business operations and vice versa. Constant, two-way engagement with key stakeholders is vital in ensuring the Group's approach to sustainability and this enables us to address their issues of interest.

For efficient engagement, we engage our stakeholders through various platforms as described below.

Key Stakeholders	Key Concerns & Interests	Engagement Methods & Channels
Customers (Existing and Potential)	◦ Product Quality ◦ Customer Satisfaction ◦ End-to-end customer experience ◦ Complaints Resolution ◦ Company and Development Updates ◦ Market Outlook	◦ Corporate Website ◦ Customer Service Channels ◦ Social Media ◦ Customer Satisfaction Surveys ◦ Marketing Events ◦ Timely response to customer's feedback ◦ Digitisation of customer engagement platforms ◦ Adherence to quality standards
Community	◦ Sustainable Development ◦ Community Engagement ◦ Corporate Social Responsibility ◦ Health and Safety ◦ Affordable Housing ◦ Location Connectivity (accessibility) ◦ Education	◦ Contributions to local communities ◦ Collaboration with local higher education institutions. ◦ Plenitude Scholarship ◦ Community Events ◦ Residents' Association Meetings ◦ Social Media
Employees	◦ Career Progression ◦ Learning and Development ◦ Work-Life Integration ◦ Employee Engagement ◦ Conducive Workplaces ◦ Diversity and Inclusion ◦ Job Satisfaction and Retention ◦ Effective Leadership	◦ Regular updates on company strategy and performance. ◦ Townhalls/ Meetings ◦ Internal Emails ◦ Employee Handbook ◦ Transparent performance appraisal process and rewarding scheme. ◦ Provision of training programmes
Government and Regulatory Authority	◦ Regulatory Compliance ◦ Affordable Housing Compliance ◦ Labour Practices ◦ Occupational Safety and Health ◦ Environmental Management and Compliance ◦ Operating License	◦ Compliance with Legislated Framework ◦ Regular Dialogue with Government Agencies ◦ Real Estate and Housing Developers' Association ("REHDA") Membership

Key Stakeholders	Key Concerns & Interests	Engagement Methods & Channels
Supply Chain (Suppliers and Contractors)	○ Health and Safety ○ Anti-corruption and Business Integrity ○ Timely and Quality Delivery ○ Sourcing of Materials ○ Job and Business Opportunities ○ Environmental Management System ○ Pricing and Timely Payments ○ Fair Procurement	○ Vendor evaluation and selection ○ Safety, health and environmental policy ○ Fair and transparent tender process for all procurement ○ Project Management Meetings ○ Client-consultant meeting
Shareholders, Investors and Media	○ Corporate Governance ○ Financial Performance ○ Risk Management ○ Operational Efficiency ○ Effective Leadership	○ Annual General Meeting ○ Corporate Website ○ Annual Report ○ Corporate Announcement ○ Email Communication ○ Media Releases

Materiality Assessment

In FY2021, we have undertaken a structured materiality assessment process to identify the sustainability matters which are material to the Group and utilizes our risk assessment parameters to determine the likelihood and impact of occurrence of the risk events associated with the sustainability matters.

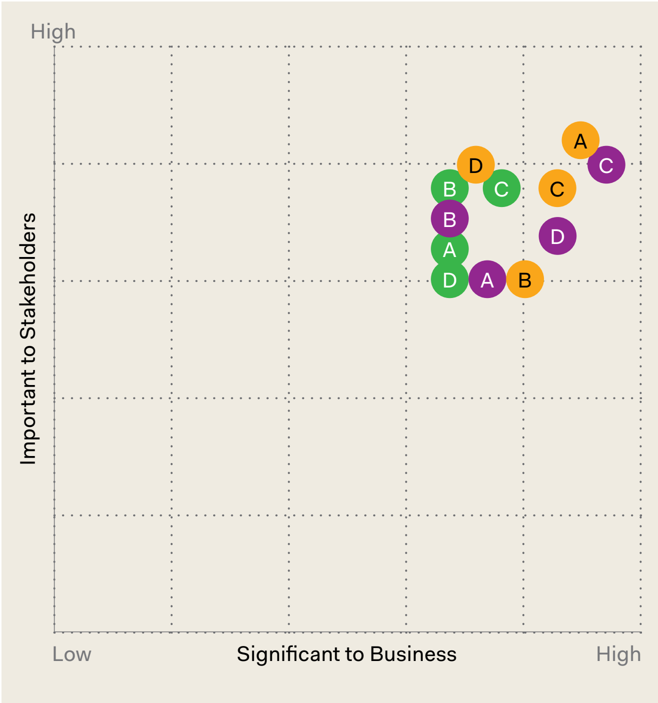
Material sustainability matters are defined as elements that are expected to have a significant effect on and are related to the Group's various stakeholders and its assessment is based on its engagement with the relevant stakeholders in its daily operations which impact the economic, environmental, and social sustainability ("EES") of the Group. These material sustainability matters are mapped to the relevant sustainability pillars as elaborated in subsequent pages of this Statement.

Our Material Sustainability Matters

Having identified our material matters through this rigorous process, we review the material matters annually to assess their continued relevance.

However, with the breakout of the pandemic, concerted effort has been taken by the Group to address the issues arising from the pandemic and ensure the safety and well-being of all our stakeholders. Therefore, health & safety now has a greater influence on our daily operations and this is reflected in the shift of the material matters within the matrix with the new addition of Pandemic Management as one of the top priorities in the material sustainability matters since last year.

Materiality Matrix



Material Sustainability Matters

PANDEMIC MANAGEMENT

3 Pillars

Economic	Environment	Social
A Financial Performance	A Energy Efficient	A Diversity
B Procurement Practices	B Environmental Protection	B Education
C Product and Services Responsibility	C Resource Management	C Health & Safety
D Community Investment	D Waste Management	D Talent Development

Our Response To Covid-19

Year 2021 has been a challenging year for Plenitude with the outbreak of the novel coronavirus pandemic. News of the spread of the novel coronavirus, later coined as Covid-19 first came to light in late 2019. By March 2020, the World Health Organisation ("WHO") officially declared the disease a pandemic, triggering massive disruptions to global economies and acutely threatened the well-being of the human population. A year has passed and the world continues to deal with the unprecedented fallout of the pandemic, many countries having more than one outbreaks and forced into multiple lockdowns due to resurgence of Covid-19 cases. Human behavior is the major factor as state and local governments, as well as individual people, differ in their response to the pandemic. The challenges brought upon by Covid-19 continues to affect economies and societies everywhere, creating a tough climate for organisations to sustain their operations. On a national scale, the Malaysian Government imposed one of the strictest lockdown in the world, several Movement Control Order ("MCO") and phases of National Recovery Plan were implemented by the Malaysian Government to address the growing outbreak of Covid-19 cases in Malaysia. These MCO, preventive and recovery measures included a near-halt to majority of businesses and strict controls on any form of public gatherings.

In recognising the Covid-19 pandemic that has brought the world to unchartered and challenging times, we continue to engage our valued stakeholders closely to help support the business value chain and maintain key priorities such as our employees' well-being and keeping the workplace safe. Through effective governing and adherence to the Ministry of Health's ("MOH") guidelines and Standard Operating Procedures ("SOP"), our business effectively weathered the economic downturn and remained agile in adapting to the volatile property, hospitality and real estate market which were exacerbated by financial insecurity and job losses. Our supply chain and operations were evaluated for its level of risk to the virus exposure to enact effective control measures where necessary to maintain the productivity of our business. This includes swab tests, health declarations, social distancing practices, regular on–site disinfection and more.

The outbreak triggered a country-wide effort to enforce social distancing measures and heavy use of disinfection products. Masks are provided by the Group and made mandatory to our staffs and visitors who entered our premises which include our offices, sales galleries, hotels and project sites. We remain vigilant when it comes to protecting the sanitary conditions of public spaces and facilities where we operate.

The Group has adopted all necessary Covid-19 mitigation measures as prescribed by government-mandated SOPs and more. These include requirements for social distancing, staggered working hours, division of manpower into separate teams, instituting work from home procedures, reducing physical engagements in favour of virtual communication channels and more. The 20th Annual General Meeting of Plenitude was conducted electronically in its entirety through live streaming and online remote participation.

Moreover, in response to the Government's directives, several key safety measures and SOPs were initiated and implemented by the Group such as requiring staffs and visitors to scan the registered premise's QR code with MySejahtera as well as putting up Covid-19 awareness posters and memos to ensure adherence by all entrants and also serve as a reminder to all personnel on their personal cleanliness and hygiene practices. Employees are also discouraged to travel during this time and required to fill up declaration form for interstate travels. Some of the measures and SOPs are described as follows:

(i) Regular disinfection practices
- Carried out by the staffs and certified vendor at the premises.
- Disinfect or clean environmental surface on regular basis when surfaces are visibly soiled.

(ii) Temperature screening
- Temperature screening is an integral component of containment efforts globally as fever is one of the earliest and most frequent manifestations of the illness.
- AI attendance system with integration of facial & mask recognition and temperature detector functions that support door access control protocol has been installed at every entry point of our offices.
- Non-contact temperature assessment devices have been set up at all the entry points of our business premises.
- Individuals above a specific temperature threshold are not allowed to enter the premises.

(iii) Social distancing
- Maintain social distance by staying at least one meter away from anyone according to WHO guidance.
- Post visual alerts at the entrance of the facility and in strategic public areas (e.g. waiting areas or elevators) about respiratory hygiene and cough etiquette and social distancing; this includes how to cover nose and mouth when coughing or sneezing and disposal of contaminated items in trash bins.
- Limiting the number of people attending meetings and avoid all large gatherings such as conferences, town halls, social events and annual functions.
- Ensuring the arrangement of workstations to allow adequate social distancing between Employees.
- Provide clear floor markers to guide the people and space out the table arrangements to enable social distancing.
- To ensure that any interaction is managed expeditiously in the event that a face-to-face engagement is unavoidable.
- Store unnecessary documents at the workstations and limit the exchange of physical documents to reduce the risk of infection.

(iv) Use of face masks and hand sanitizers
- Face masks are provided by the Group to all the staffs and are made mandatory to our staffs and visitors who enter our premises.
- Hand sanitizers and automatic hand sanitizer dispensers are made available at various points around our offices, hotels, sales galleries and project sites.

(v) Covid tests
- Swab tests will be carried out on the close contact employees upon the confirmation of any positive cases at our business premises.
- Close contact and suspected employees will not be required to return to workplace until they have met the criteria to discontinue home quarantine.

To date, we have not eased on any of our efforts to combat the spread of the Covid-19 virus to ensure that our stakeholders are assured of their safety with Plenitude.

Economic

The world was shaken up by the Covid-19 pandemic which had disrupted daily routines and lives of individuals as well as businesses. Second year into the pandemic, there is not one industry unaffected, Plenitude's engagement in property and tourism industries was undoubtedly not spared from the adverse effects of Covid-19 pandemic. However, the Group has confidence that tourism will be making a comeback and gives credence to the industry experts' statements that tourism industry is undoubtedly changing, but people still want to travel and tourism research is seeing that wanderlust desire.

As part of ensuring sustainable business operations, we have taken initiatives to explore potential new streams of incomes and funds, enhance and integrate sustainability initiatives into our daily business operations, and leverage the positive impacts of sustainability to achieve greater business growth. Various measures and management approach were adopted to ensure that we remain agile in navigating the turbulent economic conditions. Without compromising our high standards of product quality and delivery, we showcased our resilience through minimal project delays and focused on protecting the health and safety of our stakeholders.

The Group endeavors to develop, execute and monitor sustainable practices that aims to adapt to climate, market and customer uncertainties in the years to come. This includes commitment to high corporate governance standards and expanding opportunities to the local job market and suppliers.

Economic Performance

The Group strives to remain committed to elevating the Plenitude brand name and reputation, underpinned by strong corporate governance. We reflect on our presence in the market for over 20 years with pride and gratitude. Through the years, we consistently demonstrated resiliency, adaptability and quality in our products and services, as well as upholding our responsibilities towards society and environment.

The Group's stable of property developments, hospitality and residence assets constantly undergo evolvement and expansion to be better in respect of cost efficiency and quality with the aim to improve the financial performance of the Group. This has contributed positively to the nation's economy through corporate tax, indirect tax, employee's tax and any other statutory contributions. In FY2021, the property development division remains the main contributor to the Group revenue at 90%, whereas our hotel division contributes the balance of 10%. The Group has adopted various cost optimisation measures and prudent stance of conserving healthy cash flow to ensure our continuous commitment to business expansion with the ultimate goal of generating long-term value for our shareholders. Key financial indicators are as follows:

(RM'000)	FY2021	FY2020
Revenue	208,493	188,835
Gross Profit	93,553	91,727
Profit Before Tax	29,540	28,188
Net Profit	8,699	4,887
Earnings Per Share (sen)	3.1	2.1
Dividend Per Share (sen)	2.0	2.0

Procurement Practice

The enforcement and implementation of Movement Control Order ("MCO"), National Recovery Plan ("NRP") and various Covid-19 mitigation measures by Malaysia government triggered a cascade of repercussions to a majority of supply chains in the property development and tourism industry. Plenitude's management and procurement teams were quick to respond to it, successfully navigating disruptions to supply chain activities without causing major delays to our on-going project developments.

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

Source Funding
- Shareholders
- Financial Institutions
- Internally Generated Funds

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

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

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

Hospitality
- Branding
- Hotel Management

Property Investment
- Leasing
- Property Management

We remain vigilant to the changes in the current volatile market conditions as a result of the pandemic and continue to work closely with our suppliers to avoid any delays in product deliveries. In Plenitude, we manage our procurement using 3Es model – **Engage, Evaluate, Examine.**

Engage

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

Evaluate

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

Examine

- All awarded contractors and service providers are subjected to continuous assessment and review based on a set of score chart.
- Eliminate contractors from approved list who fail to meet the minimum score threshold.
- Address non-conforming works with the contractors and suppliers through Non-Conformance Report (NCR).

The Group upholds the motto "Made in Malaysia" and spares no effort to procure from local suppliers for all our projects. Our stakeholders, which include suppliers, are assured of fair project tendering and awarding opportunities to local businesses that meet the standards outlined by the Group. In FY2021, the Group registered more than 90% of its procurement from local suppliers as a move to stimulate and spur the growth of Malaysia's economy. Besides, through supporting local suppliers, we build and strengthen strong relationships with them and directly or indirectly contribute to upskill the talents and improve their products quality which would impact positively to our project delivery. This will also translate into better revenue and portfolio to all parties in the supply chain and simultaneously stimulate growth within Malaysia economy.

Notwithstanding that product and service quality are the main considerations and criteria in selecting our suppliers including main contractors and hotel operators, we hold them to the highest standard of ethical conduct, social and environmental responsibility. The Group strives to align and work hand-in-hand with its suppliers to support sustainability efforts by the Group or suppliers. The Group also has an option to terminate the contract or suspend and blacklist the suppliers in the event of any breach of agreed terms.

Within the hotel division, our business partners, Accor Hotels, AAPC Singapore Pte. Ltd (Novotel Kuala Lumpur City Centre and Mercure Penang Beach), Travelodge Hotels (Asia) Pte. Ltd (Travelodge Georgetown, Travelodge Ipoh and Travelodge Myeogdong Euljiro), Oakwood Asia Pacific Ltd (Oakwood Hotel & Residence, Kuala Lumpur) and Qlik Tanjung Point Sdn Bhd (Tanjung Point Residences) have respectively carried out great sustainability efforts which includes waste and resource management, adoption of energy efficient technologies & renewable energy, clean and care program and human rights program. The Group upholds all the initiatives and provides necessary supports to the operators whenever needed.

Product and Services Responsibility

Property Development

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

The Group's 4 township projects are as follows:

Harp Tebrau, Living & Dining actual show unit

Taman Desa Tebrau, Johor

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

Despite the imposition of several Movement Control Order ("MCO"), we timely delivered Phase 19&20 (2B) – Harp, 112 units of double storey cluster homes in July 2021 and successfully secured more than 70% sales for Phase 19&20 (3A) – Cello, 117 units of double storey terrace houses as of June 2021. Originally planned Phase 19&20 (3D) – Cello, double storey terrace houses launch had been postponed to end of year 2021 due to the imposition of MCO 3.0.

Taman Putra Prima, Puchong

Aeriel view of Diamond Puchong

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

Phase 5 – Diamond, 2 & 3 storey terrace houses was launched during the FY2021 as planned.

Bukit Bintang, Sungai Petani

Aeriel view of Bintang Maya 3, Sungai Petani

Strategically located along the Eastern Bypass of Sungai Petani, Kedah, the 417.1 acres township houses residential properties such as double storey terrace, double storey semi-D, low cost apartments and townhouses.

Soft launch of Bintang Maya 3, double storey terrace houses was released in 2nd quarter of 2021.

Taman Bukit Tebrau

Taman Bukit Tebrau Sales Office

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

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

Quality Assurance/Assessment

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

In FY2021, we are proud to reveal that our success in achieving QLASSIC certification for our development in Taman Desa Tebrau, Johor Bahru – Harp 2B with a score of 81%, and Phase 4E Topaz, Taman Putra Prima with a score of 73%. The Group remains committed to providing property products and services with highest quality to our customers and we adopt a continuous improvement approach to enhance our product quality and services in accordance to our customer expectations, market trends and industry regulations.

Hotel

Hospitality, tourism and leisure activities generate revenue for local economies directly when tourists spend in hotels, restaurants and entertainment venues. The global tourism and hospitality industries are among the sectors hardest hit by the Covid-19 pandemic. Amid the difficulties, Plenitude remains resilient and is positive of weathering the unprecedented challenges and is confident that its recalibrated operating structure and re-engineered processes will anchor the Group's recovery, in addition to positioning the Group for greater long-term sustainable growth.

The onset of the Covid-19 pandemic in early 2020 determined our hotels to strive further to implement and deliver robust governance, rigorous internal controls, cost optimisation, active guest engagement, improved guest security and responsible procurement, all of which are crucial to operating responsibly and maintaining our reputation. Our hotel divisions and operators strive to provide top-notch services to all customers who set foot in our premises. All employees in the hotels, from front office to housekeeping, are well-trained to serve the customers whole-heartedly. Our hospitality philosophy is to provide our guests an experience of a life-time.

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

Community Investment – Making a Difference in the Community

FY2021 was another challenging year for many. Economic instability, public health threats, job insecurity and more have led to drastic livelihood changes for most of society. The Group subscribes to the principles of a socially responsible corporate citizenship and strives to contribute positively to the communities in which we operate. We identify the socio-economically sustainable initiatives and translate these into actual contributions of our organisation that underpin our commitment to conduct our business in an ethical, responsible and sustainable manner so as to achieve the set goals of our organisation which are in alignment with the aspirations of all our stakeholders.

The Group maintains the three core values – employees and community welfare, environmental protection and preservation and shareholders value creation. The Group has always remained steadfast on its corporate social responsibility philosophy of providing aids to those underprivileged and needy members of our society according to their needs. Additionally, we maintained strong contribution to other charitable causes in an effort to uplift the livelihood of communities for generations to come. By giving back to the community and create a stable and united environment, it creates ripple effects and strengthens the Group as an organisation.

This year, we extended our charitable funds to specially include initiatives to fight the Covid-19 pandemic. While we are not directly involved in the medical field, we believe that it is our corporate social responsibility to provide support, where possible, to entities that worked hard to protect public health and combat the pandemic.

By integrating ourselves in the community, the Group has contributed to local communities as follows:

i. The Group through its subsidiary delivered wholesome food and drinks to the medical frontliners and healthcare sector in Penang, Ipoh and Kuala Lumpur with the hope of alleviating some of the hardships faced by them during lockdowns.

Food giveaway to our Frontliners at Hospital Universiti Malaya and Hospital Canselor Tuanku Muhriz, Universiti Kebangsaan Malaysia.

ii. To alleviate the burdened healthcare system, the Group donated high-end intensive care ventilators, vital sign monitor, powered air-purifying respirators, syringe pump, defibrillator, ECG machine with trolley etc to cardiac ward, Hospital Pulau Pinang at the cost of RM125,000 and Hospital Sultan Abdul Halim, Sungai Petani at the cost of RM262,000.

Donation of high-end intensive care ventilator to Hospital Pulau Pinang

iii. Within the Group, philanthropy is one of the most advocated traits that we have continued to inculcate within our workforce. For this reason, the Group's subsidiary and our team in Mercure Penang Beach, Penang directed their efforts towards relieving the plight of trishaw peddlers in Penang State who have been living hand-to-mouth due to the Covid-19 pandemic lockdown. The team has converted compassion into a verb by donating essentials and basic necessities to them.

iv. The Group also made cash donation of RM100,000 to charitable organisations Tzu Chi Foundation, RM100,000 to Yayasan Haji Zainuddin and RM50,000 to Penang Silver Jubilee Home.

Education

We deliver aid to communities through various means such as philanthropic giving, awareness campaigns and internship opportunities. As a young talent-oriented corporation, we are committed to provide a platform for university and college students to enhance their skills and gain exposure to the corporate world. We identify suitable interns through collaborations with leading local universities which currently include Tunku Abdul Rahman University College (TARUC) and Sunway University, offering them suitable roles in the company and assist them to sharpen their skills and improve their practical knowledge throughout their internship journey.

We believe quality education is the key driver for transformation. In FY2021, the Group has set up Plenitude Scholarship to support quality education opportunities to the underprivileged students.

A Talent Development Program is also in place along with scholarships and internships offered to students in tertiary education institutions. This can fulfil our talent needs by recruiting new talents from the mass exodus of universities' graduates to build a career with us upon graduation.

Affordable Housing

A National Affordable Housing Council was established in early 2019 to oversee the implementation of affordable houses nationwide in accordance with The National Affordable Housing Policy (NAHP) or Dasar Perumahan Mampu Milik (DRMM). The NAHP is a sub-policy under the National Housing Policy 2018-2025 which was launched earlier that outlines the standards, key specifications and selling price, and is a guide for the development of liveable and safe affordable housing. Such intensified efforts from the federal and state governments are aimed at improving the wellbeing of the citizens by providing quality and affordable housing as well as increasing home ownership.

The Group is always supportive of these policies and initiatives with more than 6,000 units of affordable houses delivered since its inception. All the affordable houses are priced below RM200,000 which is lower than the ceiling price capped by the National Housing Policy of RM300,000. In the pipeline, the Group estimates to roll out more than 1,600 units affordable houses in both northern and southern region. This is to support the respective state's plan such as Perumahan Komuniti (Johor), Rumah Mampu Milik (Johor), Rumah Kasih Rakyat (Kedah), Rumah Aman (Kedah), and Rumah Makmur (Kedah).

UP TO FY2021

6,000 UNITS
Delivered

IN THE PIPELINE

1,600 UNITS
To be rolled out

Environment

At Plenitude, we remain abreast on the clarion and growing call for environmental stewardship. The Group strives to incorporate environmental-friendly elements into all its property development projects to protect and preserve Mother Earth. We seek to exercise our duty as a responsible organisation to minimise our impact to natural ecosystems and biodiversity through sound environmental management practices and compliance to regulatory requirements. Our developments are designed to inculcate environmental conscientious parameters and large green spaces to optimise the use of natural resources in a sustainable manner. We recognise the importance of enhancing operational eco-efficiency as it improves competitiveness in terms of cost reduction and reduces environmental liabilities.

The Group endeavours to improve operational eco-efficiency and reduce our environmental footprint through the efficient use of resources and minimising wastage in the course of conducting its businesses in both property development and hospitality segments which ultimately will go a long way in protecting the integrity of the environment for current and future generations.

Energy Efficiency

Effective energy management plays a critical role in mitigating climate change. It is a powerful greenhouse gas ("GHG") emissions reduction tool, but also helps to reduce operational cost. The Group's core activities – both property development and operations of property and hotels require extensive use of energy. Buildings and hotels represent the biggest opportunities for carbon reduction in mitigating climate change as they are responsible for about 80-90% of the carbon emissions during their operations.

We understand the importance of innovation in our building designs to incorporate features that not only meet market trends but also remain environmentally responsible. Our hotels and development are integrated with energy efficiency features that either optimises the use of natural daylight and ventilation or lower electricity demand to achieve "Low-Carbon Building" with GHG reduction in mind.

We have adopted energy efficient technologies such as high-yield boilers and Light-emitting Diode ("LED") lightings which emit similar amount of lumens with less amount of energy consumed in all compound areas and common areas and incorporated timer control for electricity in public areas.

Today, all our offices' lightings and hotels' lightings in the carparks and fire escape areas have been replaced with LED lightings to reduce CO2 emission and energy consumption by 70%. Internally, all staffs are inculcated with the mind-set to conserve energy as much as they can by switching off lights whenever it is not used. This effort effectively reduces electrical energy consumption and consequently save energy and cost.

Working in tandem with highly qualified consultants, we ensure that all our property developments comply with local authority requirements which allocate 15% as green area and 48% for community services. The Group will remain its strong stance on maintaining regulatory compliance by constantly review and monitor its project development to ensure that it complies with the relevant laws, rules and regulations in the relevant jurisdiction.

Our growing business inevitably contributes to increasing resource consumption, yet we will increasingly remain cognisant of our operations and work diligently to identify effective resource management measures that would ensure long term environmental sustainability for generations to come.

Water Conservation

Water is an increasingly important issue for our business and its conservation is imperative. Our hotels and hospitality assets have introduced various means to restrain water usage. Rain harvesting tanks and dual flush water cisterns are widely used enabling water consumption to be reduced and conserved when one can choose to have light flushing or heavy flushing, where light flushing uses only half the volume of water compared to full volume of water for heavy flushing. The hotels have also been equipped with aerated shower heads and taps which produce the same experience whilst using up to 50% less water consumption.

Waste Management

The Group understands the importance of well-planned waste management in our operations to reduce adverse environmental impacts. Therefore, we ensure that proper Waste Management Plan is in place during construction and hotel refurbishment/ renovations stages throughout our enterprise. As per the Waste Management and Recycling Plan, the contractor is required to establish their waste management and recycling targets or goals to minimize construction waste and debris, and to reuse, salvage, and recycle where feasible. The Waste Management Plan also includes administrative and procedural requirements for overall waste management and recycling activities.

As a responsible company, Plenitude supports environmental sustainability within the organisation by initiating the Go-Green Campaign to generate environmental-friendly awareness and culture within the Group. Employees are encouraged to develop habits on certain simple green practices such as increase usage of electronic softcopies to reduce paper usage, go digital for meeting and presentations, practice double sided printing, switching off lights and air conditioning during lunch time and after hours as well as reducing the use of plastic items for lunch takeaways. These actions serve as a good starting point to inculcate environmental friendly values among employees and collectively make a substantial impact in waste reduction and energy conservation.

Plastic

Malaysia has been ranked as one of the biggest individual consumers of plastic in an analysis of Asia's worst ocean polluters. Plastic pollution is the scourge of humanity and in 2021, we used 148,000 tonnes of plastic packaging for food and our annual per capita plastic packaging usage is 16.78kg.

Covid-19 has led to increased plastics use resulting in more waste. People have been buying food and goods packaged in plastic for delivery. In order to limit single-use plastics, our hotels have phased out plastic stirrers and straws in all food and beverage outlets and replaced with biodegradable materials since January 2020.

Further, our hotels have taken initiatives to reduce the usage of plastic drinking water bottle in all hotel rooms by introducing 3M drinking water filtration system. This water filtration/purification system enables the guests to bottle their own drinking water in recyclable bottles to reduce the usage of plastic drinking bottle.

Food

According to Food and Agriculture Organisation (FAO) of the United Nation 2018 report, "Food Loss and Waste and the Right to Adequate Food: Making the Connection", approximately 30% of world food production is lost or wasted and ¼ of such wasted food is enough to feed all the people who are malnourished. More so, both hotel and restaurant industries contribute significantly to the statistics as it is estimated that 25% of food purchases are thrown away. We are cognizant that buffet inevitably will lead to higher food wastage, therefore, we endeavour and will continuously exert our utmost efforts to reduce the wastage as much as possible. To mitigate food wastage, our hotels have implemented more live stations in our buffet section where dishes are cooked based on guest request.

Since the onset of the Covid-19 pandemic, all the basic conditions and activities necessary to maintain a hygienic food processing environment are in place. To comply with the government's Covid-19 SOPs and social distancing rules, our hotels reduce the buffet service and most of the food and beverages outlets switched from buffet spread to cook-to-order service. Simultaneously, the hotels took steps to prevent food waste at source by using appropriate planning, storage, and handling to avoid overproduction. These initiatives will protect customers' safety as well as reduce food wastage. On the other hand, our hotels have also removed any endangered marine species from our menus such as Bluefin Tuna, Swordfish, Shark and Ray.

Paper

In our workplace, initiatives to save the trees have been ongoing for the past few years where we minimise printing and instead adhere to paperless information transmission and view documents electronically. Where printing is necessary, employees are encouraged to practice double sided printing which effectively halves paper consumption. We practice recycling at our offices and reuse recycled papers and envelopes whenever possible, to reduce paper usage.

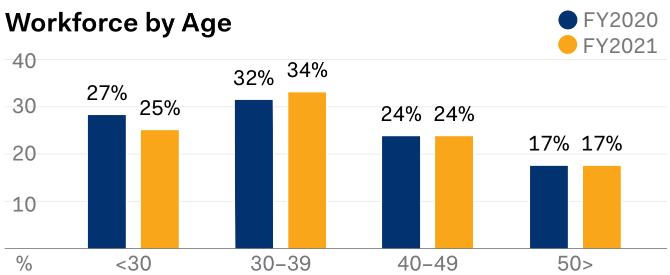
Moving forward, the Group will seek more ways to curb its paper usage as it systematically digitalises more facets of its organisation to enhance workflow and productivity.

SOCIAL

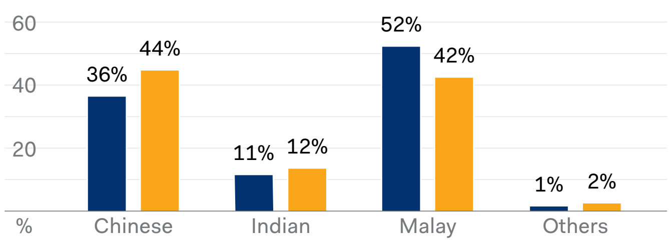
Workplace Diversity

The Group embraces diversity and inclusion within its workforce at all levels of the organisation and strive to maintain the best recruitment practice in selecting the right candidate at Plenitude. Both men and women are accorded equal opportunities to apply to any available job position with selection and appointment of talent based purely on merit. We believe Malaysians are equally capable in performance and strives to promote local employment that serve to elevate the talent of our fellow Malaysians and provide them the opportunity to develop fulfilling career that is up to par with global standards.

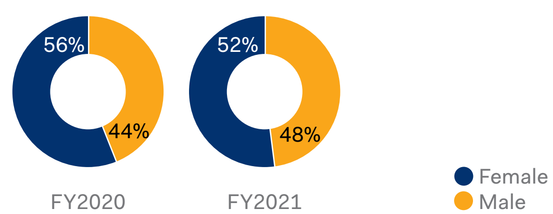
Workforce by Age



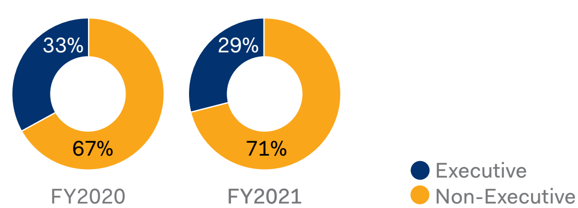
Workforce by Race



Workforce by Gender



Workforce By Employment Type



The Group adopts zero-tolerance policy on any form of discrimination against any employee due to race, age and ethnicity. The Group's employee's diversity is fairly distributed by the age, ethnicity and gender. We believe a diversified workforce would contribute towards better ideas and perspectives in carrying out our duties to meet the expectations of our customers and market demands.

Talent Development

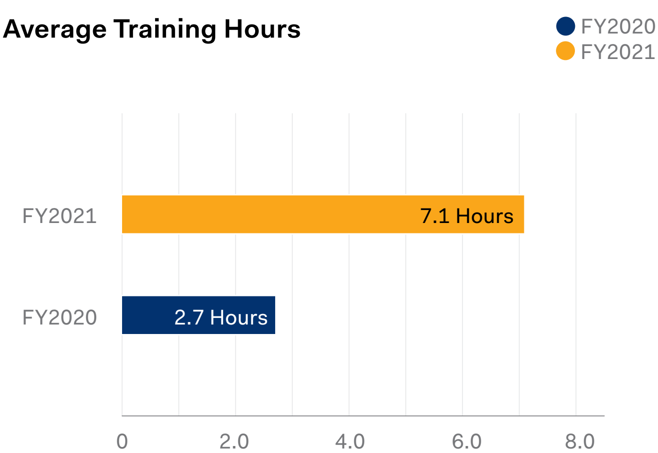
The Group emphasises on talent development and continuously provides a powerful and knowledgeable platform for the employees to continue building their capabilities and learning experience. Further, talent development also serves as a form of employee engagement that enhances career progression as well as develop skills that would serve the organisation in reaching its business objective.

The Group values the employees as the core and most valuable asset of the Group for the reason that the combination of talents, experience and cultures yields different perspectives and ideas for expansion and greater productivity. We have provided different customisable learning and development programmes for our employees to keep growing sustainably.

Average Training Hours

Despite the reduction in training hours and budget due to the unprecedented challenges posed by the Covid-19 pandemic, we did not compromise our talent development initiatives and chose to shift our focus on conducting training programmes that were deemed essential to the business.

Average Training Hours



Optimising Employee Management

In FY2021, we have upgraded our Human Resource Management System ("HRMS"), several new features were added to the platform to further streamline in-house processes and optimize the Group's employee engagement measures.

Features of HRMS

System	Benefits
Automated issuance of monthly payslips	Centralised data storage system
Leave and claims: + Application + Approval + Record-keeping	Clear reporting and approval process
Annual Appraisal	Minimize paper usage and manual filing methods
	Improved local support team to address technical issues

Employee Benefit

Plenitude staff are entitled to a wide range of monetary and non-monetary benefits. The Group offers a competitive package and comprehensive benefits as stipulated under the Employment Act 1955 to attract and retain employees. The benefits include maternity leaves, health benefits and coverage under the Group's insurance plans. By doing so, all employees are able to commit and perform better for the Group. The Group adopts meritocracy policy where all employees are rewarded based on an annual performance review. Such performance-based reward system provides motivation to the employees to strive for excellence and put the Group's interest as top priority.

The Group has an impartial performance management system known as Valuing Performance (VP) to set goal and examine job performance and behavioral performance. This system provides a platform allowing all employees to receive periodical performance feedbacks and career development reviews while having a consistent engagement between employees and line managers. Loyalty rewards are given to those long service employees who have been loyal and remain with the Group through thick and thin at our Annual Dinner.

Team building on World Oceans Day at Mercure Penang Beach Hotel

Health and Safety

At Plenitude, health and safety of our employees and guests is of paramount importance. The Ministry of Health of Malaysia ("MOH") in its continuing effort to contain the spread of the Covid-19 pandemic had enforced various Standard Operating Procedures ("SOPs"). The Group has complied strictly with all required SOPs aimed at mitigating the risk of spreading the contagious disease at all office premises and hotels.

The SOPs are listed as below:

- Mandatory check-in with MySejahtera application/Register names and mobile number before entering premises or hotel check-in lobby
- Implement mandatory mask-wearing at our premises and public areas
- Temperature screening conducted at all entry points
- Social distancing measures enforced at public area

Installation plastic panel at the front desk

The SOPs listed above are executed in all our workplaces and hotels. Furthermore, hand sanitizers and automatic hand sanitizer dispenser are installed and provided in high-traffic and prominent public areas to improve personal hygiene and mitigate the risk of contracting Covid-19.

Implementation of Covid-19 safety measures

Not only did we implement measures to protect our employees during their time in office, but also enforced strict conditions at our project sites to ensure that our operations continue to operate as smoothly as possible. It is vigilant in safeguarding the safety and health of all stakeholders and therefore a standard Safety, Health and Environment Policy was established to ensure all employees, contractors and the public at large are in a safe and healthy environment. The policy will be reviewed and regularly updated to ensure its practicality and strict adherence. Various safety initiatives are carried out on a regular basis to create a safe culture and inculcate a sense of awareness amongst employees to embrace responsibility to play a vital role in occupational safety, health and environmental matters.

Regular safety initiatives practised by the Group include:

1. Weekly toolbox talk
2. Fire Drill and Training at least once a year
3. Monthly safety committee meeting
4. Quarterly site safety audit by Safety Department
5. Safety training for site staff and contractors

Other safety measures in place include 24-hour security guards services within the office premises, surveillance equipment at suitable locations and proper lightings installed at frequented areas such as car parks and staircases. In FY2021, the Group maintains record of zero significant accidents or injuries at construction sites.

Launch
Q2, 2020

Type of Development
Residential, Landed

Total GDV
Estimated RM96 million

Type of Product
2 Storey Terrace House

Location
Johor Bahru, Johor

Land Size
22' × 75'

Tenure
Freehold

Built-up
From 1,896 – 2,242 sq ft

CELLO
TAMAN DESA TEBRAU
JOHOR BAHRU

Master bedroom, actual show unit

Family hall, actual show unit

Corporate Diary And Highlights

September 2020

Milestone to 1,000 Fans Journey

October 2020

Beach clean-up before reopening of Mercure Penang Beach

November 2020

Farm to table – growing and harvesting produce freshly from our own garden

May 2021

A token of appreciation to frontliners at University of Malaya Medical Centre

June 2021

Donation of ventilator to Hospital Pulau Pinang

July 2021

Oakwood Hotel & Residence food bank to support those affected by Covid-19

November 2020

Plenitude's Property 20th Anniversary

March 2021

Earth Hour Initiatives by Oakwood Hotel & Residence, Kuala Lumpur

March 2021

Mercure Penang Beach Craft and Culture Market with collaboration with St. Nicholas Home, Penang

July 2021

Contribution from public to Oakwood Hotel & Residence Kuala Lumpur food bank

July 2021

Contribution to orphanage by Travelodge Ipoh

August 2021

64th Merdeka Day Celebration, distribution of goody bags to the frontliners at Penang General Hospital

Management Discussion And Analysis

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

Business Environment

The world continues to battle the Covid-19 pandemic which has adversely impacted global economy and our way of life. The financial year 2021 has been challenging and the continued impact of movement restrictions has weighed heavily on our hotel division's performance.

The property market is expected to see a mixed performance due to prevailing uncertainties and hotel industry is expected to be lacklustre until we achieve herd immunity and interstate and global travel are allowed. However, consumer confidence is expected to improve by the end of 2021, supported by the vaccination programme rollout and current low interest rate environment.

Financial Performance

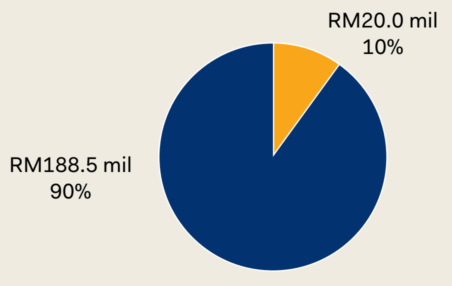
RM'000	Property	Hotel	Total
FY2021			
Revenue	188,491	20,002	**208,493**
PBT/(LBT)	75,637	(46,097)	**29,540**
FY2020			
Revenue	133,694	55,141	**188,835**
PBT/(LBT)	60,887	(32,699)	**28,188**

Since the outbreak of the pandemic, the Group has put in place a business continuity plan with strict Standard Operating Procedures (SOPs). Through our concerted efforts, the Group achieved a commendable financial performance despite uncertainties in our operating environment.

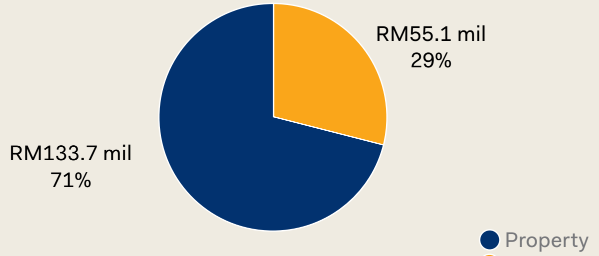
The Group recorded a revenue of RM208.5 million and Profit before tax ("PBT") of RM29.5 million for financial year ended 30 June 2021 ("FY2021") as compared to RM188.8 million and PBT of RM28.2 million respectively in the preceding financial year ended 30 June 2020 ("FY2020"). This was driven predominantly by the property development division with a revenue of RM188.5 million which accounted for 90% of the Group's total revenue, followed by the revenue from hospitality division of RM20.0 million which accounted for the remaining 10%.

PBT improved slightly to RM29.5 million from preceding financial year's RM28.2 million.

FY2021 Revenue by Division



FY2020 Revenue by Division



Property Development

RM'000	
FY2021	
Revenue	**188,491**
PBT	**75,637**
FY2020	
Revenue	133,694
PBT	60,887

The existing low interest rate environment due to cuts made in the overnight policy rate ("OPR") by Bank Negara Malaysia had enabled more qualified buyers to secure home loans and this contributed to a recovery in sales momentum throughout FY2021. Plenitude also took advantage of the fiscal stimulus packages introduced by the Government that further boosted home buyers' appetite, including the extension of the Home Ownership Campaign ("HOC") which was extended to 31 May 2021 and again to 31 December 2021.

The Group also took immediate steps to focus on digital innovation and online capabilities so that we could continue engaging our customers and bring our product offerings to them. Our digitisation initiatives include the adoption of e-brochures and virtual walkthroughs as sales tools and the increased use of digital advertising and social media marketing.

In a surprising twist of events, property development division managed to enjoy a relatively encouraging response from the market with demand for landed properties. The Group's property development division posted a revenue of RM188.5 million and PBT of RM75.6 million in FY2021 as compared to RM133.7 million and RM60.9 million respectively in the preceding financial year.

The positive contribution in revenue for FY2021 was mainly from disposal of completed properties namely Bintang Maya 2 – double storey terrace houses in Sungai Petani, Kedah, Phase 4E – Topaz, 2 & 3 storey terrace houses at Taman Putra Prima in Puchong, Selangor and Phase 19&20 (2A) – Harp, double storey cluster homes at Taman Desa Tebrau in Johor Bahru, Johor. The increase in revenue was also attributed to the ongoing construction projects Phase 19&20 (2B) – Harp, double storey cluster homes, Phase 19&20 (3A) – Cello, double storey terrace houses at Taman Desa Tebrau in Johor Bahru, Johor and newly launched Phase 5 – Diamond, 2 & 3 storey terrace houses at Taman Putra Prima in Puchong, Selangor.

To reduce single region concentration in the Group's development activities, Plenitude has lined up a strong suite of products offered at different regions where real property demand is still resilient. In FY2021, the central region contributed 42% while projects in southern and northern region accounted for 36% and 22% respectively of the property development division revenue.

FY2021	
Revenue Contribution by Region	
Johor	36%
Selangor	42%
Kedah	18%
Penang	4%
	100%

Hotel Operations

RM'000	
FY2021	
Revenue	**20,002**
LBT	**(46,097)**
FY2020	
Revenue	55,141
LBT	(32,699)

The Group's hotel businesses experienced extremely tough operating conditions throughout FY2021. As the Covid-19 pandemic swept across the globe, complete border closures, numerous lockdowns and blanket travel bans were imposed by governments to control its spread. This in turn triggered a global economic crisis and an unprecedented collapse in both international and domestic travel.

Against this backdrop, revenue from hotel division fell by 64% from previous year's RM55.1 million to RM20.0 million in line with sharply weaker room rates and diminished food and beverage businesses therefore registering a loss before tax of RM46.1 million in FY2021 compared to loss before tax of RM32.7 million in the preceding financial year. Average occupancy remained low and further slipped to 22% in FY2021 compared to 39% in FY2020.

FY2021

Revenue Contribution by Region	
Penang	32%
Kuala Lumpur	42%
Ipoh	9%
South Korea	17%
	100%

Notwithstanding the challenging business environment, Mercure Penang Beach and Travelodge Ipoh which were temporarily closed in April 2020 resumed its operations in October 2020 when interstate travel was allowed. Currently, Ascott Gurney Penang renovation works is still ongoing.

Property Investment

Lease rental income was reported as part of investment revenue in the Statement of Comprehensive Income. The Group recognised rental income of RM3.6 million and operating profit of RM2.4 million in FY2021 as compared to RM3.7 million and RM2.6 million respectively in FY2020.

Costs and Expenses

Throughout the year, we continued to drive cost efficiencies by tracking supply usage focusing on energy consumption and tapping new technology to improve our bottom line. We are keeping costs under tight control, implementing mitigating initiatives and enhancing efficiencies across our businesses wherever possible. Total costs and expenses before finance costs declined to RM84.3 million from RM88.0 million in FY2020. Included in current financial year's administrative expenses were RM2.5 million arising from writing off the obsolete or no longer in use plant and equipment for Ascott Gurney Penang.

Financial Position

FY2021

Total Assets	**RM2.18 bil**
Equity attributes to owners	**RM1.58 bil**
Net assets per share	**RM4.14**

FY2020

Total Assets	RM1.90 bil
Equity attributes to owners	RM1.57 bil
Net assets per share	RM4.12

The Group's financial position remains healthy. Total assets as at end of FY2021 stood at RM2.18 billion while total equity attributable to owners of the Company stood at RM1.58 billion, translating to Net Assets per Share of RM4.14. In comparison, the total assets in FY2020 was RM1.90 billion while total equity attributable to owners of the Company stood at RM1.57 billion with Net Assets per Share of RM4.12.

Cash and bank balances, fixed deposits and investment in money market fund boosted by RM263.0 million from last financial year's RM123.3 million to RM386.3 million as at 30 June 2021. During FY2021, operating activities generated net cash of RM95.1 million and issuance of non-convertible redeemable preference shares by a subsidiary company raised RM164.0 million. RM35.8 million capital expenditure was incurred during the year, mainly for the refurbishment of Ascott Gurney Penang, Novotel Kuala Lumpur City Centre and Domitys Bangsar Kuala Lumpur.

The Group borrowings increased to RM367.5 million from RM136.2 million in FY2020. The additional borrowings include RM164.0 million raised from issuance of non-convertible redeemable preference shares by a subsidiary company and loan drawdowns for the hotels' renovation expenses. The Group's net gearing ratio stood at 0.23x shareholders' funds as of 30 June 2021 indicating that the Group has sufficient capacity to undertake additional borrowings for future expansion when necessary.

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

Dividends

FY2021	**2.0 sen per share**
FY2020	2.0 sen per share

For the FY2021, the Company proposed a final single-tier dividend of 2.0 sen per share. This dividend is subject to approval of the shareholders at the forthcoming Annual General Meeting of the Company. In respect of the FY2020, a final single-tier dividend of 2.0 sen per share was paid on 20 November 2020.

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

Review of Operating Activities

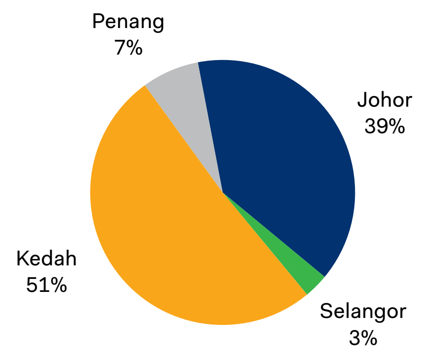
Property Development

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

Property development remains the mainstay of the Group which contributed 90% of revenue for FY2021 and 71% for FY2020. FY2021 total sales doubled to RM301.1 million from RM145.4 million achieved in previous year. Sales recorded in FY2021 were led by new launches Phase 5 – Diamond, Taman Putra Prima, Puchong and Phase 19&20 (3A) – Cello, Taman Desa Tebrau, Johor Bahru as well as completed Phase 4E – Topaz, Taman Putra Prima, Puchong and Bintang Maya 2, Sungai Petani.

The Group's current landbank stood at approximately 1,214 acres.

Group Land Bank by Location



Group Land Bank

Location	Land Area (acres)
Johor	472
Kedah	616
Penang	88
Selangor	38
Total	**1,214**

Southern Region

Taman Desa Tebrau, Johor Bahru

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

112 units of Phase 19&20 (2B) – Harp, cluster homes were completed and handed over to its purchasers in July 2021. Phase 19&20 (3A) – Cello, 117 units of double storey terrace houses was launched in March 2020 and successfully recorded 74% sales as of August 2021.

The Group adjusted its property launches in tandem with market conditions and market demand. Launching of Phase 19&20 (3D) – Cello, 93 units of double storey terrace houses was deferred to Financial Year 2022 ("FY2022") due to reinstatement of MCO 3.0. Besides, Phase 19&20 (3B) – Cello, 162 units of double storey terrace houses will also be unveiled in FY2022.

Taman Desa Tebrau, Phase 19/20 – Cello

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

Taman Bukit Tebrau

Taman Bukit Tebrau sales galery, artist impression

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

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

The first property to be introduced in Taman Bukit Tebrau is 143 units of double storey terrace houses.

Central Region

Taman Putra Prima, Puchong

Taman Putra Prima, Phase 5 – Diamond, artist impression

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

Final phase in Taman Putra Prima, Phase 5 – Diamond, 170 units of 2 & 3 storey terrace houses was launched in May 21. Diamond received encouraging response from the locals and as of August 2021, 34% or 58 Sales and Purchase Agreements have been secured.

Northern Region

Bintang Maya, Sungai Petani

Bintang Maya

Bintang Maya is located in Sungai Petani, Kedah, with a land area of approximately 38.3 acres. It consists of 403 units of double storey terrace houses with total gross development value of approximately RM172.4 million. The first phase of the project commenced in 2015 and since then 234 units have been fully sold and completed. Bintang Maya 1 is fully sold and Bintang Maya 2's take up rate is 39% as at August 2021.

New phase, Bintang Maya 3, double storey terrace houses was revealed in the 4th quarter of FY2021. In the pipeline, the Group also intends to roll out 15 units of double storey shops and 110 units of single storey bungalow houses in FY2022.

The Marin at Ferringhi

The Marin at Ferringhi

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

The softened property market and temporary suspension of Malaysia My Second Home Programme since last August 2020 has impacted the sales of The Marin. As at August 2021, 51% of units in Tower A were sold.

Hotel Operations

As of 30 June 2021, the Group owns the following 7 hospitality assets:

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

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

During the FY2021, the Group completed refurbishment of Novotel Kuala Lumpur City Centre. Renovation works for Ascott Gurney Penang is ongoing and scheduled to be released in the first quarter of 2022.

Also, Nomad Bangsar Serviced Residences, Kuala Lumpur had closed some of the units for upgrading in preparation of rebranding to Domitys Kuala Lumpur. Domitys Kuala Lumpur, dedicated to active and independent senior residents is also scheduled to open around the same time when we unveil Ascott Gurney Penang in 2022. The Domitys brand is a market leader in providing lodging and hospitality to senior citizens and a key player in the Silver Economy in France.

Upcoming Ascott Gurney Penang & Gurney Walk


Upcoming Domitys Bangsar Kuala Lumpur

Forward-Looking Statement

"For the Malaysian economy, the re-imposition of nation-wide containment measures to curb the resurgence in Covid-19 cases has dampened the growth momentum. However, the recent gradual relaxation for more economic sectors to operate, along with higher adaptability of firms to the new operating environment and continued policy support, would partly mitigate the impact and allow the economy to resume its recovery path. Moving forward, the further easing of containment measures, rapid progress of the domestic vaccination programme and continued expansion in global demand will support the growth momentum going into 2022." *(1)*

(1) Bank Negara Malaysia: Monetary Policy Statement https://www.bnm.gov.my/-/monetary-policy-statement-09092021

The overall outlook for the Group's property and hospitality businesses remains challenging due to the protracted and evolving Covid-19 situations worldwide. However, the Group is of the view that with the progressive rollout of the mass vaccination programme by the government, the local economy will begin to recover steadily, and the economic recovery will also be boosted by the government's introduction of various multi-billion fiscal stimulus packages.

We are cautiously optimistic on the property outlook amidst the current challenging environment and soft market sentiment. With more high-tech marketing strategies involving virtual sales gallery and online bookings, we nevertheless foresee the property sector will be able to bolster the threat with an upward recovery trend. This is possible on the platform of low interest rates along with various initiatives such as stamp duty exemption, Home Ownership Campaign ("HOC") under a broad-based economic stimulus package, removal of the 70% financing limit margin, Real Property Gains Tax ("RPGT") exemption and such other incentives accorded by the Government of Malaysia. Concurrently, we are staying alert and responsive to the new level of customer expectations and changing trends in customer behaviour. Likewise, we are adapting our business to shifting demand patterns and changes in market requirements. We are also accelerating our digital transformation process, launching new technologies and tools to empower us to optimise the customer experience and build better customer engagement, brand loyalty and market share.

New launches have been reviewed and planned to ensure that the type of products caters to the demands of the target buyers. The schedule of launches is carefully planned so that supply is not excessive to demand thereby adding to inventory. For the coming financial year, barring any unforeseen circumstances, the Group plans to launch Phase 19&20 (3D & 3B) – Cello, 255 units double storey terrace house at Taman Desa Tebrau, 15 units of shop office and 102 units single storey bungalow house at Sungai Petani, Kedah, along with 143 units double storey terrace house at new township Taman Bukit Tebrau, Kota Tinggi. Total gross development value for the launches is estimated at RM277.6 million.

The hospitality segment remains an integral part of the Group in the long-term growth. The Group has formulated strategic pricing to accommodate probable demands. The step-up of the current Covid-19 vaccination program nationwide will be the predominant drive to lead the economic sectors to gradual recovery in the next financial year. The hospitality sector will be expected to reap most of the benefits from the post vaccination programme with the relaxation of local travel restrictions and later, borders reopening to international travellers.

Our strategy in the immediate term will therefore be to continue to pursue and develop a vibrant domestic market, by providing accommodation and food & beverage packages that appeal to a wider local audience, focus on controlling costs whilst driving revenue wherever possible, on top of ensuring the property is properly maintained and place added emphasis on retraining staff members.

As the world, and Malaysia, continue to endure the effects of the pandemic, we remain vigilant on our outlook. The Group will continue to monitor the latest developments relating to the pandemic and operating condition and address any development accordingly, with the long-term view of maximising value for our shareholders. Plenitude will remain prudent in financial management without sacrificing opportunities for growth and improvements. The Group will continue to pursue its long-term strategies of strengthening its regional footprint, growing its recurring income base, pursuing its domestic business agenda, and continue reviewing its asset portfolio. The Group continues to be vigilant in sourcing for prime and strategic land for future development thereby ensuring continuous and sustainable business growth.

Corporate Governance Overview Statement

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

This Corporate Governance Overview Statement ("CG Overview Statement") is prepared pursuant to Paragraph 15.25 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and takes guidance from the key CG principles as set out in the Malaysian Code on Corporate Governance ("MCCG 2017") issued by the Securities Commission Malaysia ("SC").

This CG Overview Statement provides an overview of the Corporate Governance ("CG") practices of the Company under the leadership of the Board during the financial year ended 30 June 2021. It is to be read in conjunction with the CG Report, which is made available online at plenitude.com.my. The CG Report provides the details on how the Company has applied each Practice as set out in the MCCG 2017 during the financial year 2021.

Principle A: Board Leadership and Effectiveness

1. Board Responsibilities

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

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

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

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

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

1.3 The Company has two (2) Company Secretaries. The Company Secretaries are qualified to act under Section 235(2) of the Companies Act 2016 ("CA 2016"). Both are Associate members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"), suitably qualified and capable of carrying out the duties as required of the position.

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

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

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

In September 2021, the Board has reviewed and approved the amendments to the Board Charter, the Code of Conduct and Ethics for Directors and terms of reference of the Board Committees for the purpose of clarity and consistency.

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

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

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

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

2. Board Composition

2.1 The Board consists of a total of five (5) Directors comprising one (1) Non-Independent Non-Executive Chairman and four (4) Independent Non-Executive Directors ("NEDs"). 80% of the Board members is independent directors. The Board has complied with paragraph 15.02(1) of the MMLR which requires that at least two (2) Directors or one-third (1/3) of the Board of the Company, whichever is higher, are independent directors; and conformed to the MCCG 2017 recommendation that of at least half of the Board comprises Independent Directors.

The composition and size of the Board are reviewed from time to time to ensure its appropriateness. Ongoing efforts are also taken to maintain an appropriate gender representation on the Board. The profile of each Director is presented on pages 10 to 11 of this Annual Report.

2.2 The Board takes cognisance the recommendation of Practice 4.2 of the MCCG 2017 that the tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board as a Non-Independent Director. If the Board intends to retain an independent director beyond nine (9) years, it should justify and seek the shareholders' approval at the annual general meeting of the Company ("AGM"). If the Board continues to retain the independent director after the twelfth (12) year, the Board should provide justification and seek annual shareholders' approval through a two-tier voting process.

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

Mr Tan Kak Teck has served for a cumulative term of eighteen (18) years as Independent Non-Executive Director of the Company. Meanwhile, Ir Teo Boon Keng was appointed as Independent Non-Executive Director of the Company on 2 July 2012 and has served for a cumulative term of 9 years on 2 July 2021. The Board is satisfied that Mr Tan Kak Teck and Ir Teo Boon Keng have satisfactorily demonstrated their independence from management and are free from any business or other relationship which may interfere with the exercise of their independent judgement. The Board recognises the professional skills and contributions by Mr Tan Kak Teck and Ir Teo Boon Keng and considers that their continuing position as Independent Non-Executive Director will enable them to be objective and clear in reviewing the Group's business strategies and direction. Therefore, the Board recommends and supports the retention of Mr Tan Kak Teck as Independent Non-Executive Director of the Company which will be tabled for the shareholders' approval at the forthcoming 21st AGM through a two-tier voting process and Ir Teo Boon Keng will seek the shareholders' approval to remain as Independent Non-Executive Director at the forthcoming 21st AGM.

2.3 The Board recognises the benefits of having a diverse Board to ensure that the mix and profile of the Board members in terms of age, ethnicity and gender provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management. In this regard, the Board through its NC reviews on an annual basis the effectiveness of the Board, its Committees and the contributions of each individual Director, including the required mix of skills and core competencies necessary for the Board to discharge its duties effectively. The Board has always considered gender and workplace diversity as set out under Practice 4.5 of the MCCG 2017 which emphasises the support of women representation at the Group level as well as the Group's respective subsidiary boards. Notwithstanding, the Board is of the view that while it is important to promote gender diversity, the normal selection criteria of a Director, based on effective blend of competencies, skills, extensive experience and knowledge in areas identified by the Board, should remain a priority so as not to compromise on qualifications, experiences and capabilities.

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

At the forthcoming 21st AGM, two (2) Directors who will be retiring by rotation are Madam Chua Elsie and Mr Tee Kim Chan. Both Madam Chua Elsie and Mr Tee Kim Chan are, being eligible, offer themselves for re-election.

2.5 The NC comprises three (3) Independent Non-Executive Directors. It complies with Practice 4.7 of the MCCG 2017 that the NC is chaired by an Independent Director.

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

During the financial year ended 30 June 2021, the NC met twice in carrying out the following activities:

(i) Assessed and reviewed the performance of the Board as a whole, Board Committees, individual Directors and self-assessment of the AC;

(ii) Reviewed and recommended the re-election of Directors at the 20th AGM; and

(iii) Reviewed and recommended the retention of the Independent Non-Executive Directors, who have exceeded a cumulative term of 9 years as well as their independency, at the 20th AGM;

and reported the outcome to the Board for decision.

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

2.6 Five (5) Board meetings were held during the financial year ended 30 June 2021. All Directors fulfilled the requirements of the Constitution with respect to the Board meetings' attendance that every Director must attend at least fifty (50) percent of the Board meetings held each financial year.

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

	Attendance			
Name of Director	**Board**	**AC**	**NC**	**RC**
Chua Elsie	5/5			
Tan Kak Teck	5/5	5/5	2/2	
Ir Teo Boon Keng	5/5	5/5		
Dato' Lok Bah Bah @ Loh Yeow Boo	5/5	5/5	2/2	1/1
Tee Kim Chan	4/5		2/2	1/1

2.7 The Board emphasises the importance of continuing education for the Directors to ensure that they are equipped with the necessary skills and knowledge to meet its challenges. All Directors are encouraged to attend appropriate external training programmes to gain insights and keep abreast with the development and issues relevant to the Group's businesses, especially in the areas of corporate governance and regulatory requirements. A training budget of RM6,000 per director is allocated every year for this purpose. During the financial year ended 30 June 2021, RM1,350 training fees were incurred.

The external training programmes, seminars and conferences attended by Directors during the financial year ended 30 June 2021 included the following:

No.	Director	Programme
1	Dato' Lok Bah Bah @ Loh Yeow Boo	◦ New Public Rulings in 2019 and 2020 ◦ Case Study-Based MFRS Webinar: MPERS and MFRS: Case Studies in Key Areas of Financial Reporting
2	Tan Kak Teck	◦ Persidangan Cukai Kebangsaan 2020
3	Ir Teo Boon Keng	◦ MIA Virtual Conference Series: Capital Market Conference 2021 : Evolution of Capital Market

The Board also kept themselves abreast with corporate and regulatory updates through dissemination of updates and notices from Bursa Malaysia and SC and by reading corporate affairs material and professional journals.

Madam Chua Elsie and Mr Tee Kim Chan kept themselves abreast with corporate and regulatory updates through dissemination of updates and notices from Bursa Malaysia and SC and also by reading corporate affairs material and professional journal.

3. Remuneration

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

The proposed Directors' fees for the Non-Executive Directors ("NEDs") of RM300,000 for the financial year ending 2022, which represents RM5,000 per month payable on a monthly basis for each of the NEDs of Plenitude Berhad will be recommended to the shareholders for approval at the forthcoming 21st AGM.

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

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

Having regard in respect of the ambit of benefits payable to Directors as required by the CA 2016, the Board approved the RC's recommendation for Plenitude Berhad to seek shareholders' approval at the forthcoming 21st AGM on the Directors' remuneration through the following two (2) resolutions:

- To approve the payment of Directors' fees amounting to RM300,000 in respect of financial year ending 30 June 2022.
- To approve the payment of the remuneration other than the Directors' fees to the NEDs up to the next AGM.

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

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

Name of Director Non-Executive Director	Paid by the Company (RM)		
	Director's Fees	Meeting Allowances	Total
Chua Elsie	48,000	3,000	51,000
Tan Kak Teck	48,000	6,500	54,500
Ir Teo Boon Keng	48,000	5,500	53,500
Dato' Lok Bah Bah @ Loh Yeow Boo	48,000	7,000	55,000
Tee Kim Chan	48,000	4,000	52,000
Total	**240,000**	**26,000**	**266,000**

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

Principle B: Effective Audit and Risk Management

1. Audit Committee

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

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

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

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

2. Risk Management & Internal Control Framework

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

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

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

Principle C: Intergrity In Corporate Reporting & Meangingful Relationship With Stakeholders

1. Communication with Stakeholders

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

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

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

Ms. Rebecca Lee Ewe Ai
Ms. Wong Yuet Chyn
Company Secretaries
Tel: 03-6201 1120
Fax: 03-6201 3121
Email: rebecca@shareworks.com.my
yuetchyn@shareworks.com.my

2. Conduct of General Meetings

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

2.2 The printed version of the Annual Report is provided to the shareholders upon request. The request for the printed copies is provided by the Share Registrar. The Share Registrar of the Company ensures that the printed copies reach the shareholders within four (4) market days from the date of receipt of written/verbal request. At the AGM, shareholders are encouraged to ask questions or seek clarifications on the agenda of the meeting. All Directors are available to respond to questions from shareholders during the meeting. The external auditors are also present to provide professional and independent clarification on issues and concerns raised by the shareholders.

2.3 At the previous AGM, the resolutions put forth for shareholders' approval were voted by poll as recommended by the Chairman and the results were announced to Bursa Malaysia on the same day.

Compliance Statement

The Board considers that the Group has complied substantially with the principles and recommendations as stipulated in the MCCG 2017 throughout the financial year ended 30 June 2021.

Additional Compliance Information

Audit and Non-Audit Fees

Audit fees paid and payable to the external auditors by the Group and the Company for the financial year ended 30 June 2021 amount to RM381,000 and RM49,000 respectively.

Non-audit fees of RM9,000 paid or payable to the external auditors are for the review of the Statement on Risk Management and Internal Control and other information in the Annual Report.

Material Contracts

There were no material contracts entered into by the Company or its subsidiary companies involving Directors' and major shareholders' interest during the financial year ended 30 June 2021.

This Statement is made in accordance with the resolution of the Board dated 30 September 2021.

ASCOTT

GURNEY
PENANG

Managed by The Ascott Limited

Studio Room, Ascott Gurney Penang*

*artist impression

Studio Room, Ascott Gurney Penang*

Statement On Risk Management And Internal Control

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

Board Responsibility

The Board of Directors ("the Board") of Plenitude Berhad acknowledges its overall responsibility for the Group's system of risk management and internal control and for reviewing its adequacy and effectiveness of the systems and has established terms of reference ("TOR") to assist in the discharge of this responsibility. The key roles and responsibilities of the Board are set out in the Board Charter, which is reviewed annually by the Board and published on the website. Comprising solely of Independent Non-Executive Directors, the Audit Committee ("AC") has been entrusted to assist the Board in evaluating the adequacy and effectiveness of the Group's system of risk management and internal controls.

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

The Board regularly receives and reviews reports on internal control and is of the view that the system of risk management and internal control that has been instituted throughout the Group is sound and adequate to safeguard the shareholders' investments and the Group's assets.

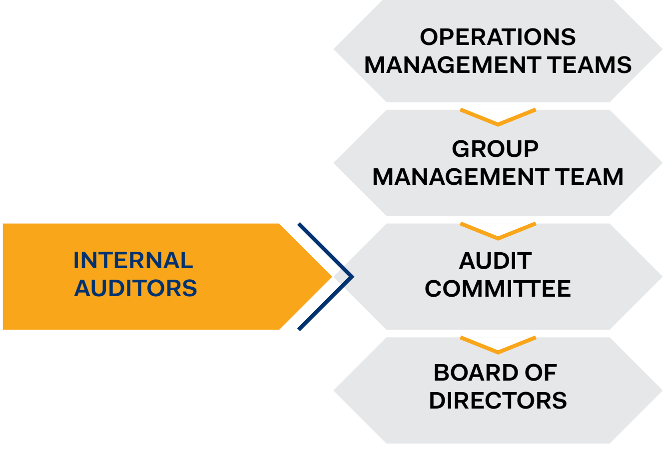
Risk Management Framework

The Group has a risk management framework which provides oversight on risk management strategies, policies and guidelines, risk tolerance and other risk related matters. These crucial elements are embedded in the Group's management systems in respect of corporate culture, processes and organisational structure. Risk Management is an integral part of the Group's businesses objectives and activities and is critical for the Group's overall objective to achieve continued profitability and sustainable growth.

Risk Management Structure

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

The Group's risk management structure and their principal risk management roles and responsibilities are set out as below:-



Operation Management Teams

Operation Management Teams are subsidiary management teams of the business units, each of which has their own risk management and internal controls mechanisms. The Operations Management Teams are responsible for managing the risks on a day-to-day basis; promoting risk awareness within their operations and introducing risk management objectives into the business and operations and co-ordinating with the Group Management Team on implementation of risk management policy and practices. They bear responsibility for the identification and mitigation of major risks and each maintains the controls and appropriate procedures of its own business environment.

Group Management Team

The Group Management Team identifies principal risks at Group level, establishes, formulates and recommends frameworks and policies specifically to address enterprise risk inherent in all business operations; monitors compliance to risk management framework, regulatory requirements and status of action plans for both Group and subsidiaries; co-ordinates and promotes risk management program, and manages a culture of sound and best practice to be implemented group-wide. The Group Management Team is accountable for all risks assumed under its respective areas of responsibility as well as for the execution of appropriate risk management discipline in line with risk management approved by the Board, aided by supporting guidelines, procedures and standards.

Audit Committee

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

Board of Directors

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

Risks

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

Operational risks

- risks from inadequate or failed internal processes, employees and systems;
- risks of not anticipating and responding to operating environment changes or not successfully executing strategy;
- product and insurance risks – risk from inadequate or inappropriate product management
- errors or omissions by employees and loss of key people

Financial risks

- risks of loss from movements in financial markets and changes in financial variables. Risks including credit, liquidity, interest rates and exchange rates.

System Of Internal Control

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

The following key internal control structures are in place to assist the Board to maintain a proper internal control system.

1. Control Environment

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

a) Integrity and ethical values

Code of Ethics

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

Guidelines on misconduct and disciplines

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

b) Commitment to competency

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

Training and development

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

Performance management

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

Succession planning

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

c) Board of Directors and Audit Committee's participation

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

d) Organisation structure

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

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

e) Assignment of authority and responsibility

Policies and procedures

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

Limits of authority

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

2. Risk Assessment

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

3. Control Activities

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

Standard of operation manuals

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

Budgeting process

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

Upon approval of the budget, the Group's performance is periodically monitored and measured against the approved budget and ongoing forecast. The Group's performance is also reported to AC and the Board. Reporting systems which highlight significant variances against plan are in place to track and monitor performance. The results are reviewed on quarterly basis by the Board to enable them to gauge the Group's overall performance compared to the approved budget and prior periods, and to take remedial action where necessary. Similar performance reviews at Management Committee Meeting take place on a monthly and quarterly basis.

Tender and selection process

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

Whistleblowing policy and procedures

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

Anti-Corruption policy

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

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

Insurance and physical safeguard

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

4. Information and Communication

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

5. Monitoring

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

Performance reporting

- Management Committee Meetings

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

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

- Major control issues

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

On-going monitoring

- Financial and operational review

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

- Site visits

  The Group Management Team carries out periodic site visits to each business unit to discuss and steer the business strategy and plans, ensures remedial actions proposed by Internal Auditors are carried out and that internal controls are implemented.

- Internal audit

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

  The outsourced Internal Auditor reports on the operational and financial auditing on a quarterly basis. The employed Internal Auditor-Project reports specifically on development projects workmanship, site management and work progress on a monthly basis to Management

Committee and on a quarterly basis to the Audit Committee. A more detailed internal audit function is highlighted within the Audit Committee Report on pages 65 to 67 of this Annual Report.

Review of This Statement by External Auditors

The External Auditors had performed limited assurance engagement on this Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year ended 30 June 2021 in accordance with paragraph 15.23 of the MMLR of Bursa Malaysia. and reported to the Board that nothing had come to their attention that caused them to believe that the Statement on Risk Management and Internal Control was not prepared in all material aspects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

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

Conclusion

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

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

The above statement is made in accordance with the resolution of the Board dated 30 September 2021.

Audit Committee Report

The Audit Committee ("AC") of Plenitude Berhad is pleased to present the AC Report for the financial year ended 30 June 2021.

Composition And Meetings

Composition

During the financial year under review, there were no changes in the composition of the AC. The AC consists solely of three (3) Independent Non-Executive Directors. The profiles of all the AC members are disclosed on pages 10 and 11 of the Annual Report.

The composition and the attendance record of the AC members are listed below.

Name	Directorship	Attendance	
Tan Kak Teck (Chairman)	Independent Non-Executive Director	5/5	100%
Ir Teo Boon Keng	Independent Non-Executive Director	5/5	100%
Dato' Lok Bah Bah @ Loh Yeow Boo	Independent Non-Executive Director	5/5	100%

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

Ir Teo Boon Keng became a member of AC since 27 August 2013, he is experienced in project management and project development and is involved in his own business ventures.

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

All AC members are financially literate. The Company is also in compliance with the requirement of Paragraph 15.09 (1)(c)(i) under the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") which requires at least one (1) member of the Committee to be a qualified accountant.

Attendance at Meetings

The Board, Chairman, Chief Executive Officer, Chief Financial Officer, Group Financial Controller, Corporate & Legal Affairs Officer and Internal Auditors are invited to quarterly AC meetings.

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

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

Summary Of Activities Of The Committee

During the financial year ended 30 June 2021, the AC discharged its functions and carried out its duties as set out in the Terms of Reference ("TOR"), made available at the Company's website plenitude.com.my. Key activities undertaken by the AC include the following:

Risks and Controls

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

b) Considered and reviewed the legal matters reported by Corporate & Legal Affairs Officer in relation to challenges, ongoing claims and litigations faced by the business units. There are no material litigations to be disclosed in the FY2021 Financial Statements.

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

Financial Reporting

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

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

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

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

Internal and External Audit Processes

a) Reviewed and discussed with External Auditors on their 2021 audit plan focusing on changes in implementation of major accounting policies, audit processes, significant events and adjustments and compliance with the applicable financial reporting standards and other legal requirements.

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

c) Assessed the suitability and independence of External Auditors throughout the conduct of audit engagement. The External Auditors, Baker Tilly Monteiro Heng PLT, had in their 2021 audit plan confirmed that they are in compliance with the requirements of independence under the local professional institutes' rules and International Standards on Auditing.

Other Responsibilities

Other recurring tasks included:

- Reviewed and recommended the Statement on Corporate Governance, Statement on Risk Management and Internal Control and AC Report to the Board for approval.

- Considered and recommended to the Board for approval the audit fees payable to the Internal and External Auditors taking into account the independence, objectivity and effectiveness of the services provided.

- Reviewed the proposals for non-audit services rendered by the External Auditors in reviewing the Statement on Risk Management and Internal Control and other information in the Annual Report.

- Reviewed proposal(s) on fixed assets written off, assessed its profit or loss impact and made recommendations to the Board for approval.

Internal Audit Function

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

During the financial year ended 30 June 2021, the internal audit function was outsourced to a professional service firm (outsourced Internal Auditor) which focused on business operations and financial audits. In addition, the Group has a full time Internal Auditors-Projects (employed Internal Auditors). Internal Auditor-Projects is tasked with conducting audits on projects' progress, management and workmanship. Both outsourced and employed internal auditors are collectively referred to as Internal Auditors and they report directly to the AC. All internal auditors are free from any relationship or conflict of interest, which could impair their objectivity and independence.

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

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

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

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

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

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

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

During the financial year, the outsourced Internal Auditors had carried out audits on The Nomad Residences Bangsar, Kuala Lumpur, Oakwood Hotel & Residence, Kuala Lumpur and Mercure Penang Beach, Penang. Internal Auditor-Projects had audited ongoing projects: Taman Desa Tebrau Phase 19&20 Parcel 3A 117 units 2 storey terrace houses at Johor Bahru, Taman Putra Prima Phase 5 170 units 2&3 storey terrace houses at Puchong, Selangor and the renovation and refurbishment works at Tebrau Junction, Johore Bahru. He also updated on the defects rectification status of recently completed projects: Taman Desa Tebrau Phase 19&20 234 units double storey terrace houses and Parcel 2A 100 units cluster homes at Johor Bahru. In addition, Internal Auditor-Projects also carried out on-site inspection for all hotel buildings and investment properties of Plenitude Berhad Group.

Key auditable activities that were completed in 2020/2021 included:

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

The total cost incurred for the internal audit function for the financial year under review was RM212,493.

Bintang Maya 3

Sungai Petani, Kedah

Launch
Q2, 2021

Type of Development
Residential, Landed

Total GDV
Estimated RM26 million

Type of Product
2 Storey Terrace House

Location
Sungai Petani, Kedah

Land Size
22' × 70' / 75'

Tenure
Freehold

Built-up
From 2,100 sq ft

Bintang Maya 3 Entrance*

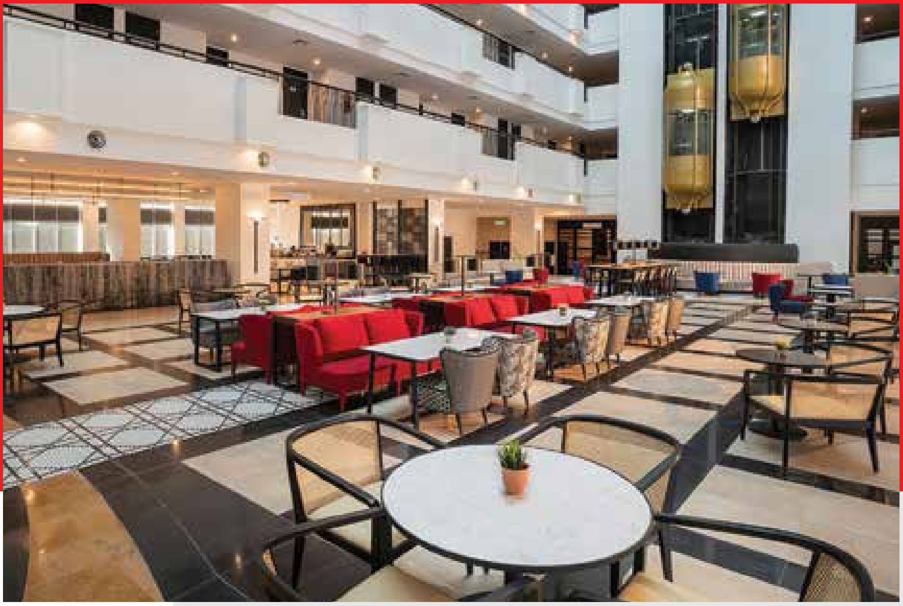
*artist impression

Family hall*

Dining and living hall*

Master bedroom*

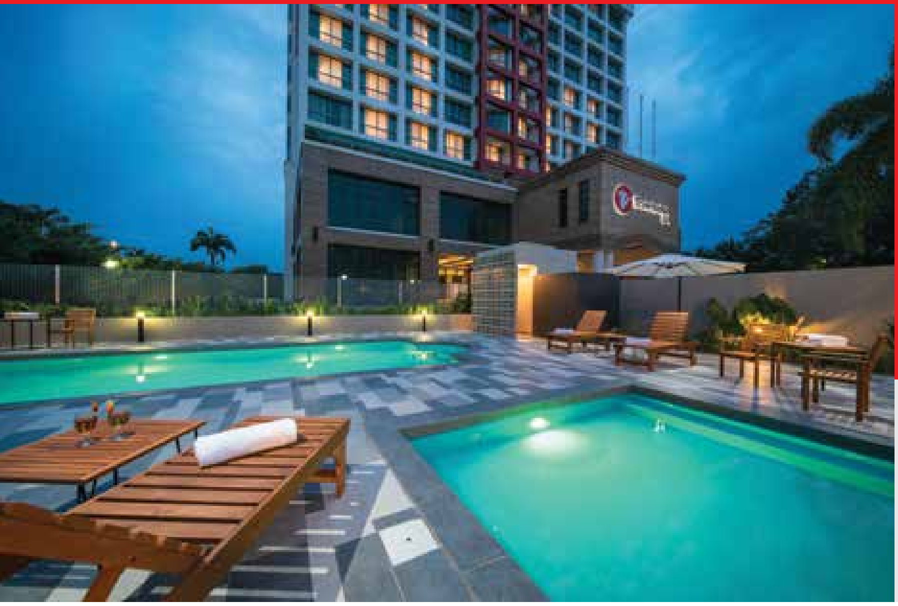
Travelodge Ipoh



The Lodge

Travelodge
IPOH

Premier Room - Twin



Swimming Pool

HARP

TAMAN DESA TEBRAU
JOHOR BAHRU

Launch
2019

Type of Development
Residential, Landed

Total GDV
Estimated RM260 million

Type of Product
Double Story Cluster Homes

Location
Johor Bahru, Johor

Land Size
34' × 80'

Tenure
Freehold

Built-up
From 2,490 – 2,677 sq ft

Living Hall Type C1, actual show unit

Living Hall Type C2, actual show unit

Kitchen area, actual show unit

Directors' Responsibility Statement
In Respect of The Annual Audited Financial Statements

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

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

In preparing the financial statements, the Directors have:

Adopted appropriate accounting policies and applied them consistently.

Made judgements and estimates that are reasonable and prudent.

Prepared the financial statements on a going concern basis.

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

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

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Reports And Financial Statements
For The Financial Year Ended 30 June 2021

Directors' Report

The directors of Plenitude Berhad have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2021.

PRINCIPAL ACTIVITIES

The Company's principal activity is investment holding.

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

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

RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	8,699	114,285
Attributable to:		
Owners of the Company	11,924	114,285
Non-controlling interests	(3,225)	-
	8,699	114,285

DIVIDENDS

On 21 September 2020, a final single-tier dividend of 2.0 sen on 381,533,758 ordinary shares, amounting to RM7,630,675 proposed in respect of the previous financial year and dealt with in the previous directors' report was paid by the Company during the financial year.

The directors have proposed a final single-tier dividend of 2.0 sen on 381,533,758 ordinary shares, amounting to RM7,630,675 in respect of the current financial year. This dividend is subject to approval of the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2022.

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

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

At the date of this report, the directors are not aware of any circumstances which render the amount written off for bad debts or require it necessary to make any allowance for doubtful debts in the financial statements.

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

Other than as disclosed in Note 33 to the financial statements, in the opinion of the directors,

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

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

ISSUE OF SHARES AND DEBENTURES

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

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

Chua Elsie*
Ir. Teo Boon Keng
Dato' Lok Bah Bah @ Loh Yeow Boo*
Tan Kak Teck
Tee Kim Chan*

* Directors of the Company and certain subsidiaries

Other than as stated above, the directors of the subsidiary companies in office during the financial year and during the period from the end of the financial year to the date of the report are:

Aklif bin Amir
Alberto V. Igruby
Alvin Christian
Ani Dinasan Dinasan
Benny Yap Yuwen
Cherryl Ami F. Macutay
Hashimah binti Ismail
Josephine Premla Sivaretnam
Willie B. Santiago

DIRECTORS' INTERESTS

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

	Number of ordinary shares			
	At 01.07.2020	**Bought**	**Sold**	**At 30.06.2021**
The Company				
Deemed interest				
Chua Elsie *	104,000	-	-	104,000

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

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown in Note 9 to the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

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.

INDEMNITY TO DIRECTORS AND OFFICERS

The Company maintained a Directors' and Officers' Liability Insurance ("D&O Insurance") in respect of liabilities arising from acts committed in their respective capacity as, inter alia, the Directors and Officers of the Company and of the Group, the total amount of D&O Insurance coverage was RM15,000,000 and the total amount of premium paid for the D&O Insurance was RM29,690.

SUBSIDIARIES

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

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

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

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

AUDITORS

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

The details of auditors' remuneration are disclosed in Note 9 to the financial statements.

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

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

CHUA ELSIE

TAN KAK TECK

Kuala Lumpur
Date: 30 September 2021

Statements Of Comprehensive Income
For The Financial Year Ended 30 June 2021

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Revenue	5	208,493	188,835	61,000	62,600
Cost of sales	6	(114,940)	(97,108)	-	-
Gross profit		93,553	91,727	61,000	62,600
Other income					
- investment income	7	13,133	9,176	1,950	2,214
- other income		14,479	20,244	71,818	17,998
Finance costs	8	(7,295)	(4,924)	-	-
Administrative expenses		(79,695)	(75,905)	(829)	(730)
Net impairment losses on financial assets		-	(827)	-	-
Other expenses		(4,635)	(11,303)	(17,014)	(9,519)
Profit before taxation	9	29,540	28,188	116,925	72,563
Taxation	10	(20,841)	(23,301)	(2,640)	(4,009)
Net profit for the financial year		8,699	4,887	114,285	68,554
Other comprehensive income/(expense), net of tax					
Item that will not be reclassified subsequently to profit or loss:					
Fair value gain on equity instruments designated at fair value through other comprehensive income	22(a)	6,109	3,006	-	-
		6,109	3,006	-	-
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operations		(3,683)	414	-	-
		(3,683)	414	-	-
Other comprehensive income for the financial year		2,426	3,420	-	-
Total comprehensive income for the financial year		11,125	8,307	114,285	68,554

Statements Of Comprehensive Income (cont'd)
For The Financial Year Ended 30 June 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Profit attributable to:					
Owners of the Company		11,924	8,171	114,285	68,554
Non-controlling interests		(3,225)	(3,284)	-	-
		8,699	4,887	114,285	68,554
Total comprehensive income attributable to:					
Owners of the Company		15,847	11,504	114,285	68,554
Non-controlling interests		(4,722)	(3,197)	-	-
		11,125	8,307	114,285	68,554
Earnings per ordinary share attributable to					
Owners of the Company (sen)					
- Basic	11	3.1	2.1		
- Diluted	11	3.1	2.1		

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

Statements Of Financial Position
As At 30 June 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	946,109	941,946	33	53
Right-of-use assets	13	1,123	381	-	-
Investment properties	14	28,803	63,578	-	-
Inventories	15	365,328	349,398	-	-
Goodwill	16	3,703	3,703	-	-
Investment in subsidiary companies	17	-	-	1,005,729	1,063,358
Deferred tax assets	18	22,579	14,460	-	-
Amount owing by subsidiary companies	19	-	-	101,516	130,388
Total non-current assets		1,367,645	1,373,466	1,107,278	1,193,799
Current assets					
Inventories	15	240,192	274,968	-	-
Trade and other receivables	20	72,037	53,364	6	20
Amount owing by subsidiary companies	19	-	-	1,703	3,470
Contract assets	21	16,088	645	-	-
Tax recoverable		6,918	9,747	-	-
Short term investments	22	180,891	93,836	91,012	27,066
Fixed deposits with licensed banks	23	251,683	30,480	24,398	8,532
Cash and bank balances	23	43,622	65,803	286	1,490
Total current assets		811,431	528,843	117,405	40,578
TOTAL ASSETS		2,179,076	1,902,309	1,224,683	1,234,377

Statements Of Financial Position (cont'd)
As At 30 June 2021

	Note	Group		Company	
		2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	24	515,315	515,315	515,315	515,315
Reserves	25	1,064,843	1,056,627	706,479	599,825
		1,580,158	1,571,942	1,221,794	1,115,140
Non-controlling interests	17(c)	32,031	36,753	-	-
TOTAL EQUITY		1,612,189	1,608,695	1,221,794	1,115,140
Non-current liabilities					
Loans and borrowings	26	244,994	131,902	-	-
Trade and other payables	27	2,671	1,644	-	-
Deferred tax liabilities	18	29,501	29,976	-	-
Total non-current liabilities		277,166	163,522	-	-
Current liabilities					
Loans and borrowings	26	122,458	4,256	-	-
Provisions	28	22,463	27,302	-	-
Trade and other payables	27	94,012	63,644	65	62
Contract liabilities	21	49,111	32,158	-	-
Derivative financial liabilities	29	688	1,812	-	-
Amount owing to subsidiary companies	19	-	-	2,454	118,580
Tax liabilities		989	920	370	595
Total current liabilities		289,721	130,092	2,889	119,237
TOTAL LIABILITIES		566,887	293,614	2,889	119,237
TOTAL EQUITY AND LIABILITIES		2,179,076	1,902,309	1,224,683	1,234,377

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

Statements Of Changes In Equity
For The Financial Year Ended 30 June 2021

	Note	Attributable to owners of the Company						
		Share capital RM'000	Fair value reserve of financial assets at FVOCI RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group								
At 1 July 2019		515,315	12,602	147	1,049,543	1,577,607	39,950	1,617,557
Net profit/(loss) for the financial year		-	-	-	8,171	8,171	(3,284)	4,887
Fair value changes on equity instruments designated at fair value through other comprehensive income	22(a)	-	3,006	-	-	3,006	-	3,006
Foreign currency translation differences for foreign operations		-	-	327	-	327	87	414
Total comprehensive income/(loss) for the financial year		-	3,006	327	8,171	11,504	(3,197)	8,307
Transactions with owners:								
Dividends for the financial year ended 30 June 2019 - final dividend	30	-	-	-	(17,169)	(17,169)	-	(17,169)
Total transactions with owners		-	-	-	(17,169)	(17,169)	-	(17,169)
At 30 June 2020		515,315	15,608	474	1,040,545	1,571,942	36,753	1,608,695

Statements Of Changes In Equity (cont'd)
For The Financial Year Ended 30 June 2021

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

Statements Of Changes In Equity (cont'd)
For The Financial Year Ended 30 June 2021

	Note	Share capital RM'000	Retained earnings RM'000	Total equity RM'000
		Attributable to owners of the Company		
Company				
At 1 July 2019		515,315	548,440	1,063,755
Net profit for the financial year		-	68,554	68,554
Transactions with owners				
Dividends for the financial year ended 30 June 2019 - final dividend	30	-	(17,169)	(17,169)
Total transactions with owners		-	(17,169)	(17,169)
At 30 June 2020		515,315	599,825	1,115,140
Net profit for the financial year		-	114,285	114,285
Transactions with owners				
Dividends for the financial year ended 30 June 2020 - final dividend	30	-	(7,631)	(7,631)
Total transactions with owners		-	(7,631)	(7,631)
At 30 June 2021		515,315	706,479	1,221,794

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

Statements Of Cash Flows
For The Financial Year Ended 30 June 2021

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Cash flows from operating activities					
Profit before taxation		29,540	28,188	116,925	72,563
Adjustments for:					
Bad debts written off		81	23	-	-
Credit loss on revocation of sales		541	-	-	-
Depreciation of:					
- property, plant and equipment		32,166	25,980	20	25
- right-of-use assets		434	434	-	-
- investment properties		662	619	-	-
Dividend income		(6,205)	(2,865)	(62,559)	(63,570)
Finance costs		7,295	4,924	-	-
Gain on derecognition of a subsidiary		-	-	(35,173)	-
Gain on disposal of investment properties		(414)	(630)	-	-
Impairment loss on trade and other receivables		-	827	-	-
Impairment on investment in subsidiary companies		-	-	17,000	9,500
Interest income		(3,057)	(2,714)	(10,952)	(19,194)
Loss/(Gain) on disposal of property, plant and equipment		47	(99)	-	(44)
Net fair value loss on derivative financial liabilities		(1,161)	1,782	-	-
Property, plant and equipment written off		2,501	709	-	-
Reversal of impairment loss on trade and other receivables		(772)	-	-	-
Unrealised (gain)/loss on foreign exchange		(160)	244	-	-
Waiver of debts from a subsidiary		-	-	(26,082)	-
Profit/(Loss) before working capital changes		61,498	57,422	(821)	(720)

Statements Of Cash Flows (cont'd)
For The Financial Year Ended 30 June 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
(Increase)/Decrease in:					
Inventories					
- land held for future development		(3,257)	(132)	-	-
- property development projects		(23,936)	10,451	-	-
- completed properties		70,751	(30,095)	-	-
- general supplies of hotel operations		34	(117)	-	-
Trade and other receivables		(18,522)	(9,841)	14	98
Contract assets		(15,443)	5,522	-	-
Amount owing by subsidiary companies		-	-	1,766	9,938
		71,125	33,210	959	9,316
Increase/(Decrease) in:					
Trade and other payables		23,321	(17,932)	3	(58)
Contract liabilities		16,953	19,670	-	-
Amount owing to subsidiary companies		-	-	(43)	(25,035)
Net cash flows from/(used in) operations		111,399	34,948	919	(15,777)
Interest income received		158	761	10,561	17,950
Income tax refunded		2,689	4,244	-	441
Income tax paid		(19,165)	(22,850)	(2,865)	(4,000)
Net cash flows from/(used in) operating activities		95,081	17,103	8,615	(1,386)

Statements Of Cash Flows (cont'd)
For The Financial Year Ended 30 June 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Cash flows from investing activities					
Interest income received		2,899	1,953	391	1,244
Proceeds from disposal of property, plant and equipment		168	120	-	44
Proceed from disposal of investment properties		551	838	-	-
Purchase of property, plant and equipment	12	(35,759)	(76,935)	-	-
Capital expenditure for investment properties	14	(883)	(1,274)	-	-
Proceed from disposal of short term investments	22 (b)	90,200	89,200	90,200	89,200
Purchase of short term investments	22	(171,146)	(79,687)	(154,146)	(79,687)
Placement of deposit with maturity more than 90 days	23	(919)	-	-	-
Dividend income received		6,205	2,865	62,559	63,570
Subscription of additional shares issued by subsidiary companies		-	-	(100,000)	(102,495)
Repayment from subsidary companies		-	-	114,674	1,749
Net cash flows (used in)/from investing activities		(108,684)	(62,920)	13,678	(26,375)
Cash flows from financing activities					
Dividends paid	30	(7,631)	(17,169)	(7,631)	(17,169)
Interest paid		(7,295)	(4,924)	-	-
Drawdown of term loans	(a)	66,424	-	-	-
Proceeds from issuance of Redeemable Non-Convertible Cumulative Preference Shares	(a)	164,000	-	-	-
Repayment of bank borrowings	(a)	(3,055)	(3,353)	-	-
Payment to lease liabilities	(a)	(434)	(434)	-	-
Net cash flows from/(used in) financing activities		212,009	(25,880)	(7,631)	(17,169)

Statements Of Cash Flows (cont'd)
For The Financial Year Ended 30 June 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Net increase/(decrease) in cash and cash equivalents		198,406	(71,697)	14,662	(44,930)
Effect of exchange rate changes		(303)	122	-	-
Cash and cash equivalents at beginning of the financial year		96,283	167,858	10,022	54,952
Cash and cash equivalents at end of the financial year		294,386	96,283	24,684	10,022
Analysis of cash and cash equivalents:					
Fixed deposits with licensed banks	23	251,683	30,480	24,398	8,532
Cash and bank balances	23	43,622	65,803	286	1,490
		295,305	96,283	24,684	10,022
Less: Fixed deposits with maturity more than 90 days		(919)	-	-	-
		294,386	96,283	24,684	10,022

(a) Reconciliation of liabilities arising from financing activities

	At 1 July RM'000	Cash flows RM'000	Addition RM'000	Exchange differences RM'000	At 30 June RM'000
Group					
2021					
Term loans (Note 26)	135,777	(3,055)	66,424	3,183	202,329
Redeemable Non-Convertible Cumulative Preference Shares	-	-	164,000	-	164,000
Lease liabilities (Note 26)	381	(434)	1,176	-	1,123
	136,158	(3,489)	231,600	3,183	367,452
2020					
Term loans (Note 26)	139,208	(3,353)	-	(78)	135,777
Lease liabilities (Note 26)	815	(434)	-	-	381
	140,023	(3,787)	-	(78)	136,158

(b) Total cash outflows for leases and lessee

During the financial year, the Group had total cash outflows for leases of RM493,000 (2020: RM545,000) including expenses relating to short term leases as disclosed in Note 9 to the financial statements.

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

Notes To The Financial Statements

1. CORPORATE INFORMATION

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

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

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

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

The financial statements of the Group and of the Company were authorised for issuance by the Board of Directors in accordance with a resolution of the directors on 30 September 2021.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of amendments/improvements to MFRSs

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

<u>Amendments/Improvements to MFRSs</u>

MFRS 3	Business Combinations
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases*
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 139	Financial Instruments: Recognition and Measurement

*Early adopted the amendments to MFRS 16 Leases issued by the Malaysian Accounting Standards Board ("MASB") on 5 June 2020 or/and 6 April 2021.

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

2. BASIS OF PREPARATION (CONTINUED)

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

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

New MFRS		Effective for financial periods beginning on or after
MFRS 17	Insurance Contracts	1 January 2023

Amendments/Improvements to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022^/ 1 January 2023#
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023#
MFRS 4	Insurance Contracts	1 January 2021
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023#
MFRS 7	Financial Instruments: Disclosures	1 January 2021/ 1 January 2023#
MFRS 9	Financial Instruments	1 January 2021/ 1 January 2022^/ 1 January 2023#
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023#
MFRS 16	Leases	1 January 2021/ 1 January 2022^
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023#
MFRS 107	Statement of Cash Flows	1 January 2023#
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023#
MFRS 119	Employee Benefits	1 January 2023#
MFRS 128	Investments in Associates and Joint Ventures	Deferred/1 January 2023#
MFRS 132	Financial Instruments: Presentation	1 January 2023#

2. BASIS OF PREPARATION (CONTINUED)

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

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

Amendments/Improvements to MFRSs (continued)		Effective for financial periods beginning on or after
MFRS 136	Impairment of Assets	1 January 2023#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023#
MFRS 138	Intangible Assets	1 January 2023#
MFRS 139	Financial Instruments: Recognition and Measurement	1 January 2021
MFRS 140	Investment Property	1 January 2023#
MFRS 141	Agriculture	1 January 2022^

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

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

Annual Improvements to MFRS Standards 2018 – 2020

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

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

2. BASIS OF PREPARATION (CONTINUED)

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

Amendments to MFRS 3 Business Combinations

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

Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases

The *Interest Rate Benchmark Reform—Phase 2* amends some specific requirements in MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16, with respect to issues that affect financial reporting during the reform of an interest rate benchmark.

The amendments provide a practical expedient whereby an entity would not derecognise or adjust the carrying amount of financial instruments for modifications required by interest rate benchmark reform, but would instead update the effective interest rate to reflect the change in the interest rate benchmark. On hedging relationship, entities would be required to amend the formal designation of a hedging relationship to reflect the modifications and/or changes made to the hedged item and/or hedging instruments as a result of the reform. However, the modification does not constitute discontinuation of the hedging relationship nor the designation of a new hedging relationship.

Amendments to MFRS 101 Presentation of Financial Statements

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

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

2. BASIS OF PREPARATION (CONTINUED)

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

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

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

Amendments to MFRS 112 Income Taxes

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

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

Amendments to MFRS 116 Property, Plant and Equipment

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

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets

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

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

2.4 Functional and presentation currency

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

2.5 Basis of measurement

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

2. BASIS OF PREPARATION (CONTINUED)

2.6 Use of estimates and judgement

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

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Revenue and other income

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

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Revenue and other income (continued)

(i) Property development

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

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Revenue and other income (continued)

(ii) Hotel operations

Rental of rooms

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

Sale of food and beverages and other related services

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

(iii) Gross dividend income from subsidiary companies

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

(iv) Management fees

Management fees are recognised on an accrual basis.

(v) Interest income

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

(vi) Rental income

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

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

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

(b) Employee benefits

(i) Short term employee benefits

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

(ii) Defined contribution plans

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Employee benefits (continued)

(iii) Employee benefit liabilities

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

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

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

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

(c) Borrowing costs

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

(d) Taxation

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Taxation (continued)

Deferred tax is provided for, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and 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 taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or bargain purchase or from the initial recognition of an asset or liability in a transaction which is not a business combination and at time of the transaction, affects neither 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 is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in the 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 or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

The carrying amount of deferred tax assets, if any, is reviewed at each reporting date 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 offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Foreign currencies

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

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

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

(iii) Foreign operations

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary companies mentioned in Note 17 to the financial statements made up to 30 June 2021.

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

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Basis of consolidation (continued)

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

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

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

If the business combination is achieved in stages, the Group remeasures the previously held equity interest in the acquiree to its acquisition-date fair value, and recognises the resulting gain or loss, if any, in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Basis of consolidation (continued)

Transactions eliminated on consolidation

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

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

Goodwill

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

(g) Property, plant and equipment

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment (continued)

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

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

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

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

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

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

(h) Investment in subsidiary companies

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Inventories

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

Property under development

Cost includes:

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

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

Completed properties

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

Food and beverages

The cost of food and beverages is determined on a first-in-first-out basis and includes the original purchase cost plus cost incurred in bringing the inventories to its present location.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Investment properties

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

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

Other investment properties are depreciated on a straight line basis to write off the cost of the assets to their residual values over their estimated useful lives at an annual rate of 2% (2020: 2%).

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

(k) Financial instruments

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Subsequent measurement

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

(a) Financial assets

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

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

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

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

<u>Debt instruments</u>

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

- **Amortised cost**

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Subsequent measurement (continued)

(a) Financial assets (continued)

Debt instruments (continued)

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Subsequent measurement (continued)

(a) Financial assets (continued)

Equity instruments

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

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

(b) Financial liabilities

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

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

Financial liabilities at fair value through profit or loss

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(i) Subsequent measurement (continued)

(b) Financial liabilities (continued)

Financial liabilities at amortised cost

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

(ii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

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

(iii) Derecognition

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(iii) Derecognition (continued)

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

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

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

(iv) Offsetting of financial instruments

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

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

(v) Derivatives

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

(l) Contract assets/(liabilities)

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets

(i) Impairment of financial assets and contract assets

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

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

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

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (continued)

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

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

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

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (continued)

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

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

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

(ii) Impairment of non-financial assets

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

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

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (continued)

(ii) Impairment of non-financial assets (continued)

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

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

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

(n) Cash and cash equivalents

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

(o) Equity instruments

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset;
- the Group and the Company have the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Group and the Company have the right to direct the use of the asset.

(i) Lessee accounting

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

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

Right-of-use asset

The right-of-use asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Leases (continued)

(i) Lessee accounting (continued)

Lease liability

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

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

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

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

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

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Leases (continued)

(i) Lessee accounting (continued)

Short-term leases and leases of low value assets

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

(ii) Lessor accounting

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Provision for liabilities

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

(r) Earnings per ordinary share

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

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

(s) Contingencies

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

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

(t) Operating segment

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Contract costs

(i) Recognition and measurement

Contract costs include costs of obtaining and fulfilling a contract.

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

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

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

(ii) Amortisation

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

(iii) Impairment

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Contract costs (continued)

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

(v) Fair value measurement

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

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

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

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

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

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

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

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

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

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

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

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

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

The Group has significant balances of property, plant and equipment relating to its hotel operations. In view of the Covid-19 outbreak, there are significant changes in the market and economic environment in which the Group operates, that indicates the property, plant and equipment may be impaired. As such, there is a risk the future performance of the assets may not lead to their carrying values being recoverable in full.

Recoverable amount is measured at the higher of the fair value less costs of disposal for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flows derived from that asset discounted at an appropriate discount rate. The Group exercises its judgement to apply the discount rates in determining the recoverable amount and assumptions supporting the underlying cash flow projections, including near-term impact from Covid-19, forecast growth rates, occupancy rates and gross profit margin. The economic uncertainties from Covid-19 pandemic may result in higher level of estimation uncertainty to the inputs and assumptions used in the value-in-use calculation. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial positions and results if the actual cash flows are less than the expected.

The Group engaged independent professional property valuer to determine the value for one of the hotel properties. The valuation method adopted by the valuer is value in use. The independent professional property valuer may exercise judgement in determining the discount rate, estimates of future cash flows, terminal value, and other factors used in their valuation process. Judgement is made in determining the appropriate valuation methods and the key assumptions used in the valuations including the expected impact from Covid-19 pandemic. Any changes in theses assumptions will have an impact on the carrying amount of the property, plant and equipment.

(c) Deferred tax assets (Note 18)

Deferred tax assets are recognised for all deductible temporary differences and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and unused tax credits can be utilised. Significant directors' 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, after taking into consideration the possible near-term impact of Covid-19 pandemic.

5. REVENUE

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue from contract customers:				
Property development	188,491	133,694	-	-
Hotel operations	20,002	55,141	-	-
	208,493	188,835	-	-
Revenue from other source:				
Dividend income from subsidiaries (Note 35)	-	-	61,000	62,600
	208,493	188,835	61,000	62,600

(a) Disaggregation of revenue

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

	Property development RM'000	Hotel operations RM'000	Total RM'000
Group			
2021			
Major goods or services			
Residential units	188,491	-	188,491
Room revenue and related services	-	20,002	20,002
	188,491	20,002	208,493
Timing of revenue recognition:			
At a point in time	124,862	20,002	144,864
Over time	63,629	-	63,629
	188,491	20,002	208,493
2020			
Major goods or services			
Residential units	133,694	-	133,694
Room revenue and related services	-	55,141	55,141
	133,694	55,141	188,835
Timing of revenue recognition:			
At a point in time	46,295	55,141	101,436
Over time	87,399	-	87,399
	133,694	55,141	188,835

5. REVENUE (CONTINUED)

(a) Disaggregation of revenue (continued)

	Investment holding RM'000	Total RM'000
Company		
2021		
Major goods or services		
Dividend income from subsidiaries	61,000	61,000
Timing of revenue recognition:		
At a point in time	61,000	61,000
2020		
Major goods or services		
Dividend income from subsidiaries	62,600	62,600
Timing of revenue recognition:		
At a point in time	62,600	62,600

(b) Transaction price allocated to the remaining performance obligations

As of 30 June 2021, the aggregate amount of the transaction price allocated to the remaining performance obligation is RM75,866,000 (2020: RM29,756,000) and the entity will recognise this revenue as the building is completed, which is expected to occur over the next 1 to 23 months (2020: 9 to 21 months).

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

6. COST OF SALES

	Group	
	2021 RM'000	2020 RM'000
Property development costs		
- property development	35,334	47,518
- completed properties	70,519	25,811
Hotel operation costs	9,087	23,779
	114,940	97,108

7. OTHER INCOME - INVESTMENT INCOME

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Lease rental income (Note 14)	3,615	3,728	-	-
Gain on disposal of investment properties	414	630	-	-
Interest income from fixed deposits	2,899	1,953	391	1,244
Dividend income from short term investments	6,205	2,865	1,559	970
	13,133	9,176	1,950	2,214

8. FINANCE COSTS

	Group	
	2021 RM'000	2020 RM'000
Bank charges	3	2
Term loans	7,292	4,922
	7,295	4,924

9. PROFIT BEFORE TAXATION

Profit before taxation is stated after crediting/(charging):

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Auditors' remuneration:				
Audit fees:				
- current year	(381)	(378)	(49)	(45)
- prior year	(6)	(33)	(2)	-
Non-audit fees	(9)	(9)	(9)	(9)
Bad debts written off	(81)	(23)	-	-
Credit loss on revocation of sales	(541)	-	-	-
Depreciation of:				
- property, plant and equipment (Note 12)	(32,166)	(25,980)	(20)	(25)
- right-of-use assets (Note 13)	(434)	(434)	-	-
- investment properties (Note 14)	(662)	(619)	-	-
Directors' remuneration:				
Fees	(240)	(240)	(240)	(240)
Other emoluments	(26)	(28)	(26)	(28)
Employee benefits expenses	(20,355)	(31,881)	-	-
Expenses relating to short term leases:				
Equipment	(59)	(111)	-	-
Gain on derecognition of a subsidiary	-	-	35,173	-
Impairment loss on investment in subsidiary companies	-	-	(17,000)	(9,500)
Impairment loss on trade and other receivables (Note 20)	-	(827)	-	-
Interest income from Housing Development Accounts	143	736	-	-
Interest on unsecured advances to subsidiary companies (Note 35)	-	-	10,561	17,950
Late interest income from customers	15	25	-	-

9. PROFIT BEFORE TAXATION (CONTINUED)

Profit before taxation is stated after crediting/(charging): (continued)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
(Loss)/Gain on disposal of property, plant and equipment	(47)	99	-	44
Net fair value gain/(loss) on derivative financial liabilities	1,161	(1,782)	-	-
Property, plant and equipment written off (Note 12)	(2,501)	(709)	-	-
Realised loss on foreign exchange	(2,165)	(115)	-	-
Rental income	5,961	6,831	-	-
Reversal of impairment loss on other receivables (Note 20)	772	-	-	-
Unrealised gain/(loss) on foreign exchange	160	(244)	-	-
Waiver of debts from a subsidiary	-	-	26,082	-

Employee benefits expenses includes salaries, contribution to EPF and other staff related expenses. Contribution to EPF during the financial year by the Group amounted to RM1,983,000 (2020: RM3,006,000).

10. TAXATION

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Estimated tax payable:				
Current	19,998	18,336	2,637	4,595
Prior years	(625)	269	3	(586)
	19,373	18,605	2,640	4,009
Real property gain tax ("RPGT")				
Current	10,062	-	-	-
	10,062	-	-	-
Deferred tax (Note 18):				
Current	(10,190)	622	-	-
Prior years	1,596	4,074	-	-
	(8,594)	4,696	-	-
	20,841	23,301	2,640	4,009

10. TAXATION (CONTINUED)

The income tax is calculated at the statutory rate of 24% (2020: 24%) of the estimated assessable profit for the year.

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

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Profit before taxation	29,540	28,188	116,925	72,563
Tax at the applicable tax rate of 24% (2020: 24%)	7,090	6,765	28,062	17,415
Effect of tax rates in foreign jurisdictions	782	27	-	-
Tax effects of:				
Expenses that are not deductible in determining taxable profit	7,404	7,281	4,271	2,438
Income not subject to tax	(1,845)	(939)	(29,694)	(15,258)
Origination/(Utilisation) of deferred tax assets not recognised	6,439	5,767	(2)	-
Derecognition of previously recognised tax credit of investment properties	-	57	-	-
(Over)/Under provision in:				
- current tax	(625)	269	3	(586)
- deferred tax	1,596	4,074	-	-
	20,841	23,301	2,640	4,009

11. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share is calculated by dividing the Group's net profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2021	**2020**
Net profit attributable to owners of the Company (RM'000)	11,924	8,171
Weighted average number of ordinary shares in issue (Unit'000)	381,534	381,534
Basic earnings per share (sen)	3.1	2.1

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

12. PROPERTY, PLANT AND EQUIPMENT

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

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land and buildings RM'000	Office equipment and computers RM'000	Furniture and fittings RM'000	Reno-vations RM'000	Operating supplies and equipment RM'000	Motor vehicles RM'000	Work in progress RM'000	Total RM'000
Group (continued)								
2020								
Cost								
At 1 July 2019	886,921	7,367	28,767	22,392	25,301	478	6,945	978,171
Additions	19,085	1,600	4,901	25,941	3,338	-	22,070	76,935
Reclassification	(267)	216	(328)	(5,217)	6,111	2	(517)	-
Disposals	-	-	(213)	-	(320)	(213)	-	(746)
Written off	(4)	(175)	(485)	(96)	(570)	-	-	(1,330)
At 30 June 2020	905,735	9,008	32,642	43,020	33,860	267	28,498	1,053,030
Accumulated depreciation								
At 1 July 2019	42,782	6,839	15,375	11,118	9,915	421	-	86,450
Charge for the financial year	14,581	874	3,438	3,898	3,164	25	-	25,980
Reclassification	37	(481)	260	(37)	219	2	-	-
Disposals	-	-	(299)	-	(213)	(213)	-	(725)
Written off	-	(172)	(344)	(96)	(9)	-	-	(621)
At 30 June 2020	57,400	7,060	18,430	14,883	13,076	235	-	111,084
Carrying amount								
At 30 June 2020	848,335	1,948	14,212	28,137	20,784	32	28,498	941,946

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group (continued)

Certain property, plant and equipment amounting to RM664,532,000 (2020: RM309,394,000) are pledged as security for banking facilities granted to the Group as disclosed in Note 26 to the financial statements.

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

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

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Office equipment and computers RM'000	Furniture and fittings RM'000	Renovations RM'000	Motor vehicles RM'000	Total RM'000
Company (continued)					
2020					
Cost					
At 1 July 2019	251	27	274	345	897
Disposals	-	-	-	(213)	(213)
Written off	(42)	-	-	-	(42)
At 30 June 2020	209	27	274	132	642
Accumulated depreciation					
At 1 July 2019	231	15	228	345	819
Charge for the financial year	8	2	15	-	25
Disposals	-	-	-	(213)	(213)
Written off	(42)	-	-	-	(42)
At 30 June 2020	197	17	243	132	589
Carrying amount					
At 30 June 2020	12	10	31	-	53

13. RIGHT-OF-USE ASSETS

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

	Office Buildings RM'000
Group	
Carrying amount	
At 1 July 2019	815
Depreciation	(434)
At 30 June 2020	381
Addition	1,176
Depreciation	(434)
At 30 June 2021	1,123

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

14. INVESTMENT PROPERTIES

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group			
2021			
Cost			
At 1 July 2020	36,953	31,821	68,774
Additions	-	883	883
Transfer to inventories	(34,859)	-	(34,859)
Disposals	-	(212)	(212)
At 30 June 2021	2,094	32,492	34,586
Accumulated depreciation			
At 1 July 2020	-	5,196	5,196
Charge for the financial year	-	662	662
Disposals	-	(75)	(75)
At 30 June 2021	-	5,783	5,783
Carrying amount			
At 30 June 2021	2,094	26,709	28,803

14. INVESTMENT PROPERTIES (CONTINUED)

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group (continued)			
2020			
Cost			
At 1 July 2019	36,953	30,044	66,997
Additions	-	1,274	1,274
Transfer from inventories	-	816	816
Disposals	-	(313)	(313)
At 30 June 2020	36,953	31,821	68,774
Accumulated depreciation			
At 1 July 2019	-	4,682	4,682
Charge for the financial year	-	619	619
Disposals	-	(105)	(105)
At 30 June 2020	-	5,196	5,196
Carrying amount			
At 30 June 2020	36,953	26,625	63,578

14. INVESTMENT PROPERTIES (CONTINUED)

	Freehold land RM'000	Buildings RM'000	Total RM'000
Fair value			
At 30 June 2021	56,977	43,460	100,437
At 30 June 2020	163,728	44,138	207,866

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

The rental income earned by the Group from its investment properties amounted to RM3,615,000 (2020: RM3,728,000). Direct operating expenses pertaining to the income generating investment properties during the financial year amounted to RM1,186,000 (2020: RM1,029,000).

Fair value information

Fair value of investment properties is categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2021				
Freehold land	-	56,977	-	56,977
Buildings	-	43,460	-	43,460
	-	100,437	-	100,437
2020				
Freehold land	-	163,728	-	163,728
Buildings	-	44,138	-	44,138
	-	207,866	-	207,866

Level 2 fair value

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

15. INVENTORIES

	Group	
	2021 RM'000	**2020 RM'000**
Non-current:		
At lower of cost and net realisable value:		
Property held for development		
- Freehold land at cost	194,650	166,128
- Leasehold land at cost	23,824	23,824
- Development costs	146,854	159,446
	365,328	349,398
Current:		
At lower of cost and net realisable value:		
Property held for development		
- Development costs	50,997	14,989
Completed properties	188,867	259,617
General supplies of hotel operations	328	362
	240,192	274,968
	605,520	624,366

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year in respect of continuing operations was RM105,853,000 (2020: RM73,329,000).

16. GOODWILL

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

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

	Group	
	2021 RM'000	**2020 RM'000**
Hotel	3,703	3,703

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

The recoverable amount of the CGU has been determined based on value-in-use calculations using cash flows projection from financial budgets and forecasts approved by management covering a five-year period including near-term impact from Covid-19. The economic uncertainties from Covid-19 pandemic may result in higher level of estimation uncertainty to the inputs and assumptions used in the value-in-use calculation. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than expected.

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

(i) The weighted average growth rate using an estimated growth rate of 0% (2020: 4.5%); and

(ii) The discount rate of 4.2% (2020: 7.25%) applied to the cash flows projection is pre-tax and reflects management's estimate of the risk specific to the CGU at the date of assessment.

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

17. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2021 RM'000	**2020 RM'000**
At cost		
Unquoted shares	794,788	749,615
Less: Impairment losses	(26,500)	(9,500)
	768,288	740,115
Loans that are part of the net investments	237,441	323,243
	1,005,729	1,063,358

17. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

Loans that are part of net investments represent amount owing by subsidiaries which is non-trade in nature, unsecured and interest bearing ranging from 2.5% to 2.75% (2020: 2.75% to 3.75%) per annum. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as long-term source of capital to the subsidiaries. As this amount is, in substance, a part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment loss, if any.

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

	Principal place of business/ Country of incorporation	Effective percentage of ownership		Principal activities
		2021 %	2020 %	
Subsidiary companies				
Plenitude Tebrau Sdn Bhd	Malaysia	100	100	Property development and investment holding
Plenitude Permai Sdn Bhd	Malaysia	100	100	Property development
Plenitude Heights Sdn Bhd	Malaysia	100	100	Property development, hotelier and investment holding
Plenitude Bayu Sdn Bhd	Malaysia	100	100	Property development and investment
Plenitude Estates Sdn Bhd	Malaysia	100	100	Property development and property investment
Plenitude Hills Sdn Bhd	Malaysia	100	100	Investment holding and property development
Plenitude Damansara Sdn Bhd	Malaysia	100	100	Property development, yet to commence operations
Plenitude International Sdn Bhd	Malaysia	100	100	Property development, hoteling and property investment
Plenitude Homes Sdn Bhd	Malaysia	100	100	Property development and property investment, yet to commence operations
Plenitude Gateway Sdn Bhd	Malaysia	100	100	General trading, land and property investment and investment holding, yet to commence operations
Cipriani Sdn Bhd ^	Malaysia	-	100	Investment holding, dissolved
The Nomad Group Bhd	Malaysia	100	100	Investment holding
Plenitude Management Services Sdn Bhd	Malaysia	100	100	Provision of management and consultancy services

17. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

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

	Principal place of business/ Country of incorporation	Effective percentage of ownership		Principal activities
		2021 %	2020 %	
Indirect subsidiary companies				
Held through Plenitude Tebrau Sdn Bhd				
PNT Guards Sdn Bhd	Malaysia	100	100	Property development and property investment
PNT Property Management Services Sdn Bhd	Malaysia	100	100	Provision of management services
Held through Plenitude Heights Sdn Bhd				
Plenitude Builders Sdn Bhd	Malaysia	100	100	Property development and project management
TBBH Management & Venture Holidays Sdn Bhd	Malaysia	100	100	Provision of management services for hotel industry
Plenitude Ferringhi Sdn Bhd	Malaysia	96	-	Hotelier and hotel related services, yet to commence operations
Held through Plenitude Permai Sdn Bhd				
Intisari Sanjung (M) Sdn Bhd	Malaysia	100	100	Property development, yet to commence operations

17. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

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

	Principal place of business/ Country of incorporation	Effective percentage of ownership 2021 %	2020 %	Principal activities
Indirect subsidiary companies (continued)				
Held through The Nomad Group Bhd				
Bizcentre Capital Pte Ltd **	Singapore	71	71	Investment holding
Nomad Properties Sdn Bhd	Malaysia	100	100	Investment holding
Plenitude Ipoh Sdn Bhd	Malaysia	100	100	Hotelier and hotel related services and investment holding
The Nomad Offices Sdn Bhd	Malaysia	100	100	Investment holding
The Nomad Residences Sdn Bhd	Malaysia	100	100	Investment holding
Plenitude Ferringhi Sdn Bhd	Malaysia	4	100	Hotelier and hotel related services, yet to commence operations
Plenitude Osaka Sdn Bhd	Malaysia	100	-	Investment holding
Held through The Nomad Residences Sdn Bhd				
Plenitude City Hotel Sdn Bhd	Malaysia	100	100	Hotelier and hotel related services
Plenitude Bangsar Residences Sdn Bhd	Malaysia	100	100	Operator of serviced residences
The Nomad Penang Sdn Bhd #	Malaysia	-	100	Provision of hotel management and consultancy services, struck off
Plenitude Suites Sdn Bhd	Malaysia	100	100	Hotelier and operator of All Suite-Hotel

17. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

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

	Principal place of business/ Country of incorporation	Effective percentage of ownership		Principal activities
		2021 %	2020 %	
Indirect subsidiary companies (continued)				
Held through Nomad Properties Sdn Bhd				
Plenitude Georgetown Sdn Bhd	Malaysia	100	100	Hotelier and hotel related services
Held through The Nomad Offices Sdn Bhd				
Nomad Space Sdn Bhd #	Malaysia	-	100	Operator of serviced offices and investment holding, struck off
The Nomad Offices Pte Ltd **	Singapore	100	100	Operator of serviced offices and investment holding, inactive
Held through The Nomad Offices Pte Ltd				
Instant Office Holdings Pte Ltd **	Singapore	100	100	Investment holding, inactive
PT Concept Kreativ **	Indonesia	100	100	Operator of serviced offices, in liquidation
The Nomad Offices (Philippines) Inc **	Philippines	100	100	Operator of serviced offices, inactive
Held through Bizcentre Capital Pte Ltd				
Korea Investment Private Placement Business Hotel Real Estate Investment Trust **	South Korea	60	60	Investment holding
Pinetree Hotel LLC **	South Korea	60	60	Hotelier and hotel related services

17. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

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

^ Cipriani Sdn Bhd ("CSB") was dissolved under Members' Voluntary Winding Up with effect from 10 June 2021 with Companies Commission of Malaysia.

The Nomad Penang Sdn Bhd ("TNPSB") and Nomad Space Sdn Bhd ("NSSB"), being the indirect wholly-owned inactive subsidiaries of the Company, were struck off from Register of the Company with effect from 4 December 2020 and 29 July 2021 respectively.

As such, CSB, TNPSB and NSSB have ceased to be the Company's subsidiaries.

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

(b) Acquisition of additional interests in a subsidiary

On 29 March 2021, the Company increased its equity interest in Plenitude International Sdn Bhd ("PISB") from RM96,436,000 to RM196,436,000 by subscribing 100,000,000 preference shares of RM1 each. There is no changes to the effective ownership of the Company in PISB.

17. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(c) Non-controlling interests in subsidiaries

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

Equity interest held by non-controlling interests:

Name of company	Principal place of business/ Country of incorporation	Ownership interest 2021 %	Ownership interest 2020 %
Bizcentre Capital Pte Ltd	Singapore	29	29
Korea Investment Private Placement Business Hotel Real Estate Investment Trust	South Korea	40	40
Pinetree Hotel LLC	South Korea	40	40

Carrying amount of material non-controlling interests:

Name of company	Group 2021 RM'000	Group 2020 RM'000
Bizcentre Capital Pte Ltd	26,122	26,078
Korea Investment Private Placement Business Hotel Real Estate Investment Trust	10,932	13,002
Pinetree Hotel LLC	(5,023)	(2,327)
	32,031	36,753

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

Name of company	Group 2021 RM'000	Group 2020 RM'000
Bizcentre Capital Pte Ltd	61	(20)
Korea Investment Private Placement Business Hotel Real Estate Investment Trust	(806)	(795)
Pinetree Hotel LLC	(2,480)	(2,469)
	(3,225)	(3,284)

17. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

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

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

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

17. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

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

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

	Bizcentre Capital Pte Ltd RM'000	Korea Investment Private Placement Business Hotel Real Estate Investment Trust RM'000	Pinetree Hotel LLC RM'000
Summarised statements of financial position As at 30 June 2020			
Current assets	9,590	7,530	5,713
Non-current assets	82,980	195,559	944
Current liabilities	(3,903)	(7,585)	(10,557)
Non-current liabilities	-	(113,963)	(1,643)
Net assets/(liabilities)	88,667	81,541	(5,543)
Summarised statements of comprehensive income Financial year ended 30 June 2020			
Revenue	-	-	11,563
Loss for the financial year	(69)	(1,988)	(6,172)
Summarised cash flow information Financial year ended 30 June 2020			
Cash flows (used in)/from operating activities	(3,527)	3,044	(4,396)
Cash flows from/(used in) investing activities	293	40	(768)
Cash flows (used in)/from financing activities	(4,745)	(4,939)	4,294
Net decrease in cash and cash equivalents	(7,979)	(1,855)	(870)

18. DEFERRED TAX ASSETS/(LIABILITIES)

(a) Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts of deferred tax assets and liabilities, after appropriate offsetting, are included in the statements of financial position, as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Deferred tax assets		
At 1 July	14,460	19,811
Recognised in profit or loss (Note 10)	8,119	(5,351)
At 30 June	22,579	14,460
Deferred tax liabilities		
At 1 July	(29,976)	(30,631)
Recognised in profit or loss (Note 10)	475	655
At 30 June	(29,501)	(29,976)
Presented after appropriate offsetting as follows:		
Deferred tax assets	22,579	14,460
Deferred tax liabilities	(29,501)	(29,976)
At 30 June	(6,922)	(15,516)

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

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

Deferred tax assets

	Property development projects RM'000	Investment property RM'000	Property, plant and equipment RM'000	Investment tax allowance RM'000	Others RM'000	Total RM'000
2021						
At 1 July 2020	5,411	3,420	2,697	-	2,932	14,460
Recognised in profit or loss	9,561	(35)	(1,363)	-	(44)	8,119
At 30 June 2021	14,972	3,385	1,334	-	2,888	22,579
2020						
At 1 July 2019	7,357	3,492	(731)	6,327	3,366	19,811
Recognised in profit or loss	(1,946)	(72)	3,428	(6,327)	(434)	(5,351)
At 30 June 2020	5,411	3,420	2,697	-	2,932	14,460

Deferred tax liabilities

	Property, plant and equipment RM'000	Land held for future development RM'000	Total RM'000
2021			
At 1 July 2020	(24,462)	(5,514)	(29,976)
Recognised in profit or loss	475	-	475
At 30 June 2021	(23,987)	(5,514)	(29,501)
2020			
At 1 July 2019	(25,117)	(5,514)	(30,631)
Recognised in profit or loss	655	-	655
At 30 June 2020	(24,462)	(5,514)	(29,976)

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

(c) The tax effects of deductible temporary differences, unused tax losses and unused tax credits which would give rise to deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised as mentioned in Note 3(d) to the financial statements. As of 30 June 2021, the estimated amount of deferred tax assets calculated at the applicable tax rate, which is not recognised in the financial statements due to uncertainty of its realisation are as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Temporary differences arising from property, plant and equipment	(8,423)	(7,762)
Tax effects of unused tax losses	13,552	9,097
Tax effects of unabsorbed capital allowance	12,244	8,779
Tax effects of unabsorbed investment tax allowance	23,110	23,110
Tax effects of other deductible differences	1,145	1,965
	41,628	35,189

(d) The availability of unused tax losses for offsetting against future taxable profit of the respective subsidiaries in Malaysia are subject to requirements under the Income Tax Act 1967 and guidelines issued by the authority.

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

	Group	
	2021 RM'000	**2020 RM'000**
Year of assessments		
2026	4,646	4,646
2027	790	790
2028	3,661	3,661
2029	4,455	-
	13,552	9,097

19. AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES

Amount owing by subsidiary companies, which arose mainly from advances and interest charges, are unsecured, interest bearing ranging from 2.5% to 2.75% (2020: 2.75% to 3.75%) per annum, repayable on demand except for amounts of RM101,516,000 (2020: RM130,388,000) are to be repaid within 5 years period from the date of advancement and are expected to be settled in cash.

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

20. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Trade				
Trade receivables	61,007	40,023	-	-
Less: Allowance for impairment	-	(46)	-	-
	61,007	39,977	-	-
Non-trade				
Other receivables	2,900	1,416	-	-
Less: Allowance for impairment	-	(781)	-	-
	2,900	635	-	-
Refundable deposits	4,117	5,276	6	20
Prepaid expenses	2,672	4,415	-	-
GST/VAT refundable	1,341	3,061	-	-
	11,030	13,387	6	20
Total trade and other receivables	72,037	53,364	6	20

20. TRADE AND OTHER RECEIVABLES (CONTINUED)

Trade receivables

Trade receivables comprise amounts receivable for the sales of goods and progress billings to customers. Trade receivables are non-interest bearing and normal credit terms offered by the Group range from 21 days to 30 days (2020: 21 days to 30 days). Other credit terms are assessed and approved on a case by case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Included in the trade receivables of the Group is stakeholders' sum of RM4,420,000 (2020: RM9,109,000).

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

	Group	
	2021 RM'000	**2020 RM'000**
Neither past due nor impaired	4,768	16,110
Past due but not impaired		
Past due 1 to 30 days	26,079	12,750
Past due 31 to 60 days	15,907	1,165
Past due 61 to 90 days	9,174	1,411
Past due 91 to 120 days	3,559	3,215
Past due over 120 days	1,520	5,372
	56,239	23,913
Less: Allowance for impairment	-	(46)
	61,007	39,977

Receivables that are impaired

The Group's trade receivables that impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Trade receivables		
At 1 July	46	142
Charge for the financial year - individually assessed (Note 9)	-	46
Written off	(46)	(142)
At 30 June	-	46

20. TRADE AND OTHER RECEIVABLES (CONTINUED)

Receivables that are impaired (continued)

The Group's other receivables that impaired at the reporting date and the reconciliation of movement in the impairment of other receivables are as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Other receivables		
At 1 July	781	-
Charge for the financial year - individually assessed (Note 9)	-	781
Reversal (Note 9)	(772)	-
Written off	(9)	-
At 30 June	-	781

Trade and other receivables that are individually determined to be credit impaired at the reporting date relate to receivables that are in significant financial difficulties and have defaulted on payments.

21. CONTRACT ASSETS/(LIABILITIES)

The Group issues progress billings to purchasers when the billing milestones are attained. The Group recognises revenue when the performance obligation is satisfied.

The Group's contract assets and contract liabilities relating to the sale of properties as of each reporting period are summarised as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Contract assets relating to property development contracts	16,088	645
Contract liabilities relating to property development contracts	(49,111)	(32,158)
Total	(33,023)	(31,513)

21. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

Changes in contract balances are as follows:

	2021		2020	
	Contract assets Increase/ (Decrease) RM'000	Contract liabilities (Increase)/ Decrease RM'000	Contract assets Increase/ (Decrease) RM'000	Contract liabilities (Increase)/ Decrease RM'000
Group				
Revenue recognised that was included in contract liability at the beginning of the financial year	-	32,158	-	12,488
Increases due to consideration received from customers, but revenue not recognised	-	(49,111)	-	(32,158)
Increases as a result of changes in the measure of progress	16,088	-	645	-
Transfer from contract assets recognised at the beginning of the period to receivables	(645)	-	(6,167)	-

The contract assets and contract liabilities at the end of the reporting period are expected to be recognised within one year.

22. SHORT TERM INVESTMENTS

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Financial assets designated as fair value through other comprehensive income	(a)	89,879	66,770	-	-
Financial assets at fair value through profit or loss	(b)	91,012	27,066	91,012	27,066
Total short term investments		180,891	93,836	91,012	27,066

22. SHORT TERM INVESTMENTS (CONTINUED)

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
(a) Financial assets designated as fair value through other comprehensive income ("FVOCI")				
- Quoted equity securities at fair value:				
At 1 July	66,770	63,764	-	-
Fair value changes	5,465	3,006	-	-
At 30 June	72,235	66,770	-	-
- Unquoted equity securities at fair value:				
At 1 July	-	-	-	-
Additions	17,000	-	-	-
Fair value changes	644	-	-	-
At 30 June	17,644	-	-	-
	89,879	66,770	-	-

The Group holds non-controlling interests in equity securities designated at fair value through other comprehensive income. These investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments as strategic investments and the volatility of market prices of these investments would not affect profit or loss.

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
(b) Financial assets at fair value through profit or loss:				
- Investment in money market fund				
At 1 July	27,066	36,579	27,066	36,579
Additions	152,800	78,800	152,800	78,800
Disposal	(90,200)	(89,200)	(90,200)	(89,200)
Dividend received and reinvested	1,346	887	1,346	887
At 30 June	91,012	27,066	91,012	27,066

23. SHORT TERM DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Fixed deposits with licensed banks	251,683	30,480	24,398	8,532
Cash and bank balances	43,622	65,803	286	1,490
	295,305	96,283	24,684	10,022

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Fixed deposits with licensed banks	251,683	30,480	24,398	8,532
Cash and bank balances	43,622	65,803	286	1,490
	295,305	96,283	24,684	10,022
Less: Fixed deposits with maturity more than 90 days	(919)	-	-	-
	294,386	96,283	24,684	10,022

Included in cash and bank balances of the Group is an amount of RM29,555,000 (2020: RM35,963,000) deposited into Housing Development Accounts in accordance with Section 7(A) of the Housing Developers (Control and Licensing) Act, 1966. These accounts, which consist of monies received from purchasers and interest credited thereon, are restricted for the payment of property development expenditure incurred and fulfillment of all relevant obligations to the purchasers. The surplus monies, if any, will be released to the Group upon the completion of the particular property development projects.

Included in fixed deposits with licensed banks of the Group is an amount of RM164,000,000 being proceeds from issuance of Redeemable Non-Convertible Cumulative Preference Shares ("RNCCPS") by a subsidiary of the Company, of which purpose of the fund is disclosed in Note 26(b) to the financial statements.

The effective interest rates per annum of deposits with licensed banks are as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
Fixed deposits with licensed banks	0.58% - 2.90%	2.65% - 3.49%	1.85% - 2.40%	2.65% - 3.49%

The maturities and repricing of deposits with licensed banks at the end of the financial year are as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
Fixed deposits with licensed banks	30 - 365 days	30 days	30 days	30 days

24. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	2021 Units'000	2020 Units'000	2021 RM'000	2020 RM'000
Ordinary shares Issued and fully paid: At 1 July/ 30 June	381,534	381,534	515,315	515,315

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

25. RESERVES

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Fair value reserve of financial assets at fair value through other comprehensive income ("FVOCI")	(i)	21,717	15,608	-	-
Foreign currency translation reserve	(ii)	(1,712)	474	-	-
Retained earnings	(iii)	1,044,838	1,040,545	706,479	599,825
		1,064,843	1,056,627	706,479	599,825

(i) Fair value reserve of financial assets at FVOCI

This reserve comprises the cumulative net change in the fair value of financial assets at FVOCI until the investments are derecognised or impaired.

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income, as explained in Note 22 to the financial statements. These changes are accumulated within the fair value reserve of financial assets at FVOCI. The Group transfers amount from this reserve to retained earnings when the relevant investments are derecognised.

(ii) Foreign currency translation reserve

Exchange differences arising from the translation of foreign controlled subsidiaries are taken to the translation reserve as described in the accounting policies.

(iii) Retained earnings

As at 30 June 2021, the Company is able to distribute its retained earnings under the single tier system.

26. LOANS AND BORROWINGS

	Note	Group 2021 RM'000	Group 2020 RM'000
Non-current			
Term loans (secured)	(a)	80,245	131,902
Redeemable Non-Convertible Cumulative Preference Shares	(b)	164,000	-
Lease liabilities	(c)	749	-
		244,994	131,902
Current			
Term loans (secured)	(a)	122,084	3,875
Lease liabilities	(c)	374	381
		122,458	4,256
Total loans and borrowings		367,452	136,158
Represented by:			
Current			
Portion due within one year		122,458	4,256
Non-current			
- later than one year and not later than five years		205,413	126,321
- later than five years		39,581	5,581
		244,994	131,902
		367,452	136,158

26. LOANS AND BORROWINGS (CONTINUED)

(a) Term loans

The loans and borrowings are in respect of term loans secured by the following:

(i) First party legal charge over freehold land and buildings of the subsidiary companies as disclosed in Note 12 to the financial statements;

(ii) Specific debenture over certain properties including buildings, fixture and fittings on the properties of the subsidiary companies as disclosed in Note 12 to the financial statements; and

(iii) Corporate guarantee by the Company and a subsidiary company.

The term loans bear interest rates ranging at 3.45% - 4.80% (2020: 3.45% - 4.80%) per annum.

Interest rate swap with total notional amount of RM118,202,000 (2020: RM115,018,000) was used to manage the Group's exposure to interest rate risk arising from the Group's floating rate term loan.

(b) Redeemable Non-Convertible Cumulative Preference Shares ("RNCCPS")

The Nomad Group Berhad ("TNGB"), a wholly owned subsidiary of the Company had entered into a Joint Venture Agreement ("JVA") and Subscription Agreement ("SA") with Javanile Sdn Bhd ("JSB") for the issuance and subscription of 50,000,000 and 114,000,000 RNCCPS at the subscription price of RM1.00 per RNCCPS for a consideration of RM50,000,000 and RM114,000,000 on 17 November 2020 and 26 November 2020, respectively. TNGB shall utilise the said subscription amount solely for the purpose of proposed acquisition of a 21-storey hotel in Osaka, Japan.

On 26 November 2020, TNGB had also entered into a Shareholder Agreement ("SHA") with JSB and the Company, being its shareholder to regulate the management of the TNGB, the relationship of each other and certain aspects of the affairs of, and their dealing with TNGB.

On 28 June 2021, supplemental agreement to JVA, SA and SHA were made and entered into between TNGB, JSB and the Company after the proposed acquisition of the hotel failed to vary the rights and obligations in relation to the investment by JSB by way of subscription of RNCCPS issued by TNGB. JSB intends to retain the investment for TNGB to continue to explore alternative business ventures of a similar nature for a period of two years from the date of this agreement.

The salient features of the RNCCPS are as follows:

(i) Tenure of 2 years from the issue date, 28 June 2021 and the holder is also entitled to make earlier redemption with written notice from time to time;

(ii) Carries a fixed cumulative preferential dividend of 1.5% per annum; and

(iii) Transferrable only with the prior consent of the Board of Directors of TNGB.

26. LOANS AND BORROWINGS (CONTINUED)

(c) Lease liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Future minimum lease payments:		
Not later than 1 year	374	381
Later than 1 year and not later than 2 years	374	-
Later than 2 years and not later than 5 years	375	-
Total minumum lease payments, representing present value of lease liabilities	1,123	381
Present value of minimum lease payments:		
Not later than 1 year	374	381
Later than 1 year and not later than 2 years	374	-
Later than 2 years and not later than 5 years	375	-
	1,123	381
Less: Amount due within 12 months	(374)	(381)
Amount due after 12 months	749	-

Banking facilities

The subsidiary companies have bank guarantee facilities of RM9.8 million (2020: RM10.5 million) obtained from the financial institutions. These facilities are secured by corporate guarantees issued by the Company and a subsidiary company and a negative pledge on assets of the respective subsidiary companies.

27. TRADE AND OTHER PAYABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current				
Non-trade				
Other payable	2,671	1,644	-	-
Current				
Trade				
Trade payables	12,094	5,588	-	-
Retention monies	21,611	22,284	-	-
Accrued expenses	6,250	11,851	-	-
	39,955	39,723	-	-
Non-trade				
Other payables	36,096	11,285	-	-
Accrued expenses	6,169	10,890	65	62
Deferred income	1,724	1,723	-	-
RPGT/GST/VAT payable	10,068	23	-	-
	54,057	23,921	65	62
Total trade and other payables (current)	94,012	63,644	65	62
Total trade and other payables (current and non-current)	96,683	65,288	65	62

Trade payables are non-interest bearing and the normal credit period granted to the Group for construction costs range from 30 days to 60 days (2020: 30 days to 60 days).

Included in other payables is an amount of RM2,671,000 (2020: RM1,644,000) which represents advances from a non-controlling interest, is unsecured, subject to interest rate of 3.85% (2020: 3.85%) per annum, repayable in 2029 and is expected to be settled in cash.

28. PROVISIONS

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Provision for cost to completion	(a)	13,598	20,474	-	-
Provision for affordable housing obligations	(b)	8,078	6,828	-	-
Provision for legal claims	(c)	787	-	-	-
		22,463	27,302	-	-

(a) Provision for cost to completion

The provision for cost to completion represents development costs identified to be incurred for completed projects. Judgement is required in estimating the amount of provision to be made. The Group evaluates the amount of provision required based on past track records and experience. The movement in the provision for cost to completion is as follows:

	Group	
	2021 RM'000	2020 RM'000
At 1 July	20,474	18,430
Additions	-	13,672
Utilised	(5,905)	(3,828)
Reversal	(971)	(7,800)
At 30 June	13,598	20,474

(b) Provision for affordable housing obligation

The provision for affordable housing represents the shortfall between the cost of constructing affordable housing and the economic benefits expected to be received from the purchasers of affordable housing. In establishing the present obligation, judgements and assumptions are made by Group based on its past experience and also based on the terms and conditions of the Master Layout Planning Approval (Kebenaran Merancang) of the projects.

The movement of the provision for affordable housing obligations is as follows:

	Group	
	2021 RM'000	2020 RM'000
At 1 July	6,828	7,876
Additions	1,250	1,610
Reversal	-	(2,658)
At 30 June	8,078	6,828

28. PROVISIONS (CONTINUED)

(c) Provision for legal claim

The provision for legal claims relates to legal action taken by former employees. In the directors' opinion, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the amounts as provided in the financial statements.

The movement of the provision for legal claims is as follows:

	Group	
	2021 RM'000	**2020 RM'000**
At 1 July	-	-
Additions	787	-
At 30 June	787	-

29. DERIVATIVE FINANCIAL LIABILITIES

	Group	
	2021 RM'000	**2020 RM'000**
Derivatives held at fair value through profit or loss:		
At 1 July	1,812	-
Fair value changes on derivatives	(1,161)	1,782
Exchanges differences	37	30
At 30 June	688	1,812

The Group entered into interest rate swap contracts to hedge interest rate risk arising from floating rate bank loans. Interest rate swaps are used to achieve an appropriate floating interest rate exposure within the Group's policy. The notional principal amount of the Group's outstanding interest swap is disclosed in Note 26(a) to the financial statements.

30. DIVIDENDS

Dividends recognised by the Group and the Company are as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Recognised during the financial year:		
Dividends on ordinary shares:		
Final single-tier dividend of 2 sen per ordinary share in respect of the financial year ended 30 June 2020, paid on 20 November 2020	7,631	-
Dividends on ordinary shares:		
Final single-tier dividend of 4.5 sen per ordinary share in respect of the financial year ended 30 June 2019, paid on 22 November 2019	-	17,169

The directors have proposed a final single-tier dividend of 2.0 sen on 381,533,758 ordinary shares, amounting to RM7,630,675 in respect of current financial year. This dividend is subject to approval of the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2022.

31. FINANCIAL GUARANTEE CONTRACTS

	Company	
	2021 RM'000	**2020 RM'000**
Financial guarantee contracts given to banks for credit facilities granted to subsidiary companies	176,674	107,543

32. CAPITAL COMMITMENT

	Group	
	2021 RM'000	**2020 RM'000**
Property, plant and equipment		
- approved and contracted	73,551	18,549

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

(a) Investment in Plenitude Osaka Sdn Bhd and MHI SG1 Pte Ltd

On 26 November 2020, the Board of Directors of the Company had announced that the Company acquired, through the Company's 90%-owned indirect subsidiary, Plenitude Osaka Sdn Bhd ("POSB"), MHI SG1 Pte Ltd ("MHI"), a company incorporated in Singapore, and that MHI had on 26 November 2020 entered into the agreements (collectively, the "Definitive Agreements") in respect of the Proposed Investment:

(i) a conditional joint venture agreement ("JVA") between POSB and Midscale Hotels Investment Pte Ltd, a company incorporated in Singapore ("Midscale"), to govern the relationship between POSB and Midscale as shareholders of MHI ("Joint Venture");

(ii) a conditional Trust Beneficiary Interest Sale and Purchase Agreement between Tokyo Tatemono Co., Ltd. ("TTCL") as vendor and MHI as purchaser for MHI to purchase 100% of the shares for the beneficiary interest of the Real Estate Management and Disposition Trust (the "Osaka Trust"), a real estate investment trust which was established under The Law Concerning Liquidation of Assets (Law No. 105 of 1998, Japan) and invested in a 21-storey hotel in Osaka, Japan.

However, on 20 January 2021, the Board of Directors of the Company had announced that a condition precedent in relation to the Definitive Agreements entered into by the indirect subsidiary of Plenitude, MHI SG1 Pte Ltd, in respect of the Proposed Investment has not been fulfilled in accordance with the terms of the Definitive Agreements. Pursuant thereto, the conditional Trust Beneficiary Interest Sale and Purchase Agreement has been terminated and the deposit was refunded by TTCL in current financial year.

(b) Covid-19 pandemic

On 11 March 2020, the World Health Organisation declared the Covid-19 outbreak as a pandemic in recognition of its rapid spread across the globe. On 16 March 2020, the Malaysian Government has imposed several levels of Movement Control Order ("MCO") starting from 18 March 2020 to curb the spread of the Covid-19 outbreak in Malaysia. The Covid-19 outbreak also resulted in travel restriction, lockdown, social distancing and other precautionary measures imposed in various countries.

The Group and the Company have considered possible impacts, if any, of Covid-19 pandemic in their application of significant judgements and estimates for the financial year ended 30 June 2021 in determining the amounts recognised in the financial statements for the financial year ended 30 June 2021 as disclosed in Note 4 to the financial statements.

As the ongoing Covid-19 pandemic continues to evolve, there is significant uncertainty over the duration of the pandemic and its full range of possible effects on the Group's financial and liquidity positions. Given the fluidity of the situation, the Group and the Company are unable to reasonably estimate the complete financial impacts of Covid-19 pandemic for the financial year ending 30 June 2022 to be disclosed in the financial statements as impact assessment of the Covid-19 pandemic is a continuing process.

The Group continues to actively pursue new opportunities in property investment and its projects developments. The Group and Company will continue to focus on cost optimisation efforts to ensure the Group and the Company remain competitive in a challenging post-MCO business environment and endeavor to deliver sustainable growth in the long term.

34. SEGMENT INFORMATION

The Group prepared the segment information in accordance with MFRS 8 *Operating Segments* and on the basis of internal reports on the Group's strategic business units which are regularly reviewed by the Board of Directors in order to allocate resources to the segments and to assess their performances.

There are varying levels of integration among investment holding with the other segments. This integration includes corporate support and provision of financial support. Inter-segment pricing is determined on a negotiated basis.

For management purposes, the Group is organised into the following operating divisions:
- Property development
- Hotel operations
- Investment holding and others

Factors used to identify reportable segment

Property development segment, hotel operations segment, and investment holding segment are organised and identified as separate reportable segments due to the nature of the principal activities in which the business operates.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the directors. Segment total asset is used to measure the return on assets of each segment.

Segment liabilities

The total segment liability is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the directors.

Geographical segments

Information on the Group's operations by geographical segments has not been presented as the results from other geographical segments are insignificant.

Major customers

There is no single customer that contributed 10% or more to the Group's revenue.

34. SEGMENT INFORMATION (CONTINUED)

	Property development RM'000	Hotel operations RM'000	Investment holding and others RM'000	Eliminations RM'000	Note	Total RM'000
Group						
2021						
Revenue						
External customers	188,491	20,002	-	-		208,493
Inter-segment sales	3,890	122	8,641	(12,653)	(a)	-
Dividend income	-	-	61,000	(61,000)	(a)	-
Total revenue	192,381	20,124	69,641	(73,653)		208,493
Results						
Segment profit/(loss)	72,382	(22,738)	109,606	(102,286)	(b)	56,964
Other income						
- investment revenue						13,133
Depreciation						(33,262)
Finance costs						(7,295)
Profit before taxation						29,540
Taxation						(20,841)
Net profit for the financial year						8,699

34. SEGMENT INFORMATION (CONTINUED)

	Property development RM'000	Hotel operations RM'000	Investment holding and others RM'000	Eliminations RM'000	Note	Total RM'000
Group						
2021						
Consolidated statement of financial position						
Segment assets	998,712	987,215	1,816,635	(1,652,983)	(c)	2,149,579
Unallocated assets					(c)	29,497
Total assets						2,179,076
Segment liabilities	357,085	438,375	209,087	(468,150)		536,397
Unallocated liabilities						30,490
Total liabilities						566,887
Other information						
Additions to non-current assets other than financial instruments and deferred tax assets	4,835	35,489	678	(604)		40,398
Depreciation						
- Property, plant and equipment	483	31,590	93	-		32,166
- Right-of-use assets	-	-	434	-		434
- Investment properties	606	-	56	-		662
Employee benefits expenses	3,656	10,178	6,521	-		20,355
Finance cost	4,186	12,414	1,256	(10,561)		7,295
Loss on disposal of property, plant and equipment	-	47	-	-		47
Interest income from fixed deposits	(676)	(109)	(2,114)	-		(2,899)
Net fair value gain on derivative financial liabilities	-	(1,161)	-	-		(1,161)
Property, plant and equipment written off	-	2,500	1	-		2,501
Reversal of impairment loss on other receivables	(772)	-	-	-		(772)
Unrealised (gain)/loss on foreign exchange	-	(180)	20	-		(160)

34. SEGMENT INFORMATION (CONTINUED)

	Property development RM'000	Hotel operations RM'000	Investment holding and others RM'000	Eliminations RM'000	Note	Total RM'000
Group						
2020						
Revenue						
External customers	133,694	55,141	-	-		188,835
Inter-segment sales	1,430	-	9,976	(11,406)	(a)	-
Dividend income	-	-	62,600	(62,600)	(a)	-
Total revenue	135,124	55,141	72,576	(74,006)		188,835
Results						
Segment profit/(loss)	56,677	(15,374)	88,196	(78,530)	(b)	50,969
Other income						
- investment revenue						9,176
Depreciation						(27,033)
Finance costs						(4,924)
Profit before taxation						28,188
Taxation						(23,301)
Net profit for the financial year						4,887

34. SEGMENT INFORMATION (CONTINUED)

	Property development RM'000	Hotel operations RM'000	Investment holding and others RM'000	Eliminations RM'000	Note	Total RM'000
Group						
2020						
Consolidated statement of financial position						
Segment assets	962,729	975,168	1,793,715	(1,853,510)	(c)	1,878,102
Unallocated assets					(c)	24,207
Total assets						1,902,309
Segment liabilities	331,445	464,956	144,335	(678,018)		262,718
Unallocated liabilities						30,896
Total liabilities						293,614
Other information						
Additions to non-current assets other than financial instruments and deferred tax assets	21,039	75,789	139	(614)		96,353
Depreciation						
- Property, plant and equipment	136	25,649	195	-		25,980
- Right-of-use assets	-	-	434	-		434
- Investment properties	568	-	51	-		619
Employee benefits expenses	4,463	19,942	7,476	-		31,881
Finance cost	6,218	16,656	-	(17,950)		4,924
Gain on disposal of property, plant and equipment	-	(55)	(44)	-		(99)
Impairment loss on trade and other receivables	827	-	-	-		827
Interest income from fixed deposits	(430)	(121)	(1,402)	-		(1,953)
Net fair value loss on derivative financial liabilities	-	1,782	-	-		1,782
Property, plant and equipment written off	-	706	3	-		709
Unrealised loss on foreign exchange	-	244	-	-		244

34. SEGMENT INFORMATION (CONTINUED)

Notes Nature of elimination to arrive at amounts reported in the consolidated financial statements:
(a) Inter-segment revenue are eliminated on consolidation;
(b) Inter-segment revenue and expenses are eliminated on consolidation; and
(c) Inter-segment balances are eliminated on consolidation.

35. SIGNIFICANT RELATED PARTY DISCLOSURES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influences over the other party in making financial and operational decisions, or if one other party controls both.

Related parties of the Group include:

(i) Entities having significant influence over the Group;
(ii) Subsidiaries;
(iii) Entities in which directors have substantial financial interests; and
(iv) Key management personnel of the Group and the Company comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

The Group has related party relationship with its subsidiaries, directors and other key management personnel.

(a) Significant transactions undertaken on agreed terms and prices by the Company with its subsidiary companies during the financial year are as follows:

	Company	
	2021 RM'000	**2020 RM'000**
Dividend income received (Note 5)	61,000	62,600
Interest on unsecured advances to subsidiary companies (Note 9)	10,561	17,950

(b) The compensation of key management personnel during the financial year are as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Short-term employee benefits	4,570	5,003
Contributions to EPF	546	600
	5,116	5,603

35. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(b) The compensation of key management personnel during the financial year are as follows (continued):

The estimated monetary value of benefit-in-kind received by the key management personnel other than in cash from the Group amounted to RM46,000 (2020: RM54,000).

Included in the above compensation of key management personnel are directors' remuneration as disclosed in Note 9 to the financial statements.

36. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The following table analyses the financial instruments in the statements of financial position by classes of financial instruments to which they are assigned:

(i) Fair value through profit or loss ("FVPL");
(ii) Amortised cost ("AC"); and
(iii) Designated fair value through other comprehensive income ("DFVOCI").

	Note	AC RM'000	FVPL RM'000	DFVOCI RM'000	Total RM'000
Group					
2021					
Financial assets					
Trade and other receivables *	20	68,024	-	-	68,024
Short term investments	22	-	91,012	89,879	180,891
Fixed deposits with licensed banks	23	251,683	-	-	251,683
Cash and bank balances	23	43,622	-	-	43,622
Total financial assets		363,329	91,012	89,879	544,220
Financial liabilities					
Loan and borrowings	26	367,452	-	-	367,452
Trade and other payables ^	27	84,891	-	-	84,891
Derivative financial liabilities	29	-	688	-	688
Total financial liabilities		452,343	688	-	453,031

** Exclude prepaid expenses and GST/VAT refundable*
^ Exclude deferred income and RPGT/GST/VAT payable

36. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Classification of financial instruments (continued)

	Note	AC RM'000	FVPL RM'000	DFVOCI RM'000	Total RM'000
Group					
2020					
Financial assets					
Trade and other receivables *	20	45,888	-	-	45,888
Short term investments	22	-	27,066	66,770	93,836
Fixed deposits with licensed banks	23	30,480	-	-	30,480
Cash and bank balances	23	65,803	-	-	65,803
Total financial assets		142,171	27,066	66,770	236,007
Financial liabilities					
Loan and borrowings	26	136,158	-	-	136,158
Trade and other payables ^	27	63,542	-	-	63,542
Derivative financial liabilities	29	-	1,812	-	1,812
Total financial liabilities		199,700	1,812	-	201,512

** Exclude prepaid expenses and GST/VAT refundable*
^ Exclude deferred income and RPGT/GST/VAT payable

36. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Classification of financial instruments (continued)

	Note	AC RM'000	FVPL RM'000	Total RM'000
Company				
2021				
Financial assets				
Amount owing by subsidiary companies	19	103,219	-	103,219
Short term investments	22	-	91,012	91,012
Fixed deposits with licensed banks	23	24,398	-	24,398
Cash and bank balances	23	286	-	286
Total financial assets		127,903	91,012	218,915
Financial liabilities				
Trade and other payables	27	65	-	65
Amount owing to subsidiary companies	19	2,454	-	2,454
Total financial liabilities		2,519	-	2,519
2020				
Financial assets				
Trade and other receivables	20	20	-	20
Amount owing by subsidiary companies	19	133,858	-	133,858
Short term investments	22	-	27,066	27,066
Fixed deposits with licensed banks	23	8,532	-	8,532
Cash and bank balances	23	1,490	-	1,490
Total financial assets		143,900	27,066	170,966
Financial liabilities				
Trade and other payables	27	62	-	62
Amount owing to subsidiary companies	19	118,580	-	118,580
Total financial liabilities		118,642	-	118,642

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies

The Group's and the Company's activities are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholder.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group and the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

Concentration of credit risk

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:

	Group			
	2021		2020	
	RM'000	% of total	RM'000	% of total
By country:				
Malaysia	61,007	100%	39,973	100%
Korea	-	0%	4	0%
	61,007	100%	39,977	100%
By industry sectors:				
Property development	60,583	99%	39,679	99%
Hotel operations	424	1%	298	1%
	61,007	100%	39,977	100%

At the reporting date, there is no concentration of credit risk by individual debtors.

Recognition and measurement of impairment loss

The Group assessed the risk of loss of its customers individually based on their financial information, past trend of payments and external credit ratings, where applicable.

The information about the movements in allowance for impairment and ageing of trade receivables as at 30 June 2021 are disclosed in Note 20 to the financial statements.

Other receivables and financial assets

For other receivables and other financial assets (including investment securities, cash and cash equivalents and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(i) Credit risk (continued)

Other receivables and financial assets (continued)

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Other than the credit impaired other receivables, the Group and the Company consider these financial assets to have low credit risk. As at the reporting date, the Group and the Company did not recognised any loss allowance for impairment for other receivables and other financial assets other than as disclosed in Note 20 to the financial statements.

Refer to Note 3(m) for the Group’s and the Company’s other accounting policies for impairment of financial assets.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(i) Credit risk (continued)

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks as disclosed in Note 31 to the financial statements representing the maximum amount the Company could pay if the guarantee is called. As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantees.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade, other payables, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's treasury department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(ii) Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

		Contractual cash flows			
	Carrying amounts RM'000	**Within 1 year RM'000**	**1 to 5 years RM'000**	**More than 5 years RM'000**	**Total RM'000**
Group					
2021					
Loans and borrowings	367,452	136,080	216,530	42,753	395,363
Trade and other payables ^	84,891	82,220	-	2,671	84,891
Derivative financial liabilities	688	688	-	-	688
Total undiscounted financial liabilities	453,031	218,988	216,530	45,424	480,942
2020					
Loans and borrowings	136,158	9,070	140,045	5,806	154,921
Trade and other payables ^	63,542	61,898	-	1,644	63,542
Derivative financial liabilities	1,812	913	899	-	1,812
Total undiscounted financial liabilities	201,512	71,881	140,944	7,450	220,275
Company					
2021					
Trade and other payables	65	65	-	-	65
Amount owing to subsidiary companies	2,454	2,454	-	-	2,454
Total undiscounted financial liabilities	2,519	2,519	-	-	2,519
2020					
Trade and other payables	62	62	-	-	62
Amount owing to subsidiary companies	118,580	118,580	-	-	118,580
Total undiscounted financial liabilities	118,642	118,642	-	-	118,642

^ Exclude deferred income and RPGT/GST/VAT payable

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from expenses and cash and bank balances that are denominated in a currency other than the respective functional currencies of Group entities, primarily RM. The foreign currencies in which these transactions are denominated are mainly US Dollar (“USD”), Singapore dollar (“SGD”), British Pound (“GBP”), EURO (“EUR”) and Korean Won (“KRW”).

The Group and the Company ensure that the net exposure to this risk is kept to an acceptable level. Management does not enter into currency hedging transactions since it considers that the cost of such instruments outweighs the potential risk of exchange rate fluctuations.

The Group’s exposure to foreign currency (a currency which is other than the currency of the Group entitles) risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in				
	USD	**SGD**	**GBP**	**EUR**	**KRW**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Group					
2021					
Cash and bank balances	-	65	-	-	3,291
Trade payables	(447)	(1)	(25)	-	(277)
Other payables	(763)	(30)	-	-	(334)
Exposure in the statements of financial position	(1,210)	34	(25)	-	2,680
2020					
Cash and bank balances	-	194	-	-	4,814
Trade payables	(343)	(7)	-	(83)	(243)
Other payables	(922)	(4)	-	-	(539)
Exposure in the statements of financial position	(1,265)	183	-	(83)	4,032

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(iii) Foreign currency risk (continued)

Currency risk sensitivity analysis

The following table demonstrates the sensitivity to a reasonable possible change in the USD and KRW, with all other variables held constant on the Group's total equity and profit for the financial year.

	Change in rate	Effect on profit or loss for the financial year RM'000
Group		
2021		
USD	+ 10%	(26)
	- 10%	26
KRW	+ 10%	268
	- 10%	(268)
2020		
USD	+ 10%	(127)
	- 10%	127
KRW	+ 10%	403
	- 10%	(403)

The exposure of the Group on SGD, GBP and EUR are not material and hence, sensitivity analysis is not presented.

(iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from its long-term loans and borrowings with floating interest rates.

The Group reviews its debts portfolio to ensure favourable rates are obtained, taking into account the investment holding period and nature of asset.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts. To manage this mix in a cost-efficient manner, the Group enters into interest rate swaps.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

(iv) Interest rate risk (continued)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and profit for the financial year.

	Change in basis point %	Effect on profit for the financial year RM'000	Effect on equity RM'000
Group			
30 June 2021	+100	(664)	(505)
	-100	664	505

In financial year ended 30 June 2020, there was no long-term loans and borrowings with floating interest rates.

(v) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. The quoted equity instruments in Malaysia are listed on Bursa Securities. These instruments are classified as held for trading or available-for-sale financial assets. The Group does not have exposure to commodity price risk.

Sensitivity analysis for equity price risk

This analysis assumes that all other variables remain constant and the Group's equity investments moved in correlation with FTSE Bursa Malaysia KLCI ("FBMKLCI").

A 10 percent strengthening in FBMKLCI at the end of the reporting period would have increased equity by RM8,235,000 (2020: RM7,078,000). A 10 percent weakening in FBMKLCI would have had equal but opposite effect on equity.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	2021 RM'000	2020 RM'000
Group		
Financial assets		
Trade and other receivables *	68,024	45,888
Fixed deposits with licensed banks	251,683	30,480
Cash and bank balances	43,622	65,803
	363,329	142,171
Financial liabilities		
Loans and borrowings	367,452	136,158
Trade and other payables ^	84,891	63,542
	452,343	199,700
Company		
Financial assets		
Trade and other receivables *	-	20
Amount owing by subsidiary companies	103,219	133,858
Fixed deposits with licensed banks	24,398	8,532
Cash and bank balances	286	1,490
	127,903	143,900
Financial liabilities		
Trade and other payables ^	65	62
Amount owing to subsidiary companies	2,454	118,580
	2,519	118,642

** Exclude prepayments and GST/VAT refundable*
^ Exclude deferred income and RPGT/GST/VAT payable

The carrying amount of these financial assets and liabilities are reasonable approximations of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Fair value hierarchy

The following are classes of financial instruments that are carried at fair value, by valuation method. The different levels have been defined as follows:

	Note	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group					
2021					
Financial asset					
Short term investments	22	180,891	-	-	180,891
Financial liability					
Derivative financial liabilities	29	-	688	-	688
2020					
Financial asset					
Short term investments	22	93,836	-	-	93,836
Financial liability					
Derivative financial liabilities	29	-	1,812	-	1,812
Company					
2021					
Financial asset					
Short term investments	22	91,012	-	-	91,012
2020					
Financial asset					
Short term investments	22	27,066	-	-	27,066

The fair value of quoted equity securities and unquoted equity securities are estimated based on their market prices as at the end of the reporting period.

Transfer between levels of fair values hierarchy

There is no transfer between levels of fair values hierarchy during the financial year.

37. CAPITAL MANAGEMENT

The Group's primary objective when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or reduce borrowings.

There were no changes made on the capital management objectives, policies and processes of the Group during the financial year.

The Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital plus net debt. Net debt is calculated as total interest bearing financial liabilities less cash and cash equivalents. Total capital refers to equity attributable to the owners of the Company.

	Group	
	2021 RM'000	**2020 RM'000**
Loans and borrowings (excluding lease liabilities) (Note 26)	366,329	135,777
Less: Short term deposits, cash and bank balances (Note 23)	(295,305)	(96,283)
Sub-total	71,024	39,494
Net debt	71,024	39,494
Equity attributable to the owners of the Company, representing total capital	1,580,158	1,571,942
Total capital and net debt	1,651,182	1,611,436
Gearing ratio, net	4.3%	2.5%

Statement By Directors
Pursuant to Section 251(2) of the Companies Act 2016

PLENITUDE BERHAD
(Incorporated in Malaysia)

We, **CHUA ELSIE** and **TAN KAK TECK**, being two of the directors of Plenitude Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements are properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2021 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

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

CHUA ELSIE

TAN KAK TECK

Kuala Lumpur
Date: 30 September 2021

Statutory Declaration
Pursuant to Section 251(1) of the Companies Act 2016

PLENITUDE BERHAD
(Incorporated in Malaysia)

I, **ANG KOOI YONG**, being the officer primarily responsible for the financial management of Plenitude Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 82 to 188 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

ANG KOOI YONG
(MIA membership no: 8884)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 30 September 2021.

Before me,

HADINUR MOHD SYARIF (W761)
Commissioner for Oaths

Independent Auditors’ Report To The Members Of Plenitude Berhad
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Plenitude Berhad, which comprise the statements of financial position as at 30 June 2021 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 82 to 188.

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 2021, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Group

Property development activities (Note 4(a), 5, 6, 15 and 21 to the financial statements)

Risk

We focused on this area because significant directors' judgement is required, in particular with regards to determining the progress towards satisfaction of a performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend of the outcome of future events.

Our audit response:

Our audit procedures included, among others:

- reading the terms and conditions of sample of agreements with customers on sample of projects;
- understanding the design and implementation of controls over the Group's process in recording project costs, preparation of project budgets and calculation of the stage of completion;
- discussing the progress of sample of the projects and the expected outcomes with the respective project managers, to obtain an understanding of the basis on which the estimates are made;
- comparing the Group's computed progress towards complete satisfaction of performance obligation for sample of identified projects against architect or consultant certificate;
- testing the mathematical computation of the recognised revenue and expenses of sample projects during the financial year; and
- discussing with the Group on the estimation of provision and the input data in the estimation of provision.

Key Audit Matters (continued)

Group (continued)

Property, plant and equipment (Note 4(b) and 12 to the financial statements)

Risk

The Group has significant balances of property, plant and equipment relating to its hotel operations. In view of the Covid-19 outbreak, there are significant changes in the market and economic environment in which the Group operates, that indicates the property, plant and equipment may be impaired. As such, there is a risk the future performance of the assets may not lead to their carrying values being recoverable in full.

We focused on this area because significant directors' judgement is required in performing an impairment assessment to estimate the recoverable amount of these assets.

Our audit response:

Our audit procedures included, among others:

- discussing the valuation method in determining the recoverable amount adopted by the Group;
- comparing the actual results with previous projections to understand the performance of the business and reliability of forecasting process;
- understanding the Group's assessment and consideration of the current economic and business environment affected by Covid-19 pandemic, in relation to key inputs such as discount rates, forecast growth rates, occupancy rates and gross profit margin;
- reading the valuation report and discussing with external valuer on their valuation approach and the significant judgement made;
- testing the mathematical accuracy of the impairment assessment; and
- performing a sensitivity analysis around the key inputs that are expected to be most sensitive to the recoverable amount.

Key Audit Matters (continued)

Group (continued)

Deferred tax assets (Note 4(c) and 18 to the financial statements)

Risk

As at 30 June 2021, the Group has recognised deferred tax assets. We focused on this area because significant directors' judgement is required in determining the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

Our response:

Our audit procedures included, among others:

- comparing the actual results with previous projections to understand the performance of the business and reliability of forecasting process;
- reading the profit projections and the key inputs in the profit projections such as growth rate and profit margin; and
- testing the mathematical accuracy of the profit projections calculation.

Key Audit Matters (continued)

Company

We have determined that there are no key audit matters in audit of the financial statements of the Company to be communicated in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

The directors of the Company are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 17 to the financial statements.

Other Matters

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

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Dato' Lock Peng Kuan
No. 02819/10/2022 J
Chartered Accountant

Kuala Lumpur
Date: 30 September 2021

List Of Top 20 Properties
As At 30 June 2021

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2021 (RM'000)	Date of Acquisition/ Revaluation
1	PT32818 - 33146, H.S.(D) 24048 - 24374 Mukim of Dengkil, District of Sepang, Selangor Darul Ehsan	Land held for mixed development	32.08	Leasehold (expiring in 2101)	-	24,875	05/06/2009
2	PTD193720-193761, HSD570021-570062; PTD193762-193851, HSD570071-570160 PTD196525 - 196617, HSD580647 - 580739; PTD196618 - 196665, HSD580341 - 580388; PTD196384 - 196524, HSD580506 - 580646 PTD194079, H.S (D) 570373, PTD194085 H.S.(D) 570375, PTD194089 H.S.(D) 570376 PTD 114154-114155, H.S.(D) 368390-368391, PTD 114528-114759, H.S.(D) 427430-427661 PTD 114760-114869, H.S.(D) 380531-380640 PTD 114870-114969, H.S.(D) 380641-380740 PTD 147858-147989, H.S.(D) 540538-540669 PTD 158069, H.S.(D) 489259 PTD 158176, H.S.(D) 489360 PTD 158191, H.S.(D) 489370 PTD 194090, H.S.(D) 570377 PTD 194091, H.S.(D) 570378 PTD 194092, H.S.(D) 570379 PTD 194093, H.S.(D) 570380 Mukim Tebrau, Johor Bahru Johor Darul Takzim	Land held for mixed development	178.94	Freehold	-	23,347	25/10/2000
3	PTD 93547-93548, H.S.(D) 329862-329863 PTD 147338, H.S.(D) 453149 PTD 158181, H.S.(D) 489361 PTD 158193, H.S.(D) 489372 Mukim Tebrau, Johor Bahru Johor Darul Takzim	Land held for commercial development	19.42	Freehold	-	2,843	25/10/2000

List Of Top 20 Properties (cont'd)
As At 30 June 2021

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2021 (RM'000)	Date of Acquisition/ Revaluation
4	PTD 162998, H.S.(D) 509005 Mukim Tebrau, Johor Bahru Johor Darul Takzim	Land together with retail lots and car park held for investment property	5.10	Freehold	7	17,556	25/10/2000
5	Geran 96630 Lot 15 Geran 102260 Lot 1585 PTD 31036 H.S.(D) 19885 PTD 31038 H.S.(D) 19887 PTD 31039 H.S.(D) 19888 Mukim and District of Kota Tinggi Johor Darul Takzim	Land held for mixed development	258.48	Freehold	-	41,666	25/02/2004
6	H.S.(D) 16809, Lot 1365 Geran 49405 - 49407, Lot 494 - 496 Geran 49408 - 49414, Lot 508 - 514 Geran 107001, Lot 836 GM 338, Lot 936 GM 346, Lot 959 GM 351, Lot 964 GM 352, Lot 986 GM 354 - 355, Lot 1057 - 1058 GM 458 - 460, Lot 1090 - 1092 GM 468, Lot 1102 HS(M) 406 - 407, Lot 1231 - 1232 GM 154, Lot 709 Mukim 17, Batu Ferringgi, Daerah Timor Laut, Pulau Pinang	Land held for mixed development	32.83	Freehold	-	38,992	10/05/2010
7	Geran No. 116119 -116124, Lot No. 1038-1043 Seksyen 2, Bandar Batu Ferringhi Daerah Timor Laut, Pulau Pinang	Land held for commercial development	0.58	Freehold	-	3,324	10/07/2006

List Of Top 20 Properties (cont'd)
As At 30 June 2021

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2021 (RM'000)	Date of Acquisition/ Revaluation
8	Lot 140, Geran Mukim 201 Lot 141, Geran Mukim 318 Lot 808, Geran Mukim 492 Lot 693 - 696, Geran Mukim 452 - 455 Lot 697, Geran Mukim 174 Lot 699, Geran Mukim 175 Lot 1218 - 1219, Geran Mukim 1050 - 1051 Lot 1177 - 1181, Geran 45105 - 45109 Lot 1193 - 1195, Geran 45110 - 45112 Mukim 6, Daerah Barat Daya Pulau Pinang, and Lot 532, Geran Mukim 214 Tempat Pondok Upeh, Mukim 6 Daerah Barat Daya, Pulau Pinang	Land held for mixed development	52.63	Freehold	-	42,006	27/09/2010
9	PT 23537 H.S.(D) 256/94 Bandar of Sungai Petani District of Kuala Muda Kedah Darul Aman	Land held for mixed development	6.43	Freehold	-	9,658	10/11/2000
10	Lot No. 22876 - 22886 Geran No. 97536 - 97546 Lot No. 22898 - 22906 Geran No. 97558 - 97566 Lot No. 22922 - 22943 Geran No. 97582 - 97603 Lot No. 22945 - 22959 Geran No. 97398 - 97412 Lot No. 22966 - 22967 Geran No. 97376 - 97377 Lot No. 22968 Geran No. 97666 Lot No. 22969 - 22988 Geran No. 97378 - 97397 Lot No. 23017 - 23034 Geran No. 97502 - 97519 Lot No. 23036 & 23037 Geran No. 97340 & 97612 Lot No. 23038 - 23047 Geran No. 97339 - 97330 Lot No. 23060 - 23062 Geran No. 97317 - 97315	Land held for mixed development	600.88	Freehold	-	34,316	10/11/2000

List Of Top 20 Properties (cont'd)
As At 30 June 2021

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2021 (RM'000)	Date of Acquisition/ Revaluation
10	Lot No. 23063 - 23067 Geran No. 97222 - 97218 Lot No. 23094 - 23115 Geran No. 97362 - 97341 Lot No. 25187 - 25202 Geran No. 135317 - 135332 Lot No. 25210 - 25231 Geran No. 135391 - 135370 Lot No. 25233 - 25241 Geran No. 135369 - 135361 Lot No. 25244 - 25257 Geran No. 135347 - 135360 Lot No. 25258 - 25270 Geran No. 135333 - 135345 Lot No. 25344 Geran No. 135346 Lot No. 26539 Geran No. 186996 Lot No. 26541 - 26565 Geran No. 186535 - 186559 Lot No. 26567 Geran No. 186997 Lot No. 26568 Geran No. 187002 Lot No. 26571 Geran No. 187003 Lot No. 26572 Geran No. 186998 Lot No. 27316 - 27375 Geran No. 185414 - 185473 Lot No. 27378 - 27379 Geran No. 213441 - 213442 Lot No. 27380 - 27394 Geran No. 188632 - 188646 Lot No. 27397 - 27411 Geran No. 188647 - 188661 Lot No. 27413 - 27421 Geran No. 188662 - 188670 Lot No. 27423 Geran No. 186671 Lot No. 27424 - 27474 Geran No. 188674 - 188724 Lot No. 27476 - 27518 Geran No. 188725 - 188767 PT 14833-15023 HS (D) 7072 - 7362 PT 15024-15189 HS (D) 7363 - 7428 PT 15192-15195 HS (D) 69091 - 69094 PT 23369 HS (D) 71911 Mukim of Sungai Pasir District of Kuala Muda Kedah Darul Aman						

List Of Top 20 Properties (cont'd)
As At 30 June 2021

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2021 (RM'000)	Date of Acquisition/ Revaluation
11	PT 15190 H.S.(D) 69089 Mukim of Sungai Pasir District of Kuala Muda Kedah Darul Aman, and PT 15191 H.S.(D) 69090 Bandar Sungai Mukim of Sungai Petani District of Kuala Muda Kedah Darul Aman	Land held for commercial development	8.08	Freehold	-	6,226	19/02/2009
12	Ascott Gurney Penang Lot 2255, Bandar Georgetown, Seksyen 4, Daerah Timur Laut Negeri Pulau Pinang	Hotel building	12.38*	Freehold	21	174,373	18/03/2015
13	Tanjung Point Residences Penang Lot 3407 Seksyen 1 Bandar Tanjung Tokong Daerah Timor Laut, Pulau Pinang	Land together with residences building	1.13	Freehold	3	90,585	10/07/2006
14	Mercure Penang Beach Bandar Tanjong Bungah Daerah Timur Laut, Pulau Pinang	Land together with hotel building	1.64	Freehold	39	18,904	24/08/2001
15	Oakwood Hotel & Residence Kuala Lumpur No. 222, Jalan Ampang 50450 Kuala Lumpur	Hotel building	2.92*	Freehold	27	102,505	22/05/2015
16	The Nomad Residences Bangsar No. 136, Jalan Ara Bangsar 59100 Kuala Lumpur	Land together with serviced residences building	1.90	Freehold	28	63,496	22/05/2015
17	Novotel Kuala Lumpur City Centre No. 2, Jalan Kia Peng 50450 Kuala Lumpur	Land together with hotel building	0.63	Freehold	17	186,640	22/05/2015

List Of Top 20 Properties (cont'd)
As At 30 June 2021

No.	Land Title / Location	Existing use / Description	Land Area/ Lettable Area* (Acres)	Tenure	Approx. age of buildings (Years)	Net book value as of 30/06/2021 (RM'000)	Date of Acquisition/ Revaluation
18	Travelodge Georgetown No, 101 Jalan Macalister 10400 Penang	Land together with hotel building	0.30	Freehold	N/A	29,382	22/05/2015
19	Travelodge Ipoh Jalan Raja Dihilir 30350 Ipoh Perak	Land together with hotel building	1.55	Freehold	24	69,755	31/12/2018
20	Travelodge Myeongdong Euljiro 61 Supyo-Ro Myeongdong Jung-gu Seoul 04542 South Korea	Land together with hotel building	0.27	Freehold	7	201,798	21/06/2019

Analysis Of Shareholdings
As At 9 September 2021

SHARE CAPITAL

Total Issued Capital	: 381,533,758
Class of Shares	: Ordinary shares
Voting Rights	: One vote per ordinary share held

SHAREHOLDING DISTRIBUTION SCHEDULE (AS PER THE RECORD OF DEPOSITORS)

No. of Shareholders	Size of Shareholdings	No. of Shares Held	% of Shares
166	Less than 100	2,085	0.00*
2,169	100 to 1,000	1,616,488	0.42
2,816	1,001 to 10,000	10,878,888	2.85
668	10,001 to 100,000	20,923,142	5.48
101	100,001 to less than 5% of issued shares	123,013,273	32.25
3	5% and above of the issued shares	225,099,882	59.00
5,923	**TOTAL**	**381,533,758**	**100.00**

* Less than 0.01%

Analysis Of Shareholdings (cont'd)
As At 9 September 2021

LIST OF 30 LARGEST SECURITIES ACCOUNT HOLDERS (BASED ON THE RECORD OF DEPOSITORS)
(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

No.	Name of Shareholders	No. of Shares Held	Percentage (%)
1.	Ikatanbina Sdn. Bhd.	122,824,726	32.19
2.	Fields Equity Management Ltd.	81,378,018	21.33
3.	En Primeurs Sdn. Bhd.	20,897,138	5.48
4.	Focus Asia Strategies Ltd.	18,637,935	4.89
5.	Bus Info Plus Sdn. Bhd.	18,267,888	4.79
6.	Northside Plantations Sdn. Bhd.	17,988,818	4.71
7.	Zheijang Properties Sdn. Bhd.	17,723,204	4.64
8.	Brainstorms Sdn. Bhd.	9,439,100	2.47
9.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. – *Yayasan Pok Rafeah, Berdaftar*	4,000,000	1.05
10.	Yayasan Haji Zainuddin	4,000,000	1.05
11.	Amsec Nominees (Tempatan) Sdn. Bhd. – *Pledged Securities Account - Ambank (M) Berhad for Ang Beng Poh*	3,000,000	0.79
12.	Public Nominees (Tempatan) Sdn. Bhd. – *Pledged Securities Account for Lee Yock Chem @ Lee York Soo (E-PKG)*	2,058,100	0.54
13.	CIMB Group Nominees (Asing) Sdn. Bhd. – *Exempt An for DBS Bank Ltd. (SFS)*	1,775,000	0.46
14.	Public Nominees (Tempatan) Sdn. Bhd. – *Pledged Securities Account for Ang Beng Poh (E-BMM)*	1,513,400	0.40
15.	Lee Ooi Kim	1,018,778	0.27
16.	Goh Thong Beng	992,000	0.26
17.	Yeo Khee Huat	904,200	0.24
18.	Ng Swee Sim	882,300	0.23
19.	Tan Ai Leng	800,000	0.21

Analysis Of Shareholdings (cont'd)
As At 9 September 2021

No.	Name of Shareholders	No. of Shares Held	Percentage (%)
20.	DB (Malaysia) Nominee (Asing) Sdn. Bhd. *– Deutsche Bank AG Singapore for Yeoman 3-Rights Value Asia Fund (PTSL)*	750,000	0.20
21.	Lim Khuan Eng	695,000	0.18
22.	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. *– Pledged Securities Account for Lim Chen Yik (Penang-CL)*	578,000	0.15
23.	Nam Shoon Hong Sdn. Bhd.	538,000	0.14
24.	CGS-CIMB Nominees (Asing) Sdn. Bhd. *– Exempt An for CGS-CIMB Securities (Singapore) Pte. Ltd. (Retail Clients)*	489,700	0.13
25.	Ng Kim Neo	431,000	0.11
26.	HLB Nominees (Tempatan) Sdn. Bhd. *– Pledged Securities Account for Chuah Seng Boon*	404,100	0.11
27.	Toh Ying Choo	400,000	0.10
28.	Hwang Yung Aun & Sons Sdn. Bhd.	391,600	0.10
29.	Ang Hong Mai	378,000	0.10
30.	Ding Diong Sing	378,000	0.10
	TOTAL	**333,534,005**	**87.42**

Analysis Of Shareholdings (cont'd)
As At 9 September 2021

SUBSTANTIAL SHAREHOLDERS (BASED ON THE REGISTRAR OF SUBSTANTIAL SHAREHOLDERS)

		No. of Shares Held			
No.	**Name of Shareholders**	**Direct Interest**	**Percentage (%)**	**Indirect Interest**	**Percentage (%)**
1.	Ikatanbina Sdn. Bhd.	122,824,726	32.19	-	-
2.	Fields Equity Management Ltd.	81,378,018	21.33	-	-
3.	En Primeurs Sdn. Bhd.	20,897,138	5.48	-	-

DIRECTORS' SHAREHOLDINGS (BASED ON THE REGISTRAR OF DIRECTORS' SHAREHOLDINGS)

		No. of Shares Held			
No.	**Name of Directors**	**Direct Interest**	**Percentage (%)**	**Indirect Interest**	**Percentage (%)**
1.	Chua Elsie	-	-	104,000*	0.03
2.	Tan Kak Teck	-	-	-	-
3.	Ir. Teo Boon Keng	-	-	-	-
4.	Dato' Lok Bah Bah @ Loh Yeow Boo	-	-	-	-
5.	Tee Kim Chan	-	-	-	-

Note: *Deemed interested by virtue of the shares held by her spouse and children.

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty-First ("21st") Annual General Meeting ("AGM") of **PLENITUDE BERHAD** ("the Company") will be held on a fully virtual basis via online meeting platform of www.swsb.com.my provided by Shareworks Sdn. Bhd. in Malaysia on **Monday**, **8 November 2021** at **3.00 p.m.** for the following business:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2021 ("FY2021") and the Director's and Auditors' Reports thereon. **(See Explanatory Note 11)**

2. To declare a Final Single-Tier Dividend of 2.0 sen per share for the FY2021 as recommended by the Directors. **(Ordinary Resolution 1)** **(See Explanatory Note 12)**

3. To re-elect the following Directors retiring pursuant to Clause 101 of the Company's Constitution and who have offered themselves for re-election:
   (i) Chua Elsie **(Ordinary Resolution 2)**
   (ii) Tee Kim Chan **(Ordinary Resolution 3)**

4. To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 4)**

AS SPECIAL BUSINESS
To consider and if thought fit, to pass the following resolutions:

5. **Ordinary Resolution**
   Payment of Directors' Fees for the financial year ending 30 June 2022 **(Ordinary Resolution 5)** **(See Explanatory Note 13)**

   "**THAT** the payment of Directors' Fees amounting to RM300,000.00 (FY2021: RM240,000.00) in respect of the financial year ending 30 June 2022 be approved."

6. **Ordinary Resolution**
   Payment of Meeting Allowance for Non-Executive Directors **(Ordinary Resolution 6)** **(See Explanatory Note 14)**

   "**THAT** the meeting allowance payable to the Non-Executive Directors of the Company up to an estimated total sum of RM26,500.00 for the period commencing after the date of this AGM to the date of the next AGM of the Company be approved."

7. **Ordinary Resolution**
   Retention of Independent Non-Executive Director **(Ordinary Resolution 7)** **(See Explanatory Note 15)**

   "**THAT** Mr Tan Kak Teck, who has served as an Independent Non-Executive Director for a cumulative term of more than twelve (12) years, be retained and remained as an Independent Non-Executive Director of the Company."

8. **Ordinary Resolution**
Retention of Independent Non-Executive Director **(Ordinary Resolution 8)**
(See Explanatory Note 16)

"**THAT** Ir Teo Boon Keng, who has served as an Independent Non-Executive Director for a cumulative term of more than nine (9) years, be retained and remained as an Independent Non-Executive Director of the Company."

9. **Ordinary Resolution** **(Ordinary Resolution 9)**
Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 ("CA 2016") **(See Explanatory Note 17)**

"**THAT** pursuant to Sections 75 and 76 of the CA 2016, the Directors be and are hereby authorised to issue and allot shares in the Company at any time and from time to time until the conclusion of the next AGM of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) or up to the threshold as approved by Bursa Malaysia Securities Berhad ("Bursa Malaysia") of the total number of issued shares of the Company (excluding treasury shares, if any) at the time of issue, subject to the Constitution of the Company and approval of all the relevant regulatory bodies being obtained for such allotment and issuance."

10. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and/or the CA 2016.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the forthcoming 21st AGM, a Final Single-Tier Dividend of 2.0 sen per share will be paid on 18 November 2021 to the shareholders whose names appear in the Record of Depositors at the close of business on 9 November 2021.

A depositor shall qualify for entitlement only in respect of:

(a) shares transferred to the Depositor's Securities Account before 4.30 p.m. on 9 November 2021 in respect of transfers; and

(b) shares bought on Bursa Malaysia on a cum entitlement basis according to the Rules of Bursa Malaysia.

By Order of the Board
PLENITUDE BERHAD

WONG YUET CHYN
(MAICSA 7047163) (SSM PC 202008002451)
REBECCA LEE EWE AI
(MAICSA 0766742) (SSM PC 202008002636)
Company Secretaries

Kuala Lumpur
8 October 2021

Notice Of Annual General Meeting (cont'd)

Notes:

1. Pursuant to Section 334 of the CA 2016, a member shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.

2. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a General Meeting of the Company shall have the same rights as the member to speak at the General Meeting.

3. Where a Member is an Exempt Authorised Nominee who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

4. Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

5. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

6. If the appointor is a corporation, the Form of Proxy ("Form") must be executed under its common seal or under the hand of an attorney duly authorised.

7. To be valid, the Form, duly completed must be deposited at the Registered Office of the Company at 2nd Floor, No. 2, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or email to ir.plenitude@shareworks.com.my not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the form of proxy shall not be treated as valid.

8. In respect of deposited securities, only Members, whose names appear on the Record of Depositors on 29 October 2021, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia, all resolutions set out in this Notice will be put to vote by way of poll.

10. The Members are encouraged to refer the Administrative Guide on registration and voting process for the General Meeting.

Explanatory Notes on Ordinary Business

11. Audited Financial Statements for the FY2021

    The audited financial statements are laid in accordance with Section 340(1)(a) of the CA 2016 for discussion only under item 1 of the Agenda. They do not require shareholders' approval and hence, will not be put forward for voting.

12. Ordinary Resolution 1 - Final Single-Tier Dividend

    With reference to Section 131 of the CA 2016, a company may only make a distribution to the shareholders out of profits of the company available if the company is solvent. On 30 September 2021, the Board of Directors ("the Board") had considered the amount of dividend and decided to recommend the same for the shareholders' approval.

    The Board is satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made on 18 November 2021 in accordance with the requirements under Sections 132(2) and (3) of the CA 2016.

Explanatory Notes on Special Business

13. Ordinary Resolution 5 – Payment of Directors' Fees for the financial year ending 30 June 2022

    For the financial year ending 30 June 2022, the proposed Director's Fee for the Non-Executive Directors is at RM5,000 per month for period from July 2021 to June 2022.

14. Ordinary Resolution 6 – Meeting allowance for Non-Executive Directors

    The meeting allowance of RM500 per meeting is payable to each Non-Executive Director, where applicable, for their attendance of Board and Committee meetings.

15. Ordinary Resolution 7 - Proposed Retention of Independent Non-Executive Director of the Company pursuant to the Malaysian Code on Corporate Governance

    Mr Tan Kak Teck was appointed as Independent Non-Executive Director of the Company on 15 July 2003 and has served for a cumulative term of more than twelve (12) years. The Board considers him to be independent and believes that he should be retained and remained as Independent Non-Executive Director based on the following justification:

    (a) He has met the independence criteria set out in Chapter 1 of the MMLR of Bursa Malaysia;
    (b) He has been with the Group for eighteen (18) years and therefore understands the operations of the Company and is able to participate actively and contribute positively during deliberations/discussions at meetings without compromising his independence and objective judgment;
    (c) He has contributed sufficient time and exercised due care during his tenure as Independent Director;
    (d) He has discharged his professional duties in good faith and also in the best interest of the Company and shareholders; and
    (e) He has the professional skills, qualifications and experiences to review the Group's financial statements, business strategies and direction.

    The proposed retention of Mr Tan Kak Teck as an Independent Non-Executive Director of the Company will be voted through a two-tier voting process.

16. Ordinary Resolution 8 - Proposed Retention of Independent Non-Executive Director of the Company pursuant to the Malaysian Code on Corporate Governance

    Ir Teo Boon Keng was appointed as Independent Non-Executive Director of the Company on 2 July 2012 and has served for a cumulative term of more than nine (9) years. The Board considers him to be independent and believes that he should be retained and remained as Independent Non-Executive Director based on the following justification:

    (a) He has met the independence criteria set out in Chapter 1 of the MMLR of Bursa Malaysia;
    (b) He has been with the Group for nine (9) years and therefore understands the operations of the Company and is able to participate actively and contribute positively during deliberations/discussions at meetings without compromising his independence and objective judgment;
    (c) He has contributed sufficient time and exercised due care during his tenure as Independent Director;
    (d) He has discharged his professional duties in good faith and also in the best interest of the Company and shareholders; and
    (e) He has the professional skills, qualifications and experiences to review the Group's financial statements, business strategies and direction.

17. Ordinary Resolution 9 - Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the CA 2016

    Ordinary Resolution 9 is proposed for the purpose of granting a General Mandate ("General Mandate"), which if passed, will empower the Directors of the Company, pursuant to Sections 75 and 76 of the CA 2016 to issue and allot new ordinary shares each in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% or up to the threshold as approved by Bursa Malaysia of the issued and paid-up capital of the Company for the time being as the Directors may consider such action to be in the interest of the Company. The General Mandate, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company, or during the expiration of period within which the next AGM is required by law to be held, whichever is earlier.

    As at the date of this Notice, the Company did not seek for any General Mandate granted to the Directors at the last AGM held on 5 November 2020.

    The General Mandate will provide flexibility to the Company to raise funds, including but not limited to placing of shares, for purpose of funding future investment projects and/or working capital and/or acquisitions.

Plenitude Berhad

Registration No. 200001028479 (531086-T)
(Incorporated in Malaysia)

CDS ACCOUNT NO.	- -
NO. OF SHARES HELD	

FORM OF PROXY

*I/We ____

(FULL NAME IN BLOCK LETTERS)

(*NRIC No./Passport No./Company Registration No.: ____________________)

of ____

(FULL ADDRESS)

____________________ being a *member/members of PLENITUDE BERHAD, hereby appoint

Name of Proxy (Full Name)	NRIC No./Passport No.	% of Shareholdings to be Represented (Refer to Note 5)
Address		
Email Address	Contact Number	

*and/or failing him

Name of Proxy (Full Name)	NRIC No./Passport No.	% of Shareholdings to be Represented (Refer to Note 5)
Address		
Email Address	Contact Number	

or failing him, the **CHAIRMAN OF THE MEETING** as *my/our proxy to vote for *me/us on *my/our behalf at the Twenty-First ("21st") Annual General Meeting of the Company will be held on a fully virtual basis via online meeting platform of www.swsb.com.my provided by Shareworks Sdn. Bhd. in Malaysia on **Monday**, **8 November 2021** at **3.00 p.m.** and at any adjournment thereof, for the following business:
** strike which inapplicable*

ORDINARY BUSINESS		**FOR**	**AGAINST**
Ordinary Resolution 1	Declaration of Final Single-Tier Dividend		
Ordinary Resolution 2	Re-election of Chua Elsie as Director		
Ordinary Resolution 3	Re-election of Tee Kim Chan as Director		
Ordinary Resolution 4	Re-appointment of Auditors		
SPECIAL BUSINESS			
Ordinary Resolution 5	Payment of Directors' Fees for the financial year ending 30 June 2022		
Ordinary Resolution 6	Payment of Meeting Allowance for Non-Executive Directors		
Ordinary Resolution 7	Retention of Mr Tan Kak Teck as an Independent Non-Executive Director		
Ordinary Resolution 8	Retention of Ir Teo Boon Keng as an Independent Non-Executive Director		
Ordinary Resolution 9	Authority to Issue and Allot Shares Pursuant to Section 75 and 76 of the Companies Act 2016		

(Please indicate with an "X" in the space provided on how you wish to cast your vote. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

Dated this .... day of .... 2021 Signature(s) of member(s) ....

Notes:

1. *Pursuant to Section 334 of the CA 2016, a member shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.*
2. *A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a General Meeting of the Company shall have the same rights as the member to speak at the General Meeting.*
3. *Where a Member is an Exempt Authorised Nominee who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.*
4. *Where a Member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
5. *Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.*
6. *If the appointor is a corporation, this form must be executed under its common seal or under the hand of an attorney duly authorised.*
7. *To be valid, this form, duly completed must be deposited at the Registered Office of the Company at 2nd Floor, No. 2, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or email to ir.plenitude@shareworks.com.my not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the form of proxy shall not be treated as valid.*
8. *In respect of deposited securities, only Members, whose names appear on the Record of Depositors on 29 October 2021, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.*
9. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia, all resolutions set out in this Notice will be put to vote by way of poll.*
10. *The members are encouraged to refer the Administrative Guide on registration and voting process for the General Meeting.*

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Then fold here

AFFIX
STAMP

The Company Secretaries
Plenitude Berhad **200001028479 (531086-T)**

2nd Floor, No. 2,
Jalan Sri Hartamas 8,
Sri Hartamas,
50480 Kuala Lumpur
Wilayah Persekutuan (KL)

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