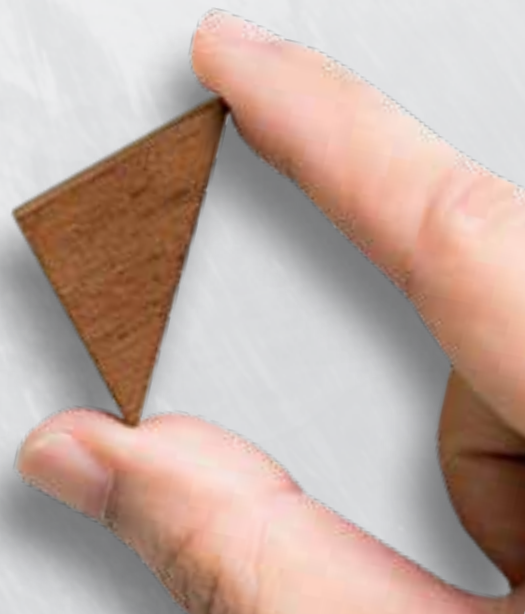


PARKWOOD



Annual  
Report  
2024

RE.DEFINE SPACE



# 54<sup>th</sup>

## ANNUAL GENERAL MEETING



Level 5, Menara LGB, No. 1, Jalan Wan Kadir,  
Taman Tun Dr. Ismail, 60000 Kuala Lumpur



Wednesday,  
18 June 2025, 11.00 a.m.



## Our Vision

We aspire to be a premier corporation in property development and investment both locally and internationally.

## Our Mission

We strive to deliver quality products and services with uncompromised professionalism that promote aspirational and sustainable communities.

## Our Values

- **INTEGRITY**  
Represents our emphasis on having strong working ethical and moral principles by acting with professionalism, honesty, trustworthiness and honour.
- **EXCELLENCE**  
Represents our pursuit for innovations and continuous improvement to deliver high quality products and services in tandem with the market trend.
- **TEAMWORK**  
Represents the collaborative effort of our people in pursuing shared goals in the most effective and efficient way through trust, mutual respect and embracement of diversity.
- **SUSTAINABILITY**  
Represents our commitment to ensure that our businesses and products are economically, environmentally and socially sustainable.



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Download the "QR Code Reader" on Apple App Store or Google Play Store



Run the QR Code Reader app and point your camera to the QR Code



Get access to the softcopy of our website to review our Annual Report

The soft copy of Parkwood Holdings Berhad ("Parkwood") Annual Report 2024 is available on our website. Go to **www.parkwood.my** or scan the QR code with your smartphone.



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## FORM OF PROXY





## CORPORATE INFORMATION

Board of  
Directors**Mr. Lim Chin Sean***Executive Chairman***Datuk Hew Lee Lam Sang***Independent Non-Executive Director***Ms. Irene Kam Sok Khuan***Independent Non-Executive Director***Ms. Jessica Low May-Teng***Independent Non-Executive Director***Mr. Chin Kok Siong***Director (Executive)***Mr. Chan Keen Wai***Alternate Director (Executive) to  
Mr. Chin Kok Siong***AUDIT AND RISK  
MANAGEMENT COMMITTEE***Chairman***Datuk Hew Lee Lam Sang***Members***Ms. Irene Kam Sok Khuan**  
**Ms. Jessica Low May-Teng****NOMINATION COMMITTEE***Chairperson***Ms. Irene Kam Sok Khuan***Members***Datuk Hew Lee Lam Sang**  
**Ms. Jessica Low May-Teng****REMUNERATION COMMITTEE***Chairperson***Ms. Jessica Low May-Teng***Members***Datuk Hew Lee Lam Sang**  
**Ms. Irene Kam Sok Khuan****COMPANY SECRETARIES****Ms. Tai Yit Chan**(MAICSA 7009143)  
SSM P.C. No. 202008001023  
(Appointed w.e.f 20.06.2024)**Ms. Chin Chooi Wei**(MAICSA 7062555)  
SSM P.C. No. 202308000544  
(Appointed w.e.f 02.12.2024)**AUDITORS****Crowe Malaysia PLT**201906000005  
(LLP0018817-LCA) & AF 1018  
Chartered Accountants  
Level 16 Tower C  
Megan Avenue II  
12 Jalan Yap Kwan Seng  
50450 Kuala Lumpur  
Tel : 603-2788 9999  
Fax : 603-2788 9998**SHARE REGISTRAR****Boardroom Share Registrars Sdn Bhd**(Reg. No. 199601006647 (378993-D))  
11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor, Malaysia  
Tel : 603-7890 4700  
Fax : 603-7890 4670**PRINCIPAL BANKERS**CIMB Bank Berhad  
Hong Leong Bank Berhad*(In alphabetical order)***REGISTERED OFFICE/  
PRINCIPAL PLACE OF BUSINESS**Unit 8-02, Level 8  
Menara LGB  
No.1, Jalan Wan Kadir  
Taman Tun Dr Ismail  
60000 Kuala Lumpur  
Tel : 603-2788 9322  
Fax : 603-2788 9340  
E-mail : admin@parkwood.my  
Website : www.parkwood.my**STOCK EXCHANGE LISTING**Main Market of  
Bursa Malaysia Securities Berhad  
Stock Code : **2682**

## PROFILE OF DIRECTORS



**MR. LIM CHIN SEAN**

*Executive Chairman*

MALAYSIAN

43

MALE

**Mr. Lim Chin Sean** is an Executive Chairman of Parkwood. Prior to his appointment to the Board as a Non-Independent Non-Executive Director on 26 September 2007, he was an alternate director to Dato' Ghazali Bin Mat Ariff since 23 November 2005. He was then re-designated from Non-Independent Non-Executive Director to Executive Director on 23 November 2016, and have been appointed as Executive Chairman on 22 February 2024.

Mr. Lim holds a Bachelor of Computer System Engineering Degree (Honours) from University of Kent, United Kingdom.

He joined the LGB Group of Companies since September 2003 and is currently involved in property development, construction projects, manufacturing and IT advisory services. He also sits on the Board of several private limited companies.

Mr. Lim is a substantial shareholder of the Company by virtue of his substantial shareholdings in Telaxis Sdn Bhd, which is a substantial shareholder of the Company. Other than being a director and major shareholder of Bellworth Developments Sdn. Bhd., which is involved in the property development industry, to his best knowledge and belief, he has no other conflict of interest or potential conflict of interest including interest in any competing business with the Company or its subsidiaries.

Mr. Lim attended all five (5) Board meetings held during the financial year ended 31 December 2024.



**DATUK HEW LEE LAM SANG**

*Independent Non-Executive Director*

MALAYSIAN

61

MALE

**Datuk Hew Lee Lam Sang** joined the Board of Parkwood on 29 January 2019 as an Independent Non-Executive Director. He serves as the Chairman of the Audit and Risk Management Committee since 29 January 2019. He also serves as the member of the Nomination Committee and the Remuneration Committee subsequent to his re-designation from Chairman to member in the Nomination Committee on 20 November 2023.

Apart from Parkwood, Datuk Hew Lee sits on the Board of TIL Enviro Limited and SEG International Bhd. He also sits on the Board of several private limited companies.

He is a qualified Accountant with the Malaysian Institute of Certified Public Accountants and is a member of the Malaysian Institute of Accountants. Datuk Hew Lee has more than 32 years of experience in the auditing and business advisory profession with KPMG in Malaysia. Datuk Hew Lee was the head of the consulting practice of KPMG in Malaysia before he was elected to manage the whole advisory practice in Malaysia until his retirement from practice at the end of 2015. His vast experience includes external auditing, initial public offerings, review of financial forecast and projections, corporate restructuring, share valuation, etc.

Datuk Hew Lee attended all five (5) Board meetings held during the financial year ended 31 December 2024.



## Profile of Directors (Cont'd)

**MS. IRENE KAM SOK KHUAN***Independent Non-Executive Director*

MALAYSIAN

40

FEMALE

**Ms. Irene Kam Sok Khuan** joined the Board of Parkwood on 23 November 2022 as an Independent Non-Executive Director. She serves as the Chairperson of the Nomination Committee since 20 November 2023. She also serves as the member of the Audit and Risk Management Committee and the Remuneration Committee.

Ms. Irene Kam is an Advocate and Solicitor. She was admitted as an Advocate & Solicitor of the High Court in Malaya on 24 August 2012, and is currently a Partner at Messrs. Azri, Lee Swee Seng & Co. She has extensive experience in advising clients from a wide spectrum of industries and has amassed expertise in advisory and dispute resolution involving a full range of Intellectual Property (“IP”) related issues, including devising strategy in order to protect the IP assets of an organisation. She also has over 15 years experience as a law lecturer, and brings her passion and insight of the law into her legal practice.

Ms. Irene Kam attended all five (5) Board meetings held during the financial year ended 31 December 2024.

**MS. JESSICA LOW MAY-TENG***Independent Non-Executive Director*

MALAYSIAN

53

FEMALE

**Ms. Jessica Low May-Teng** joined the Board of Parkwood on 4 October 2023 as an Independent Non-Executive Director. She serves as the Chairperson of the Remuneration Committee since 20 November 2023. She also serves as the member of the Audit and Risk Management Committee and the Nomination Committee.

Ms. Jessica Low, a highly accomplished Certified Accountant with a distinguished career spanning over 24 years. She is a member of the Malaysian Institute of Accountants since year 2000. Renowned for her adept leadership, she has driven financial performance and implemented robust internal controls across multinational corporations in the IT industry. Having hands-on experience in financial management, budgeting, forecasting, and risk assessment has consistently delivered tangible results, ensuring sustainable growth and profitability for the organizations she served. Jessica currently serves as the Chief Financial Officer at SAP Malaysia and is a board member of Cuckoo International (MAL) Berhad.

Ms. Jessica Low attended all five (5) Board meetings held during the financial year ended 31 December 2024.

## Profile of Directors (Cont'd)



**MR. CHIN KOK SIONG**

*Director (Executive)*

MALAYSIAN

60

MALE

**Mr. Chin Kok Siong** was appointed as Director on 26 February 2024.

Mr. Chin also serves as Chief Financial Officer of Parkwood since June 2021. He is a chartered accountant by profession, a member of the Malaysian Institute of Accountants (MIA) and a Member of the Association of Chartered Certified Accountants (ACCA) of the United Kingdom.

Mr. Chin has more than 30 years of working experience. He started his career with KPMG before moving into the property and casino sectors. Whilst with KPMG, besides training in professional accountancy and auditing, he was involved in corporate exercises covering initial public offering, corporate restructuring, strategic planning, tax planning, financial and risk management. Upon completing his professional training, he moved on to assume several key senior finance positions with established public listed companies, including Senior Finance Vice President of NagaCorp Limited, a Hong Kong Exchange (HKE) listed company and major casino operator in Cambodia.

His last posting was with MK Land Berhad as its Group Financial Controller.

Mr. Chin was appointed to the Board of Parkwood on 26 February 2024 and hence, he only attended four (4) Board meetings held during the financial year ended 31 December 2024.



**MR. CHAN KEEN WAI**

*Alternate Director (Executive) to  
Mr. Chin Kok Siong*

MALAYSIAN

56

MALE

**Mr. Chan Keen Wai** was appointed as Alternate Director to Mr. Chin Kok Siong on 26 February 2024.

Mr. Chan also serves as Chief Operating Officer of Parkwood since June 2017. He holds a Master of Real Estate (with Distinction) from University of Malaya, a Master of Business Administration (MBA) from Southern Cross University, Australia and a bachelor's degree in Construction Management & Economics from Curtin University of Technology, Australia. He is a member of the Royal Institution of Chartered Surveyors (MRICS), United Kingdom and the Royal Institution of Surveyors, Malaysia (MRISM).

Mr. Chan, a chartered surveyor by profession, has more than 30 years of experience in the property fraternity spanning across real estate development, contract management and built asset management. He started his career in Singapore with Marina Centre Holdings Pte Ltd and EM Services Pte Ltd before moving back to Malaysia to continue with his career endeavours. The property developers in Malaysia, which he had previously served at include IJM Land Bhd, TA Global Bhd and WCT Land Sdn Bhd.

Mr. Chan has held various senior management positions and has accumulated a wealth of experience in property development encompassing both upstream and downstream activities of the business, project financial and contract management as well as management of commercial and residential properties.

Save as disclosed, none of the Directors has family relationship with any director and/or major shareholder of the Company.

None of the Directors of the Company has entered into any transaction, whether directly or indirectly, which has a conflict of interest with the Company. All Directors have no convictions for offences within the past five (5) years other than traffic offences, if any.



## GROUP FINANCIAL HIGHLIGHTS

	2020	2021	2022	2023	2024
	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
<b>1 RESULT OF OPERATIONS</b>					
Revenue	6,512	9,906	18,415	27,425	18,259
(Loss)/Profit Before Interest, Tax and Depreciation	(3,364)	(1,993)	4,904	(1,252)	(2,816)
(Loss)/Profit Before Tax	(3,814)	(3,817)	3,281	(4,253)	(4,787)
(Loss)/Profit After Tax	(3,990)	(4,315)	2,347	(4,200)	(5,407)
<b>2 STATEMENT OF FINANCIAL POSITION</b>					
<b><u>Equity And Long Term Liabilities</u></b>					
Issued and Paid-Up Share Capital	22,161	46,239	46,239	46,239	46,239
Treasury Shares	(3,725)	(3,725)	(3,725)	(3,725)	(3,725)
Asset Revaluation Reserve	24,540	24,540	24,540	24,540	24,540
Capital Reserve	48,209	48,209	48,209	48,209	48,209
Unappropriated Profit	39,826	35,511	37,858	33,658	28,250
Shareholders' Fund	131,011	150,774	153,121	148,921	143,514
Retirement Gratuities	164	82	82	82	82
Deferred Tax Liabilities	156	156	666	666	666
Lease Liabilities	1,118	637	647	333	188
Borrowings	25,639	22,824	21,713	22,450	19,450
<b><u>Long Term Assets</u></b>					
Property, Plant & Equipments	598	127	127	80	99
Investment Properties	36,600	36,600	41,700	41,700	41,700
Right-of-Use Assets	1,516	987	1,114	626	601
Trade Receivables	-	-	-	2,289	2,451
Land Held for Property Development	32,589	33,134	33,354	33,574	37,888
Other Investment	11	469	577	881	-
Other Assets	32	32	42	42	42
<b><u>Other Assets and Liabilities</u></b>					
Currents Assets	92,799	110,358	109,339	103,316	94,128
Current Liabilities	6,056	7,234	10,024	10,055	13,008
Net Current Assets	86,743	103,124	99,314	93,261	81,120
Total Assets	164,145	181,707	186,254	182,508	176,908
<b>3 FINANCIAL RATIO</b>					
Return on Equity (%)	(3.05)	(2.86)	1.53	(2.82)	(3.77)
(Loss)/Profit Before Interest, Tax and Depreciation on Revenue (%)	(51.66)	(20.12)	26.63	(4.57)	(15.42)
(Loss)/Profit Before Tax on Revenue (%)	(58.57)	(38.53)	17.82	(15.51)	(26.22)
Net Debt-to-Equity Ratio (times)	0.15	0.07	0.08	0.05	0.07
Current Ratio (times)	15.32	15.26	10.91	10.28	7.24
<b>4 PER SHARE</b>					
(Loss)/Earnings Per Share (Sen)	(2.90)	(1.79)	0.85	(1.53)	(1.97)
Share Price (Sen)	32.50	18.50	14.50	14.50	11.00
Net Asset Per Share (Sen)	95.22	54.79	55.65	54.12	52.15



## CHAIRMAN'S STATEMENT

*Dear Valued Shareholders*

**On behalf of the Board of Directors, I am pleased to present the Annual Report and the Audited Financial Statements of Parkwood Holdings Berhad and its group of companies ("the Group" or "Parkwood") for the financial year ended 31 December 2024. The Group's business and performance details are presented under the Management Discussion and Analysis Report.**

**OVERVIEW**

The global economy, in 2024, navigated a turbulent landscape marked by the ongoing Russia-Ukraine conflict and escalating tensions in the Middle East. These events disrupted critical trade routes and exacerbated existing supply chain vulnerabilities. However, the global economy demonstrated remarkable resilience in 2024, achieving a growth rate of approximately 3.2% in Gross Domestic Product (GDP) (source: IMF).

On the domestic front, Malaysia's economic performance in 2024 was particularly strong, achieving a 5.1% GDP growth rate (source: BNM). This growth was propelled by robust domestic demand, increased investment activities, and a revitalized export sector. A strengthening labour market further contributed to this positive trajectory. This strong growth underscores Malaysia's ability to adapt to persistent economic uncertainty.

Throughout 2024, Bank Negara Malaysia strategically maintained the Overnight Policy Rate (OPR) at 3.00%, which provided stability to the housing market while helping to manage inflationary pressures. The government's fiscal policies, particularly the MADANI Budget 2024, bolstered market confidence with initiatives focused on enhancing affordable housing. These measures included incentives for first-time homebuyers and the Housing Credit Guarantee Scheme, aimed at improving access to financing for underserved groups.

Despite the overall positive economic outlook, the property and construction sectors faced persistent challenges:

- **Inflation and Supply Chain Disruptions:** The escalating costs of key raw materials, such as steel, cement, and timber placed significant pressure on developers' operational expenses.
- **Labour Shortages:** A shortage of skilled labour within the industry hampered developers' ability to meet rising construction demands, further complicating project timelines.
- **High Property Prices:** The surge in development costs contributed to higher property prices, prompting many potential buyers to opt for rental options instead.

Nevertheless, Malaysia's construction and property sectors remained attractive, buoyed by stable government policies and an optimistic economic outlook.

The Malaysian property market demonstrated remarkable resilience in FY2024. According to the National Property Information Centre (NAPIC), transaction volume increased by 5.4%, and transaction value surged by 18.0% compared to 2023, marking the strongest growth in five years. This growth highlights the market's ability to adapt and thrive despite broader economic challenges. Additionally, the residential overhang situation improved, with a reduction in overhang units compared to the previous year.

As of the fiscal year ending 2024, sales progress for Utamara Boutique Residences has been encouraging with 63 out of 82 units sold. This equates to a net sales value of RM80.063 million, representing 77% of the net Gross Development Value (GDV) of RM103 million.



## Chairman's Statement (Cont'd)

### FINANCIAL PERFORMANCE

In the year under review, the Group registered a loss before tax of RM4.79 million against the loss before tax of RM4.25 million in the previous year mainly due to higher revenue recognised in the previous year following the delivery of vacant possession for Utamara Boutique Residences on 20 September 2023. The turnover for the year 2024 was RM18.26 million against RM27.43 million in the preceding year.

Consequently, the Group's shareholders' equity also decreased from RM148.92 million to RM143.51 million during the year. Gearing wise, the Group's gearing remains low with loans and borrowings amounting to RM21.90 million as at 31 December 2024 compared to RM24.29 million from a year before, with drop primarily due to repayments made during the year. Net assets per share of the Group decreased to RM0.52 compared to RM0.54 in the previous year.

Further details of the Group's financial performance are covered in this Annual Report's Management Discussion and Analysis section.



### CORPORATE DEVELOPMENT

On 25 October and 1 November 2024, Parkwood Templers Sdn Bhd (formerly known as Parkwood Damansara Sdn Bhd), a wholly-owned subsidiary of Parkwood, entered into two separate Sale and Purchase Agreements (SPA) to acquire the following cluster of land: -

1. One (1) parcel of freehold land on Lot 5021, Mukim Rawang, Daerah Gombak, Negeri Selangor, with an area of 0.6125 hectare, for a purchase price of RM3,900,000.00.
2. Four (4) parcels of freehold land on Lot 5022, 5023, 5024 and 5025, Mukim Rawang, Daerah Gombak, Negeri Selangor, with a total area of approximately 12.4586 hectares, for a total purchase price of RM27,000,000.00.

These acquisitions support the Group's business growth strategy, which focuses on developing a modern, master-planned community that integrates sustainable living with a community-oriented lifestyle, natural surroundings, and convenient accessibility.

### INDUSTRY OUTLOOK

Looking ahead to 2025, Malaysia's economy is projected to remain resilient, with GDP growth expected between 4.5% and 5.0%. This growth is anticipated to be driven by sustained domestic demand and robust private consumption, supported by the increase in the minimum wage to RM1,700 per month (from RM1,500) effective February 2025. However, external challenges, such as geopolitical tensions and a global economic slowdown, could pose risks to growth.

The global trade environment remains uncertain, particularly with the continuation of President Trump's trade policy reforms, including potential import tariffs. These measures could have cascading effects on Malaysia, especially given that electrical and electronics products constitute about 60% of Malaysia's trade with the U.S. While Malaysia's diversified economy presents opportunities, inflationary pressures and possible currency fluctuations may still pose challenges.

Domestically, private consumption may face constraints due to the planned removal of the RON95 blanket subsidy in the second half of 2025 and the expansion of the services tax. However, these pressures are expected to be mitigated by targeted government subsidies and financial assistance programs aimed at supporting households and businesses.

The ringgit performed strongly in 2024, appreciating 11.4% against the U.S. dollar. While global market volatility may pose short-term challenges, the currency is expected to stabilize as external uncertainties ease. Malaysia's solid economic fundamentals, combined with growth among regional trade partners, will continue to support the ringgit. Additionally, trade diversification will remain crucial in mitigating risks associated with U.S. trade policy changes and broader global disruptions.

The property market in 2025 is projected to maintain cautious optimism, supported by positive growth catalysts and the "Madani Economy" theme of Budget 2025. With a focus on people-centric infrastructure, sustainability, and affordable housing, the sector is expected to sustain its momentum throughout the year. Demand in the residential market is likely to remain strong, particularly for properties within reach of middle-income buyers.

Proactive government measures, alongside supportive policies, will continue to drive growth across various property subsectors, despite the external challenges. The Group is well-positioned to capitalize on these opportunities, with the Damansara Damai project on track for a Q4 2025 launch. In addition, a continued focus on accelerating sales of Utamara Boutique Residences will support the Group's strategic objectives. By leveraging digital platforms, including social media, the Group has successfully enhanced the visibility of the Parkwood brand among homebuyers in the Klang Valley, tapping into the robust demand for residential properties.

## Chairman's Statement (Cont'd)

### STRENGTHENING SUSTAINABILITY AND CORPORATE GOVERNANCE

The Group is firmly committed to upholding the principles of corporate governance, which are grounded in four key pillars: transparency, fairness, responsibility, and risk management. Guided by these principles, the Board consistently prioritizes robust governance practices across the Group, recognizing that both financial and non-financial compliance are vital drivers of long-term sustainability and success.

In addressing material sustainability matters, we also monitor developments in the Environmental, Social, and Governance (ESG) landscape and implement effective strategies to manage related risks and opportunities.

Responding to the growing expectations of the public and stakeholders for greater accountability and performance in ESG areas, the Group has initiated proactive measures to embed ESG principles into our operations. For example, as homebuyers increasingly prioritize climate-conscious living, including green buildings and eco-friendly homes, we are adapting our product offerings to align with this demand.

The Group is steadfast in its commitment to foster diversity, encompassing gender, ethnicity, and affiliations. Our achievement of 33% women representation on the Board reflects our alignment with the Malaysian Code on Corporate Governance ("MCCG") 2021 and underscores our dedication to promoting inclusivity at all levels.

At Parkwood, we are proud to have embedded the tenets of good governance into our corporate culture. This commitment sets a high standard of integrity and accountability, shaping our organization's identity and ensuring governance excellence remains a way of life.

### DIVIDEND

The Board of Directors has decided not to recommend the payment of any dividend for the financial year ended 31 December 2024.

### APPRECIATION

On behalf of the Board, I extend my heartfelt appreciation to our dedicated Senior Management and employees for their resilience and agility in navigating the challenges of this financial year. Your commitment has been instrumental in driving our progress and achievements.

I would also like to extend my deepest gratitude to our shareholders, customers, business associates, our financial partners, government bodies and regulatory agencies for their unwavering support and trust in our journey.

To my esteemed fellow Board members, I am deeply thankful for your insightful leadership, strategic guidance, and collaborative spirit, which have been invaluable in steering the Group through another meaningful financial year.

Looking ahead, Parkwood remains dedicated to its mission of building homes that stand the test of time, creating lasting value, and shaping trends for a harmonious lifestyle.

On Behalf of the Board,  
Parkwood Holdings Berhad

**Lim Chin Sean**  
Executive Chairman







## MANAGEMENT DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") of the operating performance and financial position of Parkwood Holdings Berhad and its group of companies ("the Group" or "Parkwood") should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and notes related thereto.



## ANALYSIS OF FINANCIAL RESULTS

The Group's revenue and loss before tax for the financial year under review and the preceding year are summarised as follows:

	2024 RM'000	2023 RM'000	Changes (%)
<b>Segments</b>			
• Property Development	15,800	25,223	(37%)
• Investment Property	2,459	2,202	12%
<b>Group Revenue</b>	<b>18,259</b>	<b>27,425</b>	<b>(33%)</b>
<b>Segments</b>			
• Property Development	(2,576)	(2,274)	(13%)
• Investment Property	(2,211)	(1,978)	(12%)
<b>Group Loss Before Tax</b>	<b>(4,787)</b>	<b>(4,252)</b>	<b>(13%)</b>

Despite numerous challenges and fluctuating market conditions, the Group has demonstrated resilience in navigating the Malaysian residential property sector.

The Group recorded a revenue decrease of 33%, amounting to RM18.26 million, compared to RM27.43 million in the previous financial year. This was largely due to delivery of vacant possession for Utamara Boutique Residences in 2023 which recognised a higher revenue from the accumulate sales as compared to 2024. Nevertheless, rental income from the Group's property leasing activities partially mitigated the overall revenue decline.

## Financial Position:

- Total assets as at the end of FY2024 stood at RM176.91 million, while net assets attributable to equity holders of the Company amounted to RM143.51 million, translated to a Net Asset per Share of RM0.52.
- The value of land held for property development was RM37.89 million, marginally higher than RM33.57 million in the previous financial year.
- Total liabilities decreased to RM33.39 million, down from RM33.59 million in the previous financial year.
- Total borrowings fell by 9.80% to RM21.90 million compared to RM24.29 million in the previous financial year.

The Group's financial position remains robust. The gross debt-to-equity ratio was maintained at a low 0.15x, while the current ratio stood at 7.24x, underscoring the Group's strong liquidity position.

As of 31 December 2024, the Group's total cash and cash equivalents stood at RM20.27 million, representing a decrease of RM7.24 million compared to 31 December 2023. This reduction was due to the utilisation of funds for property development activities. The Group's excess funds were invested in highly liquid and short-term instruments such as money market funds to generate interest income.



## Management Discussion and Analysis (Cont'd)

### REVIEW OF OPERATIONS

FY2024 unfolded in a dynamic external environment marked by both opportunities and challenges. While global economic uncertainties and geopolitical tensions continued to influence market sentiment, consumer confidence, and investor behaviour, Malaysia's property sector displayed notable resilience, bolstered by key government initiatives and strategic infrastructure projects.

Throughout FY2024, external factors such as economic uncertainties and geopolitical tensions significantly impacted both global and local markets, leading to fluctuations in investor sentiment and consumer confidence. Additionally, the high-interest rate environment, driven by persistent inflationary pressures, intensified these challenges, placing additional strain on business operations and financial performance.

Despite these hurdles, Malaysia's economy demonstrated remarkable resilience, with the property market continuing to experience positive growth. This can largely be attributed to the government's proactive measures, which have helped stimulate economic activity and ensure long-term market stability.

The MADANI administration's pro-business policies played a pivotal role in boosting investor confidence. These policies fostered a favourable environment for foreign direct investments (FDIs), which saw a notable increase in 2024, particularly in sectors such as construction, urban development, and infrastructure. Furthermore, the 2024 National Budget introduced several tax relief measures and financial incentives, enhancing Malaysia's appeal as a prime investment destination. These initiatives were instrumental in supporting the growth of the property and construction sectors, even amidst broader economic challenges.

The regulatory environment continues to have a significant impact on the feasibility, timeline, and costs of property development projects. Stringent zoning laws, building codes, and environmental standards pose operational challenges to developers, requiring careful planning and adherence to evolving regulations.

For Parkwood, ensuring compliance with regulatory requirements was a key focus throughout FY2024, particularly for our upcoming projects, including Phase 1 of Avant Industrial Park and the proposed mixed development at Damansara Damai. The Group remains committed to vigilance and strict adherence to legal and environmental standards, with robust internal controls in place to mitigate regulatory risks and uphold operational integrity.

As regulatory frameworks continue to evolve, Parkwood remains committed to staying ahead of changes and adapting our operations accordingly, ensuring seamless project execution and minimising potential disruptions.

### ONGOING CHALLENGES AND RISKS

Despite the positive momentum, several challenges remain on the horizon that could impact business operations in the near term:

- The government's potential decision to remove the RON95 fuel subsidy and expand the Services Tax as part of efforts to manage fiscal pressures and boost revenue. If such decisions are made, they could lead to higher living costs for consumers, which might reduce disposable income and consumer confidence. This could, in turn, dampen private consumption, especially in sectors that are more sensitive to changes in consumer spending, including the property market. Demand for properties in certain segments, particularly those aimed at the mass market, might be negatively affected as higher costs for essentials like fuel and services might squeeze household budgets.
- Bank Negara Malaysia's (BNM) inflation forecast for 2025, which includes the potential rationalisation of the RON95 fuel subsidy, projects an inflation rate between 2.0% and 3.5%. This suggests that inflationary pressures are expected to persist, potentially driving up costs in various sectors, including construction and financing. Higher inflation could result in increased costs for construction materials, labour, and financing, all of which are critical components of property development. These rising expenses could impact the profitability of property development projects, particularly in the short term, as developers may face tighter margins or need to pass on higher costs to consumers.
- The construction sector is facing significant challenges due to a shortage of skilled labour and rising operational costs. Escalating construction expenses, high vacancy rates, and a high-interest-rate environment are putting pressure on developers, potentially causing delays and impacting project feasibility. These issues are expected to persist in the near term, making it difficult to meet demand for affordable and timely property delivery. Developers may need to adopt innovative strategies and seek government support to navigate these challenges and maintain sector resilience.

In response to these challenges, Parkwood remains committed to executing its business and operational strategies with a proactive, strategic approach. We continue to focus on:

- **Optimising Operational Efficiency:** By leveraging technology and best practices, we aim to reduce costs and improve construction timelines.
- **Strategic Partnerships:** Strengthening relationships with key stakeholders to enhance project financing options and ensure the timely delivery of projects.
- **Compliance and Risk Mitigation:** Maintaining a strong focus on regulatory compliance and adapting to the evolving regulatory landscape to minimise potential disruptions.



## Management Discussion and Analysis (Cont'd)

### UPCOMING CORPORATE DEVELOPMENTS

Parkwood recognises the critical importance of replenishing its landbank to sustain a steady pipeline of projects that will drive the Group's future growth. To achieve this, management consistently conducts comprehensive feasibility studies and exercises careful consideration before proceeding with land acquisitions. In FY2024, the Group entered into two separate conditional Sale and Purchase Agreements for the acquisition of the following cluster of land in Rawang, Gombak, Selangor: -

1. One (1) parcel of freehold land measuring 0.6125 hectare for RM3.9 million.
2. Four (4) parcels of freehold land measuring 12.4586 hectares total for RM27 million.

These acquisitions align with Parkwood's growth strategy to create modern, master-planned communities that blend sustainable living with a community-centric lifestyle, nature, and accessibility.

The decision to acquire these lands is driven by their favourable attributes, including overall competitive purchase price, which have been independently verified through valuation. The Group anticipates that the development of these lands will significantly contribute to future income growth and ensure the continuity of its operations.

The proposed development is envisioned to be a contemporary landed residential enclave and is targeted to launch by Q4 2026, subject to final design and approval.

The acquisition will be financed through a combination of internally generated funds and bank borrowings. On 17 December 2024, the Group announced a Proposed Rights Issue with Warrants and Proposed Subscription with the proceeds earmarked to fund two key projects:

#### 1. Avant Industrial Park (AIP)

- A proposed two-storey warehouse which will be developed in two phases:
  - Phase 1: Occupying 6.806 acres of land with a net lettable area of approximately 310,890 sq ft, targeted for completion by Q3 2026.
  - Phase 2: Occupying 4.687 acres, with an estimated net lettable area of 245,000 sq ft, expected to be completed by end-2028.
- The site is strategically located with excellent access to major highways and transportation networks, including the Federal Highway, Kemuning-Shah Alam Highway, and KESAS Highway, with proximity to Port Klang and major airports.
- AIP is planned as a green and sustainable warehouse and has been registered for GreenRE certification to meet environmentally sustainable design criteria.
- Planning permission was granted on 16 August 2023, and building plan approval was obtained on 26 June 2024. Construction commenced in August 2024, with completion scheduled for Q3 2026.

#### 2. Parkwood Damai (PD)

- PD is a proposed mixed development on 3.52 acres of commercial land in Damansara Damai, Selangor.
- The development consists of two blocks of service apartments with retail outlets on the ground floor, offering a variety of urban living options and extensive facilities.
- The site is located within a highly accessible area, connected to major highways such as the North-South Expressway, Damansara-Puchong Expressway, and the Duta-Ulu Kelang Expressway. Additionally, the Damansara Damai MRT station is located less than 1 km from the site.
- Planning permission for PD is targeted for Q3 2025, with building plan approval expected by Q4 2025. The development activities are scheduled to begin in the same quarter with project completion expected to be in 2028.



## Management Discussion and Analysis (Cont'd)

### FUTURE PROSPECTS

Looking ahead, economists have expressed growing concerns about the next phase of President Trump's trade war, which could present significant challenges for countries across Asia. These nations face heightened risks due to the higher tariffs they impose on U.S. goods compared to the tariffs the U.S. charges them. While President Trump has yet to specify which countries will be targeted or reveal the full details of his policy, analysts are already warning about potential disruptions to global trade.

The global trade landscape is shifting, with escalating tariff tensions as the U.S. aggressively implements trade policies to recalibrate its trade balance. Retaliatory measures from affected nations have triggered a ripple effect across key Asian markets, disrupting supply chains, increasing business costs, and creating economic uncertainty. These tensions could escalate further, especially if reciprocal tariffs are introduced, amplifying risks for emerging economies such as Malaysia.

While Malaysia may not be directly impacted by these new tariffs, our strong trade relationships with countries like China, Canada, and Mexico—who are already facing substantial U.S. import duties—make us vulnerable to indirect consequences. The ongoing global trade war could exacerbate inflationary pressures and slow down economic growth, leading to an uncertain outlook for Malaysia. On one hand, Malaysia's well-established role in regional supply chains and its diversified export markets present promising growth opportunities. On the other hand, global instability could lead to currency fluctuations and dampen investor confidence.

Amid these challenges, Malaysia has the potential to capitalise on shifting trade dynamics as the trade war disrupts the world's economy. This could create new market opportunities, especially in sectors where Malaysia can offer alternative solutions. However, risks remain, including disruptions to regional supply chains, increased tariffs on U.S. exports, and broader economic volatility stemming from ongoing trade tensions. Currency fluctuations and rising inflation could also increase the cost of imports and materials, making it crucial for Malaysia to manage these uncertainties effectively and strategically position us in this evolving landscape.

Despite these headwinds, Malaysia's diversified economy, alongside government initiatives such as the Malaysia My Second Home Programme (MM2H), the Malaysia Premium Visa Programme (PVIP), and key infrastructure projects like the North-South Expressway extension and the East Coast Rail Link, presents significant growth opportunities. In particular, the property and infrastructure sectors are well-positioned to benefit from these developments.



In 2024, Malaysia's economy grew by 5.1%, surpassing the government's initial forecast of 4% to 5%. This positive performance was largely driven by effective government policies under the Madani Economy framework, which boosted investor confidence and fostered economic growth. Looking ahead, Malaysia's economy is expected to remain resilient in 2025, supported by long-term government initiatives such as the National Energy Transition Roadmap and the New Industrial Master Plan 2030, which of which are projected to sustain growth in the years to come.

For Parkwood, the evolving economic landscape presents both challenges and opportunities. As the Group navigates potential risks stemming from global economic slowdowns and geopolitical disruptions, our strategic focus is centred on enhancing operational efficiency, refining our property development portfolio, and adapting to dynamic market conditions.

At Parkwood, we remain committed to innovation and agility on both local and global fronts. By proactively responding to emerging challenges and opportunities, we are confident in our ability to drive value and achieve sustainable long-term success. Despite the uncertainties, the Group is dedicated to strengthening its brand reputation, meeting shifting market demands, and seizing new growth opportunities.

As we move forward, we will continue to seek ways to accelerate growth and deliver lasting value for our stakeholders, remaining agile, resilient, and committed to driving progress in an ever-changing global landscape.



# SUSTAINABILITY STATEMENT



## REPORT OVERVIEW

Parkwood Holdings Berhad (“Parkwood”) is committed to sustainability and recognises the importance of responsible business practices in creating long-term value for its stakeholders and the environment. This sustainability statement serves as a commitment of the Group’s dedication in integrating sustainability into its core business operations and decision-making processes. Throughout the Statement, the following terms are used interchangeably to refer to Parkwood Holdings Berhad: “Parkwood”, “the Company” or “the Group”.

We acknowledge that there shall be continuous improvements in our sustainability practices in tandem with the ever-changing environmental forces impinge upon our business and the community at large. The Company shall incorporate the key sustainability drivers, comprising the environmental stewardship, social responsibility, and corporate governance in its corporate policies. The Company recognises the interconnectedness of these key sustainability drivers and the impact they have on the well-being of communities, the preservation of natural resources, and the overall resilience of the business.

In 2024, the integration of smart technologies and green design concepts became even more pronounced, as buyers and investors increasingly prioritized sustainability in their property decisions. The government’s ongoing commitment to supporting green initiatives, coupled with incentives for sustainable development, has further accelerated the sector’s transformation. Additionally, the rise of electric vehicle (EV) infrastructure, including the widespread installation of EV charging stations, reflects a growing dedication to reducing carbon footprints in the built environment. These evolving trends made 2024 a pivotal year for Malaysia’s property sector, with sustainability playing a central role in shaping both the economy and the future of urban living.

As we move into 2025, Malaysia’s economic recovery continues to gain momentum, with several sectors, including the property market, showing sustained growth. While challenges such as inflation, property market overhang, and rising construction costs persist, the property sector has demonstrated resilience, driven by increasing investor confidence and improving market dynamics. In particular, the Malaysian property landscape is shifting towards more sustainable and environmentally conscious development practices. The growing demand for “green” buildings and eco-friendly features has prompted developers to place a stronger emphasis on energy efficiency, renewable energy integration, and sustainable construction methods.

## REPORTING STANDARDS

This report has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and with reference to Bursa Malaysia’s Sustainability Reporting Guide (3<sup>rd</sup> Edition).

## FEEDBACK

We value feedback on this report and welcome stakeholders’ comments or questions as it enables continuous improvement in the Group’s sustainability policies, processes, and performance. Please send your comments and suggestions to [admin@parkwood.my](mailto:admin@parkwood.my)

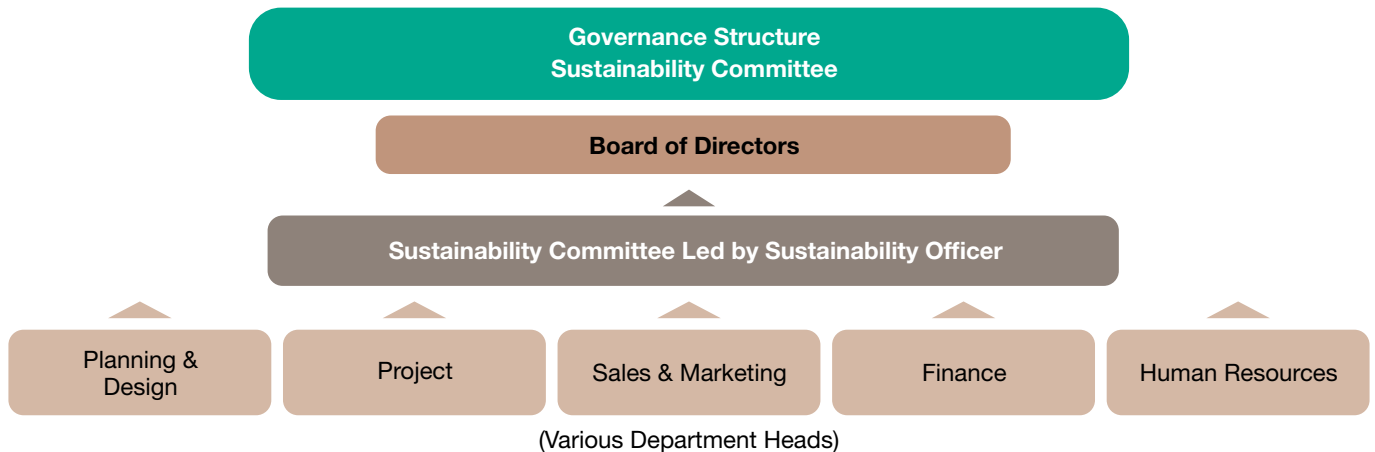


## Sustainability Statement (Cont'd)

### SUSTAINABILITY GOVERNANCE STRUCTURE

The Board of Directors (the “Board”) remains committed in overseeing Parkwood’s sustainability performance in accordance with the sustainability reporting guidelines set forth by Bursa Malaysia Securities Berhad. We continue to exercise diligent vigilance in managing and monitoring our Environmental, Social and Governance (ESG) goals.

Under strategic direction from the Board, the Group’s Sustainability Committee comprising a key Senior Management Team supervises the adoption and implementation of the sustainability strategies and policies and provides regular updates to the Board.



### SUSTAINABILITY AT PARKWOOD

We are committed to driving responsible business practices throughout the organisation by instilling the principles of sustainability into our strategies, policies, and procedures, whilst integrating economic, environmental, and social considerations into our decision-making. Towards this end, we strive to:

- Undertake responsible sustainability practices to minimise the environmental impact of our developments and operations.
- Conserve the environment by consuming resources and materials responsibly.
- Promote responsible business practices by achieving high standards of governance in our business operations.
- Improve the quality of life of the individuals and communities we operate in and support the underprivileged by meeting their social needs.

In line with our aim to be a sustainable developer, we strive to ensure good management of our supply chain across the entire life cycle of our project, from its initiation through to construction and completion. We hold our contractors and suppliers accountable for their activities and products in line with industry best practices. Standard operating procedures on procurement process are in place to ensure proper selection and appointment of the entire project team comprising the consultants, contractors and suppliers. Yearly evaluation is conducted on project team to assess their performance in terms of past performance, timely delivery, commitment towards high-quality standards as well as price competitiveness.





## Sustainability Statement (Cont'd)

### SUSTAINABILITY AT PARKWOOD (Cont'd)

In selecting our contractors for projects, contractors are assessed under stringent criteria. These include good track record in respect of financial capability, past performance, timely delivery, commitment towards high quality standards, as well as health, safety, and environmental standards. Other relevant criteria such as best price and contractor's workload are also taken into consideration.

#### Sustainability Strategy Core Focus Areas



##### GOVERNANCE

To ensure responsible business practices and continuously complying with the applicable legislations, standards and good work practices.



##### ECONOMIC

To ensure that the business model prioritises sustainability, and add value to stakeholders apart from optimising returns.



##### ENVIRONMENT

To ensure business decisions strive a long-term balance between preserving nature and meeting business objectives and lessen negative impact.



##### SOCIAL

To ensure that social engagements of the Group cultivate a conducive work environment and to focus on community development through volunteerism activities.

### SUSTAINABILITY APPROACH

The Group's vision is to improve lives by delivering value for living and work, and our mission is to invest strategically and sustainably to make a difference for all stakeholders. By incorporating specific and manageable sustainability targets into our core business strategies, we can ensure sustainable business growth and create long-term value for our stakeholders.

The Group explores and implements sustainable practices across the business whilst attempting to achieve the right balance between economic success, the requirements of our stakeholders and the larger society. The Group's Sustainability Policy aims to integrate the principles of sustainability into the Group's strategies, policies, and procedures. Additionally, we strive to cultivate a culture of sustainability within the Group and the wider community, with an emphasis on incorporating economic, environmental, and social considerations into decision-making and in the delivery of outcomes.

### ACTING WITH INTEGRITY

Integrity is a fundamental business philosophy deeply rooted in our corporate culture. Good governance is the foundation of building trust among the stakeholders. Parkwood strives to maintain the highest standards of integrity, accountability, and governance in its daily operations. The Group establishes policies and internal processes with specific guidance areas to ensure compliance at the workplace.

Policies	Guidance Area
Anti-Bribery and Anti-Corruption Policy	Prevention and management of bribery and corruption.
Directors' Fit and Proper Policy	Beliefs and actions to achieve a Board composition with appropriate balance, diversity and mix of skills, business experience, background, industry and geographic knowledge, professional qualifications, and other relevant qualities.
Whistleblowing Policy	Channel for reporting concerns, including financial or professional misconduct, irregularities or non-compliance with laws and regulations, and corruption or bribery.
Personal Data Protection Act (PDPA) Policy	Designed to safeguard personal information, ensuring its security and confidentiality. We adhere to data protection laws, implement robust security measures, and handle data with utmost care and transparency.
Code of Conduct and Ethics	Applies to every employee within the Group and is an integral part of their terms and conditions of service. It sets forth the expectation for employees to uphold a strong set of personal and professional values in all aspects of their work, business interactions, and decision-making.

## Sustainability Statement (Cont'd)

### STAKEHOLDER ENGAGEMENT

Stakeholders are groups on which Parkwood's business has a significant impact and groups who have a vested interest in our business operations. Key stakeholders include employees, investors/shareholders, customers, business associates, contractors and suppliers and the local community. Other groups include regulators and key government agencies.

Continuous engagement with our stakeholder groups is vital for us to better understand their expectations and appreciate how our actions impact them. This in turn allows us to align our business objectives, social goals, and conduct in a more effective manner. We continuously strive to improve our engagement with stakeholders so as to be better equipped to manage emerging issues and drive change on the ground. A summary of engagement activities with our stakeholders is shown here (Figure 1).

Stakeholder Engagement	Channel	Engagement Frequency	Stakeholders' Concern	Response to Stakeholders' Concern
Regulatory Authorities and Local Governments	<ul style="list-style-type: none"> <li>Consultations Meetings</li> <li>Reports/Letters</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> </ul>	We maintain close consultations with and provide regular updates to the regulatory authorities and local governments. In doing so, we ensure that we are continuously in compliance with prevailing laws.
Employees	<ul style="list-style-type: none"> <li>Internal emails</li> <li>Departmental meetings</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Training and development</li> <li>Work-life Balance</li> <li>Safety, health, and wellbeing</li> <li>Employee benefits and welfare</li> </ul>	We engage with our employees to understand their interests and needs. Through our HR initiatives, employees and departments are encouraged to collaborate with one another to reinforce team spirit and increase work process efficiencies.
Local Communities	<ul style="list-style-type: none"> <li>Meetings</li> <li>Dialogues</li> <li>Volunteerism</li> </ul>	Annual Ad-hoc	<ul style="list-style-type: none"> <li>Livelihood</li> <li>Personal well-being</li> </ul>	We are committed to achieving long-term meaningful community engagement, including providing meaningful support to enrich the lives of the communities we operate in.
Consultants	<ul style="list-style-type: none"> <li>Meetings</li> <li>Discussions</li> <li>Reports</li> <li>Proposals</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Design and technical issues</li> <li>Cost issues</li> <li>Compliance issues</li> </ul>	We engage closely with our team of technical and design consultants to ensure timely provision of professional advice, reports, and proposals in resolving any design, technical, cost, and regulatory compliance issues.
Contractors and Suppliers	<ul style="list-style-type: none"> <li>Meetings</li> <li>Discussions</li> <li>Proposals</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Compliance issues</li> <li>Timeline issues</li> <li>Quality issues</li> <li>Cost issues</li> <li>Technical issues</li> </ul>	Supported by our technical and design consultants, we monitor close the performance of our contractors and suppliers vis-à-vis regulatory compliances, project timeline, quality control, cost budgets and technical troubleshooting.





## Sustainability Statement (Cont'd)



## ECONOMIC SUSTAINABILITY

## i. Financial Sustainability

Parkwood strives to strengthen its financial position and enhance its competitiveness through the adoption of good and ethical business practices, corporate governance, as well as effective capital management.

In FY2024, the Group focused on putting in place strategies and initiatives to achieve the continued financial well-being of the group, including:

- Investing the Group's excess fund into highly liquid and short-term instruments such as money market funds to generate interest income.
- Secured bank borrowing from financial institution for development with competitive interest rates and easy repayment terms.

Moving forward, as part of its commitment to ensure business continuity, the Group has embarked on a proposed residential development project near Templer Park, Jalan Rawang, Selangor. This project is expected to feature a range of high-to-medium cost strata landed homes and low-rise villa, subject to final design and approval. The sales launch for this development is targeted by Q4, 2026.

Additionally, the Group is actively seeking strategic land acquisitions to replenish its land bank and ensure business continuity.

For more information about the Group's financial performance, please refer to the Group Financial Highlights on page 6 of Parkwood Holdings Berhad Annual Report 2024.

## ii. Corporate Governance

Apart from prudent financial management, we believe that full commitment to high standards of corporate governance is essential to ensure the sustainability of the Group, as well as to safeguard shareholders' interests and maximise long-term shareholder value.

The Company has adopted, where appropriate, the principles and practices as set out in the Malaysian Code of Corporate Governance 2021 ("MCCG"). These standards include having clear policies, best practices, and sound internal controls as well as a system of continuous improvement. The overview of the Company's application of the principles as set out in the MCCG is disclosed in the Corporate Governance Statement in this Annual Report.

The Group aims to achieve the highest level of business ethics and prevent any occurrence of corruption activities. We have established an Anti-Corruption Framework comprising key policies and procedures that, together with general internal controls of the Group, are aimed at mitigating overall corruption risks. The Anti-Corruption Policy sets out the Group's expectations for internal and external parties working with and for the Group in upholding the Group's zero-tolerance stance against corruption. This policy, together with the Whistleblowing Policy, are accessible by all employees via the company intranet and by the external stakeholders through the corporate website. Trainings have been provided to internal and external stakeholders to reinforce their understanding of the Group's stance on anti-corruption, as well as relevant policies and procedures.

## iii. Sustainable Development

The Group endeavours to create a positive impact by supporting the procurement of products and services from locally established business entities in-line with the Government's effort to spur the economy through local spending.

We are also focusing on the effectiveness of people management to groom talent and optimise the work strength across the organisation. As part of our initiative to support our employees' continuous growth and development, we have set KPI for staff to attend a minimum of one (1) training session per year on skills, knowledge and competency needed to enhance functional and organisational performance as well as individual's performance and personal development.

In the context of our business and our continuing mission to create value for our multiple stakeholders, efficient systems and processes, meaningful economic growth, innovation, and partnerships contribute to sustainable development. We, therefore, emphasise the economic value generated and distributed for the greater benefit of the employees, our supply chain partners, the government as well as the community.

We aim to contribute towards building sustainable communities, expanding our product solutions to niche customer segments, building resilience against a cyclical operating environment, and meaningfully contributing to our future profitability.



## Sustainability Statement (Cont'd)

### ECONOMIC SUSTAINABILITY (CONT'D)

#### iv. Creation of short, medium and long-term value for shareholders and added value for all the Company's stakeholders.

- In the context of our Group's stakeholders, we have also revisited our business model to incorporate various aspects of 'Value Creation' in the short, medium, and long term to include both financial and non-financial metrics of performance. These strategies will not only drive sustainable growth in the short, medium, and long term but will also help mitigate our top material issues such as product quality and people development.
- Product quality can have a far-reaching impact on our reputation, as well as business plans. The ever-changing customer expectations in relation to timely delivery and quality products challenge us to meet the constantly evolving market needs by delivering the right products at the right price. Concurrently, ensuring operational efficiency from the product design up to the handover stage.
- Externally, due to the price and market volatility, there is always a risk of increasing costs and diminishing margins in the short term. But in the long term, with our uncompromising stand on quality products, systems, and solutions, we believe that we will see an incremental surge in our future development portfolio income.
- On balance, we will be mindful of our risks and aim to reduce our development cycle by optimising processes, enhancing our procurement strategy, and implementing strategic sourcing and value engineering through improved design and planning in our development projects. These in turn will help achieve new efficiencies and cost reduction in the long run.
- We have robust risk management and internal control systems in place to build our resilience, enhance our ability to meet stakeholder needs and achieve our long-term strategic goals.
- We seek ways to have a positive impact on local economic development through various business sectors. As a sustainable-driven organization, we recognize that we have a responsibility to contribute to the growth of the local economy. The decision by Bank Negara to raise the overnight policy rate in May 2023 has significant impact on the property market, affecting borrowing costs and purchasing trends. The increased interest rate has resulted in more conservative buying behaviours among homebuyers, as affordability became a concern and securing mortgage loans became more challenging. Addressing the financial challenges faced by many buyers, the Group has implemented various home financing and ownership solutions,
- The Group is committed to comply with all laws, regulations and voluntary codes concerning:
  - a. Construction and development activities
  - b. Occupational health and safety standards
  - c. Environment
  - d. Labour practices
  - e. Marketing Communications
  - f. Product health and safety and labelling by ensuring compliance with regulatory requirements.
  - g. Remaining in close consultation with the relevant authorities to ensure that we clearly understand our compliance obligations





## Sustainability Statement (Cont'd)



## ENVIRONMENTAL SUSTAINABILITY

## i. Minimizing our Environmental Impact

The Group is committed to safe and environmentally responsible design, construction, and operation and regularly reviews any risks and potential problems related to its operating environment. Action and measures have been taken to ensure that relevant environmental factors remained within the regulatory requirements of our operations.

We manage this through compliance with the relevant environmental laws and regulations, complemented by an internal system of self-regulation, monitoring and regular consultation with the authorities. We constantly focus on developing a positive and proactive environmental culture to be embraced in all aspects of our business, with the goal of zero pollution incidents. We acknowledge the importance of compliance as it not only upholds the Group's license to operate but more importantly, contributes to sustainable development and the well-being of communities.

During the reporting period, there were no incidences of non-compliance and penalties pertaining to environmental-related issues. We track and monitor our impact on the environment through a combination of initiatives. To maintain the highest standard of environmental compliance and to prevent any occurrence of incidence, we will continue to review and improve the current environmental management system and practices.

We support "green building" movement through compliance with the requirements of the appropriate green building certification bodies for the sustainable design, construction, and operation of our projects.

The Group's commitment to becoming a green property developer aligns with Malaysia's broader goal of achieving net zero carbon emissions by 2050.

By focusing on sustainable development practices, Parkwood can contribute significantly to reduce carbon footprint of the built environment, and the following are contemplated in our pursuit for a pristine living environment:

- **Energy Efficiency:** Incorporating energy-efficient designs and technologies into its building projects to reduce energy consumption and greenhouse gas emissions.
- **Renewable Energy Integration:** Installing photovoltaic cells or such other technologies to help offset energy usage and decrease reliance on fossil fuels.
- **Green Building Certification:** Pursuing green building certification from an accredited certification body to ensure building designs duly comply with sustainable design criteria.
- **Sustainable Materials:** Opting for eco-friendly building materials with lower carbon footprints, such as recycle materials or sustainably sourced wood, to minimize environmental impact during construction.
- **Water Conservation:** Implementing water-saving features like low-flow fixtures and rainwater harvesting systems to reduce water consumption and promote responsible water management.
- **Green spaces and Landscaping:** Incorporating green spaces, rooftop gardens, and native landscaping into property designs to improve air quality, provide habitat for wildlife, and enhance the overall aesthetic appeal.
- **Community Engagement:** Engaging with local communities to promote sustainable initiatives and encourage residents to adopt eco-friendly practices can foster a culture of environmental stewardship.

Overall, by prioritizing sustainability, the Group not only contributes positively to environmental conservation but also unlocks numerous business benefits, including cost savings, increased property value, and enhanced brand reputation. This proactive approach aligns with the growing societal awareness of environmental concerns and positions Parkwood for long-term success in a sustainable future.

## ii. Creating Green Organisational Culture

We endeavour to consume material responsibly and reduce wastage in our operations by employing the 3R concept – Reduce, Reuse and Recycle.

## Sustainability Statement (Cont'd)

### ENVIRONMENTAL SUSTAINABILITY (CONT'D)

#### iii. Managing Waste Responsibly

The Group recognizes the importance of waste management in achieving sustainability goals. We have implemented comprehensive waste management practices across our operations to minimize environmental impact and promote a circular economy, an economic system based on the reuse and regeneration of materials or products.

- In line with the regulations governing scheduled waste handling, scheduled waste is stored in designated areas and only licensed scheduled waste handlers are allowed to handle the transportation and disposal of such waste and by-products of all segments.
- We encourage the use of recycled paper for general paperwork such as photocopying, single-page printing and scrap paper for notes.
- Our paper usage at the office is also minimised by encouraging our employees to communicate through emails or online channels, furthering our commitment to reduce waste.
- We also continually explores the waste reduction strategies to minimize waste generation at the source. This includes initiatives such as promoting the use of digital documentation, implementing paperless operations, and encouraging reusable products and packaging.

### SOCIAL SUSTAINABILITY



#### i. Employees' Welfare and Well-Being

The attraction, retention and development of talent are essential to ensure the Group's long-term sustainability. We strive to provide a positive working environment that fosters individual growth in order to achieve business goals.

We subscribe to the principle that our employees are one of the main pillars of our success and a key factor in determining an organisation's long-term effectiveness. The pertinent human resource practices in this regard include:

- Promoting a healthy and safe working environment that fosters mutual respect where employees irrespective of status, position and gender are treated with dignity and free from sexual harassment.
- To encourage and support our employees to develop and improve their skills and fulfil their personal development goals, the Group places priority on learning and development programs. We customise and design training and development activities based on employees' training needs and work requirements to sharpen their skills, knowledge, and competencies. We will continue to provide training and education opportunities through comprehensive development programmes going forward and promote a conducive corporate environment where everyone could achieve their potential.
- Diversity and equal opportunity are key components to developing a fair workplace; hence we have adopted merit-based and non-discriminatory hiring practices.
- The health and well-being of our staff members remained firmly on the company's radar through this period of change and the challenges of operating in this new normal. We have strived to keep communication lines open and equipped employees with tips and techniques on how to work effectively from home.

#### ii. Contributing to Society

- Parkwood's Corporate Social Responsibility (CSR) is reflecting business accountability and commitment towards society by contributing to the well-being of communities and society through various environmental and social measures. CSR plays a crucial role in a company's brand perception, attractiveness to customers, employees and investors, talent retention and overall business success.
- Organising CSR activities also encourage employees to become more engaged and invested in their work while ensuring the event's success and meeting the objective. CSR can improve employee retention rates, boost morale, build loyalty and increase motivation.

## Sustainability Statement (Cont'd)

### SOCIAL SUSTAINABILITY (CONT'D)

#### ii. Contributing to Society (Cont'd)

- Parkwood successfully hosted a recycling event, themed “Recycle for a Life Cycle,” on 14 December 2024 at the NPNG Sports Centre, Damansara Damai, as part of our ongoing Corporate Social Responsibility (CSR) initiatives. This event underscored our commitment to sustainability and environmental stewardship, motivating participants to recycle their items. By converting recyclable materials into cash, the initiative not only supported environmental conservation but also contributed to creating a greener, healthier planet for future generations.



#### iii. Health and Safety

- We have regulations and policies that promote safe practices among our employees and workers at the workplace.
- We ensure proper compliance with the relevant laws and legislations pertaining to health and safety at the workplace.
- We appoint qualified and competent safety personnel to oversee the compliance of health and safety requirements at our construction site.
- We are supportive of the government’s policy in providing a smoke-free environment at the workplace to protect non-smokers.

#### iv. Engagement with the Related Stakeholders

We recognize the need for effective channels of communication and high standards in the provision of services in our continuous efforts to build a long-term relationship with our shareholders, investors, members of the media, regulators, customers, and financiers. We believe that reaching out to these stakeholders and maintaining a strong and cordial relationship with them is a crucial component of our business growth strategy.

Among the related initiatives to promote engagement with related stakeholders include:

- To participate in the CMDP-Bursa Research Scheme (“CBRS”) administered by Bursa Malaysia with the aim of ensuring wider research coverage on our Group.
- Facilitating members of the media to interview directors and authorised spokespersons of the Group from time to time.
- Providing stakeholders with a dedicated email at [admin@parkwood.my](mailto:admin@parkwood.my) for them to communicate with the Group on any matters.



## Sustainability Statement (Cont'd)

### PERFORMANCE SUMMARY DATA

#### Bursa Malaysia Common Sustainability Matters (CSM) Indicators

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa (Anti-corruption)</b>				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	100	100	100
Executive	Percentage	100	100	100
Non-executive/Technical Staff	Percentage	100	100	100
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100	100
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
<b>Bursa (Community/Society)</b>				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	11,983	7,300	9,487
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1	1	1
<b>Bursa (Diversity)</b>				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Gender Group by Employee Category				
Management Male	Percentage	15	16	10
Management Female	Percentage	9	10	10
Executive Male	Percentage	23	20	23
Executive Female	Percentage	38	40	45
Non-executive/Technical Staff Male	Percentage	6	7	6
Non-executive/Technical Staff Female	Percentage	9	7	6
Age Group by Employee Category				
Management Under 30	Percentage	0	0	0
Management Between 30-50	Percentage	17	20	19
Management Above 50	Percentage	6	7	0
Executive Under 30	Percentage	12	7	10
Executive Between 30-50	Percentage	38	37	42
Executive Above 50	Percentage	12	16	16
Non-executive/Technical Staff Under 30	Percentage	0	0	0
Non-executive/Technical Staff Between 30-50	Percentage	12	10	10
Non-executive/Technical Staff Above 50	Percentage	3	3	3
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	83	67	67
Female	Percentage	17	33	33
Under 30	Percentage	0	0	0
Between 30-50	Percentage	33	50	33
Above 50	Percentage	67	50	67

# Sustainability Statement (Cont'd)

## PERFORMANCE SUMMARY DATA (CONT'D)

### Bursa Malaysia Common Sustainability Matters (CSM) Indicators (Cont'd)

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa (Energy management)</b>				
Bursa C4(a) Total energy consumption	Megawatt	47.91	47.87*	17.31
<b>Bursa (Health and safety)</b>				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0	0	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	8	8	12
<b>Bursa (Labour practices and standards)</b>				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	392	86	195
Executive	Hours	441	56	305
Non-executive/Technical Staff	Hours	189	0	42
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	15	13	13
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	0	0	0
Executive	Number	5	5	1
Non-executive/Technical Staff	Number	1	3	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
<b>Bursa (Supply chain management)</b>				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	90	90	90
<b>Bursa (Data privacy and security)</b>				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
<b>Bursa (Water)</b>				
Bursa C9(a) Total volume of water used	Megalitres	0.36	0.41	0.02
<b>Bursa (Waste management)</b>				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	0.506
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	-	0.336
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	0.17
<b>Bursa (Emissions management)</b>				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	-	0
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	-	13.12
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	125.53

\* Restated

- Hyphens refer to data previously undisclosed which Parkwood started tracking in 2024.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## INTRODUCTION

Throughout the years, Parkwood Holdings Berhad (“Parkwood” or “the Company”) and its Board of Directors (“the Board”) have been resolute in ensuring that the Company and its subsidiaries’ (“the Group”) business and affairs strictly adhere to the doctrine and principles of good corporate governance such as integrity, transparency, accountability and responsible business conduct.

The Board of Parkwood is committed in ensuring a high standard of corporate governance is practiced whilst pursuing its corporate objectives in enhancing the shareholders’ value and competitiveness. The Board is mindful of the importance of governance and acknowledges to continue delivering sustainable performance and instilling best corporate governance practices in building a sustainable business.

The Group will continue its efforts in evaluating its governance practices in response to evolving best practices and the changing requirements of the Group. The Board is pleased to present the Corporate Governance Overview Statement for the year ended 31 December 2024 outlining the application of the principles and recommendations as set out in the following guides:

1. Companies Act 2016 (“CA 2016”);
2. Main Market Listing Requirements (“Main LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”);
3. Malaysian Code on Corporate Governance 2021 (“the Code”); and
4. Fourth Edition of Corporate Governance Guide issued by Bursa Securities.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. Board Responsibilities

The responsibilities of the Board, which was set out in a Board Charter, include Management oversight, setting strategic direction premised on sustainability and promoting ethical conduct in business dealings. Parkwood is led by an experienced Board comprising members who are specialist in various business sectors supported by a wide range of other professionals in the accounting, economics, IT, engineering and legal sectors. This wide spectrum of skills and experience provide the strength that is needed to lead the Company to meet its objectives and enable the Company to rest in the firm control of an accountable and competent Board of Directors.

#### Board Charter

The Board Charter established clearly the functions reserved for the Board, Director’s roles and responsibilities and those delegated to the Management. It acts as a reference in providing the Board members and Management insight into the functions of the Board of Directors. The core areas of the Board Charter are as follows:

1. Company Goals, Mission and Vision
2. Board Governance Process
3. Board and Management Relationship
4. Board and Shareholders Relationship
5. Stakeholders Relationship
6. Schedule of Board Matters

The Board Charter will be reviewed from time to time to ensure its consistency with the Board’s objectives and current laws and practices.

The Board Charter is accessible through the Company’s website at [www.parkwood.my](http://www.parkwood.my).

### Duties and Responsibilities of the Board

The Board is dedicated to practice clear demarcation of duties, responsibilities and authority within the Company. Its key responsibilities pursuant to the recommendations of the Code include:

- Reviewing of the strategic direction of the Group, establishing goals for management and monitoring achievement of these goals;
- Overseeing the conduct of the Group’s business operations and performance;
- Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
- Reviewing the adequacy and integrity of the Group’s internal controls system of the Company;
- Implement succession planning for business and functional continuity; and
- Overseeing the development and implementation of a policy to enable effective communication with its shareholders and other stakeholders.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### I. Board Responsibilities (Cont'd)

##### Duties and Responsibilities of the Board (Cont'd)

There is a schedule of matters reserved specifically for the Board's decision, which includes approval of corporate plans and annual budgets, announcement of quarterly results, major capital expenditure, significant financial matters and the adequacy and integrity of internal controls, including risk assessment.

The Board delegated certain responsibilities to the Management or Board Committees namely the Nomination Committee, the Remuneration Committee and the Audit and Risk Management Committee. These Committees have the authority to examine specific issues and forward their recommendations to the Board. The final decisions on all matters, however, rest with the Board.

##### Separation of positions of Chairman ("the Chairman") and Executive Directors

The Chairman of the Board, Mr. Lim Chin Sean ("Mr. Lim") plays an instrumental role in providing the Company with strong leadership and vision, leading the Board in its review of the Group's strategies for sustainable growth. As the Executive Chairman, Mr. Lim also promotes and leads the Group in its commitment to achieve and maintain high standards of corporate governance. He bears primary responsibility for the workings of the Board, by ensuring effectiveness in all aspects of its role including setting the agenda for Board meetings with input from Management, ensuring sufficient allocation of time for thorough discussion of key agenda items at Board meetings, promoting an open environment within the Boardroom for constructive debate, encouraging the Non-Executive Directors to speak freely and contribute effectively, and exercising control over the quality, quantity and timeliness of information flow between the Board and Management.

The Board has considered Mr. Lim's role as an Executive Chairman and the strengths he brings to such a role by virtue of his stature and experience. Through the establishment of various Committees with power and authority to perform key functions without the undue influence from the Executive Chairman, and the putting in place of internal controls for proper accountability and to allow for effective oversight by the Board of the Company's business, the Board ensures that there is appropriate balance of power which allows the Board to exercise objective decision-making in the best interests of the Company.

Mr. Chin Kok Siong ("Mr. Chin") as Director (Executive) and Mr. Chan Keen Wai ("Mr. Chan") as Alternate Director (Executive) to Mr. Chin, serve as conduits between the Board and the Management in ensuring the success of the Group's governance and management function. Mr. Chin together with Mr. Chan in association with the Executive Chairman have formed an Executive Committee ("EXCO"), who's accountable to the Board for the achievement of the Group's mission, vision and objectives. The EXCO has the executive responsibility for the day-to-day operations of the Company and shall implement the policies, strategies and decisions adopted by the Board. All Board authorities conferred on the management are delegated through the EXCO and this will be considered as the EXCO's authority and accountability as far as the Board is concerned.

The Board is also of the view that the Executive Chairman should not be involved in any Board Committees in order to ensure check and balance as well as objectivity will not be impaired/influenced by the Chairman of the Board. Therefore, our Executive Chairman is not a member of any Board Committees.

##### Code of Conducts and Ethics

Directors are expected to conduct themselves, as per the Directors' Code of Ethics ("the Directors' Code"), with the highest ethical standards, to behave ethically and professionally at all times to promote and protect reputation and performance of the Company.

The Directors' Code covers the principles of conflict of interest, insider dealings, integrity, compliance to law and etc. The Directors' Code, adopted by the Board in 2013, is accessible through the Company's website at [www.parkwood.my](http://www.parkwood.my).



## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### I. Board Responsibilities (Cont'd)

##### Whistle-Blowing Policy

The Board believed that having a Whistle-Blowing Policy and Procedure in place will strengthen, support good management and at the same time demonstrates accountability, good risk management and sound corporate governance practices. A Whistle-Blowing Policy, recommended by the Audit and Risk Management Committee, was adopted by the Board in year 2013. The Whistle-Blowing Policy is accessible through the Company's website at [www.parkwood.my](http://www.parkwood.my).

The Board aimed to provide an avenue and to act as a mechanism for parties to channel their complaints or to provide information on fraud, wrongdoings or non-compliance to any rules or procedures by the employee or Management of the Company. The policy outlines when, how and to who a concern may be properly raised, distinguishes a concern from a personal grievance and allows the whistle-blower the opportunity to raise a concern outside their management line and in confidence. The identity of the whistle-blower is kept confidential and protection is accorded to the whistle-blower against any form of reprisal or retribution. All whistleblowing reports or complaints are to be addressed to the Executive Chairman and the Chairman of the Audit and Risk Management Committee.

##### Anti-Bribery Policy

The Board is aware of the new Corporate Liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

The Group has adopted a zero-tolerance stance against all forms of bribery and corruption and will not tolerate any acts which are in breach of the Company's policies. The Group strongly believes in acting professionally, fairly and with integrity in all business dealings and relationships.

Therefore, as part of the Group's efforts to support the implementation of the anti-bribery and corruption and ethical principles practiced in the Group and to uphold the highest standards of good governance, the Board has adopted an Anti-Bribery Policy and Anti-Bribery Management System ("ABMS") Manual.

The Anti-Bribery Policy and ABMS Manual are accessible through the Company's website at [www.parkwood.my](http://www.parkwood.my).

##### Diversity Policy on Gender Diversity

The Company adopts diversity not only in the Boardroom but also in the workplace as it is an essential measure of good governance, critically attributing to a well-functioning organisation and sustainable development of the Company. Diversity encapsulates not only gender but also age and ethnicity, if well-managed, can drive performance and strengthen governance.

As at the date of this statement, the Company has achieved 40% women representation (i.e. 2 female Directors) at the Board level. The Board through the Nomination Committee will continue to take the necessary steps to ensure that women candidates are sought as part of its recruitment exercise.

Despite the importance of Boardroom diversity, the Board is of the view that the 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, not to compromise on qualification, experience and capabilities.

##### Sustainability

The Board recognises the importance of sustainability and its increasing significance in the business. The Board is committed to understanding and implementing sustainable practices and to exploring the benefits to the business whilst attempting to achieve the right balance between the need of the wider community, the requirements of shareholders and stakeholders and economic success.

The Company has formalised a Sustainability Policy which aims to integrate the principles of sustainability into the Company's strategies, policies and procedures and ensure that the Board and Senior Management are involved in implementation of this policy, review of the sustainability performance and create a culture of sustainability within the Company, and the community, with an emphasis on integrating the environmental, social and governance considerations into decision making and the delivery of outcomes.



# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. Board Responsibilities (Cont'd)

#### Sustainability (Cont'd)

The Non-Executive Directors are to deliberate and discuss policies and strategies formulated and proposed by Management with the view of the long-term interests of all stakeholders. They contributed to the formulation of policies, and decision making using their expertise and experience. They also provide guidance and promote professionalism to the Management. The Independent Non-Executive Directors fulfilled a pivotal role in corporate accountability, providing independent and unbiased view, advice and judgement to ensure a balanced and unbiased decision making process to protect the long term interests of all stakeholders and the community.

The policies on governance, the environment and social responsibility is disclosed in the Sustainability Statement set out on pages 14 to 24 of this Annual Report.

#### Succession Planning

The Board is responsible for reviewing candidates for key positions namely, the Board Chairman, Executive and Non-Executive Directors and all head of divisions; the succession planning is to ensure all candidates appointed to Senior Management positions are of appropriate expertise and adequately qualified. The Board had adopted a Succession Planning Policy is to ensure that there are avenues in place to provide for the orderly succession of Senior Management.

#### Supply and Access to Information

The Directors are supplied with and have unrestricted access to information pertaining to the Group's business and affairs to enable them to discharge their duties effectively. The information provided includes both verbal and written details.

All scheduled meetings held during the year were preceded by a formal agenda issued by the Company Secretaries in consultation with the Management. Prior to meetings, appropriate documents which include the agenda and reports relevant to the issues of the meetings are circulated to all members. All Directors have full and timely access to information with board papers distributed in advance of meetings. This ensures that Directors have sufficient time to appreciate issues deliberated at meetings which in turn enhances the decision making process.

All Directors have access to further information which they may require in discharging their duties including seeking independent professional advice, if necessary, at the Company's expense. They also have access to the advice and services of the Company Secretaries who are experienced, competent and knowledgeable on the laws and regulations, as well as directives issued by the regulatory authorities.

#### Qualified and Competent Company Secretaries

The Board is supported by two (2) experienced and competent Company Secretaries, who are qualified to act under Section 235(2) of the CA 2016. The Company Secretaries are responsible to the Board for ensuring that all governance matters and Board procedures are followed and that applicable laws and regulations are complied with. These include obligations on Directors relating to disclosure of interests and disclosure of any conflicts of interest in transactions with the Group. The Company Secretaries also highlights all compliance and governance issues which they feel ought to be brought to the Board's attention. The Companies Secretaries had and will constantly keep themselves abreast, through continuous training on the regulatory changes and development in corporate governance.

The Company Secretaries provides support to the Chairman of the Company to ensure the effective functioning of the Board. The Company Secretaries and/or representative organise and attend all Board and Board Committees' Meetings ensuring that the accurate and proper record of deliberation of issues discussed, decisions made and conclusions taken. The Company Secretaries also facilitate the communication of key decisions and policies between the Board, Board Committees and Senior Management.

In ensuring the uniformity of Board conduct and effective boardroom practices throughout the Group, the Company Secretaries have oversight on overall corporate secretarial functions of the Group and maintains all secretarial and statutory records of the Group.

The Board is satisfied with the performances and support rendered by the Company Secretaries to the Board in the discharge of its functions.

# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### II. Board Composition

#### Board Balance

The Board consists of five (5) principal Directors and one (1) Alternate Director. Out of the five (5) principal Directors, two (2) are Executive Directors and three (3) are Non-Executive Directors. Three (3) of the Directors are independent, which is in compliance with the Main LR of Bursa Securities in respect of the board composition.

The composition of the Board reflects a balance of Executive, Non-Executive and Independent Directors with a wide range of professional skills, which are relevant and necessary for the business direction of the Group. A brief profile of each Director is presented on pages 3 to 5 of this Annual Report 2024.

#### Board Committees

The following Board Committees have acted within the framework specified by the Board. These committees have regularly made proposals to improve and enhance the role of the Board in governance processes. The Chairman of each of these Board Committees will report to the Board on the outcome of the Committee Meetings.

Below is a general description of some of the basic functions of the respective Board Committees.

#### a. Audit and Risk Management Committee

The Audit and Risk Management Committee comprises exclusively of Independent Non-Executive Directors, is responsible for reviewing and monitoring the Group's internal audit processes, its external auditors, and of the integrity of the Group's financial statements. It is also responsible for reviewing the effectiveness of internal controls system.

The full details of the composition, terms of reference and summary of the activities of the Audit and Risk Management Committee for the financial year ended 31 December 2024 are set out in the Audit and Risk Management Committee Report on pages 43 to 47 of this Annual Report.

#### b. Nomination Committee

The Board established a Nomination Committee in May 2002, which consists exclusively of Independent Non-Executive Directors. The Chair of the Nomination Committee is an Independent Non-Executive Director identified by the Board.

Chairman :	Ms. Irene Kam Sok Khuan	Independent Non-Executive Director
Members :	Datuk Hew Lee Lam Sang	Independent Non-Executive Director
	Ms. Jessica Low May-Teng	Independent Non-Executive Director

The functions of the Nomination Committee are to assist the Board in discharging its responsibilities, particularly in:

- Assessing the effectiveness of the Board, respective Committees and contribution of each Director;
- Identifying, appointing and orientating new directors;
- Identifying the required mix of skills, experience and other core competencies the Board needs for it to function effectively and efficiently;
- Developing, maintaining and reviewing the criteria to be used in the recruitment process and annual assessment of Directors;
- Developing the criteria for annual assessment of independence of the Independent Directors of the Company by the Board and recommending to the Board for continuation in service of Independent Director(s) who have served the Board for a cumulative term of more than nine (9) years. If more than twelve (12) years, via a two-tier voting process;
- Establishing measures to approach the boardroom diversity;
- Prior to the appointment of a director, the Nomination Committee shall assess the Conflict of Interest ("COI") of the proposed director (including competing business) or independence issues and background and reference checks (including in news, media reports as well as publicly available information) and the number of directorships; and
- The COI assessment should be undertaken on an annual basis, for all incumbent directors, regardless of whether they are subject to re-election at the Annual General Meeting ("AGM").



# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### II. Board Composition (Cont'd)

#### b. Nomination Committee (Cont'd)

To carry out the tasks of reviewing on an annual basis the effectiveness of the Board as a whole, Independent Directors, Board Committees and the contribution of each individual Director, the Nomination Committee has adopted the following performance evaluation forms in assessing and evaluating the required mix of skills and experience, including core competencies, which the Directors should bring to the Board:

- a. Audit Committee Evaluation Questionnaire;
- b. Independent Directors' Self-Assessment Checklist;
- c. Directors'/Key Officers' Self-Assessment Evaluation Form;
- d. Board and Board Committees Evaluation Form;
- e. Board Committees Performance Evaluation Form;
- f. Board Evaluation Questionnaire relating to ESG or Sustainability; and
- g. Declaration of Fitness and Propriety of a Responsible Person(s) & Performance Evaluation Sheet by Nomination Committee.

The Nomination Committee held one (1) meeting during the financial year ended 31 December 2024. The summary of activities of the Nomination Committee during the financial year ended 31 December 2024 is as follows:

- Assessed the effectiveness of the Board as a whole, the Board Committees and contribution of individual Directors for the financial year ended 31 December 2023;
- Reviewed and recommended to the Board, re-election of Directors who are retiring by rotation; and
- Assessed the term of office and performance of the Audit and Risk Management Committee and each of its members in respect of financial year ended 31 December 2023.

#### c. Remuneration Committee

The Board established a Remuneration Committee in May 2002, which consists exclusively of Independent Non-Executive Directors:

Chairman :	Ms. Jessica Low May-Teng	Independent Non-Executive Director
Members :	Datuk Hew Lee Lam Sang	Independent Non-Executive Director
	Ms. Irene Kam Sok Khuan	Independent Non-Executive Director

The Remuneration Committee is responsible to review the remuneration and benefits package to the Executive Directors, the Directors' fees and benefits to the Non-Executive Directors of the Company and also the meetings allowances to all Directors.

The Remuneration Committee held one (1) meeting during the financial year ended 31 December 2024. The summary of activities during the financial year ended 31 December 2024 is as follows:

- Reviewed and recommended to the Board, payment of Directors' fees to the Non-Executive Directors for the financial year ended 31 December 2023;
- Reviewed and recommended to the Board, payment of Directors' benefits (other than Directors' fees) for the period from 20 June 2024 until the next AGM of the Company; and
- Reviewed and recommended to the Board, remuneration package of the Executive Directors of the Company.

The Remuneration Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the Company's website.



## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (Cont'd)

##### Appointment to the Board

The Board recognises its responsibility to carefully appraise and consider the appointment of new and existing Directors to ensure the Board continue to function effectively. Thus, whilst the initial appraisal of new candidates is delegated to the Nomination Committee, the Board will always ensure that the appointment or reappointment of each Director will always maintain the good balance of skills and experience in its composition. In assessing suitability of candidates, considerations will be given to the competencies, commitment, contribution and performance. Management will facilitate board induction by providing the new Director with relevant information about the Group.

The Nomination Committee is responsible for identifying, assessing and recommending to the Board, suitable nominees for appointment to the Board and Board Committees. Candidates are normally sourced through recommendations by existing Board members, Management or major shareholder. Nevertheless, the Nomination Committee could also consider utilising independent sources to identify suitable qualified candidates.

##### Retirement and Re-Election

The Company's Constitution requires a Director to retire at the AGM following his/her appointment but he/she shall be eligible for re-election. The Company's Constitution also provides that one third (1/3) or the number nearest to one third (1/3) of the Directors in office are to retire by rotation at each AGM of the Company and the Directors may offer themselves for re-election.

Any person appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors, shall hold office until the conclusion of the next AGM and shall then be eligible for re-election.

On 23 April 2025, the Board approved the recommendation of the Nomination Committee that Datuk Hew Lee Lam Sang and Ms. Irene Kam Sok Khuan, who are due for retirement by rotation at the 54<sup>th</sup> AGM pursuant to Clause 123 of the Company's Constitution, are eligible to stand for re-election at the 54<sup>th</sup> AGM. Datuk Hew Lee Lam Sang and Ms. Irene Kam Sok Khuan had expressed their willingness to seek for re-election at the 54<sup>th</sup> AGM.

##### Annual Assessment of Independent Directors

The Independent Directors play a key role in corporate accountability and provide unbiased views and impartiality to the Board's deliberation and decision making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are given due consideration, fully discussed and examined, taking into account the interest of all stakeholders in the Group.

Any Director who considers that he/she has or may have a conflict of interest or a material personal interest or a direct or indirect interest or relationship that could reasonably be considered to influence in a material way the Director's decisions in any matter concerning to the Company is required to immediately disclose to the Board and to abstain from participating in any discussion or voting on the respective matter.

The Nomination Committee has developed the criteria to assess independence of the Independent Directors. The Board will apply these criteria upon admission, annually and when any new interest or relationship develops.

The Board with assistance from the Nomination Committee will undertake to carry out annual assessment of the effectiveness of the Board as a whole, including Independent Non-Executive Directors and consider whether the Independent Directors can continue to bring independent and objective judgment to the Board deliberations.

For the financial year ended 31 December 2024, the Board assessed the independence of its Independent Non-Executive Directors based on the criteria developed by the Nomination Committee of the Company. The Board is satisfied with the level of Independence demonstrated by all the Independent Directors and their ability to act in the best interest of the Company.



# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### II. Board Composition (Cont'd)

#### Tenure of Independent Directors

The Board has not developed a policy which limits the tenure of its Independent Directors to nine (9) years. However, the Board is mindful that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years and upon completion of nine (9) years, to re-designate the director as Non-Independent Director if he continues to serve on the Board pursuant to the Code. If the Board intends to retain an Independent Director beyond nine (9) years, the Company should justify and seek shareholders' approval. If the Board continues to retain the Independent Director after the ninth (9) year, the Board should seek shareholders' approval through a two-tier voting process and the manner to obtain the shareholders' approval on the resolution shall follow the recommendation of the Code.

The Board further recognises that the tenure is not the absolute indicator of a Director's independence and objectivity wherein the spirit, intention, purpose and attitude, background and current activities should also be considered.

#### Number of Directorship

Pursuant to Paragraph 15.06 of the Main LR of Bursa Securities, Directors of the Company must not hold more than five (5) directorships in public listed companies.

The Directors of the Company are required to first notify the Chairman, prior to acceptance of new directorship in other public listed companies, including the estimated time commitment required, to ensure that such appointment would not affect their commitments and focus for an effective input to the Board.

As at the date of this statement, none of the Directors of the Company hold more than five (5) directorships in public listed companies. The directorships of each Director are set out in the Profile of Directors on pages 3 to 5 of this Annual Report.

#### Board Meetings

The Board of Directors meets on a quarterly basis with additional meetings convened as and when necessary, to interalia approve quarterly financial results, business plans, budgets, governance matters and other business development activities. Special Board meetings may be convened to consider urgent proposal or matters which require the expeditious review or consideration by the Board.

Senior Management, both external and internal auditors and/or advisers may be invited to attend the Board meetings, if required, to provide additional information on the relevant agenda tabled at the Board Meetings.

Strategic issues such as acquisition and disposal of the group's investments or assets; announcements to regulators; corporate and restructuring exercises are presented to the Board for its decision to ensure that the direction and control of the Group is firmly in the Board's control. Besides Board Meetings, the Board also exercises control on matters that require Board's approval through circulation of Directors' resolutions.

Where a transaction is required to be approved by the shareholders, interested directors will abstain from deliberations and voting in respect of their shareholdings in the Company and they will further undertake to ensure that persons connected to them will similarly abstain from voting.

Board meetings for the ensuing financial year are scheduled in advance to facilitate the Directors to plan ahead. All meetings are furnished with proper agendas with due notice issued. Board papers and reports are prepared by the Management, which provide updates on financial, operational, legal matters. These are circulated prior to the meetings to all Directors to allow sufficient time for review so as to ensure effective discussions and decision making during the meetings.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (Cont'd)

##### Board Meetings (Cont'd)

During the financial year ended 31 December 2024, five (5) board meetings were held. Except for Dato' Ronnie Lim Yew Boon who retired on 29 February 2024 and Mr. Chin Kok Siong who was appointed on 26 February 2024, all Directors in office have attended all the total Board meetings held and therefore, have complied with paragraph 15.05(3) of the Main LR of Bursa Securities. Details of the board meetings and their attendances at these meetings are set out below:

Name of Directors	Total Meetings Attended by Directors
Mr. Lim Chin Sean	5/5
Datuk Hew Lee Lam Sang	5/5
Ms. Irene Kam Sok Khuan	5/5
Ms. Jessica Low May-Teng	5/5
Dato' Ronnie Lim Yew Boon ( <i>Retired on 29 February 2024</i> )	1/1
Mr. Chin Kok Siong ( <i>Appointed on 26 February 2024</i> )	4/4

##### Level of Time Commitment

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at Board Meetings as set out in the table above.

##### Directors' Training

The Directors have participated and continue to undergo the relevant training programmes to further enhance their skill and knowledge as well as the latest statutory and/or regulatory requirements in discharging their fiduciary duties to the Company.

During the financial year ended 31 December 2024, the Directors attended the following training programmes:

Directors	Training / Seminar Attended	Date
Datuk Hew Lee Lam Sang	• Shining the lights on Human Rights in Malaysia - conducted by KPMG PLT	12.03.2024
	• Bursa's Amended Listing Requirements on Conflict of Interest - conducted by KPMG PLT	20.03.2024
	• Navigating Climate Transition risks in a circular economy - conducted by KPMG PLT	11.07.2024
	• Navigating Capital Gains Tax - conducted by KPMG PLT	17.07.2024
	• Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Act 2024 - conducted by KPMG PLT	11.09.2024
	• Geopolitical Risks and Strategic Imperatives – conducted by KPMG PLT	17.10.2024
	• Tax and Business Summit 2024 – conducted by KPMG PLT	06.11.2024
	• Mandatory Accreditation Programme Part II: Leading For Impact – conducted by Institute of Corporate Directors Malaysia (ICDM)	18.11.2024 - 19.11.2024
	• ESG Briefing - conducted by Ernst and Young	21.11.2024
Ms. Irene Kam Sok Khuan	• Briefing Sessions on the Companies Act (Amendment) 2024 – conducted by Companies Commission of Malaysia (CCM)	13.05.2024
	• Companies (Amendment) Act 2024, The Beneficial Ownership Reporting – conducted by CCM	05.07.2024
	• Mandatory Accreditation Programme Part II: Leading for Impact – conducted by ICDM	25.09.2024 – 26.09.2024



## Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

## II. Board Composition (Cont'd)

## Directors' Training (Cont'd)

Directors	Training / Seminar Attended	Date
Ms. Jessica Low May-Teng	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part I - conducted by ICDM</li> <li>Being Sued as an INED - A Personal Journey – conducted by ICDM</li> <li>Corporate Board Leadership Symposium 2024 – conducted by Malaysia Institute of Accountants (MIA)</li> <li>E-Invoicing Implementation : A Forum for Finance Leaders – conducted by MIA</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact - conducted by ICDM</li> <li>Strategic Data and Frameworks in Board Governance – conducted by ICDM</li> </ul>	29.03.2024 - 30.03.2024 10.05.2024 27.06.2024 04.07.2024 21.10.2024 - 22.10.2024 02.12.2024
Mr. Lim Chin Sean	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact - conducted by ICDM</li> </ul>	27.11.2024 – 28.11.2024
Mr. Chin Kok Siong	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part I - conducted by ICDM</li> </ul>	13.03.2024 – 14.03.2024
Mr. Chan Keen Wai	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part I - conducted by ICDM</li> </ul>	29.03.2024 – 30.03.2024

## Remuneration

All Directors receive directors' fees determined by the Board based on the level of responsibilities. Meeting allowances are also paid to Directors at each Board and Board Committees meetings.

The Executive Directors' remuneration package comprises a fixed component which includes a monthly salary and benefits-in-kind or emoluments, and a variable component which includes performance-based bonus.

The details of Directors' fees, benefits in-kind and Directors' remuneration for the financial year ended 31 December 2024 including remuneration for services rendered to the Company and its subsidiaries are as follows:

	Salaries & Bonus (RM)	Defined Contribution Benefits (RM)	Fees (RM)	Meeting Allowances (RM)	Benefits In-Kind (RM)	Total (RM)
<b>Executive Directors</b>						
Mr. Lim Chin Sean	250,125	30,087	36,000	10,200	7,200	333,612
Dato' Ronnie Lim Yew Boon	48,300	5,796	-	1,500	210	55,806
Mr. Chin Kok Siong	315,113	42,382	33,000	7,500	2,761	400,756
Mr. Chan Keen Wai	379,055	50,054	33,000	3,000	1,220	466,329
<b>Non-Executive Directors</b>						
Datuk Hew Lee Lam Sang	-	-	36,000	20,500	-	56,500
Ms. Irene Kam Sok Khuan	-	-	36,000	19,700	-	55,700
Ms. Jessica Low May-Teng	-	-	36,000	19,700	-	55,700



## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. Board Composition (Cont'd)

##### Remuneration (Cont'd)

Set out below are directors' remuneration paid or payable by the Company for financial year ended 31 December 2024, in aggregation and analysed into bands of RM50,000:

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
From RM50,001 to RM100,000	1	3
From RM300,001 to RM350,000	1	-
From RM400,001 to RM450,000	1	-
From RM450,001 to RM500,000	1	-

The Board acknowledges the recommendation of the Code for transparency in the disclosure of its key Senior Management remuneration. For the financial year ended 31 December 2024, the top 5 Senior Management of the Company whose total remuneration (including benefits-in-kind and other emoluments) falls within the following bands are as follows:

Range of Remuneration	Number of Senior Management
From RM100,001 to RM150,000	1
From RM150,001 to RM200,000	3
Above RM200,000	1

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. Audit and Risk Management Committee

The Audit and Risk Management Committee, which comprises exclusively of Independent Non-Executive Directors, is responsible for reviewing and monitoring the Group's internal audit processes, its external auditors, and of the integrity of the Group's financial statements. It is also responsible for reviewing the effectiveness of internal controls system.

The composition of the Audit and Risk Management Committee members, comprising exclusively of Independent Non-Executive Directors in compliance to the Main LR of Bursa Securities, are as follows:

Chairman :	Datuk Hew Lee Lam Sang	Independent Non-Executive Director
Members :	Ms. Irene Kam Sok Khuan	Independent Non-Executive Director
	Ms. Jessica Low May-Teng	Independent Non-Executive Director

Further details of the Audit and Risk Management Committee are contained in the Audit and Risk Management Committee Report on pages 43 to 47 of this Annual Report 2024.

#### Financial Reporting

The Board is firmly committed to present a proper and meaningful assessment of the Group's financial performance and prospects in every interim and annual report. In this connection, it is supported by the Audit and Risk Management Committee, which diligently ensures the accuracy, adequacy and reasonableness of information prior to reporting.

#### Internal Control

The Board is committed to identify and review the adequacy of the Group's internal control systems in compliance with the applicable laws, regulations, rules, directives and guidelines. The Statement on Risk Management and Internal Control is presented on pages 40 to 42 of this Annual Report 2024. The Board will ensure the continuous process of identifying, evaluating and managing the internal control systems within the Group for review by the Audit and Risk Management Committee.



# Corporate Governance Overview Statement (Cont'd)

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

### I. Audit and Risk Management Committee (Cont'd)

#### Relationship with External Auditors

The role of the Audit and Risk Management Committee in relation to the external auditors may be found in the Audit and Risk Management Committee Report set out on pages 43 to 47 of this Annual Report. The Company has always maintained a transparent and appropriate relationship with its auditors in seeking professional advice and ensuring compliance with relevant accounting standards in Malaysia.

The Audit and Risk Management Committee undertakes an annual assessment of the suitability and independence of the external auditors, Crowe Malaysia PLT. Upon satisfactory assessment of their performance on 23 April 2025, the Audit and Risk Management Committee will recommend their re-appointment to the Board, upon which shareholders' approval will be sought at the AGM of the Company.

It is a policy of the Audit and Risk Management Committee that it meets with the external auditors at least twice (2) a year to discuss their audit plan, audit findings and the Company's financial statements as well as any other issues without the presence of the Executive Directors and Management.

### II. Risk Management and Internal Control Framework

#### Sound Framework to Manage Risk

The Board acknowledges its responsibility to maintain a sound Risk Management and Internal Control system covering not only financial controls but also operational and compliance controls to identify risks in operations and finance and to design measures to manage those risks. This system is designed to manage, rather than eliminate, the risk of failure to achieve the Group's corporate objectives, as well as to safeguard shareholders' investments and the Group's assets. The Board, through the Audit and Risk Management Committee, seeks regular assurance on the continuity and effectiveness of the internal control system through independent reviews by the Internal Auditors and the External Auditors.

As per its Terms of Reference, the Audit and Risk Management Committee has been explicitly accorded the power to appoint, and to decide on the remuneration and the resignation/dismissal of the Internal Auditors. It has also been empowered to ensure that the internal audit function reports directly to the Audit and Risk Management Committee, that it is independent of the functions it audits and has the authorities and resources necessary to carry out its responsibilities. It will also approve the Internal Audit Plan and review and assess the performance of the internal audit function.

#### Internal Audit Function

To assist the Board in maintaining a sound system of internal control for the purposes of safeguarding shareholders' investments and the Group's assets, the Board has outsourced the internal audit function to a professional internal audit service provider firm during the financial year.

The Internal Auditors conduct regular audits to review the adequacy and effectiveness of the Group's Risk Management and Internal Control system in identifying and managing principal risks, ensuring compliance with the law and regulations and preserving the quality of assets and the integrity of the management information system.

Please refer to the Audit and Risk Management Committee Report on pages 43 to 47 of this Annual Report for more details.

## Corporate Governance Overview Statement (Cont'd)

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

#### I. Communication with Stakeholders

The Group recognises the importance of timely and thorough dissemination of information to shareholders and investors on all business matters. The Company is committed to keeping shareholders duly informed about the Group's performance, corporate governance and other matters affecting shareholders' interests, while always mindful of the laws and regulations governing the release of specific information.

The primary tool of communication with the shareholders of the Company is currently done through published annual reports and timely statutory periodic announcements to Bursa Securities. In order to enhance the Company's communication with the stakeholders, the Company has established a website at [www.parkwood.my](http://www.parkwood.my) as a channel of communication and information dissemination. Various announcements made by the Company during the year and annual reports are available on the Company's website. The Company also disseminates information through press releases on corporate events and business as well as any significant developments of the Group.

#### Corporate Disclosure Policy

The Board acknowledges the importance of timely and thorough dissemination of information to its investors and shareholders. The Board regards regular communications with the public via various announcements and the issuance of Annual Reports, circulars and press releases as key to building a good relationship with its shareholders.

In line with the Main LR of Bursa Securities and best practices recommended by the Code, the Company must disclose to the public all material information necessary for informed investment decisions and take reasonable steps to ensure that all who invest in the Company's securities enjoy equal access to such information. The Board strives to disclose such information to the public as soon as practicable through Bursa Securities, the media and the Company's website at [www.parkwood.my](http://www.parkwood.my), and to ensure that such information is handled properly to avoid leakage and improper use of such information.

The Company shall disclose all material information required to be disclosed under applicable securities laws, in accordance with a consistent procedure and in accordance with such laws, as per the disclosure principles listed below:

- Material information will be immediately announced to Bursa Securities first and later made available at the Company's website;
- Material information will be kept confidential temporarily if the immediate release of such information would be unduly detrimental to the interests of the Company;
- Content of disclosure must be factual and non-speculative and include any information the omission of which would cause the rest of the disclosure misleading;
- The disclosure must be corrected immediately if the Company learns that an earlier disclosure by the Company contained a material error at the time it was originally disclosed;
- The Company does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the internet. Should Bursa Securities request that the Company to make a definitive statement in response to a market rumour that is causing significant volatility in the price of the Company's securities, the Executive Directors will respond appropriately after consulting with the Board for advice if time permits, before a reply is given to Bursa Securities; and
- All investors must have equal access to material information. Selective disclosure is not allowed.

Information is considered material if it is reasonably expected to have a material effect on the price, value and market activity of the Company's securities or the decision of a holder of security or an investor in determining his/her choice of actions.

The Company Secretaries are assigned to compile such information for the approval of the Board as soon as possible and for releasing such information to the market as stipulated by Bursa Securities.

#### Leverage on Information Technology

The Company disseminates information in relation to its financial performance, operations and corporate developments through the Annual Reports, Quarterly Interim Financial Reports, circulars and various general announcements. The Company releases all material information publicly through Bursa Securities and via its IR portal at [www.parkwood.my](http://www.parkwood.my).

Shareholders and investors are also encouraged to convey their queries and concerns to the Company via the Company's website at [www.parkwood.my](http://www.parkwood.my) or via email to [admin@parkwood.my](mailto:admin@parkwood.my). The queries will be attended by the Company's Senior Management or the Board, as the case may be.



## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

#### II. Conduct of General Meetings

##### Annual General Meetings or Extraordinary General Meetings ("General Meetings")

General Meetings remain the principal forum for dialogue between the Company and its shareholders, as the Company's General Meetings provide a means of communication with shareholders.

Notices of General Meetings, the related circulars and the Annual Reports of the Company are sent to the shareholders in accordance with the regulatory and statutory provisions. Where special business items appear in the Notices of General Meetings, an explanatory note will be included as a footnote to enlighten shareholders on the significance and impact when shareholders deliberate on such resolution. The Notices of General Meetings are advertised in a national English newspaper within the prescribed deadlines. Notice for an AGM should be given to the shareholders at least twenty eight (28) days prior to the meeting.

The Board notes the recommendation of the Code that Notice for an AGM should be given to the shareholders at least twenty eight (28) days prior to the meeting, which is earlier than the minimum notice periods stipulated in the Company's Constitution and the CA 2016. In the past years, the Company serves the Notice for AGM more than twenty eight (28) days prior to the meeting. From year 2020 onwards, the Annual Reports and Notice for General Meetings will be circulated electronically. Hard copies of the Annual Reports will be made available upon request.

The Company holds its General Meetings at places that are easily accessible and at a time convenient to the shareholders to encourage them to attend the meetings.

If a shareholder is unable to attend and vote in person at the General Meetings, the Company allows him/her to appoint the Chairman of the Meeting or any person, who may but need not be a member of the Company, to be his/her proxy without limitation and there shall be no restrictions as to the qualification of the proxy. A proxy appointed to attend and vote at the General Meetings shall have the same rights as the shareholder to speak at the General Meetings.

At the General Meetings, the Board encourages and gives sufficient opportunity for the shareholders to ask questions regarding the affairs of the Group, its financial performance and the resolutions being proposed at the meetings. The Chairman, when presenting the agenda items at the meetings, will give a brief background on the items to be voted on and shareholders are invited to give their views and raise question before voting takes place. Shareholders' suggestions received during the General Meetings are reviewed and considered for implementation, wherever possible.

All Directors attend the General Meetings. The Chairperson of the Nomination Committee and the Remuneration Committee and the Chairman of the Audit and Risk Management Committee and Senior Management are also present at the General Meetings to respond to shareholders' queries addressed to them during the meetings. The external auditors and advisers of corporate exercises, where applicable, attend General Meetings upon invitation and are available to answer questions or clarify queries from shareholders relating to the subject matter.

Other than shareholders of the Company, representative from the Minority Shareholders Watch Group ("MSWG") will also be invited as observer at the Company's General Meetings if prior requests have been made. Queries raised by the MSWG and the Company's reply thereto are presented at the General Meetings.

All meetings are recorded by the Company Secretaries and the summary of key matters discussed at the General Meetings is available for inspection at the Company's website.

##### Poll Voting

In compliance with the Main LR of Bursa Securities, all resolutions that set out in the Notice of General Meetings will be voted via poll voting.

The polling process will be conducted by the share registrar as the Poll Administrator and an independent scrutineer will be appointed to oversee the conduct of the poll and verify the results of the poll.

## Corporate Governance Overview Statement (Cont'd)

### ADDITIONAL COMPLIANCE INFORMATION

#### a. Audit and non-audit fees

During the financial year ended 31 December 2024, the amount of audit fees paid or payable to the External Auditors, Crowe Malaysia PLT 201906000005 (LLP0018817-LCA) & AF 1018 by Parkwood and its subsidiaries were as follows:

Fees paid by Parkwood	: RM52,000
Fees paid by Parkwood subsidiaries	: RM73,000

For the financial year ended 31 December 2024, a fee of RM5,000 for non-audit assignments was paid by the Company to the External Auditors and its affiliated corporation.

#### b. Material contracts

Other than those disclosed in the Notes to the Financial Statements on the Significant Related Party Transactions, there were no material contracts entered into by the Company and/or the Group involving directors' and major shareholders' interests.

#### c. Utilisation of proceeds raised from corporate proposal

There were no unutilised proceeds from any corporate proposals.

#### d. Recurrent related party transactions ("RRPT") of a revenue or trading nature

There were no RRPT of a revenue or trading nature between the Company and/or the Group and its related parties which required shareholders' mandate during the financial year under review.

### DIRECTORS' RESPONSIBILITY STATEMENT IN RESPECT OF THE PREPARATION OF THE AUDITED FINANCIAL STATEMENT

The Directors are required by the CA 2016, to state whether, in their opinion, the Group and the Company's financial statements for the financial year are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, Main LR of Bursa Securities and CA 2016 which will provide a true and fair view of the Group and the Company's financial position and the performance and cash flow for the financial year.

Towards this, the Directors ensure that relevant accounting policies have been used and applied consistently and that reasonable and prudent judgments and estimates have been made, in the preparation of financial statements. The Directors also ensure that applicable approved accounting standards have been followed and that proper accounting records are being kept to enable disclosure of the Group's and Company's financial position in compliance with laws and regulations.

The Board is satisfied that in preparing the financial statements of the Company and the Group as at 31 December 2024, the Company and the Group have used appropriate accounting policies and applied them consistently and prudently.

### CONCLUSION

The Board recognises the importance of the Group practising good corporate governance and has made it a corporate policy to continuously improve on its corporate governance practices and structure to achieve an optimal governance framework.

This Corporate Governance Overview Statement was approved by the Board of Directors of Parkwood on 23 April 2025.





# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## 1. INTRODUCTION

Pursuant to paragraph 15.26(b) of the Main LR of Bursa Securities, the Board of Directors (“the Board”) is pleased to issue this statement on risk management and internal control of the Group for the financial year ended 31 December 2024 in compliance with the Principles and Best Practices as stipulated in the Code.

## 2. BOARD'S RESPONSIBILITY

The Board acknowledges the importance of systems of internal control and recognises that it is their responsibility to maintain a sound system of internal control to safeguard shareholders' investment. In this connection, the Board confirms that there is on-going effort to identify risks and to introduce or improve controls in the functional areas.

In line with its responsibilities, the Audit Committee (“AC”) and Risk Management Committee (“RMC”) have been merged and to be known as the Audit and Risk Management Committee (“ARMC”) effective from 1 January 2018.

The Board has established the ARMC to oversee the effective implementation of the risk management process and systems of internal control.

The role of ARMC is to provide an independent assessment of the effectiveness, adequacy and reliability of the risk management process, compliance with risk policies, applicable laws, regulations, rules, directives, guidelines and systems of internal control as established by management. These assessments are assisted by an independent internal audit function.

As there are limitations inherent in any systems of internal control, therefore, it shall be noted that the controls are designed and positioned to mitigate risks but not eliminating the present and future risks. In this connection, it shall also be noted that systems of internal control can only provide reasonable but not absolute assurance against material misstatements, frauds and losses.

## 3. RISK MANAGEMENT FRAMEWORK

The ARMC was established to adopt the Risk Management Framework designed for the Group. This framework provides guidance and facilitates a structured approach for identifying, evaluating and managing significant risks that could inadvertently prevent the achievement of business objectives.

The Board has approved the following Terms of Reference for the ARMC:

- a. To review the Group's overall objectives by assessing the adequacy and effectiveness of the risk portfolio composition and risk mitigation controls in determining the desired exposures of each major area on a periodic basis.
- b. To promote and ensure that the risk management process and culture are embedded.
- c. To review and assess the adequacy of risk management policies and framework for identifying, measuring, monitoring and controlling risks and their effectiveness.
- d. To ensure adequate infrastructure, resources and systems are in place for managing risks.
- e. To identify other corporate risk areas such as regulatory compliances, new business development and financial issues.
- f. To establish a task force to oversee the proper conduct of regular review and control of risk in the functional activities.

The ARMC had approved the Risk Handbook, which was developed by the Risk Management Working Group (“RMWG”). The aim of the Risk Handbook is to introduce a standardised approach for Management to adopt and assist in identification, analysis and management of risks.

The RMWG has invited the Internal Auditors to observe the risk assessment exercise in 2024. In this exercise, a structured risk management framework was reviewed and key risks that could affect the achievement of the Group's objectives, the control and mitigating action plans were identified and documented. The risk report was presented to the Board for discussion and formalisation of actions plan and updated by the RMWG.

## Statement on Risk Management and Internal Control (Cont'd)

### 4. INTERNAL AUDIT FUNCTION

The Internal Audit function of the Group was outsourced to a professional internal audit service provider firm ("Internal Auditor"), which includes performing regular reviews of the business processes, checking compliance with policies/procedure, evaluating the adequacy and effectiveness of internal control, risk management and governance processes established by Management and/or the Board within the Group. The Internal Audit function highlights significant findings and corrective measures in respect of any non-compliance to Management and the ARMC on a timely basis. The annual audit plan is reviewed and approved by the ARMC. Further activities of the Internal Audit function are set out in the ARMC report on pages 43 to 47.

The costs incurred by the Group in relation to the Internal Audit function for the financial year ended 31 December 2024 amounted to approximately RM28,000.

### 5. INTERNAL CONTROL

The Group's systems of internal control during the financial year ended 31 December 2024 and up to the date of approval of this statement for inclusion into the annual report encompasses inter alia, the key elements as follows:

- A functional organisational structure that defines the level of authority and responsibilities of management.
- Policies and procedures, updated as necessary, are documented and communicated to personnel for compliance.
- An ARMC with defined responsibilities as set out on pages 43 to 47.
- An internal audit function, which is accountable to the ARMC, objectively reviews and reports on the effectiveness of control processes.
- An annual operating budget and strategic business plan approved by the Board.
- Appropriate human resource guidelines for hiring and terminating staff, formal training programmes, annual performance appraisals and other relevant procedures are in place to ensure employees' competency.
- The Group's performance is monitored by using key performance indicators, monthly management reports and periodic management meetings. These performance reports are benchmarked against budgets. Any exceptions noted will be investigated and reported.
- Quarterly monitoring of financial results by the Board.

In making this statement, the Board had considered the Bursa's Guidance on Statement on Internal Control for all subsidiaries. The Board is of the view that there has been no significant breakdown or weaknesses in the systems of internal control of the Group that may result in material losses incurred for the financial year ended 31 December 2024. Nevertheless, remedial actions and corrective measures have been or are being taken to address the weaknesses noted, if any.

### 6. MANAGEMENT RESPONSIBILITIES

The Management is responsible for implementing the processes for identifying, evaluating, monitoring and reporting of risks and systems of internal control, taking appropriate and timely corrective actions as needed, and for providing assurance to the Board that the processes have been carried out.



## Statement on Risk Management and Internal Control (Cont'd)

### 7. REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Main LR, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was conducted in accordance with Audit and Assurance Practice Guide 3 ("AAPG 3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in Annual Report, issued by the Malaysian Institute of Accountants ("MIA"). AAPG 3 does not require the external auditors to, and they did not, consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk and control procedures. AAPG 3 also does not require the external auditors 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.

Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and effectiveness of the Group's risk management and systems of internal control.

### 8. CONCLUSION

The Board is satisfied with the adequacy and effectiveness of the Group's risk management and systems of internal control. The Board has received assurance from the Executive Directors that the Group's risk management and systems of internal control, in all material aspects, is operating adequately and effectively. For the financial year under review, there were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group.

This Statement on Risk Management and Internal Control was approved by the Board of Directors on 23 April 2025.

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

### MEMBERSHIP

The Board had on 14 December 2017 approved the merger of the Audit Committee and the Risk Management Committee to be known as the “Audit and Risk Management Committee” effective from 1 January 2018. The rationale of the merger of the two (2) Board Committees is to enhance the efficiency of the Board Committee in discharging its duties and responsibilities.

Members of the Audit and Risk Management Committee, their respective designation and directorate are as follows:

Name	Designation	Directorship
Datuk Hew Lee Lam Sang	Chairman	Independent Non-Executive Director
Ms. Irene Kam Sok Khuan	Member	Independent Non-Executive Director
Ms. Jessica Low May-Teng	Member	Independent Non-Executive Director

All Audit and Risk Management Committee members of the Company are Independent Non-Executive Directors.

### SUMMARY OF TERMS OF REFERENCE

#### 1. COMPOSITION, MEETINGS, MINUTES AND ACTIVITIES

The Audit and Risk Management Committee shall be appointed by the Board amongst the Directors and shall consist of not less than three (3) members. All Audit and Risk Management Committee members must be Non-Executive Directors, with a majority of them being Independent Directors. The Chairman shall be an Independent Non-Executive Director appointed by the Nomination Committee.

If a member of the Audit and Risk Management Committee resigns or for any reason ceases to be a member resulting in the number of members to be reduced to below three (3), the Board of Directors shall, within three (3) months of that event, appoint a replacement to make up the minimum of three (3). The vacancy of the Independent Chairman of the Audit and Risk Management Committee must also be filled within three (3) months. No Alternate Director can be appointed as a member of the Audit and Risk Management Committee.

The Board shall review the terms of reference and performance of the Audit and Risk Management Committee and each of its members annually to determine whether the Audit and Risk Management Committee and its members have carried out their duties in accordance with their terms of reference.

The Audit and Risk Management Committee shall meet at least four (4) times annually or at more frequent intervals as required. The Audit and Risk Management Committee shall meet with the external auditors at least twice (2) a year and with internal auditors at least once (1) a year, without the Executive Directors and Management present. The Chief Financial Officer and the Chief Operating Officer (have become the Director (Executive) and Alternate Director to Director (Executive) on 26 February 2024) are normally invited to attend the Audit and Risk Management Committee meetings. The presence of the external auditors shall be requested, if required. Other Board members and employees may attend Audit and Risk Management Committee meetings upon the invitation of the Audit and Risk Management Committee.

The Company Secretaries shall be the Secretary to the Audit and Risk Management Committee. Minutes of each meeting shall be distributed to each member prior to the meeting. The Chairman shall report to the Board, a summary of significant matters arising at each meeting. The Audit and Risk Management Committee is authorised by the Board to investigate any activity within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group.

The Audit and Risk Management Committee is also authorised by the Board to seek and accept independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, whenever deemed necessary.

During the financial year ended 31 December 2024, the Audit and Risk Management Committee held a total of five (5) meetings. The members of the Audit and Risk Management Committee together with their attendance are set out below:

Name	Attendance at Meetings
Datuk Hew Lee Lam Sang	5/5
Ms. Irene Kam Sok Khuan	5/5
Ms. Jessica Low May-Teng	5/5



# Audit and Risk Management Committee Report (Cont'd)

## SUMMARY OF TERMS OF REFERENCE (CONT'D)

### 2. KEY FUNCTIONS, ROLE AND RESPONSIBILITIES

The Audit and Risk Management Committee's duties and responsibilities are as follow:

- To consider the appointment and re-appointment of the external auditors and the audit fee.
- To recommend the nomination of a person or persons as external auditors.
- To discuss on the resignation or removal of external auditors and the reasons thereof.
- To discuss with the external auditors the nature and scope of any audit exercise prior to its commencement and to ensure coordination of such exercise where more than one audit firm is involved.
- To review the quarterly and annual financial statements of the Company and the Group, before submission to the Board whilst ensuring that they are prepared in an accurate manner focusing particularly on:
  - (i) Changes in or implementation of major accounting policies and principles changes.
  - (ii) Significant matters highlighted including financial reporting issues, significant judgements made by Management, significant and unusual events or transactions, and how these matters are addressed.
  - (iii) Significant adjustments arising from the audit.
  - (iv) The going concern assumption.
  - (v) Compliance with accounting standards and relevant statutory and regulatory requirements.
- To discuss issues, concerns and reservations arising from interim and final external audits, and such other matters the external auditors may wish to raise.
- To review the external auditors' management letter and management's response to specific matters raise therein.
- To assess the suitability and independence of external auditors.
- To do the following in connection with the internal audit function:
  - (i) Review the adequacy of its scope, functions, competency and resources and that it has the necessary authority to carry out its work.
  - (ii) Review and discuss the nature and scope of the audit programme with internal auditors and the follow-up thereto, ensuring that appropriate actions are taken as recommended.
  - (iii) Review any performance appraisals or assessment of its staff.
  - (iv) Approve the appointment, resignation or termination of its senior members.
  - (v) Take cognisance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reason for resigning.
- To monitor any related-party transaction and conflict of interest situation which may arise within the Group, including any transaction, procedure or course of conduct that raises questions of management integrity and the measures taken to resolve eliminate, or mitigate such conflicts.
- To review the adequacy and efficacy of the Group's system of internal control.



# Audit and Risk Management Committee Report (Cont'd)

## SUMMARY OF TERMS OF REFERENCE (CONT'D)

### 2. KEY FUNCTIONS, ROLE AND RESPONSIBILITIES (CONT'D)

With the merger of the Audit Committee and Risk Management Committee on 1 January 2018, the functions of the Audit and Risk Management Committee shall include the functions of the Risk Management Committee to assist the Board in discharging its responsibilities, particularly in:

- Reviewing the Group's overall objectives by assessing the adequacy and effectiveness of risk portfolio composition and risk mitigation controls to determine the desired exposures of each major area of risk on a periodic basis.
- Promoting and ensuring risk management process and culture are embedded throughout the Group.
- Reviewing and assessing the adequacy of risk management policies and framework for identifying, measuring, monitoring and controlling risks as well as the extent to which these are operating effectively.
- Ensuring adequate infrastructure, resources and systems are established to make risk management effective.
- Identifying other corporate risk areas such as regulatory compliances, new business development and financial issues.
- Establishing a task force as the main risk management unit to oversee the proper operating, reviewing and controlling of risk pertaining to functional activities.

The Board has established a Risk Management Working Group ("RMWG"), which is headed by Mr. Chan Keen Wai (Alternate Director to Mr. Chin Kok Siong and also the Chief Operating Officer) and comprise of all head of departments. This is to ensure that all risk classes particularly the Group strategic risks, risks related to project development businesses and compliance to statutory requirements, are considered at senior level in a consistent manner. The Board through the Audit and Risk Management Committee receives periodic reporting on the risk environment and management's actions to mitigate and manage significant risks in a manner consistent with the Group's risk appetite.

The RMWG is responsible to oversee the risk management activities of the Group, approving appropriate risk management procedures and measurement methodologies across the Group as well as identifying and managing strategic business risks of the Group. In fulfilling the primary objectives, the RMWG is tasked to undertake the following responsibilities and duties:

- (a) to promote good risk management practices and effective governance within the Group and in ensuring that roles, responsibilities and accountability in managing risks are clearly established, defined and communicated;
- (b) to create high level risk policies aligned with the Group's strategic business objectives;
- (c) to review the enterprise risk management framework for the effective identification, assessment, measurement, monitoring, reporting and mitigation of risks within the Group; and
- (d) to identify and communicate existing and potential critical risk areas faced by the Group and the management action plans to mitigate such risks by working with the internal auditors in providing periodic reports and updates to the Audit and Risk Management Committee.



# Audit and Risk Management Committee Report (Cont'd)

## SUMMARY OF ACTIVITIES OF AUDIT AND RISK MANAGEMENT COMMITTEE

In line with its terms of reference, the Audit and Risk Management Committee discharged its duties and responsibilities in the financial year ended 31 December 2024 through the following activities:

### a. External Audit

- Reviewed the Audit Review Memorandum by the external auditors for the financial year ended 31 December 2023 and discussed the results of their audit report and management letter together with Management's response to their findings;
- Reviewed the annual audited financial statements of the Group to ensure compliance with the CA 2016, Main LR of Bursa Securities, applicable accounting standards and other legal and regulatory requirements prior to submission to the Board for consideration and approval;
- Carried out an annual review of the performance of the External Auditors, including assessment of their independence in performing their obligations, and then recommended to the Board for re-appointment as External Auditors and remuneration of the External Auditors;
- Conducted independent meetings with the External Auditors during the year without the presence of the Executive Directors and Management; and
- Reviewed the Audit Planning Memorandum, which includes reporting responsibilities and deliverables, audit approach and scope for the statutory audits of the Group accounts for the financial year ended 31 December 2024 with the external auditors prior to the commencement of audit.

### b. Internal Audit

- Reviewed and approved the Internal Audit Plan of the Group with the selected auditable areas for each reporting quarter of 2024;
- Reviewed and deliberated on the Internal Audit reports, recommendations and management responses;
- Reviewed the corrective actions taken on the audit findings, outstanding audit issues from previous audits to ensure that actions have been taken timely and effectively; and
- Conducted independent meeting with the Internal Auditors during the year without the presence of the Executive Directors and Management.

### c. Risk Management

- Reviewed the risk profiles of the Group, including action plans and strategies to address these risks identified; and
- Reviewed the risk policy and risk appetite of the Group and recommended to the Board for approval and inclusion in the Statement on Risk Management and Internal Control.

### d. Financial Reporting

- Reviewed the unaudited quarterly reports before recommending for Board's approval for submission to Bursa Securities and Securities Commission Malaysia.

### e. Related Party Transactions

- Reviewed, with the assistance of the Internal Auditors, the related party transactions entered into by the Company and the Group to ensure that the transactions entered into were in adherence to Main LR of Bursa Securities and the recurrent related party transactions entered were within the approved limits of the shareholders' mandate on recurrent related party transactions during the year.

### f. Conflict of Interest

- Reviewed and monitored all potential and actual conflict of interest situation of directors and key senior management that may arise and the measures identified to resolve, eliminate or mitigate the conflict of interest in compliance with the Main LR.

### g. Annual Report

- Reviewed the Statement on Risk Management and Internal Control and recommended to the Board for approval and inclusion in the 2023 Annual Report; and
- Presented the Audit and Risk Management Committee Report to the Board for approval and inclusion in the 2023 Annual Report.

## Audit and Risk Management Committee Report (Cont'd)

### INTERNAL AUDIT FUNCTION

During the financial year ended 31 December 2024, the Audit and Risk Management Committee is supported by an outsourced internal audit service provider firm, SocialGreen Governance Sdn Bhd ("SGG"), in the discharge of its duties and responsibilities.

The Group has engaged SocialGreen Governance Sdn. Bhd. ("SGG" or the "Internal Auditor") to carry out its internal audit function. SGG is a reputable professional firm supported by a team of qualified and experienced audit professionals. The internal audit engagement is led by Ms. Andrea Huong Jia Mei, a member of the Institute of Internal Auditors Malaysia ("IIA"), the Malaysian Institute of Accountants (MIA), and the Association of Chartered Certified Accountants (ACCA). She brings with her over 20 years of extensive experience in external auditing, corporate secretarial practice, and internal auditing.

The Internal Auditors carried out a meeting with Management to discuss on the audit observations for each cycle of internal audit engagement. The Internal Auditor reports directly to the Audit and Risk Management Committee and is independent of the activities it audits. The primary responsibility of the Internal Auditor is to undertake regular and systematic reviews of the risk management process, systems of internal controls and governance practices of the Company and the Group in conformance with the International Professional Practices Framework so as to provide reasonable assurance that the risk management process, systems of internal controls and governance practices are operating satisfactorily and effectively and are in line with the Group's goals and objectives. The results of the internal audits provided in the Internal Audit Reports together with the findings and recommendation for improvements were presented to the Audit and Risk Management Committee for deliberations. The resulting reports from the internal audits were also forwarded to the Management for attention and necessary corrective actions. The functions and responsibilities of the Internal Audit Function are embodied in the Internal Audit Charter.

All Internal Audit personnel in the service provider firm do not have family relationships with any Directors or major shareholders of the Company and the Group. They also do not have any conflicts of interest which could impair their objectivity and independence.

The internal audit activities carried out by Internal Auditors for the financial year ended 31 December 2024 included, inter alia, the following:

- reviewed and assessed the adequacy and integrity of control environment and systems of internal control of the Group;
- reported on audit findings noted from risk based internal audit on the risks areas highlighted in the risk profile of Parkwood;
- reviewed and reported on the follow-up status of previous audit findings; and
- conducted risk assessment for the implementation of an enterprise risk management framework.

The costs incurred by the Group in relation to the Internal Audit function for outsourced internal audit and risk management services for the financial year ended 31 December 2024 amounted to approximately RM28,000.



## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Fourth Annual General Meeting ("54<sup>th</sup> AGM") of Parkwood Holdings Berhad [Registration No. 196901000692 (9118-M)] ("the Company") will be held at Level 5, Menara LGB, No. 1, Jalan Wan Kadir, Taman Tun Dr. Ismail, 60000 Kuala Lumpur on Wednesday, 18 June 2025 at 11.00 a.m. for the following purposes:

**ORDINARY BUSINESS:-**

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon.  
**(Please refer to Explanatory Note to the Agenda)**
2. To approve the payment of Directors' fees of RM210,000.00 for the financial year ended 31 December 2024.  
**Ordinary Resolution 1**
3. To approve the payment of Directors' benefits (other than Directors' fees) of RM59,900.00 for the period from 19 June 2025 until the conclusion of the next Annual General Meeting of the Company.  
**Ordinary Resolution 2**
4. To re-elect Datuk Hew Lee Lam Sang, who retires by rotation pursuant to Clause 123 of the Company's Constitution.  
**Ordinary Resolution 3**
5. To re-elect Ms. Irene Kam Sok Khuan, who retires by rotation pursuant to Clause 123 of the Company's Constitution.  
**Ordinary Resolution 4**
6. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.  
**Ordinary Resolution 5**

**SPECIAL BUSINESS:-**

To consider and, if thought fit, pass with or without modifications, the following ordinary resolutions:

7. **Authority for Directors to allot and issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 ('the Act')**  
**Ordinary Resolution 6**

"**THAT** pursuant to Sections 75 and 76 of the Act, the Directors be and are hereby authorized to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting ("AGM") and 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%) of the total number of issued shares of the Company for the time being, subject always to the Constitution of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issuance.

**THAT** pursuant to Section 85 of the Act and Clause 12 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from issuance of new shares pursuant to this mandate.

**AND THAT** the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."
8. To transact any other business of which due notice shall have been given in accordance with the Company's Constitution and the Act.

BY ORDER OF THE BOARD

**TAI YIT CHAN** (MAICSA 7009143)  
(SSM Practising Certificate. No. 202008001023)

**CHIN CHOOI WEI** (MAICSA 7062555)  
(SSM Practising Certificate. No. 202308000544)

Company Secretaries  
Kuala Lumpur  
30 April 2025

## Notice of Annual General Meeting (Cont'd)

### Notes: -

1. In respect of deposited securities, only members whose names appear in the Record of Depositors as at 11 June 2025 ("General Meeting Record of Depositors") shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.
2. If a member is unable to attend and vote at the Meeting, he/she may appoint a proxy to attend and vote at the Meeting on his/her behalf. The proxy may but need not be a member of the Company. A member may appoint any person to be his proxy without limitation and there shall be no restrictions as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
5. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he/she may appoint at least one proxy in respect of each securities' account he holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member is an exempt authorised nominee which 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.
7. The instrument appointing a proxy must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll.
8. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
9. Last date and time for lodging the proxy form is **Monday, 16 June 2025 at 11.00 am.**

### Explanatory Notes to the Agenda:-

#### Item 1 of the Agenda

This item of the Agenda is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item of the Agenda is not put forward for voting.

#### Item 2 of the Agenda – Ordinary Resolution 1

The Proposed Ordinary Resolution 1 is to facilitate the payment of Directors' Fees for the financial year ended 31 December 2024 to the Directors of RM210,000.00.

Pursuant to Section 230(1) of the Act, the Company shall at every AGM approve the fees of the Directors of the Company and its subsidiaries. The Directors' fees payables to the Directors have been reviewed by the Remuneration Committee and the Board of Directors of the Company.





## Notice of Annual General Meeting (Cont'd)

### Explanatory Notes to the Agenda:- (Cont'd)

#### Item 3 of the Agenda - Ordinary Resolution 2

##### **Payment of Directors' benefits (other than Directors' fees)**

In compliance with Section 230(1) of the Act, the Company is seeking for shareholders' approval for payment of Directors' benefits (other than Directors' fees) of RM59,900.00 for the period from 19 June 2025 until the conclusion of the next AGM of the Company.

The calculation is based on the estimated number of scheduled and/or special Board and Board Committees' meetings and on the assumption that all the Directors will remain in office until the next AGM.

#### Item 4 & 5 of the Agenda – Ordinary Resolutions 3 and 4

Pursuant to Clause 123 of the Company's Constitution, Datuk Hew Lee Lam Sang and Ms. Irene Kam Sok Khuan standing for re-election at the 54<sup>th</sup> AGM and being eligible, have offered themselves for re-election as Directors of the Company.

The Board of Directors has through the Nomination Committee carried out the necessary assessment on the aforesaid Directors are concluded that they met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements on character, experience, integrity, competence, and time commitment to effectively discharged the roles as Directors.

The Profile of the Directors standing for re-election are provided on pages 3 to 5 in the Annual Report 2024.

#### Item 6 of the Agenda – Ordinary Resolution 5

The Audit and Risk Management Committee ("ARMC") had at the meeting held on 23 April 2025 assessed the suitability, objectivity and independence of the External Auditors of the Company, Crowe Malaysia PLT for the financial year ending 31 December 2025 and recommended the reappointment of Messrs Crowe Malaysia PLT. The Board had in turn reviewed the recommendation of the ARMC and recommended the same be tabled to the shareholders for approval of the 54<sup>th</sup> AGM of the Company.

#### Item 7 of the Agenda - Ordinary Resolution 6

##### **Authority for Directors to allot and issue shares in the Company pursuant to Section 75 and 76 of the Act**

The Ordinary Resolution 6 is to seek for the shareholders' approval of a general mandate for issuance of shares by the Company under Section 75 and 76 of the Act.

The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for purpose of funding the working capital or strategic development of the Group. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM. At this juncture, there is no decision to issue new shares, but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

The Company did not allot and issue any shares pursuant to the general mandate granted by the shareholders at the previous AGM.

### **Personal Data Policy**

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

## LIST OF PROPERTIES

<b>Tenure</b>	Leasehold
<b>Size</b>	Lot PT 329: 6,752 sq. metres Lot PT 330: 182 sq. metres Total: 6,934 sq. metres
<b>Carrying Value (RM)</b>	20,539,063
<b>Location</b>	Both located at Kg Sg Kayu Ara Mukim of Sungai Buloh Daerah Petaling Selangor Darul Ehsan
<b>Description / Existing Use</b>	Property Development 99 years lease (expiring in 2117)
<b>Date of acquisition</b>	4 December 2017

<b>Tenure</b>	Leasehold
<b>Size</b>	46,509 sq. metres
<b>Carrying Value (RM)</b>	86,133,498
<b>Address</b>	Lot 22, Jalan Pelaya 15/1, Section 15 40200 Shah Alam Selangor Darul Ehsan
<b>Location</b>	H.S.(D) 172552 Bandar Shah Alam Daerah Petaling Selangor Darul Ehsan
<b>Description / Existing Use</b>	Investment Property and Property Development 99 years lease (expiring in 2074) Buildings approximately 7 years
<b>Date of valuation</b>	31 December 2022

<b>Tenure</b>	Leasehold
<b>Size</b>	Lot 70303: 2,429 sq. metres Lot 70304: 2,448 sq. metres Lot 70305: 2,360 sq. metres Lot 70306: 2,467 sq. metres Lot 70307: 4,661 sq. metres Total: 14,365 sq. metres
<b>Carrying Value (RM)</b>	33,733,003
<b>Address</b>	Lot 70303 - 70307 Jalan PJU 10/1A Damansara Damai 47830 Petaling Jaya Selangor Darul Ehsan
<b>Location</b>	Mukim of Sungai Buloh Daerah Petaling Selangor Darul Ehsan
<b>Description / Existing Use</b>	Investment Property and Property Development 99 years lease (expiring in 2103) Buildings approximately 17 years
<b>Date of valuation</b>	3 January 2025

<b>Tenure</b>	Freehold
<b>Size</b>	Lot 5021: 6,125 sq. metres
<b>Carrying Value (RM)</b>	4,155,079
<b>Address</b>	Lot 5021 Mukim Rawang Daerah Gombak Selangor Darul Ehsan
<b>Location</b>	Mukim of Rawang Daerah Gombak Selangor Darul Ehsan
<b>Description / Existing Use</b>	Property Development
<b>Date of valuation</b>	25 October 2024



# ANALYSIS OF SHAREHOLDINGS

## AS AT 2 APRIL 2025

### Share Classification and Voting Rights

Class of Shares	: Ordinary Shares
Voting Rights by show of hand	: One vote for every member
Voting Rights by poll	: One vote for every share held
Issued and Paid-up Capital	: 281,968,184 Ordinary Shares (including 6,797,300 ordinary shares retained as Treasury Shares)

### 1. Distribution of Shareholdings and Number of Shareholders as at 2 April 2025

Size of Shareholdings	No. of Shareholders	Percentage (%) of Shareholdings	No. of Shares Held	Percentage (%) of Issued Shares
Less than 100	508	16.67	17,880	0.01
100 – 1,000	272	8.93	106,066	0.04
1,001 – 10,000	1,581	51.88	5,504,927	2.00
10,001 – 100,000	525	17.23	17,326,115	6.30
100,001 – 13,758,544*	159	5.22	124,665,229	45.30
13,758,545 and above**	2	0.07	127,550,667	46.35
<b>Total</b>	<b>3,047</b>	<b>100.00</b>	<b>275,170,884</b>	<b>100.00</b>

\* - Less than 5% of issued shares

\*\* - 5% and above of issued shares

### 2. List of Substantial Shareholders as per Register of Substantial Shareholders as at 2 April 2025

Name	No. of Shares			
	Direct	%	Indirect	%
Telaxis Sdn Bhd	127,550,667	46.35	-	-
Dato' Lim Chee Meng	31,500	0.01	*127,550,667	46.35
Mr Lim Chin Sean	-	-	*127,550,667	46.35
LGB Group Sdn Bhd	-	-	#127,550,667	46.35
LGB Holdings Sdn Bhd	-	-	#127,550,667	46.35
Adil Cita Sdn Bhd	-	-	#127,550,667	46.35

Notes:-

\* Deemed interest by virtue of his interest in Telaxis Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

# Deemed interest by virtue of its interest in Telaxis Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

### 3. List of Directors' Shareholdings as per Register of Directors' Shareholdings as at 2 April 2025

Name	No. of Shares			
	Direct	%	Indirect	%
a) Mr. Lim Chin Sean	-	-	*127,550,667	46.35
b) Datuk Hew Lee Lam Sang	-	-	-	-
c) Ms. Irene Kam Sok Khuan	-	-	-	-
d) Ms. Jessica Low May-Teng	-	-	-	-
e) Mr. Chin Kok Siong	-	-	-	-
f) Mr. Chan Keen Wai (Alternate Director to Mr. Chin Kok Siong)	-	-	-	-

Notes:-

\* Deemed interest by virtue of his interest in Telaxis Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

# Analysis of Shareholdings (Cont'd)

As At 2 April 2025

## 4. List of Thirty (30) Largest Shareholders as per Records of Depositors as at 2 April 2025

No.	Name of Shareholders	No. of Shares Held	Percentage (%)
1	Telaxis Sdn Bhd	96,589,867	35.10
2	Telaxis Sdn Bhd	30,960,800	11.25
3	Ertidaya Sdn Bhd	7,485,216	2.72
4	Era Erat Sdn Bhd	6,194,829	2.25
5	Tan Chee Fatt	6,000,000	2.18
6	Lim Kian Wat	5,916,900	2.15
7	Kenanga Nominees (Asing) Sdn Bhd <i>Pledged Securities Account for Ra Wha Hyun (009)</i>	4,882,400	1.77
8	Siew Min Chung	4,664,500	1.70
9	Lim Kian Wat	4,389,900	1.60
10	Yap Kiew @ Yap Yoke Ho	4,102,000	1.49
11	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ng Boon Kheong</i>	3,784,700	1.38
12	Wong Mei Sun	3,690,100	1.34
13	CGS International Nominees Malaysia (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ng Geok Wah (B Brklang-CL)</i>	3,655,700	1.33
14	Excel Impression Sdn Bhd	3,654,856	1.33
15	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Liew Yoon Peck</i>	3,292,800	1.20
16	Lai Thiam Poh	3,220,000	1.17
17	Cimsec Nominees (Tempatan) Sdn Bhd <i>Cimb For Mettiz Capital Sdn Bhd (Pb)</i>	2,800,000	1.02
18	Low Keang Shein	2,500,000	0.91
19	Wong Wai Kuan	2,419,900	0.88
20	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Ong Kok Thye</i>	2,370,000	0.86
21	Tay Wai Ming	2,000,000	0.73
22	Ng Boon Kheong	1,960,000	0.71
23	Liew Yoon Peck	1,801,100	0.66
24	Mass Ocean Sdn. Bhd.	1,720,644	0.63
25	Chia Kah Ying	1,717,200	0.62
26	Affin Hwang Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Tan Kim Meng (M10)</i>	1,539,600	0.56
27	Uob Kay Hian Nominees (Asing) Sdn Bhd <i>Exempt An For Uob Kay Hian Pte Ltd ( A/C Clients )</i>	1,442,575	0.52
28	Lim Poh Fong	1,091,300	0.40
29	Soo Eng Choon	1,055,250	0.38
30	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Chia Yoon Ling (002)</i>	1,028,300	0.37
<b>Total</b>		<b>217,930,437</b>	<b>79.20</b>

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FINANCIAL REVIEW

# FINANCIAL REVIEW

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## DIRECTORS REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and property development.

The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

### RESULTS

	The Group RM	The Company RM
Loss after taxation for the financial year	(5,407,354)	(2,200,644)
Attributable to:-		
Owners of the Company	(5,407,354)	(2,200,644)

### DIVIDENDS

No dividend was recommended by the directors for the financial year.

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

### ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

### TREASURY SHARES

As at 31 December 2024, the Company held as treasury shares a total of 6,797,300 of its 281,968,184 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM3,724,544. The details of the treasury shares are disclosed in Note 21 to the financial statements.

### OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.



## Directors' Report (Cont'd)

### BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, 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 impairment losses on receivables and satisfied themselves that there are no known bad debts and that no allowance for impairment losses on receivables is required.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the setting up of allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

### CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, 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 value as shown in the accounting records of the Group and of the Company, have 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 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 methods 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:-

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

No contingent or other liability of the Group and 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, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

### 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 AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, 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.

## Directors' Report (Cont'd)

### DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Lim Chin Sean  
 Chin Kok Siong (Appointed on 26.2.2024)  
 Datuk Hew Lee Lam Sang  
 Irene Kam Sok Khuan  
 Low May-Teng  
 Chan Keen Wai (Appointed on 26.2.2024 as alternate director to Chin Kok Siong)  
 Dato' Lim Yew Boon (Retired on 29.2.2024)

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Datin Lim Ai Ling (Appointed on 29.2.2024)  
 Lim Shiak Ling (Appointed on 29.2.2024)

### DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	Number of Ordinary Shares			
	At 1.1.2024	Bought	Sold	At 31.12.2024
<b>The Company</b>				
<i>Indirect Interest</i>				
Lim Chin Sean #	133,050,667	-	(5,500,000)	127,550,667

# Deemed interest by virtue of his direct substantial shareholding in Telaxis Sdn. Bhd., a substantial shareholder of the Company.

By virtue of his shareholding in the Company, Lim Chin Sean is deemed to have interest in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares of the Company or its related corporations during the financial year.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 34(b) to the financial statements.

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



## Directors' Report (Cont'd)

### DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	<b>The Group/ The Company RM</b>
Fees	210,000
Salaries, bonuses and other benefits	1,074,693
Defined contribution benefits	128,319
	1,413,012

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company was RM11,391.

### INDEMNITY AND INSURANCE COST

During the financial year, there was no indemnity given to or professional indemnity insurance effected for directors, officers or auditors of the Group and of the Company.

### SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

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

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 38 to the financial statements.

### SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

The significant event occurring after the reporting period is disclosed in Note 39 to the financial statements.

### AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	<b>The Group RM</b>	<b>The Company RM</b>
Audit fees	125,000	52,000
Non-audit fees	5,000	5,000
	130,000	57,000

Signed in accordance with a resolution of the directors dated 23 April 2025.

-----  
**Lim Chin Sean**

-----  
**Chin Kok Siong**

## STATEMENT BY DIRECTORS

### PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Lim Chin Sean and Chin Kok Siong, being two of the directors of Parkwood Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 63 to 106 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 23 April 2025.

-----  
**Lim Chin Sean**

-----  
**Chin Kok Siong**

## STATUTORY DECLARATION

### PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Chin Kok Siong, MIA Membership Number: 8796, being the director primarily responsible for the financial management of Parkwood Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 63 to 106 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned  
Chin Kok Siong, NRIC Number: 650410-03-5447  
at Kuala Lumpur  
in the Federal Territory  
on this 23 April 2025.

Before me

-----  
**Chin Kok Siong**

**Muhammad Faiz Dharmendra Bin Abdullah**  
Commissioner for Oaths  
No. W737





**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF PARKWOOD HOLDINGS BERHAD  
(INCORPORATED IN MALAYSIA)  
REGISTRATION NO: 196901000692 (9118 - M)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Parkwood Holdings Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 63 to 106.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, 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 matter described below to be the key audit matter to be communicated in our report.

<b>Valuation of Investment Property</b> Refer to Note 7 to the financial statements	
<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
The Group's investment property is stated at fair value. The fair value of the investment property was determined based on valuation performed by an independent firm of professional valuers.	Our procedures included, amongst others:-  (a) assessed the fair value of the investment property use by management;
The carrying value of investment property as at 31 December 2024 amounted to RM41.7 million.	(b) assessed the appropriateness of the property related data, including estimates used by the management; and
Significant judgement is required by directors in determining the fair value of investment property. We identified the valuation of investment property as a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the judgement associated with determining the value.	(c) assessed the reasonableness of the assumptions used in the valuation and judgements made.

## Independent Auditors' Report (Cont'd)

To the Members of Parkwood Holdings Berhad

(Incorporated in Malaysia)

Registration No: 196901000692 (9118 - M)

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



## Independent Auditors' Report (Cont'd)

To the Members of Parkwood Holdings Berhad  
(Incorporated in Malaysia)

Registration No: 196901000692 (9118 - M)

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

- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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.

### OTHER MATTERS

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

**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

Kuala Lumpur  
23 April 2025

**Ho Yen Ling**  
03378/06/2026 J  
Chartered Accountant

# STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	51,795,527	51,795,527
Equipment	6	98,622	80,040	1	1
Investment property	7	41,700,000	41,700,000	41,700,000	41,700,000
Right-of-use assets	8	601,090	626,421	-	-
Trade receivables	9	2,450,750	2,288,558	-	-
Land held for property development	10	37,888,082	33,573,886	-	-
Club membership	11	9,636	10,000	9,636	10,000
Other investment	12	-	881,000	-	-
Other assets		32,060	32,060	19,060	19,060
		82,780,240	79,191,965	93,524,224	93,524,588
CURRENT ASSETS					
Property development costs	13	44,433,498	37,856,191	44,433,498	37,856,191
Inventories	14	20,539,063	32,136,967	-	-
Trade and other receivables	9	7,768,048	4,912,377	293,846	102,005
Amount owing by subsidiaries	15	-	-	21,489,947	16,559,751
Current tax assets		1,118,353	903,869	-	-
Fixed deposits with licensed banks	16	-	2,599,751	-	2,599,751
Short-term investments	17	8,327,113	8,499,681	8,327,113	8,499,681
Cash and bank balances	18	11,941,819	16,406,757	890,658	798,700
		94,127,894	103,315,593	75,435,062	66,416,079
TOTAL ASSETS		176,908,134	182,507,558	168,959,286	159,940,667
EQUITY AND LIABILITIES					
EQUITY					
Share capital	19	46,239,324	46,239,324	46,239,324	46,239,324
Reserves	20	100,998,952	106,406,306	113,224,514	115,425,158
Treasury shares	21	(3,724,544)	(3,724,544)	(3,724,544)	(3,724,544)
TOTAL EQUITY		143,513,732	148,921,086	155,739,294	157,939,938
NON-CURRENT LIABILITIES					
Lease liabilities	22	188,257	332,941	-	-
Borrowings	23	19,450,000	22,450,180	-	-
Retirement benefit obligations	24	81,744	81,744	-	-
Deferred tax liabilities	25	666,442	666,442	510,000	510,000
		20,386,443	23,531,307	510,000	510,000
CURRENT LIABILITIES					
Trade and other payables	26	10,094,563	7,833,652	4,272,239	1,400,995
Amount owing to a subsidiary	15	-	-	8,332,554	-
Lease liabilities	22	435,821	313,599	-	-
Borrowings	23	2,449,646	1,835,381	77,270	17,201
Current tax liabilities		27,929	72,533	27,929	72,533
		13,007,959	10,055,165	12,709,992	1,490,729
TOTAL LIABILITIES		33,394,402	33,586,472	13,219,992	2,000,729
TOTAL EQUITY AND LIABILITIES		176,908,134	182,507,558	168,959,286	159,940,667

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



# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
REVENUE	27	18,258,657	27,425,119	2,458,524	2,202,515
COST OF SALES		(13,564,281)	(23,164,066)	(688,071)	(412,177)
GROSS PROFIT		4,694,376	4,261,053	1,770,453	1,790,338
OTHER INCOME	28	1,284,416	1,718,901	671,332	1,006,328
		5,978,792	5,979,954	2,441,785	2,796,666
SELLING AND DISTRIBUTION EXPENSES		(539,611)	(425,099)	(27,836)	-
ADMINISTRATIVE EXPENSES		(7,010,236)	(7,344,366)	(4,613,549)	(4,774,558)
OTHER EXPENSES		(1,621,566)	-	-	(2,500,000)
LOSS FROM OPERATIONS		(3,192,621)	(1,789,511)	(2,199,600)	(4,477,892)
FINANCE COSTS		(1,594,267)	(2,463,261)	(11,869)	(131)
LOSS BEFORE TAXATION	29	(4,786,888)	(4,252,772)	(2,211,469)	(4,478,023)
INCOME TAX (EXPENSE)/CREDIT	30	(620,466)	52,445	10,825	3,588
LOSS AFTER TAXATION		(5,407,354)	(4,200,327)	(2,200,644)	(4,474,435)
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL YEAR		(5,407,354)	(4,200,327)	(2,200,644)	(4,474,435)
<b>LOSS AFTER TAXATION ATTRIBUTABLE TO:-</b>					
Owners of the Company		(5,407,354)	(4,200,327)	(2,200,644)	(4,474,435)
<b>TOTAL COMPREHENSIVE EXPENSES ATTRIBUTABLE TO:-</b>					
Owners of the Company		(5,407,354)	(4,200,327)	(2,200,644)	(4,474,435)
<b>LOSS PER SHARE (SEN)</b>	31				
Basic		(1.97)	(1.53)		
Diluted		(1.97)	(1.53)		

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



# STATEMENTS OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

			< --- Non-distributable --- >		Distributable	
	Share Capital RM	Treasury Shares RM	Asset Revaluation Reserve RM	Capital Reserve RM	Retained Profits RM	Total Equity RM
<b>The Group</b>						
Balance at 1.1.2023	46,239,324	(3,724,544)	24,539,768	48,208,750	37,858,115	153,121,413
Loss after taxation for the financial year	-	-	-	-	(4,200,327)	(4,200,327)
Balance at 31.12.2023/1.1.2024	46,239,324	(3,724,544)	24,539,768	48,208,750	33,657,788	148,921,086
Loss after taxation for the financial year	-	-	-	-	(5,407,354)	(5,407,354)
Balance at 31.12.2024	46,239,324	(3,724,544)	24,539,768	48,208,750	28,250,434	143,513,732
<b>The Company</b>						
Balance at 1.1.2023	46,239,324	(3,724,544)	24,539,768	48,208,750	47,151,075	162,414,373
Loss after taxation for the financial year	-	-	-	-	(4,474,435)	(4,474,435)
Balance at 31.12.2023/1.1.2024	46,239,324	(3,724,544)	24,539,768	48,208,750	42,676,640	157,939,938
Loss after taxation for the financial year	-	-	-	-	(2,200,644)	(2,200,644)
Balance at 31.12.2024	46,239,324	(3,724,544)	24,539,768	48,208,750	40,475,996	155,739,294

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



# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES</b>					
Loss before taxation		(4,786,888)	(4,252,772)	(2,211,469)	(4,478,023)
Adjustments for:-					
Amortisation of club membership		364	364	364	364
Depreciation of equipment		27,275	49,829	-	-
Depreciation of right-of-use assets		349,196	487,495	-	-
Impairment loss on investment in a subsidiary		-	-	-	2,500,000
Impairment loss on other investment		1,281,580	-	-	-
Interest expense on lease liabilities		37,533	54,196	-	-
Interest expense on bridging loan		101,637	310,506	-	-
Interest expense on term loans		1,443,228	1,299,063	-	-
Interest expense on overdraft facility		11,869	131	11,869	131
Others interest expense		-	799,365	-	-
Dividend income		(201,224)	(161,291)	(201,224)	(161,291)
Fair value gain on short-term investments		(160,983)	(214,198)	(160,983)	(214,198)
Interest income		(499,709)	(335,984)	(59,125)	(91,411)
Operating loss before working capital changes		(2,396,122)	(1,963,296)	(2,620,568)	(2,444,428)
Decrease/(Increase) in inventories		11,597,904	(32,136,967)	-	-
(Increase)/Decrease in property development costs		(6,577,307)	36,311,849	(6,577,307)	(377,086)
Decrease in contract costs assets		-	2,864,709	-	-
Decrease in contract assets		-	7,691,138	-	-
(Increase)/Decrease in trade and other receivables		(3,017,863)	(6,196,372)	(191,841)	79,927
(Increase)/Decrease in amount owing by subsidiaries		-	-	(4,930,196)	2,411,711
Increase in amount owing to a subsidiary		-	-	8,332,554	-
Increase in trade and other payables		2,260,911	1,860,081	2,871,244	154,503
CASH FROM/(FOR) OPERATIONS		1,867,523	8,431,142	(3,116,114)	(175,373)
Income tax paid		(879,554)	(897,010)	(33,779)	(43,023)
Interest paid		(11,869)	(131)	(11,869)	(131)
Tax refund received		-	90	-	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES		976,100	7,534,091	(3,161,762)	(218,527)

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

# Statements of Cash Flows (Cont'd)

For the Financial Year Ended 31 December 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>					
Dividend received		201,224	161,291	201,224	161,291
Increase in pledged bank balances with a licensed bank		(230,766)	(159,724)	(138,325)	(73,573)
Interest income received		499,709	335,984	59,125	91,411
Additional investment in short-term investments		160,983	214,198	160,983	214,198
Purchase of equipment	32(a)	(45,857)	(2,499)	-	-
Purchase of land held for property development		(4,314,196)	(219,690)	-	-
Decrease/(Increase) in pledged fixed deposits with licensed banks		2,599,751	(56,891)	2,599,751	(56,891)
Additional investment in other investment		(400,580)	(304,000)	-	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(1,529,732)	(31,331)	2,882,758	336,436
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>					
Drawdown of bridging loan	32(b)	-	2,485,318	-	-
Interest paid	32(b)	(1,474,722)	(1,649,065)	-	-
Repayment of lease liabilities	32(b)	(346,327)	(469,663)	-	-
Repayment of bridging loan	32(b)	(2,553,660)	(3,406,841)	-	-
NET CASH FOR FINANCING ACTIVITIES		(4,374,709)	(3,040,251)	-	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(4,928,341)	4,462,509	(279,004)	117,909
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		20,839,894	16,377,385	8,731,798	8,613,889
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	32(d)	15,911,553	20,839,894	8,452,794	8,731,798

CORPORATE REVIEW

PERFORMANCE REVIEW

GOVERNANCE

OTHER INFORMATION

FINANCIAL REVIEW

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



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad. The registered office and principal place of business are at Unit 8-02, Level 8, Menara LGB, No.1 Jalan Wan Kadir, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 23 April 2025.

### 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and property development. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

### 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

- 3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

#### **MFRSs and/or IC Interpretations (Including the Consequential Amendments)**

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year:-

#### **MFRSs and/or IC Interpretations (Including the Consequential Amendments)**

#### **Effective Date**

MFRS 18: Presentation and Disclosure in Financial Statements

1 January 2027

MFRS 19: Subsidiaries without Public Accountability: Disclosures

1 January 2027

Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments

1 January 2026

Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity

1 January 2026

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Deferred

Amendments to MFRS 121: Lack of Exchangeability

1 January 2025

Annual Improvements to MFRS Accounting Standards – Volume 11

1 January 2026

## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

### 3. BASIS OF PREPARATION (CONT'D)

- 3.2 The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

#### *MFRS 18 Presentation and Disclosure of Financial Statements*

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces to new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

### 4. MATERIAL ACCOUNTING POLICY INFORMATION

#### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

##### *Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

##### **(a) Depreciation of Equipment**

The estimates for the residual values, useful lives and related depreciation charges for the equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Company anticipate that the residual values of its equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of equipment as at the reporting date is disclosed in Note 6 to the financial statements.

##### **(b) Valuation of Investment Property**

Investment property of the Group is reported at fair value which is based on valuations performed by independent professional valuers.

The independent professional valuers have exercised judgement in determining factors used in the valuation process. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting fair value. The carrying amount of the investment property as at the reporting date is disclosed in Note 7 to the financial statements.

##### **(c) Impairment of Investments in Subsidiaries, Equipment, Right-of-use Assets and Other Investment**

The Group and the Company determine whether an item of its investments in subsidiaries, equipment, right-of-use assets and other investment are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of investments in subsidiaries, equipment, right-of-use assets and other investment as at the reporting date are disclosed in Notes 5, 6, 8 and 12 to the financial statements respectively.





## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)***Key Sources of Estimation Uncertainty (Cont'd)***(d) Inventories**

Completed properties are stated at the lower of cost and net realisable value. Cost is determined on specific identification and comprises cost associated with the purchase of land (including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use), construction costs and other related development costs incurred in bringing the inventories to their present location and condition.

**(e) Impairment of Trade Receivables**

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date are disclosed in Note 9 to the financial statements.

**(f) Impairment on Non-Trade Receivables**

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amounts owing by subsidiaries as at the reporting date are disclosed in Notes 9 and 15 to the financial statements respectively.

**(g) Revenue and Cost Recognition of Property Development Activities**

The Group recognises property development revenue as and when the control of the asset is transferred to a customer and it is probable that the Group will collect the consideration to which it will be entitled. The control of the asset may transfer over time or at a point in time depending on the terms of the contract with the customer and the applicable laws governing the contract.

When the control of the asset is transferred over time, the Group recognises property development revenue and costs by reference to the progress towards complete satisfaction of the performance obligation at the end of the reporting period. This is measured based on the Group's efforts or budgeted inputs to the satisfaction of the performance obligation. Significant judgement is required in determining the completeness and accuracy of the budgets and the extent of the costs incurred. Substantial changes in property development cost estimates in the future can have a significant effect on the Group's results. In making the judgement, the Group evaluates and relies on past experience and works of specialists.

**(h) Income Taxes**

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amounts of current tax assets and current tax liabilities of the Group as at the reporting date are RM1,118,353 and RM27,929 (2023 - RM903,869 and RM72,533) respectively and the current tax liabilities of the Company is RM 27,929 (2023 - RM72,533).

# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

#### *Key Sources of Estimation Uncertainty (Cont'd)*

#### (i) Impairment of Property Development Costs

The Group determines whether its property development costs are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of property development costs as at the reporting date is disclosed in Note 13 to the financial statements.

#### (j) Valuation of Land Held for Property Development

Land held for property development is stated at the lower of cost and net realisable value. The Group determines net realisable value based on the recent sales transactions of similar properties or comparable properties in similar or nearby locations. The estimation of the selling price in particular is subject to significant inherent uncertainties, in particular the property market. Possible changes in these estimates could result in revisions to the valuation of land held for property development. The carrying amount of land held for property development as at the reporting date is disclosed in Note 10 to the financial statements.

#### *Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the Group's and the Company's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

#### (a) Classification between Investment Properties and Owner-occupied Properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group and the Company account for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment properties.

#### (b) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

In determining the incremental borrowing rate of the respective leases, the Group first determines the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.2 FINANCIAL INSTRUMENTS****(a) Financial Assets**Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

**(b) Financial Liability**Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

**(c) Equity**Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Treasury Shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

**(d) Financial Guarantee Contracts**

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

**4.3 INVESTMENTS IN SUBSIDIARIES**

Investments in subsidiaries which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 4.4 EQUIPMENT

All items of equipment are initially measured at cost.

Subsequent to the initial recognition, equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Electrical installations	10%
Office equipment, furniture and fittings	10% to 20%
Office renovation	10%

### 4.5 INVESTMENT PROPERTY

Investment property is initially measured at cost. Subsequent to the initial recognition, the investment property is measured at fair value with fair value changes recognised in profit or loss.

### 4.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

#### (a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

#### (b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

#### (c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

### 4.7 INVENTORIES

Completed properties are stated at the lower of cost and net realisable value. Cost is determined on specific identification and comprises cost associated with the purchase of land (including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use), construction costs and other related development costs incurred in bringing the inventories to their present location and condition.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.8 LAND HELD FOR PROPERTY DEVELOPMENT**

Land held for property development represents land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle.

Land held for property development is stated at the lower of cost and net realisable value.

The cost comprises cost associated with the purchase of land, conversion fees and other relevant levies, and an appropriate proportion of common infrastructure costs.

Net realisable value represents the estimated selling price of intended properties that to be developed less the estimated costs of completion and the estimated costs necessary in selling the properties. If future development layout plan is not available, the replacement cost of the land held for property development will be the best available measure of the net realisable value.

Land held for property development is transferred to property development cost category when development activities have commenced and are expected to be completed within the normal operating cycle.

**4.9 PROPERTY DEVELOPMENT COSTS**

Property development costs are stated at the lower of cost and net realisable value. Cost comprises cost associated with the purchase of land, conversion fees, aggregate cost of development, materials and supplies, wages and other direct expenses, and an appropriate proportion of common infrastructure costs.

The property development costs of unsold units are transferred to inventories once the development is completed.

**5. INVESTMENTS IN SUBSIDIARIES**

	The Company	
	2024 RM	2023 RM
Unquoted shares, at cost	64,609,437	64,609,437
Allowance for impairment losses	(12,813,910)	(12,813,910)
	<u>51,795,527</u>	<u>51,795,527</u>
Allowance for impairment losses:-		
At 1 January	(12,813,910)	(10,313,910)
Impairment during the financial year	-	(2,500,000)
At 31 December	<u>(12,813,910)</u>	<u>(12,813,910)</u>

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2024 %	2023 %	
Parkwood Damai Sdn. Bhd.	Malaysia	100	100	Property development.
Parkwood Developments Sdn. Bhd.	Malaysia	100	100	Trading of construction related materials and project management activities.
Parkwood Templers Sdn Bhd (formerly known as Parkwood Damansara Sdn. Bhd.)	Malaysia	100	100	Trading construction and building materials whereas the subsidiary is dormant since its incorporation.
Parkwood Sdn. Bhd.	Malaysia	100	100	Property development.



# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 6. EQUIPMENT

The Group	Electrical Installations RM	Office Equipment, Furniture and Fittings RM	Office Renovation RM	Total RM
<b>2024</b>				
<b>Cost</b>				
At 1 January	1,950	541,609	24,950	568,509
Addition (Note 32(a))	-	45,857	-	45,857
At 31 December	1,950	587,466	24,950	614,366
<b>Accumulated depreciation</b>				
At 1 January	1,056	452,403	5,009	458,468
Depreciation charge during the financial year (Note 29)	195	24,585	2,495	27,275
At 31 December	1,251	476,988	7,504	485,743
<b>Accumulated impairment loss</b>				
At 1 January/31 December	-	30,001	-	30,001
Carrying Amount	699	80,477	17,446	98,622
<b>2023</b>				
<b>Cost</b>				
At 1 January	1,950	539,110	24,950	566,010
Addition (Note 32(a))	-	2,499	-	2,499
At 31 December	1,950	541,609	24,950	568,509
<b>Accumulated depreciation</b>				
At 1 January	861	405,264	2,514	408,639
Depreciation charge during the financial year (Note 29)	195	47,139	2,495	49,829
At 31 December	1,056	452,403	5,009	458,468
<b>Accumulated impairment loss</b>				
At 1 January/31 December	-	30,001	-	30,001
Carrying Amount	894	59,205	19,941	80,040



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 6. EQUIPMENT (CONT'D)

	Office Equipment, Furniture and Fittings RM
<b>The Company</b>	
<b>2024</b>	
<b>Cost</b>	
At 1 January/31 December	3,150
<b>Accumulated depreciation</b>	
At 1 January/31 December	3,149
<i>Carrying Amount</i>	1
<b>2023</b>	
<b>Cost</b>	
At 1 January/31 December	3,150
<b>Accumulated depreciation</b>	
At 1 January/31 December	3,149
<i>Carrying Amount</i>	1

## 7. INVESTMENT PROPERTY

	<b>The Group/The Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
At 1 January/31 December	41,700,000	41,700,000

The following investment property is held under lease terms:

	<b>The Group/The Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Included in the above are:-		
Leasehold land	30,600,000	30,600,000
Building	11,100,000	11,100,000
	41,700,000	41,700,000

# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 7. INVESTMENT PROPERTY (CONT'D)

- (a) The investment property of the Group and of the Company is leased to a customer under operating leases with rentals payable monthly. The leases contain initial non-cancellable periods of 3 (2023 - 4) years.

As at the reporting date, the future minimum rentals receivable under the non-cancellable operating leases are as follows:-

	<b>The Group/The Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Within 1 year	2,458,524	2,458,524
Between 1 and 2 years	2,251,560	2,458,524
Between 2 and 3 years	-	2,251,560
	<b>4,710,084</b>	<b>7,168,608</b>

- (b) Investment property is stated at fair value, which have been determined based on valuation performed by an independent firm of professional valuers who have appropriate professional qualification. The fair value of the investment property was determined using cost and sales comparison approach. This valuation approach seeks to determine the value of the property being valued by comparing and adopting as a yardstick recent sale evidences involving other similar properties in the vicinity. Sales price of comparable properties in close proximity are adjusted for difference in key attributes such as location, size, time and tenure.

The fair value of the investment property is within level 2 of the fair value hierarchy.

There were no transfers between level 1 and level 2 during the financial year.

## 8. RIGHT-OF-USE ASSETS

	<b>At</b>	<b>Addition</b>	<b>Depreciation</b>	<b>At</b>
	<b>1.1.2024</b>	<b>(Note 32 (a))</b>	<b>Charges</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>(Note 29)</b>	<b>RM</b>
			<b>RM</b>	
<b>The Group</b>				
<b>2024</b>				
<i>Carrying Amount</i>				
Office building	500,845	323,865	(286,407)	538,303
Office furniture	125,576	-	(62,789)	62,787
	<b>626,421</b>	<b>323,865</b>	<b>(349,196)</b>	<b>601,090</b>

	<b>At</b>	<b>Depreciation</b>	<b>At</b>
	<b>1.1.2023</b>	<b>Charges</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>(Note 29)</b>	<b>RM</b>
		<b>RM</b>	
<b>The Group</b>			
<b>2023</b>			
<i>Carrying Amount</i>			
Office building	925,551	(424,706)	500,845
Office furniture	188,365	(62,789)	125,576
	<b>1,113,916</b>	<b>(487,495)</b>	<b>626,421</b>

The Group has leased office buildings and office furniture that run for 3 (2023 - 3) years, with an option to renew the lease after that date. The Group is allowed to sublease the office building.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 9. TRADE AND OTHER RECEIVABLES

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2025 RM
<b>Non-current:</b>					
Trade receivables	(a)	2,450,750	2,288,558	-	-
<b>Current:</b>					
Trade receivables	(b)	2,584,015	3,050,491	1,138	1,004
Other receivables:-					
Third parties		143,747	24,254	128,789	9,623
Advances to suppliers	(d)	492,464	56,896	-	-
		636,211	81,150	128,789	9,623
Deposits		4,530,958	1,763,236	147,055	73,878
Prepayments		16,864	17,500	16,864	17,500
		7,768,048	4,912,377	293,846	102,005

- (a) The trade receivables (non-current) are retention sums withheld by Maybank Islamic Berhad under the HouzKEY program. Maybank Islamic Berhad holds a portion equivalent to 15% of the purchase price. These monies will be released by the Maybank Islamic Berhad to the Group when the purchaser choose to terminate through refinances or sells the unit to third party, either after one year or within a maximum period of five years from the date of vacant possession.
- (b) Included in the trade receivables (current) of the Group are retention sums amounting to RM1,932,171 (2023 - RM3,049,487) withheld by lawyers upon delivery of vacant possession to the property buyers. These monies will be released by the lawyers in 2 stages, the first release will be at the expiry of 8 months and the second release will be at the expiry of 24 months from the date of vacant possession.
- (c) All customers are granted credit periods ranging from 7 to 90 days (2023 - 7 to 60 days). Other credit terms are assessed and approved on a case-by-case basis.
- (d) The advances to suppliers will be offset against future purchases from the suppliers.

## 10. LAND HELD FOR PROPERTY DEVELOPMENT

	The Group	
	2024 RM	2023 RM
At 1 January	33,573,886	33,354,196
Additions	4,314,196	219,690
At 31 December	37,888,082	33,573,886
Analysed by:-		
Freehold land	3,900,000	-
Leasehold land	31,000,000	31,000,000
Development costs	2,988,082	2,573,886
	37,888,082	33,573,886

Land held for property development with a total carrying amount of RM33,733,003 (2023 - RM33,573,886 has been pledged to a licensed bank as securities for banking facilities granted to the Group as disclosed in Note 23 to the financial statements.

# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 11. CLUB MEMBERSHIP

	The Group/The Company	
	2024 RM	2023 RM
Transferable club membership, at cost	20,000	20,000
Accumulated amortisation:-		
At 1 January	(10,000)	(9,636)
Amortisation during the financial year (Note 29)	(364)	(364)
At 31 December	(10,364)	(10,000)
	9,636	10,000

## 12. OTHER INVESTMENT

	The Group	
	2024 RM	2023 RM
<u>Non-current</u>		
Unquoted ordinary shares, at fair value	1,281,580	881,000
Accumulated impairment losses:-		
At 1 January	-	-
Impairment during the financial year (Note 29)	(1,281,580)	-
At 31 December	(1,281,580)	-
	-	881,000

The Group has designated this investment to be measured at fair value through profit or loss.

## 13. PROPERTY DEVELOPMENT COSTS

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2025 RM
At 1 January:				
- Leasehold land	37,100,000	48,734,322	37,100,000	37,100,000
- Property development costs	756,191	25,433,718	756,191	379,105
	37,856,191	74,168,040	37,856,191	37,479,105
Leasehold land:				
- Transfer to inventories (Note 14)	-	(8,492,256)	-	-
- Transfer to contract costs assets	-	(3,142,066)	-	-
	-	(11,634,322)	-	-
Property development cost :				
- Cost incurred during the financial year	6,577,307	15,646,249	6,577,307	377,086
- Transfer to inventories (Note 14)	-	(23,578,662)	-	-
- Transfer to contract costs assets	-	(16,745,114)	-	-
	6,577,307	(24,677,527)	6,577,307	377,086
At 31 December	44,433,498	37,856,191	44,433,498	37,856,191



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

**13. PROPERTY DEVELOPMENT COSTS (CONT'D)**

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2025 RM
Analysed by:-				
Leasehold land	37,100,000	37,100,000	37,100,000	37,100,000
Property development costs	7,333,498	756,191	7,333,498	756,191
	44,433,498	37,856,191	44,433,498	37,856,191

The leasehold land with a carrying amount of RM37,100,000 (2023 - RM37,100,000) has been pledged to a licensed bank as securities for banking facilities granted to the Group and the Company as disclosed in Note 23 to the financial statements.

**14. INVENTORIES**

	The Group	
	2024 RM	2023 RM
At 1 January	32,136,967	-
Transfer from property development costs (Note 13)	-	32,070,918
Additional enhancement cost	227,711	66,049
Cost recognised as cost of sales in profit or loss	(11,825,615)	-
At 31 December	20,539,063	32,136,967

In the previous financial year, a carrying amount of RM8,492,256 which was the leasehold land had been pledged to a licensed bank as securities for banking facilities granted to the Group as disclosed in Note 23 to the financial statements.

**15. AMOUNT OWING BY/(TO) SUBSIDIARIES**

The non-trade balances are unsecured, interest-free and receivable/repayable on demand. The amounts owing are to be settled in cash.

**16. FIXED DEPOSITS WITH LICENSED BANKS**

- (a) In the previous financial year, the fixed deposits with licensed banks of the Group and of the Company bore an effective interest rate of 2.30% per annum. The fixed deposits had a maturity period of 180 days for the Group and the Company.
- (b) In the previous financial year, included in the fixed deposits with licensed banks of the Group and of the Company was an amount of RM2,599,751 which had been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 23 to the financial statements.

**17. SHORT-TERM INVESTMENTS**

The short-term investments of the Group and of the Company represent investments in highly liquid money market instruments. These investments are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value. The short-term investments bore effective interest rates ranging from 0.80% to 3.28% (2023 - 0.80% to 3.43%) per annum.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

### 18. CASH AND BANK BALANCES

- (a) Included in the cash and bank balances of the Group is an amount of RM1,984,307 (2023 - RM2,998,113) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966, as amended by the Housing Developers (Housing Development Account) (Amendment) Regulation, 2002. The amount is held at call with a bank and is available only to the subsidiary involved in the property development activities.
- (b) Included in the cash and bank balances of the Group and of the Company is an amount of RM 4,280,109 and RM 687,707 (2023 - RM4,049,343 and RM549,382) respectively pledged as securities for banking facilities granted to the Group as disclosed in Note 23 to the financial statements.

### 19. SHARE CAPITAL

	The Group/The Company			
	2024	2023	2024	2023
Issued and Fully Paid-Up	Number of Shares		RM	RM
Ordinary Shares				
At 1 January/31 December	281,968,184	281,968,184	46,239,324	46,239,324

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

### 20. RESERVES

	Note	The Group		The Company	
		2024	2023	2024	2023
		RM	RM	RM	RM
Asset revaluation reserve	(a)	24,539,768	24,539,768	24,539,768	24,539,768
Capital reserve	(b)	48,208,750	48,208,750	48,208,750	48,208,750
Retained profits		28,250,434	33,657,788	40,475,996	42,676,640
		100,998,952	106,406,306	113,224,514	115,425,158

- (a) The asset revaluation reserve represents the increase in the fair value of leasehold land and buildings of the Group and the Company (net of deferred tax, where applicable).
- (b) The capital reserve represents the credit arising from the par value reduction by way of cancellation of RM0.40 from the par value of RM0.50 to RM0.10 of each existing ordinary share of the Company.

### 21. TREASURY SHARES

	The Group/The Company			
	2024	2023	2024	2023
	Number of Ordinary Shares		RM	RM
At 1 January/31 December	6,797,300	6,797,300	3,724,544	3,724,544

There were no ordinary shares repurchased during the year. The repurchased shares are being held as treasury shares and carried at cost in accordance with the requirements of Section 127(6) of the Companies Act 2016. Treasury shares have no rights to vote, dividends and participation in other distribution.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 22. LEASE LIABILITIES

	The Group	
	2024 RM	2023 RM
At 1 January	646,540	1,116,203
Addition (Note 32 (b))	323,865	-
Interest expense recognised in profit or loss (Note 29)	37,533	54,196
Repayment of principal	(346,327)	(469,663)
Repayment of interest expense	(37,533)	(54,196)
At 31 December	624,078	646,540
Analysed by:-		
Current liabilities	435,821	313,599
Non-current liabilities	188,257	332,941
	624,078	646,540

## 23. BORROWINGS (SECURED)

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current</b>					
Bridging loan	(a)	-	750,180	-	-
Term loan	(a)	19,450,000	21,700,000	-	-
		19,450,000	22,450,180	-	-
<b>Current</b>					
Bridging loan	(a)	-	1,818,180	-	-
Term loan	(a)	2,372,376	-	-	-
Bank overdraft	(b)	77,270	17,201	77,270	17,201
		2,449,646	1,835,381	77,270	17,201

- (a) The borrowings bore effective interest rates of ranging from 5.94% to 6.64% (2023 - 5.96% to 6.74%) per annum and are secured by:-
- (i) facility agreements;
  - (ii) a first party legal charge over the leasehold land of the Group as disclosed in Notes 10, 13 and 14 to the financial statements;
  - (iii) a corporate guarantee of the Company;
  - (iv) a legal charge over the debt service reserve account of the Group as disclosed in Note 18 to the financial statements;
  - (v) a legal charge over the escrow account of the Company as disclosed in Note 18 to the financial statements;
  - (vi) a third party deed of assignment to be executed over the rental proceeds derived from the investment property of the Group and of the Company;
  - (vii) a legal charge over the fixed deposits with licensed banks of the Group and of the Company as disclosed in Note 16 to the financial statements; and
  - (viii) debenture incorporating a fixed and floating charge over the Group.

## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

### 23. BORROWINGS (SECURED) (CONT'D)

- (b) The bank overdraft bore an effective interest rate of 5.89% (2023 - 5.89%) per annum and is secured by:-
- (i) facility agreements;
  - (ii) a legal charge over the leasehold land of the Group and of the Company as disclosed in Note 13 to the financial statements;
  - (iii) an assignment over rental proceeds; and
  - (iv) a legal charge over the designated accounts.
- (c) The major covenants of the term loan are as follows:-
- (i) the subsidiary shall maintain a positive tangible networth via increase in paid up capital or subordination of advances from related companies of not less than RM3,500,000;
  - (ii) the Company undertakes to directly or indirectly hold one hundred per cent of the total issued share capital in the subsidiary; and
  - (iii) subsidiary shall not declare dividend in excess of 50% of its profit after tax of current financial year.

### 24. RETIREMENT BENEFIT OBLIGATIONS

The Group operates an unfunded defined retirement benefit plan for eligible employees.

The movements during the financial year and the amounts recognised in the statements of financial position are as follows:-

	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
At 1 January/31 December	81,744	81,744

The amount recognised in the statements of financial position are determined as follows:-

	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Present value of unfunded obligations	81,744	81,744

The above amount that have been recognised in profit or loss were included in administrative expenses.

The principal actuarial assumptions used in respect of the unfunded defined benefit plan are as follows:-

	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
Discount rate	5.00%	5.00%



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 25. DEFERRED TAX LIABILITIES

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At 1 January/31 December	666,442	666,442	510,000	510,000

The deferred tax liabilities are attributable to the following:-

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Deferred tax liabilities:-</b>				
Fair value adjustment on land held for property development through acquisition of a subsidiary	156,442	156,442	-	-
Fair value adjustment on investment property	510,000	510,000	510,000	510,000
	666,442	666,442	510,000	510,000

## 26. TRADE AND OTHER PAYABLES

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Trade payables	(b)	5,157,231	2,572,140	2,832,363	-
Other payables		60,848	54,227	29,224	31,283
Deposits paid		732,070	732,070	717,070	717,070
Advance received		358,043	-	-	-
Accruals	(c)	3,786,371	4,475,215	693,582	652,642
		10,094,563	7,833,652	4,272,239	1,400,995

- (a) The normal trade credit terms granted to the Group and the Company is 30 (2023 - 30) days.
- (b) Included in the trade payables of the Group and of the Company are retention sum payables amounting to RM1,734,821 and RM257,896 (2023 - RM1,452,871 and Nil) respectively. The retention sums are expected to be settled within the periods ranging from 13 to 40 and 24 (2023 - 12 to 25 and Nil) months respectively.
- (c) Included in the accruals of the Group are accrued purchases amounting to RM2,597,493 (2023 - RM3,355,707) which represents the obligation to pay for material and services received but not billed by supplier at the end of the reporting period.

# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 27. REVENUE

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Revenue from Contracts with Customers					
<u>Property development revenue recognised over time:</u>					
- sale of residential properties (under construction)	(b)	-	25,222,604	-	-
<u>Property development revenue recognised at a point in time:</u>					
- sale of completed properties	(b)	15,800,133	-	-	-
Revenue from Other Sources					
Rental income	(c)	2,458,524	2,202,515	2,458,524	2,202,515
		18,258,657	27,425,119	2,458,524	2,202,515

- (a) The information on the disaggregation of the revenue by geographical market is disclosed as follows:-

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Malaysia	18,258,657	27,425,119	2,458,524	2,202,515

- (b) The information about the performance obligations in contracts with customers is summarised as below:-

### Sale of Residential Properties under Construction

The contracts contain a late penalty charge at 10% on the progress billing, calculated daily. Revenue is measured at the selling price (net of discount) agreed under the contract and after considering the estimated late penalty charges which are immaterial.

Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the performance of the Company does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract using the input method by reference to the property development cost incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of the contract. Otherwise, revenue is recognised at a point in time when the asset has been completed and delivered to the customer.

Billings to customers are based on agreed milestones under the contracts, certified by architects. The credit period is 30 days from the date of progress billing. There is no significant financing component in the selling price as the billing is made on the normal credit terms not exceeding 12 months.

In the previous financial year, a defect liability period of 24 months was given to the customers.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

**27. REVENUE (CONT'D)**

- (b) The information about the performance obligations in contracts with customers is summarised as below (Cont'd):-

**Sale of Completed Properties**

The Company recognises revenue (net of discount) for the sale of completed properties at a point in time when the properties have been delivered to and accepted by the customers.

The credit period is 90 days from the date of progress billing. There is no significant financing component in the selling price as the billing is made on the normal credit terms not exceeding 12 months.

A defect liability period of 13 to 21 months is given to the customers.

- (c) The information of the revenue from other sources is summarised below:-

**Rental Income**

Rental income is recognised on a straight-line basis over the lease term.

**Interest Income**

Interest income is recognised on an accrual basis using the effective interest method.

**28. OTHER INCOME**

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Included in other income are the following items:-				
Development management fee	250,000	500,000	250,000	500,000
Dividend income:				
- short-term investments	201,224	161,291	201,224	161,291
Fair value gain on financial assets measured at fair value through profit or loss mandatorily:				
- short-term investments	160,983	214,198	160,983	214,198
Rental income on office	172,500	468,000	-	-
Total interest income on financial assets measured at amortised cost	499,709	335,984	59,125	91,411



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

### 29. LOSS BEFORE TAXATION

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
In addition to those disclosed in Note 28 to the financial statements, loss before taxation is arrived at after charging:-				
Auditors' remuneration:				
- audit fees	125,000	125,000	52,000	52,000
- non-audit fees:				
- auditors of the Company	5,000	5,000	5,000	5,000
Directors' remuneration (Note 33)	1,413,012	915,038	1,413,012	915,038
<b>Material Expenses</b>				
Amortisation of club membership (Note 11)	364	364	364	364
Depreciation:				
- equipment (Note 6)	27,275	49,829	-	-
- right-of-use assets (Note 8)	349,196	487,495	-	-
Impairment loss:				
- investment in a subsidiary (Note 5)	-	-	-	2,500,000
- other investment (Note 12)	1,281,580	-	-	-
Fees payable to a company in which a director has a substantial financial interest	-	37,282	-	37,282
Interest expense on financial assets measured at amortised cost:				
- imputed interest on trade receivables under non-current	-	799,365	-	-
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- bridging loan	101,637	310,506	-	-
- term loan	1,443,228	1,299,063	-	-
- overdraft	11,869	131	11,869	131
Interest expense on lease liabilities (Note 22)	37,533	54,196	-	-
Lease expenses:				
- short-term leases	5,447	5,309	5,447	5,309
- low-value assets	3,390	3,390	-	-
Staff costs:				
- salaries and others benefits	3,037,064	3,578,647	1,434,525	1,878,211
- defined contribution plan	366,722	426,079	174,264	236,736

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company were RM11,391 (2023 - RM23,281).

# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 30. INCOME TAX (EXPENSE)/CREDIT

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Current tax expense	649,494	50,828	30,587	41,412
Overprovision in the previous financial year	(29,028)	(103,273)	(41,412)	(45,000)
	620,466	(52,445)	(10,825)	(3,588)

A reconciliation of income tax expense applicable to the loss before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Loss before taxation	(4,786,888)	(4,252,772)	(2,211,469)	(4,478,023)
Tax at the statutory tax rate of 24% (2023 - 24%)	(1,148,853)	(1,020,665)	(530,753)	(1,074,726)
Tax effects of:-				
Non-deductible expenses	1,891,961	1,328,351	395,858	1,012,029
Non-taxable gain	(48,294)	(494,213)	(48,294)	(38,710)
Utilisation of deferred tax assets previously not recognised	(259,096)	(174,642)	-	-
Deferred tax assets not recognised during the financial year	213,776	411,997	213,776	142,819
Overprovision of current tax in the previous financial year	(29,028)	(103,273)	(41,412)	(45,000)
	620,466	(52,445)	(10,825)	(3,588)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year.

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Unused tax losses:				
- expires year of assessment 2028	33,563,000	33,877,000	-	-
- expires year of assessment 2029	3,000	3,000	24,378,000	24,378,000
- expires year of assessment 2033	80,000	791,000	80,000	80,000
Unabsorbed capital allowances	7,102,000	7,145,000	7,102,000	7,091,000
Other deductible temporary differences	2,027,000	1,147,000	1,012,000	132,000
	42,775,000	42,963,000	32,572,000	31,681,000

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas the unabsorbed capital allowances are allowed to be carried forward indefinitely.

# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 31. LOSS PER SHARE

### (a) Basic Loss Per Share

The basic loss per share is calculated by dividing the consolidated loss attributable to owners of the Company by the weighted average number of ordinary shares in issue after adjusting for treasury shares.

	The Group	
	2024	2023
Weighted average number of ordinary shares in issue:-		
Ordinary shares at 1 January	281,968,184	281,968,184
Less: Treasury shares	(6,797,300)	(6,797,300)
Weighted average number of ordinary shares at 31 December	275,170,884	275,170,884
Basic loss per share (sen)	(1.97)	(1.53)

### (b) Diluted Loss Per Share

The diluted loss per share is equal to the basic loss per share as there were no potential dilutive ordinary shares outstanding at the end of the reporting period.

## 32. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of equipment and the addition of right-of-use assets is as follows:-

	The Group	
	2024 RM	2023 RM
<b>Equipment</b>		
Cost of equipment purchased (Note 6)	45,857	2,499
<b>Right-of-use Assets</b>		
Cost of right-of-use assets acquired (Note 8)	323,865	-
Less: Addition of new lease liabilities (Note 32(b))	(323,865)	-
	-	-

(b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Bridging Loan RM	Term Loan RM	Lease Liabilities RM	Total RM
<b>2024</b>				
At 1 January	2,568,360	21,700,000	646,540	24,914,900
<u>Changes in Financing Cash Flows</u>				
Repayment of principal	(2,553,660)	-	(346,327)	(2,899,987)
Repayment of interest	(116,337)	(1,320,852)	(37,533)	(1,474,722)
	(2,669,997)	(1,320,852)	(383,860)	(4,374,709)
<u>Other Changes</u>				
Acquisition of new lease (Notes 22 and 32(a))	-	-	323,865	323,865
Interest expense recognised in profit or loss (Note 29)	101,637	1,443,228	37,533	1,582,398
	101,637	1,443,228	361,398	1,906,263
At 31 December	-	21,822,376	624,078	22,446,454



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 32. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Bridging Loan RM	Term Loan RM	Lease Liabilities RM	Total RM
<b>2023</b>				
At 1 January	3,475,183	21,700,000	1,116,203	26,291,386
<u>Changes in Financing Cash Flows</u>				
Drawdown of bridging loan	2,485,318	-	-	2,485,318
Repayment of principal	(3,406,841)	-	(469,663)	(3,876,504)
Repayment of interest	(295,806)	(1,299,063)	(54,196)	(1,649,065)
	(1,217,329)	(1,299,063)	(523,859)	(3,040,251)
<u>Other Changes</u>				
Interest expense recognised in profit or loss (Note 29)	310,506	1,299,063	54,196	1,663,765
At 31 December	2,568,360	21,700,000	646,540	24,914,900

(c) The total cash outflows for leases as a lessee are as follows:-

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Payment of short-term leases	5,447	5,309	5,447	5,309
Payment of low-value assets	3,390	3,390	-	-
Interest paid on lease liabilities	37,533	54,196	-	-
Payment of lease liabilities	346,327	469,663	-	-
	392,697	532,558	5,447	5,309

(d) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Fixed deposits with licensed banks	-	2,599,751	-	2,599,751
Short-term investments	8,327,113	8,499,681	8,327,113	8,499,681
Cash and bank balances	11,941,819	16,406,757	890,658	798,700
Bank overdraft	(77,270)	(17,201)	(77,270)	(17,201)
	20,191,662	27,488,988	9,140,501	11,880,931
Less: Fixed deposits pledged with licensed banks	-	(2,599,751)	-	(2,599,751)
Less: Bank balances held in escrow	(687,707)	(549,382)	(687,707)	(549,382)
Less: Bank balances pledged with a licensed bank	(3,592,402)	(3,499,961)	-	-
	15,911,553	20,839,894	8,452,794	8,731,798

## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

### 33. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Group and of the Company.

The key management personnel compensation during the financial year is as follows:-

	<b>The Group/The Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Directors</b>		
<u>Directors of the Company</u>		
<i>Executive Directors</i>		
Short-term employee benefits:		
- fees	102,000	37,282
- salaries, bonuses and other benefits	1,014,793	598,800
	1,116,793	636,082
Defined contribution benefits	128,319	69,618
	1,245,112	705,700
 <i>Non-executive Directors</i>		
Short-term employee benefits:		
- fees	108,000	126,838
- other benefits	59,900	82,500
	167,900	209,338
Total directors' remuneration (Note 29)	1,413,012	915,038

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company were RM11,391 (2023 - RM23,281) respectively.

### 34. RELATED PARTY DISCLOSURES

#### (a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

#### (b) Significant Related Party Transactions and Balances

In addition to the related party transactions information disclosed in the statement of cash flows, Notes 27 and 29 to the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Transactions with subsidiaries</b>				
Parkwood Developments Sdn.Bhd.				
- Management services	-	-	454,540	518,560
- Administrative support services	-	-	149,629	167,679
<b>Transactions with related parties</b>				
GSL Realty Sdn. Bhd.				
- Rental of office	274,260	274,260	-	-
- Pylon signage license	1,000	1,000	-	-
- Stamping fee	-	2,186	-	-



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 34. RELATED PARTY DISCLOSURES (CONT'D)

## (b) Significant Related Party Transactions and Balances (Cont'd)

In addition to the related party transactions information disclosed in the statement of cash flows, Notes 27 and 29 to the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year (Cont'd):-

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Transactions with related parties (Cont'd)</b>				
Extra Sdn. Bhd.				
- Computer and nominal assets	45,857	10,487	-	-
- Office and office furniture rental	69,600	69,600	-	-
- Upkeep of office	54,852	54,852	-	-
- IT related services	146,494	122,987	-	-
- Software and programming	14,864	9,986	-	-
- O365 usage services	16,776	17,446	-	-
- VPS for server services	14,860	17,431	-	-
- Website and emails	-	276	-	-
- Subscription (Others)	2,660	5,533	2,660	2,194
- Printing & stationery	10,896	13,782	-	-
- Lease of photostat machine	3,390	3,390	-	-
- Maintenance of photostat machine	153	151	-	-
Extra Solutions Sdn. Bhd.				
- Telephone and administration charges	1,199	1,375	-	-
- Subscription fees	12,720	13,006	12,720	13,006
- Website and emails	730	954	-	530
LGB Management Service Sdn. Bhd.				
- Administrative services	87,300	87,300	87,300	87,300
- Miscellaneous expenses	31,821	42	15,632	14
- Annual dinner	18,782	-	5,716	-
Bellworth Developments Sdn. Bhd.				
- Rental of office	-	180,000	-	-
- Office expenses	200	-	-	-
Taliwork Corporation Berhad				
- Annual dinner	-	16,530	-	6,421
Edaran SWM Sdn. Bhd.				
- Miscellaneous expenses	-	3,600	-	900
<b>Transactions with a company in which a director has financial interests</b>				
Telaxis Sdn. Bhd.				
- Fee	-	37,282	-	37,282
<b>Transactions with a legal firm in which a director is a Partner</b>				
Messrs. Ghazali Ariff & Partners				
- Legal fee	-	48,000	-	48,000

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

The related party transactions described above were entered into in the normal course of business carried out based on negotiated terms and conditions and are mutually agreed with respective parties.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

### 35. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Chief Executive Officer as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 2 main reportable segments as follows:-

- Investment holding - rental of investment property
  - Property development - property development activities
- (a) The Group Chief Executive Officer assesses the performance of the reportable segments based on their profit before interest expense and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.
- (b) Each reportable segment assets is measured based on all assets of the segment other than tax-related assets.
- (c) Each reportable segment liabilities is measured based on all liabilities of the segment other than borrowings and tax-related liabilities.
- (d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.

Transactions between reportable segments are carried out on agreed terms between both parties. Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

#### 35.1 BUSINESS SEGMENTS

2024	Investment Holding RM	Property Development RM	The Group RM
<b>Revenue</b>			
External revenue	2,458,524	15,800,133	18,258,657
Inter-segment revenue	-	2,842,438	2,842,438
	2,458,524	18,642,571	21,101,095
Consolidation adjustments			(2,842,438)
Consolidated revenue			18,258,657
<b>Results</b>			
Results before following adjustments	(2,459,585)	(1,057,134)	(3,516,719)
Amortisation of club membership	(364)	-	(364)
Depreciation of equipment	-	(27,275)	(27,275)
Depreciation of right-of-use assets	-	(349,196)	(349,196)
Segment results	(2,459,949)	(1,433,605)	(3,893,554)
Dividend income			201,224
Interest income			499,709
Finance costs			(1,594,267)
Income tax expense			(620,466)
Consolidated loss after taxation			(5,407,354)



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 35. OPERATING SEGMENTS (CONT'D)

## 35.1 BUSINESS SEGMENTS (CONT'D)

2024	Investment Holding RM	Property Development RM	The Group RM
<b>Assets</b>			
Segment assets	51,240,314	124,549,467	175,789,781
Unallocated asset:-			
- current tax assets			1,118,353
Consolidated total assets			176,908,134
 Additions to non-current assets other than financial instruments are:-			
Equipment	-	45,857	45,857
Land held for development	-	4,314,196	4,314,196
 <b>Liabilities</b>			
Segment liabilities	12,682,063	20,017,968	32,700,031
Unallocated liabilities:-			
- current tax liabilities			27,929
- deferred tax liabilities			666,442
Consolidated total liabilities			33,394,402
 <b>2023</b>			
<b>Revenue</b>			
External revenue	2,202,515	25,222,604	27,425,119
Inter-segment revenue	-	2,795,973	2,795,973
	2,202,515	28,018,577	30,221,092
Consolidation adjustments			(2,795,973)
Consolidated revenue			27,425,119
 <b>Results</b>			
Results before following adjustments	(2,230,230)	481,132	(1,749,098)
Amortisation of club membership	(364)	-	(364)
Depreciation of equipment	-	(49,829)	(49,829)
Depreciation of right-of-use assets	-	(487,495)	(487,495)
Segment results	(2,230,594)	(56,192)	(2,286,786)
Dividend income			161,291
Interest income			335,984
Finance costs			(2,463,261)
Income tax expense			52,445
Consolidated loss after taxation			(4,200,327)

# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 35. OPERATING SEGMENT (CONT'D)

### 35.1 BUSINESS SEGMENTS (CONT'D)

	Investment Holding RM	Property Development RM	The Group RM
<b>2023</b>			
<b>Assets</b>			
Segment assets	53,729,198	127,874,491	181,603,689
Unallocated asset:-			
- current tax assets			903,869
Consolidated total assets			182,507,558
 Additions to non-current assets other than financial instruments are:-			
Equipment	-	2,499	2,499
Land held for development	-	219,690	219,690
 <b>Liabilities</b>			
Segment liabilities	1,418,196	31,429,301	32,847,497
Unallocated liabilities:-			
- current tax liabilities			72,533
- deferred tax liabilities			666,442
Consolidated total liabilities			33,586,472

### 35.2 GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments.

Group	Revenue		Non-current Assets	
	2024 RM	2023 RM	2024 RM	2023 RM
Malaysia	18,258,657	27,425,119	82,780,240	79,191,965

The information on the disaggregation of revenue based on geographical region is summarised below:-

	At A Point in Time		Over Time		Total Group	
	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM
Malaysia	18,258,657	2,202,515	-	25,222,604	18,258,657	27,425,119

### 35.3 MAJOR CUSTOMERS

The following is a major customer with revenue equal to or more than 10% of the Group's total revenue:-

Customer #1	Revenue		Segment
	2024 RM	2023 RM	
	2,458,524	2,202,515	Investment Holding



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

**36. CAPITAL COMMITMENT**

	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Purchase of equipment	42,336	-
Purchase of 4 plots of land	24,300,000	-
	<u>24,342,336</u>	<u>-</u>

**37. FINANCIAL INSTRUMENTS**

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

**37.1 FINANCIAL RISK MANAGEMENT POLICIES**

The policies in respect of the major areas of treasury activity are as follows:-

**(a) Market Risk****(i) Foreign Currency Risk**

The Group and the Company do not have any transactions or balances denominated in foreign currencies and hence, are not exposed to foreign currency risk.

**(ii) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group and the Company adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group and of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 23 to the financial statements.

*Interest Rate Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Effects on Loss After Taxation</b>		
Increase of 100 basis points	+ 166,437	+ 184,570
Decrease of 100 basis points	<u>- 166,437</u>	<u>- 184,570</u>

# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 37. FINANCIAL INSTRUMENTS (CONT'D)

### 37.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (a) Market Risk (Cont'd)

##### (iii) Equity Price Risk

The exposure to equity price risk arises mainly from changes in quoted investment prices of the Group. The Group manages its exposure to equity price risk by maintaining a portfolio of equities with different risk profiles.

##### *Equity Price Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the prices of the quoted investments at the end of the reporting period, with all other variables held constant:-

	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Effects on Loss After Taxation</b>		
Increase of 1%	- 63,286	- 64,598
Decrease of 1%	+ 63,286	+ 64,598
	<b>The Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Effects on Loss After Taxation</b>		
Increase of 1%	- 63,286	- 64,598
Decrease of 1%	+ 63,286	+ 64,598

#### (b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade, other receivables and amount owing by subsidiaries. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

##### (i) Credit Risk Concentration Profile

The Group and the Company do not have any major concentration of credit risk related to any individual customer or counterparty.

##### (ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries as disclosed under the 'Maturity Analysis' of item (c) below, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment of Impairment Losses**

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost is credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 180 days past due.

Trade Receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

*Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 12 months (2023 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. In determining these loss rates, the Company also considered the differences between (a) economic conditions during the period over which the historic data has been collected, (b) current economic conditions and (c) the Company's view of economic conditions over the expected lives of the trade receivables. Nevertheless, the Company believes that these factors are immaterial for the purpose of impairment calculation for the reporting period.

For property development, purchasers are generally financed by loan facilities from reputable financiers. In addition, the credit risk is limited as the ownership and rights to the properties sold will revert to the Group in the event of default, and the products do not suffer from physical, technological and fashion obsolescence. Therefore, there is minimal exposure to credit risk.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

### 37. FINANCIAL INSTRUMENTS (CONT'D)

#### 37.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Trade Receivables (Cont'd)

##### *Allowance for Impairment Losses*

The information about the credit exposure and the loss allowances recognised for trade receivables are as follows:-

The Group	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
<b>2024</b>				
Current (not past due)	3,985,631	-	-	3,985,631
More than 90 days past due	1,049,134	-	-	1,049,134
Trade receivables	5,034,765	-	-	5,034,765
<b>2023</b>				
Current (not past due)	5,339,049	-	-	5,339,049
More than 90 days past due	-	-	-	-
Trade receivables	5,339,049	-	-	5,339,049

The Group believes that no impairment allowance is necessary in respect of its trade receivables because the probability of default by these trade receivables were negligible.

##### Other Receivables

The Group and the Company applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

##### *Allowance for Impairment Losses*

No expected credit loss is recognised on other receivables as it is negligible.

##### Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)****(iii) Assessment of Impairment Losses (Cont'd)**Amount Owing By Subsidiaries (Non-trade Balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

*Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the subsidiary would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD). In deriving the PD and LGD, the Group considers the subsidiary's past payment status and its financial condition as at the reporting date.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

*Allowance for Impairment Losses*

The reconciliations of allowance for impairment losses are as follows:-

	<b>Gross Amount RM</b>	<b>Lifetime Loss Allowance RM</b>	<b>Carrying Amount RM</b>
<b>The Company</b>			
<b>2024</b>			
Low credit risk	21,489,947	-	21,489,947
<b>2023</b>			
Low credit risk	16,559,751	-	16,559,751

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 37. FINANCIAL INSTRUMENTS (CONT'D)

### 37.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

##### *Allowance for Impairment Losses*

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

#### (c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and adequate working capital to meet its obligations as and when they fall due.

##### *Maturity Analysis*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
<b>The Group</b>						
<b>2024</b>						
<u>Non-derivative</u>						
<u>Financial Liabilities</u>						
Lease liabilities	6.00 - 7.00	624,078	663,861	463,861	200,000	-
Term loan	5.94 - 6.64	21,822,376	25,427,542	3,584,370	21,843,172	-
Trade and other payables	-	10,094,563	10,094,563	10,094,563	-	-
Bank overdraft	5.89	77,270	77,270	77,270	-	-
		32,618,287	36,263,236	14,220,064	22,043,172	-



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 37. FINANCIAL INSTRUMENTS (CONT'D)

## 37.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

## (c) Liquidity Risk (Cont'd)

## Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
<b>The Group</b>						
<b>2023</b>						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	6.00	646,540	687,721	343,860	343,861	-
Bridging loan	6.74	2,568,360	2,683,293	1,934,840	748,453	-
Term loan	5.96 - 6.66	21,700,000	26,738,879	1,299,849	22,114,705	3,324,325
Trade and other payables	-	7,833,652	7,833,652	7,833,652	-	-
Bank overdraft	5.89	17,201	17,201	17,201	-	-
		32,765,753	37,960,746	11,429,402	23,207,019	3,324,325
<b>2024</b>						
<u>Non-derivative Financial Liabilities</u>						
Trade and other payables	-	4,272,239	4,272,239	4,272,239	-	-
Amount owing to a subsidiary	-	8,332,554	8,332,554	8,332,554	-	-
Bank overdraft	5.89	77,270	77,270	77,270	-	-
Financial guarantee contracts in relation to:						
- Corporate guarantees given to a licensed bank for credit facilities granted to subsidiaries	-	-	21,822,376	-	-	-
			12,682,063	34,504,439	12,682,063	-
<b>2023</b>						
<u>Non-derivative Financial Liabilities</u>						
Trade and other payables	-	1,400,995	1,400,995	1,400,995	-	-
Bank overdraft	5.89	17,201	17,201	17,201	-	-
Financial guarantee contracts in relation to:						
- Corporate guarantees given to a licensed bank for credit facilities granted to subsidiaries	-	-	24,268,360	-	-	-
			1,418,196	25,686,556	1,418,196	-

## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

### 37. FINANCIAL INSTRUMENTS (CONT'D)

#### 37.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (c) Liquidity Risk (Cont'd)

###### *Maturity Analysis (Cont'd)*

The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.

#### 37.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group and the Company include within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group and the Company at the end of the reporting period are as follows:-

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Lease liabilities (Note 22)	624,078	646,540	-	-
Bridging loan (Note 23)	-	2,568,360	-	-
Term loans (Note 23)	21,822,376	21,700,000	-	-
Bank overdraft (Note 23)	77,270	17,201	77,270	17,201
	22,523,724	24,932,101	77,270	17,201
Less: Fixed deposits with licensed banks (Note 16)	-	(2,599,751)	-	(2,599,751)
Less: Cash and bank balances (Note 18)	(11,941,819)	(16,406,757)	(890,658)	(798,700)
Net debt/(asset)	10,581,905	5,925,593	(813,388)	(3,381,250)
Total equity	143,513,732	148,921,086	155,739,294	157,939,938
Debt-to-equity ratio	0.07	0.04	*	*

\* Not applicable as the Company's cash and cash equivalents exceed its borrowings.

There was no change in the approach to capital management during the financial year.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 37. FINANCIAL INSTRUMENTS (CONT'D)

## 37.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2024		2023	
	The Group RM	The Company RM	The Group RM	The Company RM
<b>Financial Assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments (Note 17)	8,327,113	8,327,113	8,499,681	8,499,681
Other investment (Note 12)	-	-	881,000	-
	8,327,113	8,327,113	9,380,681	8,499,681
<u>Amortised Cost</u>				
Trade and other receivables (Note 9)	5,178,512	129,927	5,363,303	10,627
Amount owing by subsidiaries (Note 15)	-	21,489,947	-	16,559,751
Fixed deposits with licensed banks (Note 16)	-	-	2,599,751	2,599,751
Cash and bank balances	11,941,819	890,658	16,406,757	798,700
	17,120,331	22,510,532	24,369,811	19,968,829
<b>Financial Liability</b>				
<u>Amortised Cost</u>				
Lease liabilities (Note 22)	624,078	-	646,540	-
Bridging loan (Note 23)	-	-	2,568,360	-
Term loans (Note 23)	21,822,376	-	21,700,000	-
Bank overdraft (Note 23)	77,270	77,270	17,201	17,201
Trade and other payables (Note 26)	10,094,563	4,272,239	7,833,652	1,400,995
Amount owing to a subsidiary (Note 15)	-	8,332,554	-	-
	32,618,287	12,682,063	32,765,753	1,418,196

## 37.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	2024		2023	
	The Group RM	The Company RM	The Group RM	The Company RM
<b>Financial Assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Net (loss)/gain recognised in profit or loss - mandatorily required by MFRS 9	(919,373)	362,207	375,489	375,489
<u>Amortised Cost</u>				
Net gain/(loss) recognised in profit or loss	499,709	59,125	(463,381)	91,411
<b>Financial Liability</b>				
<u>Amortised Cost</u>				
Net loss recognised in profit or loss	(1,594,267)	(11,869)	(1,663,896)	(131)



# Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

## 37. FINANCIAL INSTRUMENTS (CONT'D)

### 37.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
<b>The Group</b>								
<b>2024</b>								
<u>Financial Assets</u>								
Short-term investments	8,327,113	-	-	-	-	-	8,327,113	8,327,113
Other investment	-	-	-	-	-	-	-	-
<u>Financial Liabilities</u>								
Term loan	-	-	-	-	21,822,376	-	21,822,376	21,822,376
Bank overdraft	-	-	-	-	77,270	-	77,270	77,270
<b>2023</b>								
<u>Financial Liabilities</u>								
Short-term investments	8,499,681	-	-	-	-	-	8,499,681	8,499,681
Other investment	-	881,000	-	-	-	-	881,000	881,000
<u>Financial Liabilities</u>								
Bridging loan	-	-	-	-	2,568,360	-	2,568,360	2,568,360
Term loan	-	-	-	-	21,700,000	-	21,700,000	21,700,000
Bank overdraft	-	-	-	-	17,201	-	17,201	17,201
<b>The Company</b>								
<b>2024</b>								
<u>Financial Asset</u>								
Short-term investments	8,327,113	-	-	-	-	-	8,327,113	8,327,113
<b>2023</b>								
<u>Financial Asset</u>								
Short-term investments	8,499,681	-	-	-	-	-	8,499,681	8,499,681

#### (a) Fair Value of Financial Instruments Carried at Fair Value

- The fair value of short-term investments is determined at its quoted closing bid prices at the end of the reporting period.
- The fair value of the unquoted equity investment is estimated based on the price to book valuation model. Management believes that the estimated fair value resulting from this valuation model is reasonable and the most appropriate at the end of the reporting period.
- There were no transfers between level 1 and level 2 during the financial year.

#### (b) Fair Value of Financial Instruments Not Carried at Fair Value

The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.



## Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 31 December 2024

**38. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR**

- (a) On 25 October 2024, a subsidiary of the Group, Parkwood Templers Sdn Bhd (formerly known as Parkwood Damansara Sdn Bhd) ("Parkwood Templers"), entered into a sale and purchase agreement for the acquisition of a parcel of freehold land located at Mukim Rawang, Daerah Gombak, Negeri Selangor, with a total area of approximately 0.6125 hectares, for a total purchase price of RM3,900,000. The acquisition was completed on 16 December 2024.
- (b) On 1 November 2024, a subsidiary of the Group, Parkwood Templers, entered into a sale and purchase agreement for the acquisition of four (4) parcels of freehold land located at Mukim Rawang, Daerah Gombak, Negeri Selangor, with a total area of approximately 12.4586 hectares, for a total purchase price of RM27,000,000. The agreement became unconditional on 28 November 2024 upon the fulfilment of all conditions precedent stated in the agreement.
- (c) On 17 December 2024, the Company proposed to undertake the following:
  - (i) Proposed renounceable right issues of up to 550,341,768 new ordinary shares ("right shares") together with up to 68,792,721 free detachable warrants ("warrants") on the basis of two (2) rights shares for every one (1) existing share held and one (1) warrant for every eight (8) rights shares subscribed.
  - (ii) Proposed issuance of up to 99,390,997 new Redeemable Convertible Preference Shares ("RCPS") in the Company to be subscribed by Telaxis Sdn Bhd ("Telaxis") ("Proposed Subscription").
  - (iii) Proposed exemption for Telaxis and Persons Acting in Concert with it ("PACS") from the obligation to undertake a mandatory take-over offer for all remaining shares and warrants not already owned by them ("MGO") arising from the completion of the proposed rights issue with warrants, conversion of the RCPS, and exercise of the warrants, pursuant to subparagraphs 4.08(1)(b) and 4.08(1)(c) of Rule 4, Part B of the Rules on Take-overs, Mergers, and Compulsory Acquisitions ("Rules") issued by the Securities Commission Malaysia ("SC") ("proposed exemption"); and
  - (iv) Proposed amendments to the constitution of the Company.

(collectively referred to as "the Proposals").

The Proposals will be undertaken on a minimum subscription level basis to raise a minimum of RM27.5 million to fund the Group's proposed utilisation.

In order to achieve the Minimum Subscription Level, the Company intends to procure a written irrevocable undertaking from its major shareholder, namely Telaxis in respect of the following:

- (aa) To subscribe in full for its entitlement under the Proposals based on its shareholding as at the Entitlement Date; and
- (bb) To apply and subscribe by way of excess Rights Shares application, such number of additional Rights Shares not taken up or validly taken up by other Entitled Shareholders and/or their renounce(s).

(to be referred to as "Undertaking").

On 17 December 2024, the Company entered into a conditional share subscription agreement ("SSA") with Telaxis for the Proposed Subscription.

**39. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD**

- (a) On 28 February 2025, a subsidiary of the Group, Parkwood Templers, completed the acquisition of four (4) parcels of freehold land located at Mukim Rawang, Daerah Gombak, Negeri Selangor, with a total area of approximately 12.4586 hectares, for a total purchase price of RM27,000,000.
- (b) On 13 January 2025, Telaxis had issued an undertaking letter and the Company had on even date accepted the Undertaking. Subsequently on 11 April 2025, Telaxis had issued a revised undertaking letter and the Company had on even date accepted the undertaking.
- (c) On 10 March 2025, the Company had entered into a supplemental share subscription agreement to the SSA ("Supplemental SSA") with Telaxis to revise the terms of the RCPS.



# PARKWOOD

**PARKWOOD HOLDINGS BERHAD**  
[Registration No. 196901000692 (9118-M)]  
(Incorporated in Malaysia)

## FORM OF PROXY

Fifty-Fourth Annual General Meeting  
[Please read notes carefully before completing this form.]

<b>CDS Account No.</b>	
<b>Number of Ordinary Shares held</b>	

I/We (Full Name in Block Letters) .....  
NRIC No. / Passport No. / Company No. .... Tel No. ....  
of ..... being a  
(full address and email address)  
shareholder of **PARKWOOD HOLDINGS BERHAD** hereby appoint

Proxy 1	No. of Shares	%
Full Name of Proxy as per NRIC/Passport		
NRIC / Passport No.		
Full Address		
Email address		
Contact No		

and/or failing him/her,

Proxy 2	No. of Shares	%
Full Name of Proxy as per NRIC/Passport		
NRIC / Passport No.		
Full Address		
Email address		
Contact No		

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the **Fifty-Fourth Annual General Meeting ("54<sup>th</sup> AGM")** of the Company to be held at at Level 5, Menara LGB, No. 1, Jalan Wan Kadir, Taman Tun Dr. Ismail, 60000 Kuala Lumpur on Wednesday, 18 June 2025 at 11.00 a.m. or at any adjournment thereof, in the manner indicated below:

Resolutions	Ordinary Business	For	Against
<b>Ordinary Resolution 1</b>	To approve the payment of Directors' fees of RM210,000.00 for the financial year ended 31 December 2024.		
<b>Ordinary Resolution 2</b>	To approve the payment of Directors' benefits (other than Directors' fees) of RM59,900.00 for the period from 19 June 2025 until the conclusion of the next AGM of the Company.		
<b>Ordinary Resolution 3</b>	To re-elect Datuk Hew Lee Lam Sang as Director.		
<b>Ordinary Resolution 4</b>	To re-elect Ms. Irene Kam Sok Khuan as Director.		
<b>Ordinary Resolution 5</b>	To re-appoint Messrs Crowe Malaysia PLT as the Company's Auditors.		
	<b>Special Business</b>		
<b>Ordinary Resolution 6</b>	To authorise the allotment of shares pursuant to Sections 75 and 76 of the Companies Act 2016.		

Please indicate with an [X] in the spaces provided above on how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his discretion.

Dated this ..... day of ..... 2025.

.....  
Signature/Common Seal of Shareholder(s)



**Notes: -**

1. In respect of deposited securities, only members whose names appear in the Record of Depositors as at **11 June 2025** ("**General Meeting Record of Depositors**") shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.
2. If a member is unable to attend and vote at the Meeting, he/she may appoint a proxy to attend and vote at the Meeting on his/her behalf. The proxy may but need not be a member of the Company. A member may appoint any person to be his proxy without limitation and there shall be no restrictions as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
5. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he/she may appoint at least one proxy in respect of each securities' account he holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member is an exempt authorised nominee which 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.
7. The instrument appointing a proxy must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll.
8. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
9. Last date and time for lodging the proxy form is **Monday, 16 June 2025 at 11.00 am**.

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STAMP

**PARKWOOD HOLDINGS BERHAD**

[Registration No. 196901000692 (9118-M)]

c/o **Boardroom Share Registrars Sdn Bhd**

11<sup>th</sup> Floor, Menara Symphony,  
No. 5, Jalan Prof. Khoo Kay Kim,  
Seksyen 13, 46200 Petaling Jaya,  
Selangor Darul Ehsan.

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[www.parkwood.com.my](http://www.parkwood.com.my)

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