



YNH PROPERTY BHD
Registration No.: 200101026228 (561986-V)

2024

ANNUAL REPORT

CONTENTS

02	Corporate Information
03	Corporate Structure
04	Profile of the Board of Directors
06	Key Senior Management Profile
07	Financial Highlights
08	Chairman's Statement
10	Management Discussion & Analysis
11	Corporate Governance Overview Statement
20	Sustainability Statement
35	Additional Compliance Information
36	Statement on Risk Management and Internal Control
38	Audit Committee Report
40	Directors' Responsibility Statement In Respect Of Audited Financial Statements
41	List of Properties
52	Analysis Of Shareholdings
	Appendix
	Financial Statements

CORPORATE INFORMATION

DIRECTORS

Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS
(Chairman, Executive Director)

Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT
(Managing Director)

Khong Kam Hou
(Senior Independent Non-Executive Director)

Ching Lee Fong
(Independent Non-Executive Director)

Lee Zhi Yan
(Independent Non-Executive Director)

Audit Committee

Khong Kam Hou
(Senior Independent Non-Executive Director) - Chairman

Ching Lee Fong
(Independent Non-Executive Director) - Member

Lee Zhi Yan
(Independent Non-Executive Director) - Member

Remuneration Committee

Ching Lee Fong
(Independent Non-Executive Director) - Chairman

Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT
(Managing Director) - Member

Khong Kam Hou
(Senior Independent Non-Executive Director) - Member

Lee Zhi Yan
(Independent Non-Executive Director) - Member

Nomination Committee

Ching Lee Fong
(Independent Non-Executive Director) - Chairman

Khong Kam Hou
(Senior Independent Non-Executive Director) - Member

Lee Zhi Yan
(Independent Non-Executive Director) - Member

Secretaries

Tan Tong Lang
(MAICSA 7045482) (SSM PC No. 202208000250)

Tan Lay Khoon
(MAICSA 7077867) (SSM PC NO. 202208000544)

Cheng Ghee Cheng
(LS 0004598) (SSM PC No. 202008002000)

Registrars

Aldpro Corporate Services Sdn. Bhd.

B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Telephone No.: 03-9770 2200
Fax No.: 03-2201 7774
Email: admin@aldpro.com.my

Registered Office

B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Telephone No.: 03-9770 2200
Fax No.: 03-2201 7774
Email: boardroom@boardroom.com.my

Principal Place of Business and Head Office

188, Jalan PPMP 3/3
Pusat Perniagaan Manjung Point 3 32040 Seri Manjung
Perak Darul Ridzuan
Telephone No.: 05-6881128
Fax No.: 05-6881388
Email: karsin@streamyx.com
Website: www.ynhb.com.my

Sales Office – Kuala Lumpur

Unit 03-01D, Level 3, Lot 163
10, Jalan Perak
50450 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Telephone No.: 03-21637700
Fax No.: 03-21627770

Sales Office – Ipoh

10, Jalan Medan Ipoh 3
Bandar Medan Ipoh Baru
31400 Ipoh
Perak Darul Ridzuan
Telephone No.: 05-5451945
Fax No.: 05-5451945

Auditors

Morison LC PLT
A-11-12, Menara Avenue
Jalan PJU 1/39
Dataran Prima
47301 Petaling Jaya
Selangor Darul Ehsan

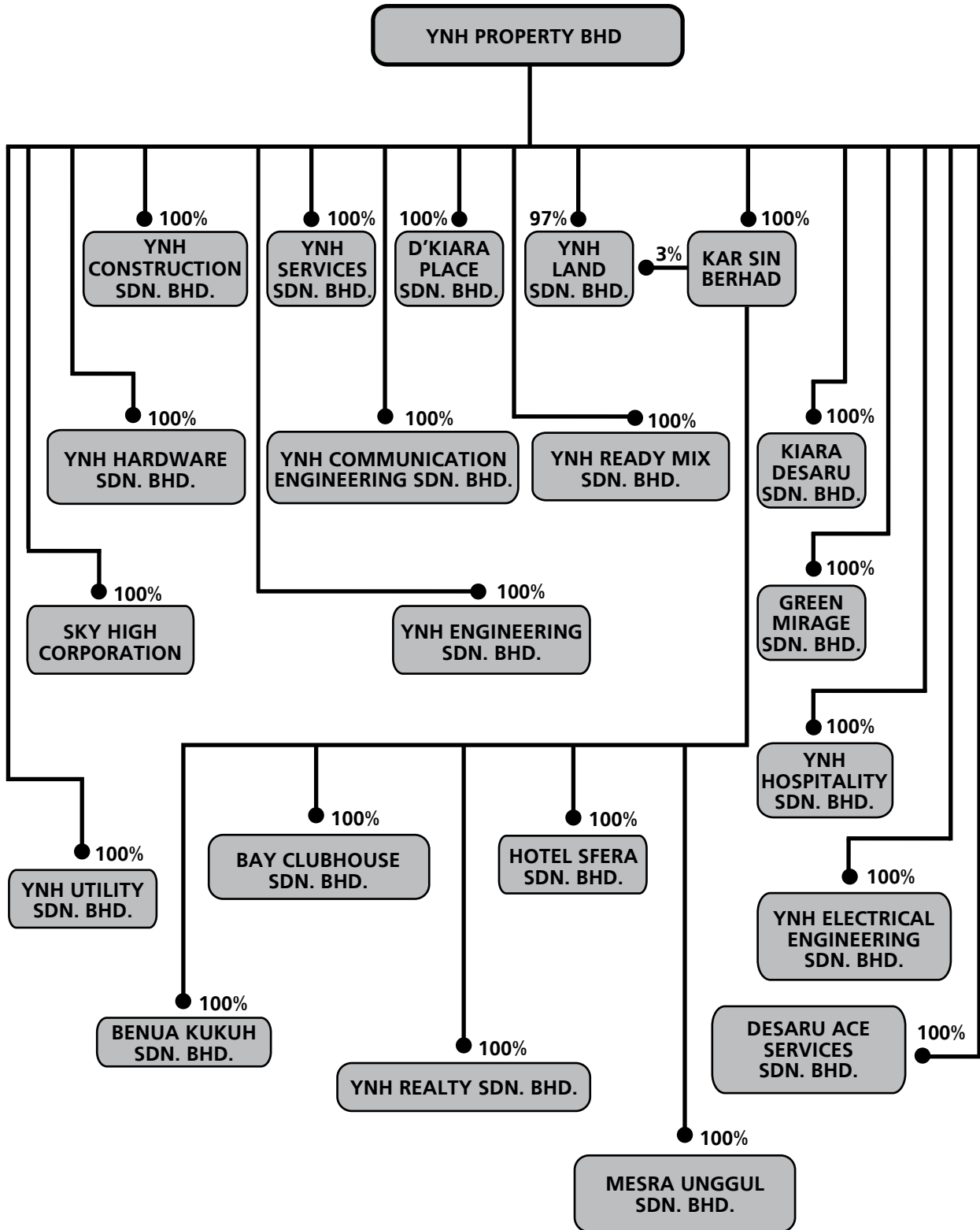
Principal Bankers

Alliance Bank Malaysia Berhad
AmBank (M) Berhad
Bank Islam Malaysia Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
HSBC Bank Malaysia Berhad Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad Public Bank Berhad
Public Investment Bank Berhad
RHB Bank Berhad
United Overseas Bank (Malaysia) Bhd.
Al Rajhi Banking And Investment Corporation (Malaysia) Bhd.
Affin Bank Berhad
MBSB Bank Berhad

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad
Stock Name : YNHPROP
Stock Code : 3158
Sector : Property

CORPORATE STRUCTURE



PROFILE OF THE BOARD OF DIRECTORS

DATO' DR. YU KUAN CHON, DIMP, PPT, MBBS
62 years of age Malaysian, Male
Chairman, Executive Director

Dato' Dr. Yu Kuan Chon was appointed to the Board of the Company on 3 September 2003, and became Chairman on 20 February 2004. After obtaining his medical degree in 1988, he began his career as a houseman in Klang, followed by a role as a medical officer a year later. He subsequently served as a medical officer in hospitals in Ipoh and Taiping, Perak. In 1995, he left government service to assist in the family business.

Currently, he is a Non-Independent Non-Executive Director at Rapid Synergy Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad.

He is the brother of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT, and he is a major shareholder of the Company.

He has no conflict of interest or potential conflict of interest with the Company or its subsidiaries. He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2024.

DATO' YU KUAN HUAT, DPMP, PMP, AMP, PPT
66 years of age Malaysian, Male
Managing Director
Member, Remuneration Committee

Dato' Yu Kuan Huat was appointed to the Board of the Company on 3 September 2003, and subsequently assumed the role of Managing Director on 8 October 2003. Prior to joining the Board, he served as the Managing and Founder Director of Kar Sin Bhd, now a wholly-owned subsidiary of the Company. With over 30 years of experience, his expertise covers a broad range of industries, including property development, construction, money lending, and aquaculture.

He serves as the Alternate Director to Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS, at Rapid Synergy Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad.

He is a substantial shareholder of the Company and he is the brother of Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS.

He has no conflict of interest or potential conflict of interest with the Company or its subsidiaries. He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2024.

PROFILE OF THE BOARD OF DIRECTORS (cont'd)

KHONG KAM HOU

75 years of age Malaysian, Male
Senior Independent Non-Executive Director
Chairman, Audit Committee
Member, Nomination Committee
Member, Remuneration Committee

Mr. Khong Kam Hou was appointed to the Board of the Company as a Senior Independent Non-Executive Director on 31 March 2023. On the same day, he was also appointed as a member of the respective Board Committees. He was later redesignated as Chairman of the Audit Committee on 1 March 2024.

He graduated from the University of Malaya with a Bachelor's degree in Economics in 1974 and joined the Department of Inland Revenue, Ministry of Finance, as a tax cadet officer in early 1975. Over the course of his career from 1975 to 1991, he served in several key units within the Inland Revenue Department, including tax assessment, corporate tax, and tax investigation. In 1992, he left his role as a senior tax officer and practiced as a licensed tax consultant from 1992 until 2019.

He has no other directorship in public companies and listed issuers. He has no family relationship with any director and/or major shareholder of the Company.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2024.

He has no conflict of interest or potential conflict of interest with the Company or its subsidiaries.

CHING LEE FONG

46 years of age Malaysian, Male
Independent Non-Executive Director
Member, Audit Committee
Chairman, Nomination Committee
Chairman, Remuneration Committee

Mr. Ching Lee Fong was appointed to the Board of the Company as a Independent Non-Executive Director on 31 March 2023. On the same day, he was also appointed as a member of the respective Board Committees. He was later redesignated as Chairman of the Nomination Committee and Remuneration Committee on 1 March 2024.

He graduated with a Bachelor of Engineering (Electrical & Electronics) from University Teknologi Malaysia. He is currently serving as a Senior Engineer at Intel Microelectronics Sdn Bhd and brings over 23 years of experience in the electrical and electronics engineering industry.

He has no other directorship in public companies and listed issuers. He has no family relationship with any director and/or major shareholder of the Company.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2024.

He has no conflict of interest or potential conflict of interest with the Company or its subsidiaries.

PROFILE OF THE BOARD OF DIRECTORS (cont'd)

LEE ZHI YAN

30 years of age

Malaysian, Female

Independent Non-Executive Director

Member, Audit Committee

Member, Nomination Committee

Member, Remuneration Committee

Ms. Lee Zhi Yan was appointed to the Board of the Company as Independent Non-Executive Director on 1 March 2024. On the same day, she was also appointed as a member of the respective Board Committees.

Ms. Lee Zhi Yan graduated with a Bachelor of Commerce from Monash University, Australia. She also holds several professional qualifications, including membership in the Malaysian Institute of Accountants (MIA), the Malaysian Institute of Certified Public Accountants (MICPA), and Chartered Accountants Australia and New Zealand (CAANZ).

She began her career as an Accounts Officer at 7-Eleven Australia and later managed vendor details and payments at Kalari HSE Australia. In 2018, she joined PricewaterhouseCoopers PLT as an Assurance Senior Associate, contributing to audits, risk assessments, and mentoring junior staff.

In 2021, she became Assistant Planning & Reporting Manager at Dutch Lady Milk Industries Berhad, focusing on financial planning and process improvements. Currently, as General & Sales Accounting Manager at Goodyear Malaysia Berhad, she oversees financial reporting, compliance, and accounting activities, while serving as a key business partner.

She has no other directorship in public companies and listed issuers. She has no family relationship with any director and/or major shareholder of the Company.

She has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2024.

She has no conflict of interest or potential conflict of interest with the Company or its subsidiaries.

KEY SENIOR MANAGEMENT PROFILE

DATO' YU KUAN HUAT, DPMP, PMP, AMP, PPT

Managing Director

66 years of age Malaysian, Male

(Please refer to his profile as listed in Profile of the Board of Directors)

DATO' DR. YU KUAN CHON, DIMP, PPT, MBBS

Executive Director

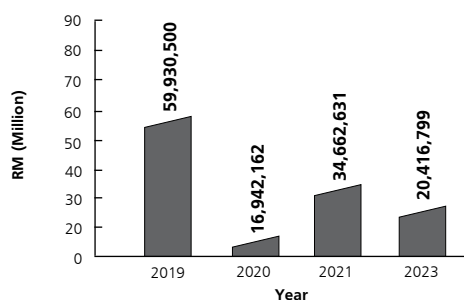
62 years of age Malaysian, Male

(Please refer to his profile as listed in Profile of the Board of Director)

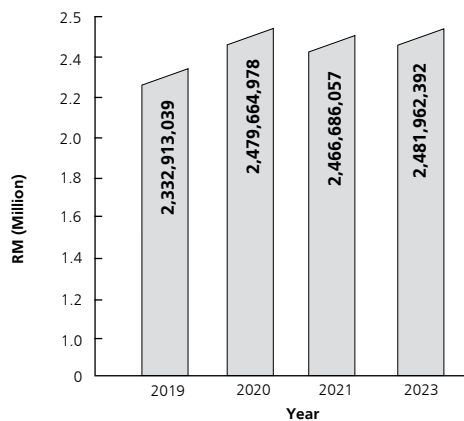
FINANCIAL HIGHLIGHTS

	2019	2020	2021	2023
Revenue (RM)	366,008,628	263,126,137	231,277,909	307,516,997
Profit before tax (RM)	59,930,500	16,942,162	34,662,631	20,416,799
Earnings (Loss) per share (Basic) - Sen	6.41	(2.61)	(0.53)	(6.10)
Total assets (RM)	2,332,913,039	2,479,664,978	2,466,686,057	2,481,962,392
Dividend pay out (RM)	NIL	13,212,194	NIL	NIL

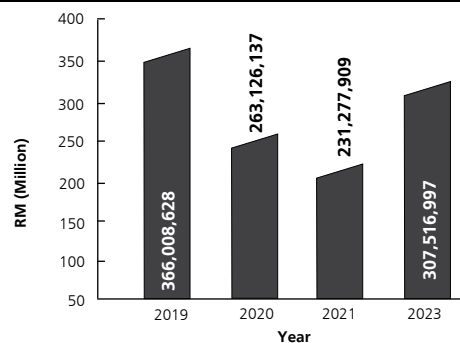
Profit before tax



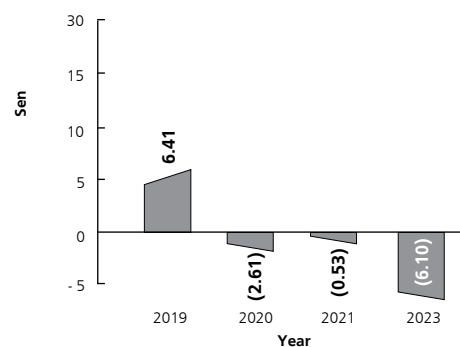
Total assets



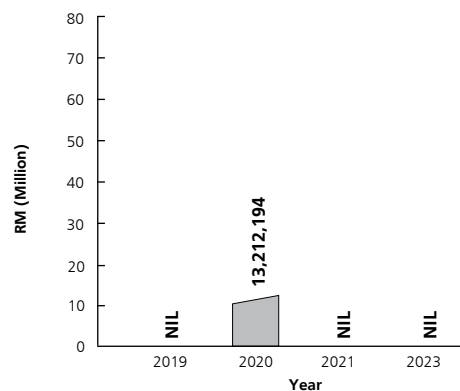
Revenue



Earnings per share (Basic)



Dividend pay out



CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors of YNH Property Bhd (“YNHP” or “the Company”), it is my honour to present to you the Annual Report and Audited Consolidated Financial Statements of the company and its subsidiaries (“YNHP Group” or “the Group”) for the financial year ended 30 June 2024 (“FYE2024”).

In FYE2024, YNHP continued to solidify its foundation in township development, especially in the Manjung District, Perak, which remained a key source of stable revenue. Our project, The Solasta Dutamas, also contributed significantly to the Group's earnings.

Solasta Dutamas

Located within the Mont Kiara neighborhood, Solasta Dutamas is making steady progress, with construction advancing smoothly as of 30 September 2024. The development, featuring 1,159 serviced apartment units, has generated strong interest from young professionals and urban dwellers seeking convenient city access. We are optimistic about its prospects and look forward to the project's contribution to our revenue in the coming years.

Genting Highlands Development

The Company has in the final quarter of 2008 acquired 95 acres of strategic development land bank in Genting Highlands. The Genting land is located strategically next to the Genting Highland Resort and was acquired for RM16.05 million. The land has already been converted to building title. The proximity to the existing Genting Highland Resort is an advantage as the proposed development will complement the existing infrastructure. Other plus point for this development is that it is located in a cool environment and yet only 45 minutes' drive from the Kuala Lumpur City Centre.

The proposed development for this 95-acre land includes commercial units, bungalows, condominium, retail units which will be targeted at both local and foreign investors. The estimated gross development value for this future development is RM1.96 billion and it is expected to contribute to the Group's earnings in the next 20 years.

The 1st phase of the proposed development is a 35-storey serviced apartment building consisting of 908 units. The proposed phase 1 will have an estimated GDV of about RM700 million.

Development Projects in Perak

Manjung Point Township continues to be a stable source of revenue for the Group. The Group targets to generate RM100 million revenue every year with both residential and commercial project launches in the coming years utilizing a portion of the undeveloped land bank in the Manjung Point Township.

The remaining 700 acres of undeveloped land bank in Seri Manjung is expected to contribute to the Group's revenue for another 50 years to come.

CHAIRMAN'S STATEMENT (cont'd)

Corporate Development

The Board is pleased to inform that the conditions precedent of the Sales and Purchase Agreement for 163 Retail Park have been fully met, making the agreement unconditional as of 23rd September 2024. This milestone not only affirms the value and appeal of our development but also demonstrates the market's recognition of its prime location and quality. The successful completion of this agreement reinforces our position as a developer of high-value properties and strengthens the company's financial outlook.

Appreciation

I sincerely thank our management team and employees for their unwavering dedication and resilience, which has been instrumental in navigating this challenging year. Our deepest gratitude goes to our shareholders, customers, bankers, and business partners for their continued support and trust.

Together, we remain committed to driving the Group forward, pursuing sustainable growth, and delivering long-term value for our stakeholders.

DATO'DR. YU KUAN CHON
Chairman, Executive Director

MANAGEMENT DISCUSSION & ANALYSIS

For the financial year ended 30 June 2024, YNH Property Bhd (“**YNHP**” or “**the Company**”) delivered solid results, with revenue predominantly driven by the sale of Solasta Dutamas, our flagship project located in Kuala Lumpur. Meanwhile, in the state of Perak, the Manjung Commercial Shoplots and Manjung Point Township have been the primary contributors to the Group’s performance, demonstrating the strength of our diversified portfolio.

Located in Dutamas, Kuala Lumpur, Solasta Dutamas has a GDV of approximately RM720 million, and is expected to contribute positively to the Group’s earnings for the next 2 years. As at 30th September 2024, the construction of Solasta Dutamas is progressing smoothly, with the first tower already topped out, while the remaining two towers are at the super-structure stage of construction. The project has been well-received by prospective buyers, with over 70% of the total units sold. The strategic location and premium offerings of this project provide a strong outlook for sustained revenue generation.

In Perak, our ongoing township development of approximately 700 acres in Seri Manjung is a long-term growth engine for YNHP. The Manjung Point Township residential units and Manjung Commercial Shoplots continue to deliver consistent revenue streams. With a forecasted development horizon of 20 to 30 years, this project positions the Group well for sustained future profitability.

The value of our Seri Manjung township has been further enhanced by the presence of key facilities such as AEON Seri Manjung and Pantai Hospital Seri Manjung. These facilities not only improve the quality of life for residents but also increase the attractiveness and long-term value of our developments in this area.

Looking ahead, the Group is preparing to launch several high-potential projects, including Residensi Bangsar South, located adjacent to KTM Angkasapuri, Residensi Bangsar South has an estimated GDV of RM470 million, and is expected to launch in 2025 subject to final authority approvals.

Another prestigious future project by YNHP is the development of Menara YNH. The commercial development spans around 3 acres along Jalan Sultan Ismail, positioned within the bustling Golden Triangle of Kuala Lumpur City Centre. The location of Menara YNH offers easy accessibility and close proximity to public transport facilities. This development has an internal targeted GDV of approximately RM4 billion.

The Menara YNH mixed development will comprise the mix of hotel, service apartments and shopping mall. Contribution from this project which includes rental income is expected to contribute positively to the Group’s future earnings.

Last but not least, 163 Retail Park SPA is unconditional as of 23rd September 2024. This provides certainty of the final payment of Balance Purchase Price due by 22nd December 2024. Approximately RM161 million of the sales proceeds will be strategically allocated to reduce the company’s borrowings, significantly improving our gearing ratio and generating substantial savings in interest expenses.

The Group remains focused on creating long-term value for our shareholders by pursuing strategic growth opportunities, optimizing our project portfolio, and maintaining prudent financial management. With a strong project pipeline, continued demand for quality properties, and supportive market conditions, we are confident that YNHP is well-positioned for sustainable growth in the coming years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of YNH Property Bhd (“**YNH**” or “**the Company**”) is committed to ensure the importance and high standards of Corporate Governance (“**CG**”) are practised throughout the Company and its subsidiaries (“**the Group**”) to safeguard shareholders’ investments and protect the interests of all stakeholders.

The Board is fully dedicated to continuously evaluate the Group’s CG practices and procedures with a view to ensure the principles and recommendation in CG as stipulated in the Malaysian Code on Corporate Governance 2021 (“**MCCG**”) are applied and adhered to. This statement is prepared in compliance with Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the financial year ended 30 June 2024 (“**FYE 2024**”) and it is to be read together with the CG Report 2024 (“**CG Report**”) which is available at the corporate website at <https://www.ynhb.com.my/>.

Principle A : Board leadership and effectiveness

Principle B : Effective audit and risk management

Principle C : Integrity in corporate reporting and meaningful relationship with stakeholders.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

PART 1- BOARD RESPONSIBILITIES

Board Duties and Responsibilities

The Board holds the primary responsibility for the governance and strategic oversight of the Group. Their duties encompass policy development, investment supervision, and ensuring the smooth functioning of business operations. The specific responsibilities of the Board include:

FUNCTION	RESPONSIBILITIES
Strategic Planning	Developing and overseeing the Group's strategic plan.
Business Oversight	Monitoring the conduct and management of the Group's operations
Risk Management	Identifying risks and implementing effective risk management systems.
Succession Planning	Ensuring a clear plan for senior management succession.
Internal Controls	Establishing and maintaining a robust internal control system.
Stakeholder Communication	Formulating and executing a communication policy for investors and shareholders.

The Board is required to convene at least four (4) times annually, with meetings scheduled quarterly. Additional meetings are arranged as needed. For the financial year ended 30 June 2024, nine (9) Board Meetings were held. Details regarding Directors' attendance at these meetings is included in this Annual Report.

Company Secretaries

The Board is supported by qualified and competent Company Secretaries, who are a member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). The Company Secretaries ensures compliance with the Company’s Constitution, procedures, policies, and regulations. The Board is regularly updated by the Company Secretaries on new statutory and regulatory requirements affecting the Directors’ duties and responsibilities. The Board acknowledges the Company Secretaries’ qualifications and capability in fulfilling the required duties and is satisfied with the services and support provided. The Company Secretaries and their representatives attended all Board and Board Committee’s meetings held during the FYE 2024.

Board Charter and Code of Conduct

The Board has adopted a comprehensive Board Charter, which defines its strategic direction and outlines the Board’s roles and responsibilities, including the Company’s vision, mission, guiding principles, and policy and strategy development for the Group. This Board Charter serves as an essential reference document, particularly for the induction of new Board members, offering them a thorough understanding of the Board’s operations.

The Board Charter is subject to periodic review and updates to ensure it remains aligned with current legislation and best practices, while maintaining its effectiveness in promoting sound governance policies and processes.

The Board Charter is accessible on the Company’s website at <https://www.ynhb.com.my/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

PART 1- BOARD RESPONSIBILITIES (cont'd)

Board Charter and Code of Conduct (cont'd)

To further strengthen sound governance, transparency, and accountability, the Board has established the following policies and procedures, all of which are available in full detail on the Company's website:

- Whistle Blowing Policy
- Annual Assessment and Remuneration Policy
- Code of Ethics and Conduct
- Corporate Disclosure Policy
- Sustainability Policy
- Anti-Bribery and Corruption Policy
- Fit and Proper Policy for Director

Access to Information and Advice

Directors are granted unrestricted access to the advice and services of the Company Secretaries, who ensures adherence to Board meeting procedures and compliance with applicable rules and regulations. Additionally, Directors have access to all information within the Group.

The Board or individual Directors may seek independent professional advice at the Group's expense to support the fulfillment of their duties.

Key Roles of Chairman, Managing Director and Independent Non-Executive Directors

There is a clear division of responsibilities between the Chairman and the Managing Director to ensure a balanced distribution of power and authority. The Managing Director oversees the operating units, organizational effectiveness, and the implementation of policies and decisions. The Chairman is responsible for ensuring the overall effectiveness and conduct of the Board.

The presence of three (3) Independent Non-Executive Directors plays a crucial role in corporate accountability. While all Directors share equal responsibility for the Group's operations, these Independent Non-Executive Directors provide unbiased and independent views, advice, and judgment. Mr. Khong Kam Hou serves as the Senior Independent Non-Executive Director, to whom any concerns regarding the Group may be directed.

PART 2 - BOARD COMPOSITION

Composition of the Board

The Board is committed to ensuring that its composition not only reflects the diversity recommended by the MCCG to the best of its ability but also encompasses the right mix of skills and balance necessary to contribute to the achievement of the Group's goals and business objectives.

The current Board comprises five (5) members as below:

- One (1) Chairman, Executive Director;
- One (1) Managing Director;
- One (1) Senior Independent Non-Executive Director; and
- Two (2) Independent Non-Executive Directors.

BOARD MEMBERS	DIRECTORSHIP
Dato' Dr. Yu Kuan Chon	Chairman, Executive Director
Dato' Yu Kuan Huat	Managing Director
Khong Kam Hou	Senior Independent Non-Executive Director
Ching Lee Fong	Independent Non-Executive Director
Lee Zhi Yan	Independent Non-Executive Director

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

PART 2 - BOARD COMPOSITION (cont'd)

Composition of the Board (cont'd)

The Company has complied with Paragraph 15.02 of the Listing Requirements of having at least two (2) or one third (1/3) of the Board comprising Independent Directors and one (1) Director is a woman. In the event of any vacancy in the Board of Directors resulting in non-compliance with the above, the Company will fill the vacancy within three (3) months.

The Board through NC conducts an annual review of its size and composition, gives due regard to skills, experience, gender and background. As part of the FYE 2024 Board evaluation, the NC also reviewed the independence of each Non-Executive Directors. The Board is satisfied that they are independent to act in the best interest of the Company.

Board and Board Committees Attendance

As of the date of this Statement, the attendance of the Directors at the Board of Directors' and Board Committees' meetings are as follow:

NAME OF DIRECTORS	BOARD	AC	RC	NC
Dato' Dr. Yu Kuan Chon <i>Chairman, Executive Director</i>	8/9	-	-	-
Dato' Yu Kuan Huat <i>Managing Director</i>	9/9	-	1/1	-
Khong Kam Hou <i>Senior Independent Non-Executive Director</i>	9/9	10/10	1/1	1/1
Ching Lee Fong <i>Independent Non-Executive Director</i>	9/9	10/10	1/1	1/1
Lee Zhi Yan ¹ <i>Independent Non-Executive Director</i>	2/2	2/2	-	-
Oon Seow Ling ² <i>Independent Non-Executive Director</i>	6/6	6/6	-	-

Note

¹ Appointed as Independent Non-Executive Director on 1 March 2024.

² Retired as Director at the conclusion of the 21st AGM of the Company held on 8 December 2023.

Each Director is expected to attend at least 50% of the total Board Meetings in any given financial year, as stipulated in the MMLR. Appropriate leave of absence should be notified to the Chairman and/or Company Secretary, where applicable.

During the FYE 2024, the Directors have demonstrated their ability to dedicate sufficient time and commitment to their roles and responsibilities. This is evidenced by their attendance records at the Board meetings held throughout the year. The Board is satisfied with the level of time and commitment shown by the Directors in fulfilling their duties and responsibilities.

Additionally, all pertinent matters discussed at Board meetings, including decisions and conclusions, are properly recorded by the Company Secretary in the minutes of the meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

PART 2 - BOARD COMPOSITION (cont'd)

Board Appointments and Director Re-election

The Nominating Committee (“**NC**”) is responsible for proposing new candidates for Board positions and conducting ongoing evaluations of current Directors. However, the final decision on appointments lies with the full Board, based on the NC’s recommendations. In accordance with the Constitution and in compliance with the MMLR, all the Directors are required to retire from office at least once in every three (3) years and shall be eligible for re-election. The Constitution also requires that at least one-third (1/3) of the Board shall retire at each Annual General Meeting (“**AGM**”) and may offer themselves for re-election. In addition, the Constitution and MMLR also require the newly appointed Directors to hold office until the next AGM only and shall be eligible for re-election.

Directors’ Training

The Board recognizes the critical importance of continuous education and training for its members to effectively fulfill their responsibilities and stay informed of evolving regulatory requirements and their impact on the Group.

In compliance with Paragraph 15.08(3) of Bursa Securities’s MMLR, the Board is committed to ensuring that all members of the Board are equipped with the necessary knowledge and skills to effectively discharge their responsibilities. The Board places significant emphasis on continuous professional development, recognizing that the dynamic business and regulatory environment requires Directors to remain well-informed of changes and industry best practices.

For the financial year under review, the Board has undertaken the following initiatives:

Name of Director	Seminars/Conferences/Training Programmes Attended	Date
Dato’ Yu Kuan Huat	In House Training on Transactions with Third Party and Related Party and on Conflict of Interest & What can go wrong	18 October 2023 & 31 January 2024
Dato’ Dr Yu Kuan Chon	In House Training on Transactions with Third Party and Related Party and on Conflict of Interest & What can go wrong	18 October 2023 & 31 January 2024
Ching Lee Fong	Mandatory Accreditation Programme (MAP II)	6 & 7 November 2023
Lee Zhi Yan	Mandatory Accreditation Programme (MAP I)	10 & 11 June 2024

1. Audit Committee (“**AC**”)

The AC consists of three (3) Independent Non-Executive Directors, and its conduct is governed by the Terms of Reference, which outlines its responsibilities. The Committee is tasked with reviewing the Group’s financial statements and addressing any audit findings raised by both internal and external auditors.

The AC is granted full access to the internal and external auditors, ensuring open communication and transparency. Additionally, the auditors have direct access to the Chairman of the Audit Committee at all times.

The detailed Audit Committee Report is included in this Annual Report.

2. Nomination Committee (“**NC**”)

As recommended by the MCGG, the Company has established the NC comprising exclusively of Non-Executive Directors, with the responsibilities of assessing the balance composition of Board members, nominate the proposed Board member by looking into their skills and expertise for contribution to the Company on an ongoing basis.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

PART 2 - BOARD COMPOSITION (cont'd)

Directors' Training (cont'd)

2. NC (cont'd)

The NC currently consists of not less than three (3) members and comprises wholly of Independent Non-Executive Directors. The members of the NC are as follows:

NC Members	Designation	Directorship
Ching Lee Fong ¹	Chairman	Independent Non-Executive Director
Khong Kam Hou	Member	Senior Independent Non-Executive Director
Lee Zhi Yan ²	Member	Independent Non-Executive Director
Oon Seow Ling ³	Chairman	Independent Non-Executive Director

Note

¹ Redesignated as NC's Chairman on 1 March 2024.

² Appointed as NC's member on 1 March 2024.

³ Ceased to be the NC's Chairman in view of her retirement as Director at the conclusion of the 21st Annual General Meeting of the Company held on 8 December 2023.

The summary of activities undertaken by the NC during the FYE 2024 are as follows:

- Reviewed the effectiveness of the Board as a whole, the Board Committees and the individual Directors and made appropriate recommendations to the Board;
- Reviewed and recommended the retirement and re-election of directors at the forthcoming AGM in accordance with the Company's Constitution;
- Conducted annual assessment of the Independent Directors and made its recommendation to the Board;
- Conducted annual assessment of the Board performance as a whole and made its recommendation to the Board; and
- Considered, evaluated and recommended the appointment of Ms Lee Zhi Yan as the Independent Non-Executive Director as well as the member of the Board Committees for Board's approval.

The NC conducted the annual assessment of the Company for the FYE 2024. The Board expressed satisfaction with the size, composition, and the diverse qualifications, skills, and experience of the Board and its Committees, as well as the independence of the Independent Non-Executive Directors. The NC found that the individual Directors consistently performed their duties and responsibilities effectively. Furthermore, there was mutual respect among the Directors, fostering a healthy environment for constructive deliberation and robust decision-making.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

PART 2 - BOARD COMPOSITION (cont'd)

Directors' Training (cont'd)

3. Remuneration Committee ("RC")

The RC currently consists of not less than three (3) members and the majority are Independent Non-Executive Directors. The members of the RC are as follows:

RC Members	Designation	Directorship
Ching Lee Fong ¹	Chairman	Independent Non-Executive Director
Dato' Yu Kuan Huat	Member	Managing Director
Khong Kam Hou	Member	Senior Independent Non-Executive Director
Lee Zhi Yan ²	Member	Independent Non-Executive Director
Oon Seow Ling ³	Chairman	Independent Non-Executive Director

Note

1 Redesignated as RC's Chairman on 1 March 2024.

2 Appointed as RC's member on 1 March 2024.

3 Ceased to be the RC's Chairman in view of her retirement as Director at the conclusion of the 21st Annual General Meeting of the Company held on 8 December 2023.

The RC convenes at least once annually or as needed. The key responsibility of the RC is to review and assess the remuneration packages for Executive Directors, as well as Directors' fees and other benefits for Independent Non-Executive Directors. In determining these remuneration packages, the RC considers each Executive Director's contributions, responsibilities, and performance. However, the final authority for approving Directors' remuneration rests with the Board as a whole, with Executive Directors abstaining from decisions regarding their own remuneration.

During the financial year under review, the RC undertook the following key activities:

- a) Reviewed and recommended the payment of Directors' fees; and
- b) Reviewed and recommended the payment of Directors' benefits

Directors' Remuneration

The Company's policy on Directors' remuneration is designed to establish appropriate remuneration packages for the Group's Directors. The RC is tasked with determining and recommending the remuneration of all Directors to the Board.

Directors' fees for Non-Executive Directors are reviewed and endorsed by the Board before being presented to shareholders for approval at the AGM, prior to payment. Additionally, Non-Executive Directors receive an attendance allowance for each meeting they attend.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

PART 2 - BOARD COMPOSITION (cont'd)

Directors' Remuneration (cont'd)

The details of the remuneration for Directors of the Company and the Group received or receivable for the financial year ended 30 June 2024 are as follows:

The Company	Salary & Bonus (RM'000)	Fees (RM'000)	Allowance (RM'000)	Benefits-in-kind (RM'000)	Total (RM'000)
Executive Directors					
Dato' Dr. Yu Kuan Chon	-	-	-	-	-
Dato' Yu Kuan Huat	-	-	-	-	-
Non-Executive Directors					
Khong Kam Hou	-	-	42	-	42
Ching Lee Fong	-	-	42	-	42
Lee Zhi Yan ^(a)	-	-	15	-	15
Oon Seow Ling ^(b)	-	10	21	-	31
TOTAL	-	10	120	-	130

The Group	Salary & Bonus (RM'000)	Fees (RM'000)	Allowance (RM'000)	Benefits-in-kind (RM'000)	Total (RM'000)
Executive Directors					
Dato' Dr. Yu Kuan Chon	4,243	-	-	5	4,248
Dato' Yu Kuan Huat	4,243	-	-	-	4,243
Non-Executive Directors					
Khong Kam Hou	-	-	42	-	42
Ching Lee Fong	-	-	42	-	42
Lee Zhi Yan ^(a)	-	-	15	-	15
Oon Seow Ling ^(b)	-	10	21	-	31
Alternate Director					
Datin Chan Sow Keng	1,459	-	-	-	1,459
TOTAL	9,945	10	120	5	10,080

Note

^(a) Appointed as Independent Non-Executive Director on 1 March 2024.

^(b) Retired as Director at the conclusion of the 21st AGM of the Company held on 8 December 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

Sound Risk Management and Internal Control

The Board acknowledges the critical role of sound risk management and internal control practices in upholding good corporate governance. Accordingly, the Board takes full responsibility for the Group's internal control and risk management systems, including the review of their adequacy and effectiveness.

An overview of the Group's risk management and internal control systems is provided in the Statement on Risk Management and Internal Control, included in this Annual Report.

1. Financial Reporting

The Company's financial statements are prepared in accordance with applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016. The Board is responsible for ensuring that the financial statements provide a balanced and comprehensible assessment of the Company's financial position. The AC supports the Board by reviewing information for disclosure to ensure its accuracy and completeness.

To promote greater accountability and transparency, the Board has implemented a policy that guarantees the accurate and timely dissemination of financial and corporate announcements. These announcements are made to Bursa Securities promptly following the Board's approval.

2. Directors' Responsibility Statement in respect of the Preparation of the Audited Financial Statements

The Board is responsible for ensuring that the Group's financial statements provide a true and fair view of the financial position of both the Group and the Company as of the end of the financial year, as well as their profit or loss and cash flows for the year then concluded. In the preparation of these financial statements, the Directors have applied the relevant approved accounting standards in Malaysia and complied with the provisions of the Companies Act 2016.

In preparing the financial statements, the Directors have consistently selected and applied appropriate accounting policies while making reasonable and prudent judgments and estimates.

Furthermore, the Directors bear the general responsibility of taking all reasonable steps to safeguard the Group's assets and to prevent and detect fraud and other irregularities.

3. Relationship with the Auditors

The Company has consistently upheld a formal and transparent relationship with the External Auditors, seeking their professional advice and ensuring compliance with approved accounting standards. The External Auditors are scheduled to meet with the Board at least twice a year to present the audit plan and the results of the audit in conjunction with the annual financial statements.

Additionally, the AC will hold private sessions with the External Auditors at least twice a year, without the presence of any executive Directors from the Group. The annual appointment or re-appointment of the External Auditors is subject to shareholders' resolution at the AGM, based on the Board's recommendation. Likewise, the appointment or re-appointment of the Internal Auditors is conducted by the Board following the AC's recommendation.

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND STAKEHOLDER ENGAGEMENT

Communication with Stakeholders

The Company is fully committed to maintaining continuous communication with its stakeholders to ensure the transparent dissemination of relevant and material information. The Board recognizes that a constructive and effective relationship with investors is essential for enhancing stakeholder value and aims to keep stakeholders informed of all major corporate developments, financial performance, governance policies, and the Environment, Social, and Governance (ESG) Framework.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND STAKEHOLDER ENGAGEMENT (cont'd)

Communication with Stakeholders (cont'd)

To facilitate this commitment, the Company has established clear and transparent communication methods, including:

Bursa Securities: The Company releases all material announcements, including updates on significant information, corporate exercises, and developments, through Bursa LINK. Stakeholders and the general public can access these announcements on the Bursa Securities website.

Direct Communication Channels: The Company provides a general telephone number and inquiry email address for stakeholders to submit inquiries directly. Additionally, stakeholders can send instant messages by completing the "Contact Us" section of the corporate website at <https://www.ynhb.com.my/contact>.

The Board ensures that communication with stakeholders is conducted regularly, with interim and full financial results announced within the mandatory period. A formal Corporate Disclosure Policy have been established to guarantee the comprehensive, accurate, and timely disclosure of information relating to the Group. This policy not only complies with the disclosure requirements set forth in the MMLR but also outlines the individuals authorized and responsible for approving and disclosing material information to shareholders and stakeholders, in accordance with the MMLR of Bursa Securities.

Annual General Meeting

The Company views the AGM as a vital platform for engaging with its shareholders and addressing their concerns. The Chairman presided the 21st AGM held on 8 December 2023, ensuring that the meeting was conducted in an orderly manner. Voting at the 21st AGM was carried out through by poll.

During the 21st AGM, the Chairman made certain that all resolutions outlined in the notice of the meeting were properly moved and voted by poll. The Company appointed a poll administrator to facilitate the voting process and engaged an independent scrutineer to verify the poll results.

The 22nd AGM of the Company is scheduled on 19 December 2024. Notice for this upcoming AGM, which will include the resolutions along with the Company's Annual Report, will be sent to shareholders at least twenty-eight (28) days in advance, in accordance with the MCGG practice. This ensures that shareholders have ample time to review the resolutions prior to the meeting.

In compliance with Paragraph 8.29A of the MMLR, the Company mandates that any resolution included in the notice of a general meeting be voted by poll. The outcomes of all resolutions proposed at the 22nd AGM will be announced to Bursa Securities at the end of the meeting, and the minutes will be published on the Company's website as soon as practicable, or within thirty (30) business days following the conclusion of the AGM.

Sustainability Strategies

The Group is dedicated to establishing a sustainable business model that takes into account the environment, community, workplace, and marketplace, while also balancing business opportunities and risks. This commitment aims to deliver enduring value for both shareholders and stakeholders. A comprehensive overview of the Group's daily business activities related to sustainability is provided in the Sustainability Statement included in this Annual Report.

Compliance with the Code

The Group has adhered to the relevant principles and recommendations of good governance outlined in the Code, with the exception of the departures noted in the Corporate Governance Report.

The Corporate Governance Overview Statement was approved by the Board of Directors on 28 October 2024.

This statement has been prepared in accordance with the MMLR of Bursa Securities and should be read in conjunction with the Corporate Governance Report, which is available on the Company's website at <https://www.ynhb.com.my/>.

SUSTAINABILITY STATEMENT

At YNH Property Bhd, sustainability is the key to promote value creation to our various stakeholders. From towering skyscrapers to humble abodes, each project leaves an imprint on our environment and communities. As a responsible corporate, YNH Property Bhd (“YNHP” or “the Company”) and its subsidiaries (“YNHP Group” or “the Group”) are committed to embed sustainability consideration across all our segments, whenever possible.

The Board of Directors (“Board”) is pleased to present this Sustainability Statement (“Statement”) for the Financial Year Ended 30 June 2024 (“FYE 2024”). This Statement shall demonstrate an overview of our sustainability strategies and performance with a focus on addressing material sustainability risks and opportunities within the context of Economic, Environment, Social and Governance (“EESG”).

SCOPE AND REPORTING PERIOD

This Statement outlines the Group’s sustainability initiatives and accomplishments within the EESG contexts, covering the period from 1 July 2023 to 30 June 2024, unless specified otherwise. The information disclosed in this Statement covers the Group’s business operations across various sectors, including:

1. Investment Holding and Management Services
2. Property Development and Construction
3. Hotel and Hospitality

REPORTING GUIDELINES

This Statement is prepared based on all available internal information in accordance with Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Main Market Listing Requirements (“MMLR”) relating to the sustainability statement and its Sustainability Reporting Guide (3rd Edition). Additionally, we have made reference to the United Nations Sustainable Development Goals (“UNSDGs”) for the mapping of our material sustainability matters and development of the Group’s sustainability strategies.

STATEMENT OF ASSURANCE

In strengthening the credibility of this Statement, selected aspect of this Statement has been subjected to an internal review by the Company’s internal auditor and has been approved by the Company’s Audit Committee. The subject matters covered by the internal review are the Bursa Common Sustainability Matters and Indicators. The boundary of the internal review includes the adherence of Bursa’s disclosure requirements, reliability, comparability, and clarity of the reported information.

FEEDBACK

Feedback from stakeholders is invaluable for our on-going improvements on sustainability performance and reporting standards. Any relevant comments or feedback can be directed to our website at <https://www.ynhb.com.my/>

SUSTAINABILITY STATEMENT (cont'd)

SUSTAINABILITY COMMITMENT

Recognising the correlation between economic success, environmental preservation as well as workplace and social welfare, we diligently integrate our sustainability commitment into every facet of our operations. Our aim is to strike the right balance from the EESG contexts in order to maintain a sustainable long-term value creation for our Group and various stakeholders. To this end, our sustainability commitment is formulated based on the following four (4) key pillars:

1. ECONOMIC

We are committed to employing a sustainable strategy in our business operations in order to create sustainable return for all stakeholders. This involves effectively managing risks and opportunities in the ever-changing economic environment, while fostering innovation and operational efficiency to bolster our financial performance.

2. ENVIRONMENT

Our dedication to minimise ecological footprint is reflected by our adoption of environmental management best practices. At YNHP, we strive to ensure full compliance with all applicable environmental laws and regulations at all times.

3. SOCIAL

Our commitment to social well-being covers both the workplace and communities where we operate. We prioritise the health, safety and well-being of our employees while actively engaging in initiatives that support the overall welfare and prosperity of our local community.

4. GOVERNANCE

As a responsible corporate citizen, we uphold the highest standards of corporate governance and ethical business behaviour. Our commitment to governance excellence serves as the cornerstone of our sustainability agenda, guiding our actions and decisions to ensure transparency, accountability and integrity across the Group.

SUSTAINABILITY GOVERNANCE STRUCTURE

At YNHP, sustainability management is one of the Board's key agenda. Embracing a "tone from the top" approach, the Board is ultimately responsible to oversee and ensure the overall effectiveness of the Group's sustainability strategies and management. Instead of treating sustainability as a separate function, we embrace an integrated approach where our sustainability strategy is embedded within the Group's overall risk management and decision-making process. This ensures that our sustainability considerations are always aligned with the Group's strategic objectives and values. In this regard, the Board is supported directly by an internal Risk Management Committee, which comprised of Managing Director and Head of Department, and the functions of the Committee are as outlined below:

- Oversee the formulation, management and implementation of risk management and sustainability strategies.
- Develop and ensure execution of risk management and sustainability strategies.
- Enforce risk management and sustainability strategies in daily business operations.
- Identify any new material matters relevant to the Group.
- Assess any new material matters relevant to the Group.
- Report to the Board on any significant sustainability matters.

SUSTAINABILITY STATEMENT (cont'd)

STAKEHOLDERS' ENGAGEMENT

The Group recognises that the success of our sustainability initiatives depends on meaningful engagement with our various stakeholders. We understand that our stakeholders play a vital role in shaping our business environment and hence, their input is essential in forming our sustainability strategy and decision-making process. During FYE2024, we have engaged with our stakeholders through various channels and approaches, summarised as follows:

STAKEHOLDERS	AREA OF INTEREST	ENGAGEMENT APPROACHES
Shareholders/Investors	<ul style="list-style-type: none"> Investment risks and returns Sustainable business growth Financial and operational performance Share price performance Corporate governance 	<ul style="list-style-type: none"> Quarterly financial results Annual report General meetings Company website Bursa announcements
Employees	<ul style="list-style-type: none"> Career advancement Competitive remuneration and benefits package Occupational health and safety Training and development 	<ul style="list-style-type: none"> Internal communications Performance appraisal Training and development programme
Customers	<ul style="list-style-type: none"> Quality products and services Competitive pricing and on-time delivery Customer satisfaction Product development and innovation 	<ul style="list-style-type: none"> Customer satisfaction survey Site visit Company website
Suppliers	<ul style="list-style-type: none"> Sustainable business relationships Fair and transparent procurement procedures Credit terms and timely payments 	<ul style="list-style-type: none"> Supplier evaluation Physical and virtual communications
Government/Regulators	<ul style="list-style-type: none"> Legal compliance Corporate governance Occupational health and safety 	<ul style="list-style-type: none"> Compliance audit Bursa announcements Renewal of license and permits
Analyst/Media	<ul style="list-style-type: none"> Financial and operational performance Business growth and expansion plans Corporate governance Share price performance 	<ul style="list-style-type: none"> Quarterly financial results Annual report General meetings Interview sessions Company website Bursa announcements
Community	<ul style="list-style-type: none"> Environmental impact from business operations Local job creation and economic support Community care and support 	<ul style="list-style-type: none"> Company website Internship programme Community outreach activities

SUSTAINABILITY STATEMENT (cont'd)

MATERIALITY ASSESSMENT

Materiality Assessment Process

Our commitment to sustainability is deeply ingrained in our strategic decision-making process. Central to our sustainability approach is the materiality assessment, which enables us to identify, assess and prioritise the most relevant and important sustainability risks and opportunities for our business and stakeholders. With insights gained from our stakeholders, we have undertaken a three-step approach to conduct our materiality assessment, as follows:

1. Identify relevant sustainability matters across the Group's operations
2. Assess the material matters from the Group and stakeholders' perspectives
3. Rank each material matter in accordance with the analysis of impacts to the Group and various stakeholders

SUSTAINABILITY STRATEGIES

Following our materiality assessment, we have formulated our sustainability strategies to address the identified material matters within the Group.

ECONOMIC

MATERIAL MATTERS	STAKEHOLDERS	SUSTAINABILITY STRATEGIES
<ul style="list-style-type: none"> • Sustainable Business Growth • Product Quality Assurance • Customer Satisfaction • Supply Chain Management • Data Privacy and Security 	<ul style="list-style-type: none"> • Shareholders/ Investors • Employees • Customers • Suppliers • Analyst/Media 	<ul style="list-style-type: none"> • To grow business sustainably via portfolio expansion, business acquisition, new product developments and quality control • To understand and meet customers' requirements and expectations • To support local suppliers, whenever viable • To safeguard all data privacy at all times

ENVIRONMENT

MATERIAL MATTERS	STAKEHOLDERS	SUSTAINABILITY STRATEGIES
<ul style="list-style-type: none"> • Sustainable Building Materials • Pollution and Waste Management • Energy and Water Conservation 	<ul style="list-style-type: none"> • Government/Regulators • Employees • Community • Customers • Suppliers 	<ul style="list-style-type: none"> • To continue introduce green building materials from the market and incorporate to projects • To implement proper environmental monitoring process and undertake green actions to preserve the environment

SUSTAINABILITY STATEMENT (cont'd)

SUSTAINABILITY STRATEGIES (cont'd)

SOCIAL

MATERIAL MATTERS	STAKEHOLDERS	SUSTAINABILITY STRATEGIES
<ul style="list-style-type: none"> Employee Diversity and Inclusion Occupational Safety and Health Employee Welfare Employee Engagement Employee Training and Development Community Engagement 	<ul style="list-style-type: none"> Government/Regulators Employees Community 	<ul style="list-style-type: none"> To create inclusive and conducive workplace To provide on-going training programmes for continuous learning and development To protect employee's health, safety and rights at all times To support and take care of local communities well-being

GOVERNANCE

MATERIAL MATTERS	STAKEHOLDERS	SUSTAINABILITY STRATEGIES
<ul style="list-style-type: none"> Ethical Business Practices Regulatory Compliance 	<ul style="list-style-type: none"> Government/Regulators Shareholders/ Investors Employees Community Customers Suppliers 	<ul style="list-style-type: none"> To comply with all applicable rules, laws, regulations and guidelines at all times

The operational activities of YNHP primarily stem from Property Development and Construction Division.

In the FYE2024, the Group reported a total revenue of RM135.7 million representing a decrease of 55.86% as compared to RM307.5 million revenue generated in the financial period ended 30 June 2023 ("FPE2023"). The decrease is primarily attributable to slower than expected site progress and the fact that the period for FPE2023 cover a period of 18 months as compared to the normal 12 months for FYE2024. The recorded loss arises due to the high finance cost incurred by the group. For a more in-depth analysis of the performance in FYE2024, please refer to the Management Discussion and Analysis section in this Annual Report.

	FYE 31/12/2021 (12 months) RM'000	FYE 30/6/2023 (18 months) RM'000	FYE 30/6/2024 (12 months) RM'000
Revenue	231,278	307,517	135,731
Gross Profit	114,952	150,574	28,689
Profit/(Loss) After Tax	21,251	3,682	(38,400)

Our Property Development Division primarily focuses on residential lot development and mixed development projects, while our Construction Division support our Property Development providing in house services in general building and structural construction ensuring quality control to provide satisfaction to our customers.

The Group continues to focus on the development which was launched in the previous year known as Solasta Dutamas, a high-end residential development project, located at Mont Kiara, Kuala Lumpur. The project consists of 1,159 units of tastefully built condominium, with distinctive and opulent design and styling. Solasta Dutamas project has received encouraging response from potential purchasers. Solasta Dutamas project has a gross development value of RM720 million and is expected to contribute positively to the Group for the next three financial years.

SUSTAINABILITY STATEMENT (cont'd)

SUSTAINABILITY STRATEGIES (cont'd)

GOVERNANCE (cont'd)

PRODUCT QUALITY ASSURANCE

At YNHP, our highest priority is delivering products and services that consistently meet and exceed customer expectations and requirements. In this respect, we have implemented stringent controls in our daily operations to ensure and uphold the high quality of our products and services. As at 30 June 2024, the full list of certifications and accreditations pertaining to our quality assurance that we have obtained and maintained are as follows:

- ISO 9001:2015
- ISO 14001:2015

CUSTOMER SATISFACTION

At YNHP, it is our commitment to achieve a high level of customer satisfaction through our excellent product quality and services to our customers. Central to this endeavour we have a customer complaint department dedicated to addressing any issue brought up arising from product. Based on such feedback from the complaint department are able to gauge our customers' satisfaction level, but primarily focusing on product quality, customer services, on-time delivery and query/complaint management.

In relation to addressing customers' feedbacks and/or queries, we always strive to understand our customers' needs and requirements in order to identify the root cause of our weaknesses and to implement the appropriate solutions thereafter. Site visits and/or meetings with our customers will also be conducted to address any arising issues directly, when necessary. In FYE2024, we received a total of 43 complaints, mainly related to product quality issues. In response, we have taken necessary steps to enhance the processes for checking and monitoring our product quality and quantity delivered. Moving forward, we strive to continue to improve in all aspects of our operations to ensure that we achieve and maintain high levels of customer satisfaction in the future.

SUPPLY CHAIN MANAGEMENT

Effective and sustainable supply chain management is critical to ensure smooth and uninterrupted business operations. As we navigate through dynamic market conditions and evolving customer demands, we are committed to acquire high quality materials and services at fair and competitive prices. Thanks to our effective supply chain management, we are pleased to report that we have been able to maintain a stable supply chain without any material supply disruption to our operations during FYE2024.

To uphold the effectiveness of our supply chain management, we conduct assessments of potential suppliers before placing orders or awarding contracts, with subsequent regular evaluations conducted at least once a year. This shall ensure that our suppliers understand and are able to fulfill our standards and requirements. While our supplier evaluation criteria vary from different business divisions, it generally encompasses the following key criteria:

- Product and service quality
- Manufacturing capacity
- Delivery performance
- Pricing Market reputation
- Environmental, Health, and Safety ("EHS") compliance

Suppliers which fail to meet our requirements will be ruled out in order to maintain a high quality and effective supply chain across the Group. Based on the supplier evaluation conducted in FYE 2023, we are pleased that our suppliers continue to meet our expectations and none of them have been ruled out during the financial year.

Furthermore, we are dedicated to source materials from local suppliers in an effort to support our local economy. In FYE2024, 100% of our Group's material procurements were sourced locally.

SUSTAINABILITY STATEMENT (cont'd)

SUSTAINABILITY STRATEGIES (cont'd)

GOVERNANCE (cont'd)

PRODUCT QUALITY ASSURANCE (cont'd)

DATA PRIVACY AND SECURITY

In today's interconnected world, YNHP Group recognises the significant importance of data privacy in maintaining our trust and integrity among our stakeholders. We are committed to safeguarding our stakeholders' personal data from any unauthorised access, misuse and breaches.

To this end, YNHP adopts a role-based access control to limit our employees' access to customer data stored in secured databases or systems. This ensures that sensitive information remains safeguarded and is accessible only to those with access authorisation. Moreover, our database and systems are protected with robust security protocol which are updated and reviewed regularly.

YNHP also adheres strictly to the provisions outlined in the Personal Data Protection Act 2010. We have included the relevant clauses pertaining to the collection, use and disclosure of personal data for the purpose of preparation of Sales and Purchase Agreement.

During FYE2024, we are pleased to highlight that we have not received any complaints about breaches of customer privacy or losses of customer data. Staying ahead, we are committed to continuously strengthening our data protection measures and remain vigilant against emerging threats in the ever-evolving digital landscape.

ENVIRONMENT

SUSTAINABLE GREEN BUILDING MATERIALS

Recognising the profound environmental impact associated with our construction business, the Group is committed to pioneer sustainable solutions to redefine the construction industry's landscape. We integrated our eco-conscious principles into the design and features of our products, enabling the production of an environmentally friendly building materials that not only meets the highest standards of quality and performance but also minimises our ecological footprint.

POLLUTION AND WASTE MANAGEMENT

Here at YNHP, we focus on our Group's site management to ensure full compliance with the guidelines prescribed by the Department of Environment ("DOE") at all times.

In this regard, all scheduled wastes are properly stored in designated containers/storage areas with appropriate labelling and located at specified areas to prevent potential environmental contamination arising from spillage or leakage.

As per our Waste Management Policy, all scheduled wastes must be disposed through a licensed scheduled waste contractors registered with DOE Malaysia within 180 days or 20 metric tons from generation, whichever earlier. Prior to disposal, all scheduled wastes must be declared in the Electronic Scheduled Waste Information System to DOE Malaysia.

Additionally, our employees have participated in scheduled waste management training sessions to enhance their knowledge and skills in environmental compliance.

In short, our Group has generated a total of 489 metric tons of waste disposed to landfill through licensed waste contractors.

SUSTAINABILITY STATEMENT (cont'd)

ENVIRONMENT (cont'd)

ENERGY AND WATER CONSERVATION

Energy and water are essential resources that power our daily lives and drive economic growth.

In YNHP, our energy are primarily derived from electrical and petroleum sources, spanning across various business divisions, including building materials, vehicles, and property development and construction.

In FYE2024, we are also proud to highlight the green initiatives implemented across our Group to conserve energy include:

- To participate programme with energy consultant to optimize energy usage;
- To perform preventive maintenance for all vehicle and equipment;
- To reduce energy consumption by converting conventional high bay light to LED light and solar energy;
- To switch off electricity in office and operation sites whenever not in use;
- To monitor for any abnormal energy consumption on monthly basis;
- To monitor and ensure air compressor is operating at optimum level without leakage; and
- To switch off water tap in office and operation sites whenever not in use.

In YNHP, our energy are primarily derived from electrical and petroleum sources, spanning across various business divisions, including building materials and property development and construction. Throughout FYE2024, the Group consumed a total of 21,575,664 KWH of energy and consume a total 188 megalitres of water.

SOCIAL

EMPLOYEE DIVERSITY AND INCLUSION

At YNHP, we recognise the inherent values that emerge from fostering a team with diverse cultural backgrounds, experiences, gender, age groups and religious beliefs. We embrace the unique perspectives, experiences and backgrounds that each individual brings to our team and we understand that a diverse workforce is essential for stimulating creativity, driving innovation and enhancing problem-solving capabilities in today's business landscape.

As at 30 June 2024, our workforce consisted of 545 employees from diverse backgrounds of which 6 are contract employee due to age exceeding 60 years old, analysed as below:

Number of Employees

COMPANY						
	Executive Directors		Non-Executive Directors		Total	
Nationality	No.	%	No.	%	No.	%
Local	2	100	3	100	5	100
Foreigners	-	-	-	-	-	-
Total	2	100	3	100	5	100

GROUP						
	Executive		Non-Executive		Total	
Nationality	No.	%	No.	%	No.	%
Local	70	100	160	34	230	42
Foreigners	-	-	315	66	315	58
Total	70	100	475	100	545	100

SUSTAINABILITY STATEMENT (cont'd)

SOCIAL (cont'd)

EMPLOYEE DIVERSITY AND INCLUSION (cont'd)

2. Diversity – Diversity Composition Disclosures as at 30.06.2024

Gender	Directors	
	No.	%
Male	4	80%
Female	1	20%
Grand Total	5	100%

Gender	Total No.		Top Management (in figures)					
			Senior Management		Management		Executive	
	No.	%	No.	%	No.	%	No.	%
Male	36	51%	5	56%	7	70%	24	47%
Female	34	49%	4	44%	3	30%	27	53%
Grand Total	70	100%	9	100%	10	100%	51	100%

Age Group	Senior Management		Management		Executive		TOTAL	
	No.	%	No.	%	No.	%	No.	%
< 30 years	1	11%	0	0%	10	20%	11	16%
30 – 50 years	3	33%	5	50%	33	65%	41	59%
50 above	5	56%	5	50%	8	15%	18	25%
Grand Total	9	100%	10	100%	51	100%	70	100%

Ethnicity	Gender	Executive		Non-Executive		TOTAL	
		No.	%	No.	%	No.	%
Bumiputera	Male	6	9%	50	30%	56	24%
	Female	5	7%	37	23%	42	18%
Chinese	Male	29	41%	21	13%	50	22%
	Female	28	40%	25	16%	53	23%
Indian	Male	0	0%	12	8%	12	5%
	Female	1	1%	14	9%	15	7%
Others	Male	1	1%	1	1%	2	1%
	Female	0	0%	0	0%	0	0%
Grand Total	Male	36	51%	84	52%	120	52%
	Female	34	49%	76	48%	110	48%

Age Group	Directors		Executive		Non-Executive		TOTAL	
	No.	%	No.	%	No.	%	No.	%
< 20 years	-	-	0	0%	3	2%	3	1%
20 – 29 years	-	-	11	16%	41	26%	52	23%
30 – 39 years	1	20%	18	26%	54	33%	72	31%
40 – 49 years	1	20%	23	33%	35	22%	58	25%
50 – 59 years	-	-	10	14%	13	8%	23	10%
60 yrs & above	3	60%	8	11%	14	9%	22	10%
Grand Total	5	100%	70	100%	160	100%	230	100%

During FYE 2024, YNHP was led by a dynamic Board with five (5) Directors, each bringing a wealth of experience and expertise from various backgrounds. We firmly believe that a diverse Board composition will foster a more robust decision-making process, leading to greater innovation and sustainable growth.

SUSTAINABILITY STATEMENT (cont'd)

SOCIAL (cont'd)

EMPLOYEE DIVERSITY AND INCLUSION (cont'd)

2. Diversity – Diversity Composition Disclosures as at 30.06.2024 (cont'd)

In addition to prioritising workforce diversity, we also place great importance on sustaining a healthy employee turnover rate to bolster our Group's stability. For FYE2024, our Group recorded a total of 11 employees turnover.

Total number of employee turnover	No.	%
Senior Management	0	0%
Management	0	0%
Executive	0	0%
Non-Executive	11	4.56%

Looking ahead, we will continue to uphold diversity as a source of strength and innovation, driving our Group's collective success into the future.

OCCUPATIONAL SAFETY AND HEALTH

YNHP places our employees' health and safety as one of the top priorities. We strive to ensure our employees' physical and mental well-being are taken care of by creating a safe and conducive work environment.

We have implemented several Quality, Safety, Health and Environmental ("QSHE") policies at all level to promote a safe and healthy working environment. Our QSHE policies outline several safety and health-related commitment including:

- Prevent safety and health accident and environment pollution;
- Provide a framework for setting the QSHE objectives;
- Treat health, safety and environmental protection as an integral part of a quality strategy;
- Provide safe and healthy working conditions for the prevention of work-related injury and ill health;
- Comply to all applicable statutory and regulatory requirements;
- Eliminate hazards and reduce QSHE risks;
- Continual improvement of our QSHE management system and performance;

Safety and Health Officer are responsible at the respective project site and the respective management committees of various locations are responsible for overseeing and enforcing the QSHE policy, ensuring compliance with relevant rules and regulations as well as safeguarding employees' health and safety.

As part of our on-going efforts, we have taken the initiatives to ensure that our employees receive adequate health and safety training, aimed at increasing their safety awareness and comprehension of safety and health-related issues and corresponding response measures.

Under our stringent occupational safety and health management, we are glad to report that no work-related fatalities were report during FYE2024.

Moving forward, we will continue to implement more stringent controls over occupational safety and health matters in order to create an injury and accident-free working environment for our employees.

In FYE2024, a total of 112 employees have attended various training program including several QSHE related trainings as listed in the summary training listed in Employee Training and Development below.

SUSTAINABILITY STATEMENT (cont'd)

EMPLOYEE WELFARE

Recognising the importance and contribution provided by our valued employees, YNHP is dedicated to foster a working environment that prioritises our employees' welfare. We always ensure that our employees' interests and rights are well-protected. Our commitment extends beyond business objectives, with a focus on creating inclusive practices that support our employees' well-being regardless of their social, economic and influence standing within the Group.

Amongst others, the key labour rights upheld in our Group in compliance with the applicable labour laws are as follows:

Our People's Basic Rights

Rights to Freely Choose Employment Freedom of Association

- Work is performed voluntarily. Forced, bonded or involuntary prison labour is prohibited.
- YNHP does not engage nor condone any unlawful employment.
- Employee may freely leave employment once a reasonable notice period has been served.
- YNHP respects the rights of employees to associate freely, to decide whether they wish to join labour unions and to seek representation in accordance with relevant laws and regulations.

Working Hours, Wages and Benefits Humane Treatment and Non-Discrimination

- Compensations payable to employees shall comply to all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits are paid on a timely manner.
- Employee must be treated humanely at all times. Sexual harassment, slavery, punishment, mental or physical coercion, verbal or physical abuse and any forms of intimidation are strictly prohibited.
- Unlawful discrimination irrespective of race, religion, gender, position, status or union membership are also strictly prohibited.
- Every disciplinary issue will be handled based on guidelines and procedure set by the Ministry of Human Resources.

Moreover, our employees' rights and interests are also safeguarded through the implementation of our Employee Handbook. The Employee Handbook serves as a detailed guideline, covering policies and procedures in relation to employment legislation, leaves, benefits and entitlements, grievance procedures as well as the code of conduct and discipline. Depending on the employee's job grade, the key benefits and entitlement offered by the Group includes:

- Accommodation claims
- Petrol and mileage claims
- Car maintenance
- Outstation meal allowance
- Overtime claim
- Entertainment claims for sales and marketing personnel
- Gifts/donation
- Annual leave
- Replacement leave
- Special leave
- Medical leave
- Prolonged illness leave
- Maternity and paternity leave
- Group hospitalisation and surgical insurance
- Group personal accident insurance
- Medical attention benefit

At YNHP, our employees' rights and interests are respected by actively listening to their voice. In the event of any concerns or issues pertaining to employees' problems and complaints arises, employees are guided by our Employee Handbook to raise his/her concern to protect his/her interest.

For FYE2024, we are pleased to report that we have not received any grievance reports or substantiated complaints concerning human rights violations.

We have also not been imposed with any fines or penalties in relation to human rights violations or non-compliance with labour laws and regulations.

SUSTAINABILITY STATEMENT (cont'd)

EMPLOYEE ENGAGEMENT

In addition to safeguarding our employees' labour rights, we actively foster employee engagement and stronger connections through various team bonding activities. These include Badminton, Futsal, Bowling Tournaments, Company Annual Dinner, Raya Lunch Feast, which not only promote fellowship among employees but also contribute to a positive and cohesive work environment.

If the grievance has not been resolved to the satisfaction of the employee, he/she may bring up his/her grievance to the Head of Department/Branch, Director or Chief Executive Officer.

In the event of grievance, an employee may approach his/her immediate supervisor to discuss for a proposal to resolve the grievance. If the grievance is against his/her supervisor, the employee shall bring the matter to the Head of Department/Branch.

EMPLOYEE TRAINING AND DEVELOPMENT

Employee training and development lies at the heart of our commitment to foster a skilled, motivated and empowered workforce. We recognise that investing in the growth and development of our employees is not only essential for their individual success but also vital for the Group's overall success.

For the FYE2024, we have invested a total of RM26,697 in our employees' training and development. The relatively low cost incurred is due to training was attended by key employees and thereafter in-house training is conducted to other employee thus provide cost saving to the company. This reflects our commitment to developing our talents in terms of technical, leadership and interpersonal skills via in-house training.

For the FYE2024, training hour for Senior Management is 32 hours, Management is 34 hours, Executive is 16 hours and Non-executive is 5,640 hours.

A summary of the training programmes attended by our employee during FYE2024 is tabled as below:

Training Programmes 2024

- Basic Occupational First Aid Training, CPR & AED
- Certified Incident Investigator : Stage 1 (physical session)
- Quality Assessment System In Construction (QLASSIC)
- Construction Safety & Health Trainers
- ISO 9001:2015 & 14001:2015 Internal Audit
- Hearing Conversation
- ISO 9001:2015 & 14001:2015 External Audit
- Quality & Excellence Meeting
- OSH train the trainer competency based programme
- Working at Height Training
- OSH Coordinator
- Alternative Dispute Resolution Techniques in Construction Projects
- Climate change amendment to ISO Management System Standards (ISO 9001:2015)

COMMUNITY ENGAGEMENT

YNHP is dedicated to foster meaningful community engagement initiatives. Through collaborative partnerships and community outreach programmes, we strive to positively impact the communities in which we operate. We aim to build a strong and sustainable relationships while contributing to the social and economic development of our community. Contribution was done directly from various subsidiary and also through Dato Yu Neh Huat Foundation ("the Foundation") which is a trust maintained and operated by the controlling shareholder of YNHP.

The Foundation is dedicated to the advancement of education and religion, relief of poverty, promotion of activities for the benefit and advancement of the sports, culture and art for the benefit and preservation of the environment, nature, wildlife and specifically to the local community mainly in the district of Manjung, Perak.

During the financial year, we have contributed a total of RM102,630 for a total of 113 beneficiary comprising support to the local community, benefitting Old Folks Home in Kg Cina, Community Centre, Temples, Sports Associations and various local schools in the District of Manjung providing scholarships to qualified students from the lower income group of society.

SUSTAINABILITY STATEMENT (cont'd)

GOVERNANCE

ETHICAL BUSINESS PRACTICES

In the ever-evolving business environment, ethical business practices serve not only as a moral obligation but also as a strategic move to foster long-lasting trust with our stakeholders for sustainable business growth. In this context, we are committed to uphold the highest standards of ethics and integrity in conducting our business practices. To this end, the Code of Conduct and Ethics (“the Code”) is put in place to serve as a guiding framework for all of our employees to conduct daily activities with due respect to proper corporate governance procedures. The Code is built upon sincerity, integrity, responsibility and corporate social responsibility.

In line with this commitment, we have implemented an Anti-Bribery and Corruption Policy (“ABC Policy”) to guide our employees on ethical practices for preventing, addressing and combating bribery and corruption scenarios within our business operations. The Group is dedicated to foster trust among our stakeholders through fair business practices and compliance with relevant laws.

To facilitate the implementation of our ABC Policy, we have adopted a Whistle Blowing Policy (“WB Policy”) to encourage employees and stakeholders to raise their concerns and make genuine report on any unethical business practices or improper conducts through the prescribed channels.

The Group will thoroughly investigate all reports and take appropriate actions in response thereafter. All whistleblowers who make a report in good faith will be protected against reprisals or retaliation in accordance with the Whistleblower Protection Act 2010.

The Code, ABC Policy and WB Policy are widely accessible on the Company’s website at https://ynhb.listedcompany.com/corporate_governance.html

During FYE2024, we are pleased to report that none of our Directors, Management or employees were implicated in any suspected cases of bribery, corruption or unethical behavior.

REGULATORY COMPLIANCE

At YNHP, we proactively monitor and ensures full compliance with all applicable laws and regulations.

Key laws and regulations relevant to our business operations include:

- Town and Country Planning Act 1976;
- Malaysia Construction Industry Development Board Act 1994;
- Housing Development (Control and Licensing) Act 1996;
- Occupational Safety and Health Act 1994;
- Environmental Quality Act 1974;
- Environmental Quality (Scheduled Wastes) Regulations 2005;
- Environmental Quality (Clean Air) Regulations 2014;
- Environmental Quality (Sewage) Regulations 2009;
- Employment Act 1995; and
- Industrial Relations Act 1967.

We are pleased to announce that we did not receive any reports of any breaches of laws and regulations within the Group during FYE2024.

In addition, none of our employees were served with any disciplinary actions or were dismissed during the financial year. We also wish to announce that no public cases has been brought up against the Group and its employees in relation to any non-compliance to applicable laws and regulations during the financial year.

SUSTAINABILITY STATEMENT (cont'd)

PERFORMANCE DATA TABLE

FROM ESG REPORTING PLATFORM

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	0.00
Management	Percentage	0.00
Executive	Percentage	0.00
Non-Executive	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0.00
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	102,630.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	113.00
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	11.00
Senior Management Between 30-50	Percentage	33.00
Senior Management Above 50	Percentage	56.00
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	50.00
Management Above 50	Percentage	50.00
Executive Under 30	Percentage	20.00
Executive Between 30-50	Percentage	65.00
Executive Above 50	Percentage	15.00
Non-Executive Under 30	Percentage	28.00
Non-Executive Between 30-50	Percentage	55.00
Non-Executive Above 50	Percentage	17.00
Gender Group by Employee Category		
Senior Management Male	Percentage	56.00
Senior Management Female	Percentage	44.00
Management Male	Percentage	70.00
Management Female	Percentage	30.00
Executive Male	Percentage	47.00
Executive Female	Percentage	.00
Non-Executive Male	Percentage	52.00
Non-Executive Female	Percentage	48.00

Internal assurance External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT (cont'd)

PERFORMANCE DATA TABLE

FROM ESG REPORTING PLATFORM

Indicator	Measurement Unit	2024
Bursa (Diversity) (Cont'd)		
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	80.00
Female	Percentage	20.00
Under 30	Percentage	20.00
Between 30-50	Percentage	20.00
Above 50	Percentage	60.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Kilo Watt Hour	21,575,664.00
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0.00
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	5.00
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	32.00
Management	Hours	34.00
Executive	Hours	16.00
Non-Executive	Hours	5,640.00
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	2.61
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	1.00
Management	Number	0.00
Executive	Number	0.00
Non-Executive	Number	10.00
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0.00
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0.00
Bursa (Water)		
Bursa C9(a) Total volume of water used		
	Megalitres	187.87

ADDITIONAL COMPLIANCE INFORMATION

Utilisation of Proceeds

On 25 November 2021 the Company made a lodgement with the Securities Commission Malaysia (“SC”) for the establishment of the Sukuk Wakalah Programme pursuant to the SC’s Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework (issued by the SC on 9 March 2015 and revised on 22 November 2021, as amended from time to time).

The Sukuk Wakalah Programme is structured based on the Shariah principle of Wakalah Bi Al-Istithmar and accords the Company the flexibility to issue secured or unsecured Sukuk Wakalah from time to time. The Sukuk Wakalah Programme has been assigned a preliminary rating of A+IS by Malaysian Rating Corporation Berhad.

As at the financial year ended, the Company had not issued any Sukuk Wakalah under the Sukuk Wakalah Programme.

Auditors’ Remuneration

The Auditors’ Remuneration of the Company and Group for the financial year ended 30 June 2024 is as follows:

	Company	Group
Audit Fees (RM)	158,000	450,000
Non-Audit Fees (RM)	55,000	55,000

Material Contracts

There were no material contracts, entered into or loans made by the Company and its subsidiaries, involving directors and substantial shareholders either still subsisting at the end of the financial year ended 30 June 2024 or entered into since the end of the previous financial year except as disclosed in note 38 of the financial statements.

Revaluation of Landed Properties

There were no revaluations of landed properties during the financial year ended.

Recurrent Related Party Transactions of Revenue or Trading Nature

The details of the related party transactions are set out in the notes to the financial statements in which the transactions were carried out on terms and conditions not materially different from those obtainable from transactions with unrelated parties.

Further information on the proposed renewal of shareholders’ mandate for the recurrent related party transactions to be tabled at the forthcoming AGM are set out in the Circular/Statement to Shareholders.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Main Market Listing Requirements requires the Board of Directors of public listed companies to include in its annual report a statement about the state of internal control of the listed issuer as a group.

The Board of Directors is committed to maintain a sound system of risk management and internal control in the Group and is pleased to provide the following statement which has been prepared in accordance with the Guidelines for Directors of Listed Issuers on the Statement on Risk Management and Internal Control.

Key Elements of Risk Management and Internal Control

The Board has overall responsibility for the Group’s risk management and system of internal control and for reviewing its adequacy and integrity to safeguard shareholders’ investment and Group’s assets. The Board has received assurance from the Group Managing Director and Group Financial Controller that the Group’s risk management and internal control system is operating adequately. The Board’s responsibility covers not only financial controls, but also relating to operational risk management and compliance with applicable laws and regulations and guidelines set by the authorities.

However, because of the limitations that are inherent in any internal control, it should be noted that such system is designed to manage rather than to eliminate the risk of failure to achieve business objectives and can only provide a reasonable assurance against material misstatement. The directors have established the following operational framework to provide an adequate internal control system.

- The Board meets at least quarterly and have set a schedule of matters to be deliberated during the Board meetings to ensure that the Board maintains full and effective supervision over the control processes.
- The Group operates within an organizational structure with defined lines of responsibilities and accountabilities. A procedural and hierarchical reporting has been established which provides for a documented and auditable trail of accountability.
- The Group’s risk management process identifies the principal business risks. The Management is responsible for the identification and evaluation, on an on-going basis, of significant risks inherent in the business. Appropriate action plans are developed to mitigate the key risk areas.
- The Audit Committee provides assistance to the Board of Directors in fulfilling its overall responsibilities. The Audit Committee reviews the internal audit plan for the year, and reviews the action taken on internal control issues identified in the reports prepared by the Internal Auditors.
- The Group outsourced its Internal Audit Function to an accounting firm and the Internal Auditors, which report directly to the Audit Committee, performed reviews on the effectiveness of the current controls in place and highlighted key risk areas affecting the Group as well as made practical recommendations to address any potential weaknesses. The Internal Audit Function carries out the audit on rotational basis to cover selected areas and companies in every audit. The Audit Committee has full access to the service and advice of the Internal Auditors and the Audit Committee, together with the Management, reviewed the issues identified by the Internal Auditors and External Auditors and ensured that all practical recommendations, agreed to by the Management, are implemented. In year 2024, the Internal Audit Function reviewed the internal control systems on purchases, expenses and payment processing as well as sales and collection of sales cycle. Procedures carried out including:
 - Review and assess the adequacy of internal controls and operating effectiveness and efficiency of internal control system in operation.
 - Review the Standard Operating Policies and Procedures,
 - Review sales order booking and progress billing procedures
 - Review withdrawal and termination and promotion procedures

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

Risk Management

The Group has established appropriate risk management infrastructure to ensure that the Group's assets are protected and shareholders' value are enhanced. The Group has a Risk Management Committee ("RMC"), which is chaired by the Group Managing Director, Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT, and attended by the assistant to the Group Managing Director, Group Financial Controller, and all heads of departments. The RMC is given the task of implementing and maintaining appropriate risk management framework to achieve the following objectives:

- Identify business risks/threats and monitor significant risks in an effective manner.
- To carry out review and reporting on key risk areas, at least once every year.

Risk assessment, monitoring and review of the various risks are an on-going process with RMC playing a vital role. The RMC's meeting is conducted at least once a year to review the key risk profile that may impact the implementation and completion of the projects and report the findings directly to the Audit Committee. The risk assessment, monitoring and review process has been in place for the year under review up to the date of approval of this statement for inclusion in the annual report.

Monitoring and Review of the Adequacy and Integrity of the System of Internal Control

The procedures adopted by the Group to review the adequacy and integrity of the system of internal control include:

- Confirmation and assurance by the Group Managing Director/Head of RMC that the Group's risk management and material control system is operating adequately and effectively in all material aspects, highlighting potential risk areas and weaknesses in management control.
- Examination on the control procedures by Internal Audit Function, which are carried out and reported the findings directly to the Audit Committee.

Weaknesses in Internal Control and Risk Management That Result in Material Losses

There were no material losses incurred during the financial year under review as a result of weaknesses in internal control.

The Board concurs that the system of internal control will continue to be reviewed, added on or updated in line with the changes in the operating environment. The Board will continue to seek regular assurance on the effectiveness of the internal control system through the work carried out by the Internal Auditors. The monitoring, review and reporting arrangement in place provide a reasonable assurance that the control procedures and risk management are appropriate to the Group's operation and that risks are at an acceptable level. The Board is of the view that the existing system of internal control and risk management is adequate and effective to safeguard the Group's assets at the existing level of operations of the Group.

Review of the Statement by External Auditors

As required by Paragraph 15.23 of Bursa Malaysia Listing Requirements, the External Auditors have conducted a limited assurance engagement on this Statement on Risk Management and Internal Control. Their limited assurance engagement was performed in accordance with ISAE 3000 (Revised), *Assurance Engagement other than Audits or Review of Historical Financial Information* and the Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on Directors' Statement on Internal Control included in the Annual Report*.

Based on the procedures performed, the External Auditors have reported to the Board that nothing has come to their attention that would cause them to believe that this statement is not prepared, in all material aspects, in accordance with disclosures required by Paragraphs 41 and 42 of the Statement of Risk Management and Internal Control: Guidance for Directors of Listed Issuers, nor is it factually inaccurate. AAPG 3 does not require the External Auditors to 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 internal control system.

AUDIT COMMITTEE REPORT

The Board of Directors (“**the Board**”) is pleased to present the Audit Committee Report for the financial year ended 30 June 2024 in compliance with Paragraph 15.15 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The Audit Committee comprises three (3) members, all of whom are Independent Non-Executive Directors and no alternate director is appointed as a member of the AC. The composition of the Audit Committee is as follows:-

Name	Designation	Directorship
Khong Kam Hou ¹	Chairman	Senior Independent Non-Executive Director
Ching Lee Fong	Member	Independent Non-Executive Director
Lee Zhi Yan ²	Member	Independent Non-Executive Director

Note

1 Redesignated as Audit Committee’s Chairman on 1 March 2024.

2 Appointed as Audit Committee’s member on 1 March 2024.

The member of the Audit Committee, Lee Zhi Yan is a member of the Malaysian Institute of Accountants which complies with Paragraph 15.09 (1)(c)(i) of the MMLR of Bursa Securities.

Attendance of Meetings

During the financial year ended 30 June 2024, a total of ten (10) meetings were held.

The details of the attendance of the Audit Committee’s Members are as follows:

Name	No of meetings attended
Khong Kam Hou	10
Ching Lee Fong	10
Lee Zhi Yan	2
Oon Seow Ling ³	6

Note

3 Ceased to be the Audit Committee’s Chairman in view of her retirement as Director at the conclusion of the 21st Annual General Meeting of the Company held on 8 December 2023.

Summary of Activities

The activities of the Audit Committee during the financial year under review are summarised as below:

- Reviewed and approved the internal audit’s plan;
- Reviewed the internal audit reports and considered the findings by the auditors’ and management’s responses thereto;
- Carried out an annual review of the performance of the internal auditors, including assessment of their suitability and independence in performing their obligation;
- Reviewed, prior to the commencement of audit, the external auditors’ scope of engagement, their audit plan and approach;
- Reviewed with the external auditors the results of their audit, their audit report and management letters relating to the audit, their internal control recommendations in respect of control weaknesses noted in the cause of their audit and the management’s responses thereto;
- Reviewed the performance and effectiveness of external auditors including assessment of their suitability and independence in performing their obligations and made recommendation to the Board for approval of their reappointment.
- Reviewed the annual financial statements and quarterly financial reports and reporting to Bursa Securities and ensured compliance with additional disclosure requirements in accordance with the MMLR of Bursa Securities;
- Reviewed the related party transactions and conflict of interest situations that arose within the Company or Group during the financial year;

AUDIT COMMITTEE REPORT (cont'd)

Summary of Activities (cont'd)

- Reviewed and assessed the external auditors' qualifications, credentials, experience, competency, independence and professionalism and recommended the proposed appointment of Messrs. Morison LC PLT as the external auditors of the Company for the financial year ended 30 June 2024, for the Board's approval;
- Assessed the qualifications, competency and independence of Messrs UHY and recommended their appointment to the Board for approval as the independent reviewer of the audit issue arising within the Company.

Summary of Activities

The Internal Audit Function was established in 2004 with the initial engagement of an internal audit service firm to provide the internal audit services. The role of the internal audit team is to provide independent and objective reports on the state of internal control and compliance to policies and procedures. The internal audit team will assist the Group in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance process.

It is the responsibility of the internal auditors to provide the Audit Committee with independent and objective reports on the state of internal control of the various operating units within the Group and the extent of compliance of the units with the Group's established policies and procedures as well as relevant statutory requirements.

The Internal Audit Function is currently outsourced to a professional services firm which reports directly to the Audit Committee. The scope of work covered by the Internal Audit Function is determined by the Audit Committee after discussion of the audit plan with the Board. The costs incurred for the Internal Audit Function for the financial year ended 30 June 2024 were RM55,000.00.

DIRECTORS' RESPONSIBILITY STATEMENT IN RESPECT OF AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

Under the Companies Act 2016 ("**Act**"), the Directors are obligated to prepare the financial statements for each financial year in accordance with the applicable approved accounting standards, ensuring they provide a true and fair view of the Company and its subsidiaries ("**the Group**") at the end of the financial year.

To ensure the accurate preparation of these financial statements, the Directors have adhered to the following criteria:

- i) Overseeing the overall conduct of the Company's business and that of the Group;
- ii) Identifying principal risks and ensuring that an appropriate system of internal control exists to manage these risks;
- iii) Adopting suitable accounting policies and apply them consistently;
- iv) Reviewing the adequacy and integrity of Internal Controls System in the Company and within the Group;
- v) Making judgments and estimates that are reasonable and prudent; and
- vi) Ensuring compliance with application Approved Accounting Standards in Malaysia.

The Directors are responsible for ensuring that proper accounting and other records are maintained to accurately reflect the financial position of the Group at any given time. They must also ensure that the financial statements comply with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Companies Act, and the applicable Approved Accounting Standards in Malaysia. Additionally, the Directors are tasked with taking reasonable steps to safeguard the Group's assets and minimize risks of fraud and other irregularities.

In preparing the Group's financial statements for the year ended 30 June 2024, the Directors are confident that appropriate accounting policies were used and consistently applied, backed by prudent judgments and estimates. They also confirm that all applicable approved accounting standards have been adhered to and that the financial statements have been prepared on a going concern basis.

This Statement was approved by the Board on 28 October 2024.

LIST OF PROPERTIES

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
	Bal Lot 6154 & 6555 & Lot 6518 Mkm Lumut (Old Lot No.1557 & 1932) , Peark					
KSB	- Portion for own investment PT 2781, PT 2782	Property, plant and equipment	Agricultural / for investment	Freehold	5,142,000	27.94
	- Portion for fixed asset (G 28079, PT 2722-2780, PT 2785, PT 2822, PT 2823)	Property, plant and equipment	Agricultural / for investment	Freehold	23,256,000	125.29
KSB	Lot 1612, Mukim Kota Lama Kira, Kuala Kangsa	Property, plant and equipment	Agricultural / for investment	Freehold	4,214,000	13.14
KSB	Lot 2795, Mukim Lumut, Daerah Manjung	Property, plant and equipment	Agricultural / for investment	Freehold	15,298,000	25.00
KSB	Lot 36480 & Lot 36481, Sungai Terap, Perak	Property, plant and equipment	Agricultural / for investment	Leasehold (28.11.2109)	2,086,000	25.32
BKSB	Lot 17196 to Lot 17201, Lot 17205-Lot 17208, Mukim Lumut, Daerah Manjung, Perak	Right of Use	For investment	Leasehold (7.1.2107)	34,455,000	88.97
YNHRM	Lot 198272, Mukim Hulu Kinta, Daerah Kinta, Perak	Property, plant and equipment	Vacant land	Leasehold (9.8.2052)	1,692,000	3.00
KSB	Lot 6555 – PT 2791, Mukim Lumut, Daerah Manjung, perak	Planted with palm oil and approved for development.	Proposed mixed development – commercial and residential	Freehold	5,839,000	25.00
KSB	Lot 6555 – PT 2792, PT 2793, PT 2794 Mukim Lumut, Daerah Manjung, perak	Planted with palm oil and approved for development.		Freehold	8,260,000	36.38
KSB	Entry No.1577 Lot 712 Mukim Lumut, Perak	Planted with palm oil and approved for development.	Proposed mixed development – commercial and residential	Freehold	468,000	-
KSB	Entry No. 1380 Lot 1387 Mukim Lumut, Perak	Planted with palm oil and approved for development.		Freehold	-	4.78
KSB	HS (D) Dgs 1203/78 Lot 2740 Mukim Pengkalan Bharu, Perak	Planted with palm oil and approved for development.	Taman Suria, Pantai Remis – commercial and residential	Freehold	-	-
	HS (D) Dgs 1204/78 Lot 2741 Mukim Pengkalan Bharu, Perak			Freehold	1,186,000	7.88
KSB	Geran 36493, Lot 495 & Geran 36944, Lot 496, Town of Lumut, Daerah Manjung, Perak	Vacant Land and approved for development.	Proposed mixed development – commercial and residential	Freehold	1,230,000	0.70
KSB	CT 17320 Lot 117 Town of Lumut , Perak	Vacant Land and approved for development.	Proposed mixed development – commercial and residential	Freehold	541,000	0.83
	EMR 379 Lot 380 Mukim Pengkalan Bharu, Perak	Vacant land approved for development	Proposed mixed development	Freehold	361,000	1.37

LIST OF PROPERTIES (cont'd)

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
KSB	HS (D) Dgs 1042/78 Lot 5493(New lot 13100) Mukim Lumut, Perak	Planted with palm oil and approved for development.	Taman Layar, Kg. Acheh, Sitiawan – commercial and residential	Freehold	2,892,000	7.60
KSB	EMR 9714 Lot 10054 Mukim Sitiawan, Perak	Planted with palm oil and approved for development.	Proposed mixed development – commercial and residential	Freehold	418,000	3.08
KSB	EMR 5198 Lot 4622 Mukim Sitiawan, Perak	Planted with palm oil and approved for development.	Proposed mixed development – commercial and residential	Freehold	988,000	5.04
KSB	Geran 7419 Lot 15655 Mukim Sitiawan, Perak	Planted with palm oil and approved for development.	Proposed development – residential	Freehold	1,444,000	3.04
KSB	HS(D)Dgs1673/83 PT 10382 & (Lot No. 25893 25900), HS(D) Dgs 1680/83 PT 10389 Mukim Sitiawan, Perak	Vacant Land	Proposed mixed development – residential and commercial	99 years (23.9.2082)	46,000	0.04
KSB	HS(D)Dgs 830/89 PT 625 Bandar Lumut	Vacant Land	Proposed development – residential	60 years (7.6.2049)	273,000	0.75
KSB	Lot 1983, Lot 1984 (GM1246, GM1247) Mukim Lumut, Daerah Manjung	Vacant land	Aricultural land	Freehold land	249,000	2.97
BCH	Bal Lot 6154 & 6555 & Lot 6518 Mkm Lumut (Old Lot No.1557 & 1932) PT2789-PT2790, Perak	Vacant land	Proposed for clubhouse usage	Freehold	9,045,000	50.00
KSB	Lot 140, Town of Lumut, Perak	Vacant land	Proposed mixed development	Freehold	177,000	0.69
KSB	Lot 732, 733, all in Mukim of Sitiawan	Vacant land	Proposed mixed development	Freehold	89,000	0.02
KSB	Lot 31776-31780 PT 47587-47591 Mukim Sitiawan (Old Lot No. 15173-15177)	Vacant Land and approved for development.	Proposed mixed development – commercial and residential	99 years (5.5.2088)	163,000	0.20
KSB	Balance Lot 4818 Mukim Lumut (PT 6677, 6678, 4118-4133, 4510-4592, 4673-4778, 4840-4853, PN84692, PN84694) , Perak	Vacant Land and approved for development.	Taman Samudera, Phase 10 & 11 – commercial and residential	99 years (27.3.2093 [PT 6677 & 6678] and 19.5.2091 [the rest])	1,615,000	0.45

LIST OF PROPERTIES (cont'd)

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
KSB	Geran 7270-7273 Lot 14851-14854 Mukim Sitiawan, Perak	} Vacant Land and approved for development.	Taman Limbungan, Kg. Acheh, Sitiawan – commercial and residential	Freehold	-	-
	Geran 7274 Lot 14855 Mukim Sitiawan (Old Lot No. 34043) (Lot 31656), Perak			Freehold	5,967,000	23.87
	Geran 7276 Lot 14857 Mukim Sitiawan (Old Lot No. 34045) (Lot 21658), Perak			Freehold	-	-
KSB	GM 375 & 376 Lot 6493 & 6494 Mukim Lumut (Old EMR No. 2424 Lot 4275), Perak	Vacant Land and approved for development.	Proposed development – commercial	Freehold	720,000	1.12
KSB	EMR 9488 Lot 9187 Mukim Sitiawan, Perak	} Vacant Land and approved for development.	Proposed mixed development – commercial and residential	Freehold	63,000	-
	HS (M) 1528 PT 1728 Mukim Sitiawan, Perak			Freehold	49,000	0.51
KSB	Lot 1612, Mukim Kota Lama Kira, Kuala Kangsa	Property, plant and equipment	Agricultural / for investment	Freehold	4,214,000	13.14
KSB	PT 22973-22975 Bandar Baru Sri Manjung, Perak	Vacant Land and approved for development.	} Commercial Land, Jalan Lumut, Sri Manjung – commercial	99 years (25.2.2101)	564,000	0.38
	-Commercial Complex -shop units	Vacant Land and approved for development.		99 years (25.2.2101)	117,000	0.08
KSB	Lot 246 Village of Pekan Gurney, Perak	Vacant Land and approved for development.	Taman Delima, Ayer Tawar – residential	Freehold	469,000	2.90
KSB	Lot 4818 Mukim Lumut HS (D) Dgs 3618-3663 (Lot 10685)-Hawker center, Perak	Vacant Land and approved for development.	Taman Samudera, Sri Manjung – commercial and residential	99 years (29.9.2094)	3,523,000	2.27
KSB	Grant 18770 Lot 3335 Mukim Pengkalan Bharu, Perak	Vacant Land and approved for development.	Taman Bintang, Pantai Remis – commercial and residential	Freehold	3,588,000	18.20
KSB	Geran 9851 Lot 379 Town of Lumut, Perak	Vacant Land and approved for development.	Lumut Ria Condominium, Lumut – residential	Freehold	3,844,000	1.75
KSB	Lot 6555 - PT 2786 Mukim of Lumut	Vacant Land and approved for development	Taman Desa, Manjung Point – residential	Freehold	195,000	0.65
KSB	Lot 5,6 (Lot 1791), Lot 1105-1110 (Trong)	Vacant Land and approved for development	Taman Seri Trong Perak, Taiping – commercial	Freehold	329,000	1.04
KSB	Lot 15541, Geran 7305, Mukim of Sitiawan	Vacant land	Proposed mixed development	Freehold	1,296,000	4.04

LIST OF PROPERTIES (cont'd)

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
KSB	Geran 21668 Lot 6274 Mukim Beruas, Perak	Planted with palm oil and not approved for development.	Proposed mixed development – commercial and residential	Freehold	322,000	37.88
KSB	PT 33990 (Lot 14785-14788 (old lot 26789-26793), Mukim Sitiawan, PT 19589 - PT 19637, Perak	Vacant land and approved for development	Proposed mixed development – commercial and residential	Leasehold	4,200,000	5.38
MUSB	Lot 17768, PT 4860 and Lot 17769, PT 4861, & PT4862 Mukim Lumut , Perak	Vacant Land and approved for development	Proposed mixed development – commercial and residential	99 years (29.04.2101)	4,833,000	5.08
KSB	Lot 803, EMR1616, Mukim Sitiawan, Daerah Manjung, Perak	Vacant Land and approved for development	Proposed mixed development	Freehold	1,279,000	2.97
KSB	Lot 716, Village of Simpang Empat, Mukim Sitiawan, Daerah Manjung, Perak	Vacant Land and approved for development	Proposed mixed development	Freehold	163,000	0.02
KSB	Lot 717, Village of SimpangEmpat, Mukim Sitiawan, Daerah Manjung, Perak	Vacant Land and approved for development	Proposed mixed development	Freehold	155,000	0.02
KSB	Lot 721, Village of Simpang Empat, Mukim Sitiawan, Daerah Manjung, Perak	Vacant Land and approved for development	Proposed mixed development	Freehold	130,000	0.01
KSB	Lot 722, undivided 1/3 land under HSM 86/68, Mukim Sitiawan, Perak	Vacant Land and approved for development	Proposed mixed development	Freehold	91,000	0.03
KSB	Lot 188, Lumut Lumut, Daerah Manjung, Perak	Vacant Land and approved for development	Proposed mixed development	Freehold	2,039,000	4.50
KSB	Lot 5614 (GRN61063) and Lot 5615 (GRN61064), Mukim Batang Padang	Vacant land approved for development	Proposed mixed development	Freehold	660,000	14.74
KSB	Lot 448 (New lot 13707, Mukim Batu, Daerah Kuala Lumpur	Vacant land approved for development	Proposed high rise comdominium	Freehold	23,115,000	6.49
KSB	Lot 51630 (Old Lot 3719) , HSD 83603, Wilayah Persekutuan, Daerah Kuala Lumpur	Vacant land approved for development	Proposed mixed development	Freehold	12,385,000	2.98
KSB	Lot 41023, 41024, 41025, 41026, Mukim Lumut, Daerah Manjung	Vacant land approved for development	Proposed mixed development	Freehold	24,140,000	48.62
KSB	Lot 1612, Mukim Pengkalan Baharu, Perak	Vacant land approved for development	Proposed mixed development	Freehold	397,000	2.68
KSB	Lot 15666, Mukim Sitiawan, Perak	Vacant land approved for development	Proposed mixed development	Freehold	1,280,000	2.32

LIST OF PROPERTIES (cont'd)

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
KSB	PT 11202 & PT 11388, Mukim Bentong, Pahang Darul Makmur	Vacant land	Proposed mixed development and resort development	Freehold	19,514,000	91.49
KSB	Lot 382868 (old PT 212710) , Mukim Hulu Kinta, Daerah Kinta	Vacant land approved for development	Proposed commercial development	Leasehold (24.7.2105)	6,053,000	1.40
KSB	PT 2788, Mukim Lumut, Daerah Manjung, Perak	Vacant land approved for development	Proposed mixed development	Freehold	13,143,000	15.00
KSB	PT 357017, Mukim Hulu Kinta, Daerah Kinta, Perak	Vacant land approved for development	Proposed mixed development	Leasehold (4.6.2103)	6,001,000	1.00
KSB	Lot 29760 & 29761, Mukim Sungai Terap, Daerah Kinta, Perak	Vacant land approved for development	Proposed mixed development	Leasehold (25.11.2101)	5,844,000	36.00
KSB	PT 6152, Mukim Pengkalan Baharu, Perak	Vacant land approved for development	Proposed mixed development	Freehold	615,000	2.92
KSB	Lot 337443 -Lot 307541, Mukim Kampar, Daerah Kampar	Vacant land approved for development	Proposed mixed development	Leasehold (10.2.2103)	1,507,000	3.46
KSB	Lot 51845 (Old lot Lot 180 , PT 22972), Bandar Baru Seri Manjung, Mukim Sitiawan, Daerah Manjung, Perak	Vacant land approved for development	Proposed commercial development	Leasehold (15.6.2099)	4,029,000	5.12
KSB	PT 6151, Mukim Pengkalan Baru	Vacant land approved for development	Proposed mixed development	Freehold	991,000	3.16
KSB	Lot 6254, Lot 307627-Lot 307696, PT 17105-PT 17194, Lot 308020-Lot 308097, Lot 305190,, Mukim Kampar, Perak	Vacant land approved for development	Proposed mixed development	Freehold	18,248,000	12.70
KSB	Lot 40931, Mukim Sitiawan, Perak	Vacant land	Proposed mixed development	Freehold	517,000	1.46
KSB	Lot 412, Mukim Pengkalan Baharu, Perak	Vacant land	Proposed mixed development	Freehold	121,000	2.00
KSB	PT 10860 (PT 17284, Bal Pantai Hospital land) Mukim Lumut, Perak	Vacant land	Proposed mixed development	Freehold	1,140,000	1.30
KSB	Lot 38321 (Lot 16060), mukim Sitiawan, Perak	Vacant land	Residential development	Freehold	44,000	1.02
KSB	Lot 303864-Lot 303915, Mukim Belanja, Daerah Kinta	Vacant land	Residential development	Leasehold (29.1.2103)	400,000	2.02
KSB	PT 3624 (Lot 302158), Mukim Belanja	Vacant land	Residential development	Leasehold (24.9.2100)	633,000	6.81
KSB	PT 17468 (Old Lot 6517), Mukim Lumut, Daerah Manjung	Vacant land	Vacant land	Freehold	106,000	1.15

LIST OF PROPERTIES (cont'd)

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
KSB	Lot 214, Mulim of Kuala Lumpur	Vacant land approved for development	High Rise development	Freehold	36,437,000	2.88
KSB	Lot 4958, Mukim Sayung, Kuala Kangsa	Vacant land	Residential development	Freehold	397,000	1.65
KSB	Lot 4959, 3332, 3334, 3337, Mukim Sayung, Kuala Kangsa	Vacant land	Residential development	Freehold	3,230,000	8.56
KSB	Geran 7256 Lot 14837 Mukim Sitiawan, Perak	Vacant land	Residential development	Freehold	432,000	4.94
KSB	Geran 7444, Lot 15680, Mukim Sitiawan (Balance of land), Perak	Vacant land	Residential development	Freehold	160,000	0.68
KSB	PT 28260, Lot 16059, Mukim Sitiawan, Daerah Manjung, Perak	Vacant land	Residential development	Freehold	6,000	0.04
KSB	Lot 966 EMR 1237 Mukim Sitiawan, Perak	Vacant land	Taman Mutiara -residential	Freehold	294,000	0.89
KSB	Lot 4818 (Balance of commercial) (Plot 1, 22 dsth, and balance of land), Perak	Vacant land	Taman Samudera, residential	Leasehold (19.5.2091)	82,000	0.91
KSB	Lot 9910 (PT 2818, PT 2819, PT 2803, PT 2804 & PT 2805) (Balance Phase III, net off sports complex & bowling centre), Mukim Lumut, Daerah Manjung, Perak	Vacant land	Pusat Perniagaan Manjung Point Seksyen 3	Freehold	928,000	2.76
KSB	HSD 15538, PT 5018, Bandar Teluk Intan, Perak	Vacant land	Commercial development-Bandar Baru Teluk Intan	Leasehold (24.09.2100)	388,000	0.13
KSB	Lot 605, Mukim Kamunting, Daerah Larut & Matang, Perak	Vacant land	Vacant land	Freehold	2,997,000	9.94
KSB	Lot 549, Mukim Kamunting, Daerah Larut & Matang, Perak	Vacant land	Vacant land	Freehold	11,536,000	48.00
KSB	PT 2800, PT 2801, PT 2802 (New -Lot 9907, 9908, 9909) (8.33 commercial area and Plot 1-132 residential), Perak	Vacant land	Manjung Point Township	Freehold	3,119,000	12.90
KSB	Lot 1.88, Mukim Kampar, Perak	Vacant land	-	Leasehold (6.12.2111)	420,000	1.88
KSB	PT 320- PT 331, Daerah Petaling, Selangor	Vacant land	Mix development	Freehold	13,020,000	1.57
KSB	Lot 2569, Mukim Sitiawan, Daerah Manjung, Perak	Vacant land	Mix development	Freehold	5,566,000	1.98
KSB	Lot 730, Mukim Sitiawan, Daerah Manjung, Perak	Vacant land	Mix development	Freehold	2,716,000	5.47
KSB	Lot 14825 & Lot 14826, Mukim Sitiawan, Daerah Manjung	Vacant land	Mix development	Freehold	9,400,000	8.13
KSB	Lot 1451, Mukim Pengkalan Baharu, Daerah Manjung	Vacant land	Mix development	Freehold	1,289,000	2.58

LIST OF PROPERTIES (cont'd)

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
KSB	Lot 474, Mukim Pengkalan Baharu, Daerah Manjung	Vacant land	Mix development	Freehold	1,514,000	2.46
KSB	PT4374, PT 4375, PT 4376, PT 4377 (Old name PT 2787), Mukim Lumut, Daerah Manjung, Perak	Vacant land	Mix development	Freehold	9,000,000	8.98
KSB	CL045352234, Telipok, Jalan Tuaran, Kota Kinabalu	Vacant land	Agricultural land	Freehold	18,148,000	13.00
LVS	Lot PT 6676,9445 and Lot 9240 to Lot 9248, Mukim of Lumut, Perak	Property, plant and equipment	Hotel operation	Freehold	26,275,000	1.44

DEVELOPMENT PROPERTIES

KSB	Lot 374, Mukim Pengkalan Baru, Perak	Development properties	Proposed development – commercial	Freehold	244,000	0.19
KSB	Lot 4818- Balance of Phase 9 (Shop unit) Mukim Lumut (PT6398-PT6411, PT6412-PT6421), Perak	Development properties	Proposed development – commercial (Taman Samudera)	99 years (19.5.2091)	16,000	0.84
KSB	PT 2812-2814 (Giant shop land), Perak	Development properties	Pusat Perniagaan Manjung Point 1	Freehold	68,000	0.39
KSB	Lot 4818 (behind office land-12 units 2 1/1 house vacant plots)	Development properties	Proposed development of commercial units	Leasehold (19.5.2091)	659,000	1.18
KSB	Lot 44, Mukim of Sitiawan, Perak	Development properties	Commercial development-Medan Sitiawan	Freehold		
KSB	EMR 523 Lot 600 Mukim Pengkalan Bharu, Perak	Development properties	Taman Bahtera – commercial and residential	Freehold	48,000	0.15
KSB	Geran 7582 Lot 16047 Mukim Sitiawan, Perak	Development properties	Taman Sejati IV, Sitiawan – commercial and residential	Freehold	64,000	0.10
KSB	CT 21662 Lot 11430 Mukim Sitiawan (New Lot 5942), Perak	Development properties	Proposed mixed development – commercial and residential	Freehold	171,000	0.11
KSB	Lot 26805 part of Geran 7255 Lot 14836 Mukim Sitiawan, Perak	Development properties	Taman Pelabuhan, Kg. Acheh, Sitiawan – commercial and residential	Freehold	570,000	1.43
KSB	Lot 10465, Mukim Sitiawan, Perak	Development properties	Commercial development	Freehold	196,000	0.10

LIST OF PROPERTIES (cont'd)

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
KSB	PT 2818, PT 2819, PT 2803, PT 2804 & PT 2805 (PPMP Phase 2A 32 units) , Mukim Lumut, Daerah Manjung, Perak	Development properties	Pusat Perniagaan Manjung Point Seksyen 3	Freehold	42,000	1.18
KSB	PT 2818, PT 2819, PT 2803, PT 2804 & PT 2805 (PPMP Phase 2A 24 units) , Mukim Lumut, Daerah Manjung, Perak	Development properties	Pusat Perniagaan Manjung Point Seksyen 3	Freehold	3,110,000	0.96
KSB	PT 2818, PT 2819, PT 2803, PT 2804 & PT 2805 (PPMP Phase 2A 8 units) , Mukim Lumut, Daerah Manjung, Perak	Development properties	Pusat Perniagaan Manjung Point Seksyen 3	Freehold	117,000	0.29
KSB	Lot 9910 , Plot 35-plot 96 , PPMP 2, Mukim Lumut, Daerah Manjung	Development properties	Pusat Perniagaan Manjung Point Seksyen 2	Freehold	385,000	2.19
KSB	Lot 1616, Mukim Pengkalan Baharu, Perak	Development properties	Mixed development- Taman Pancur Damai	Freehold	4,623,000	7.61
KSB	Lot 1440, Mukim Pengkalan Baharu, Perak	Development properties	Mixed development	Freehold	1,758,000	1.15
KSB	Lot 441, Mukim Pengkalan Baharu, Perak	Development properties	Mixed development	Freehold	832,000	0.97
KSB	Lot 42693, Mukim Sitiawan	Development properties	Commercial units	Freehold	20,000	0.32
KSB	HS (D) Dgs 11772 PT 8073 Mukim Lumut , Perak	Development properties	Manjung Point Seksyen II		272,000	6.93
KSB	Lot 15700, Mukim Sitiawan, Perak	Development properties	Proposed mixed development	Freehold	432,000	1.55

INVESTMENT PROPERTIES

SHSB	PT 6706-6724, Daerah Manjung (Fasa 2B), Perak	Investment property	Shop houses	Leasehold (expire 29.8.2081)	2,214,000	0.70
SHSB	Lot 1077, Geran 11310, Section 57, Kuala Lumpur	Investment property- Proposed Menara YNH	Vacant land	Freehold	109,585,000	3.00
KSB	PT 2838 (Lot 13107) , Mukim Lumut, Perak	Investment property- Proposed Hotel & a completed petrol station	Vacant land & Shell Petrol station building	Freehold	2,661,000	5.00
KSB	Plot 276, Pusat Perniagaan Manjung Point Seksyen 1, Seri Manjung, Perak	Investment property-Multi purpose sports complex	Multi purpose sports complex	Freehold	2,467,000	2.25

LIST OF PROPERTIES (cont'd)

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
KSB	Hawker center, Taman Samudera, Seri Manjung, Perak	Investment property-Hawker center	Hawker center building	Building	397,000	N/A
KSB	Lot 1791, Mukim Terung, Daerah Larut Matang, Perak	Investment property-Petrol Station	Petrol Station	Building	818,000	0.49
GMSB	Lot 382868 (old PT 212710), Mukim Hulu Kinta, Daerah Kinta	Investment property-Hotel	Vacant land	Leasehold (24.7.2105)	6,359,000	1.40
GMSB	PT 357017, Mukim Hulu Kinta, Daerah Kinta, Perak	Investment property-Hotel	Vacant land	Leasehold (4.6.2103)	3,886,000	1.00
YNHRM	Lot 163, Jln Perak, Kuala Lumpur (Level 3, 4, 9, 12, 13)	Investment property-Hotel	Fraser Place Kuala Lumpur	Freehold	19,364,000	0.90
KDSB	Lot 15010 (Part Lot 2793, part 2794), Mukim Lumut, Daerah Manjung	Investment property-City Harbour International School	International School	-	19,178,000	15.00
LVSB	PT 15244-PT 15249, PT 15250-15264, Mukim Lumut, Daerah Manjung	Investment property-Hawker center & Hotel Car Park	Hotel Hawker center & car park	Freehold	848,000	0.63
MUSB	PT 14646, Mukim Lumut, Daerah Manjung (Bowling centre)	Investment property-Bowling centre and Event Hall	Investment property-Bowling centre and Event Hall	Freehold	7,393,000	10.35

MAJOR ASSETS HELD FOR SALES

YNHH	PT 15074, Mukim Lumut, Daerah Manjung	AEON Shopping Mall	AEON Shopping Complex	Freehold	140,817,000	30.25
DKP	K163 Retail Park, Jalan Kiara, Mont Kiara	K163 Retail Park, KL	Shopping Mall	Freehold	199,824,000	5.20

JOINT DEVELOPMENT PROPERTIES

KSB- JV	Lot 4753, Mukim Batu, Daerah Kuala Lumpur	Joint development properties	Proposed high rise comdominium	Freehold	80,914,000	5.14
JV	Lot 449, Mukim Batu, Tempat Segambut, Daerah Kuala Lumpur	Joint development properties	Proposed high rise comdominium	Freehold	401,000	5.07
JV	Lot 400, Mukim Lumut, Daerah Manjung, Perak	Joint development properties	Proposed mix development	Leasehold (15.11.2105)	3,798,000	36.97
JV	Lot 10153, Mukim Lumut, Daerah manjung	Joint development properties	Proposed mix development	Leasehold (22.11.2103)	267,000	34.67

LIST OF PROPERTIES (cont'd)

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
JV	Lot 13079, Mukim Lumut, Perak	Joint development properties	Mix development	Freehold	663,000	0.32
JV	Lot 14838, Mukim Sitiawan, Daerah Manjung, Perak	Joint development properties	Mix development	Freehold	315,000	3.90
JV	Lot 16061, Mukim Sitiawan, Daerah Manjung, Perak	Joint development properties	Mix development	Freehold	13,000	8.94
JV	Lot 48632, Mukim Kuala Lumpur	Vacant land approved for development	Proposed mixed development	Freehold	15,725,000	6.28
JV	Lot 224018, Mukim Hulu Kinta, Ipoh, Perak	Joint development properties	Commercial development	Freehold	8,000	0.14
JV	Lot 224019, Mukim Hulu Kinta, Ipoh, Perak	Joint development properties	Commercial development	Leasehold	227,000	0.17
<u>JOINT VENTURE DEPOSITS PAID</u>						
JV	Lot 2579, Lot 2594, lot 3458 & lot 3469, Mukim Batu, Daerah Kuala Lumpur	Joint development properties	Proposed high rise comdominium	Freehold	129,500,000	12.30
JV	Lot 4753, Mukim Batu, Daerah Kuala Lumpur	Joint development properties	Proposed high rise comdominium	Freehold	207,300,000	5.14
JV	Lot 449, Mukim Batu, Dearah Kuala Lumpur	Joint development properties	Proposed high rise comdominium	Freehold	72,000,000	5.06
JV	PT 10415, PT 10416, Mukim Lumut, Daerah Manjung	Joint development properties	Proposed mixed development	Leasehold (3.3.2104)	39,811,000	50.00
JV	Lot 400, Bandar Lumut, Daerah Manjung	Joint development properties	Proposed mixed development	Leasehold (15.1.2105)	37,509,000	25.87
JV	Lot 3566, Lot 3567, Lot 3568, Pangkor Island	Joint development properties	Proposed mixed development	Freehold	6,500,000	5.21
JV	PT 10513, Mukim Lumut, Daerah Manjung	Joint development properties	Proposed mixed development	Leasehold (2.11.2103)	12,100,000	24.67
JV	Lot 10496 to lot 10518, Mukim Hulu Bernam Timur, District Batang Padang, Perak	Joint development properties	Proposed mixed development	Leasehold (4.7.2095)	34,848,000	307.30
JV	PT 1792 etc, Kuala Pilah, Negeri Sembilan	Joint development properties	Proposed mixed development	Leasehold (30.12.2086)	23,000,000	76.72
JV	Lot 48632, Mukim Kuala Lumpur, Daerah Kuala Lumpur	Joint development properties	Proposed high rise comdominium	Freehold	239,500,000	6.29

LIST OF PROPERTIES (cont'd)

Registered/ Beneficial Owner	Location	Description Property	Existing use/ Proposed Usage	Tenure (years)/	Total land cost	Land area @ 30.06.24
JV	Lot 594, Mukim 09, Daerah Sebarang Prai Selatan	Joint development properties	Proposed mixed development	Freehold	27,669,000	27.06
JV	PT 2856, 3168, 8289, Mukim Damansara, Daerah Petaling	Joint development properties	Proposed high rise comdominium	Freehold	10,500,000	0.71
JV	69 plots, Mukim Kuala Lumpur, Daerah Kuala Lumpur	Joint development properties	Proposed commercial development	Leasehold (2.11.2066)	72,800,000	1.00
JV	Lot 5274, Mukim Damansara, Daerah Petaling	Joint development properties	Proposed high rise comdominium	Freehold	23,045,000	1.51
JV	Lot 2355, Mukim Batu, daerah Kuala Lumpur	Joint development properties	Proposed high rise comdominium	Freehold	38,383,000	2.78
GRAND TOTAL					2,051,077,000	1,737

ANALYSIS OF SHAREHOLDINGS AS AT 7 OCTOBER 2024

TOTAL ISSUED SHARE	:	528,487,067 (Excluding 512,512 treasury shares)
CLASSES OF SHARES	:	Ordinary Shares
VOTING RIGHTS	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	No. of Shares	Percentage of Shareholdings (%)
Less than 100	3,860	146,955	0.0278
100 to 1,000	1,968	663,579	0.1256
1,001 to 10,000	2,614	14,313,738	2.7084
10,001 to 100,000	2,094	77,634,292	14.6899
100,001 to less than 5% of issued shares	536	389,502,719	73.7015
5% and above of issued shares	1	46,225,784	8.7468
Total	11,073	528,487,067	100.0000

SUBSTANTIAL SHAREHOLDER AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

Names	Direct Interest		Indirect Interest	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
1. CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR KENANGA INVESTORS BHD	46,225,784	8.74	0	0
2. DATO' YU KUAN HUAT	23,656,810	4.48	131,402,938	24.86
3. DATO' DR. YU KUAN CHON	128,982,770	24.41	43,180,507	8.17

DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Names	Direct Interest		Indirect Interest	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
1. DATO DR. YU KUAN CHON	128,982,770	24.41	43,180,507	8.17
2. DATO' YU KUAN HUAT	23,656,810	4.48	131,402,938	24.86
3. KHONG KAM HOU	0	0	0	0
4. CHING LEE FONG	2,998,600	0.57	0	0
5. LEE ZHI YAN	0	0	0	0

By virtue of their interests in the ordinary shares of the Company, Dato' Dr. Yu Kuan Chon and Dato' Yu Kuan Huat, are deemed to be interested in the ordinary shares of subsidiaries to the extent that the Company has an interest.

None of the other directors had any interest in the ordinary shares in the Company's related corporations.

ANALYSIS OF SHAREHOLDINGS

AS AT 7 OCTOBER 2024 (cont'd)

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 7 OCTOBER 2024)

Names	No. of Shares	Percentage of Shareholdings (%)
1. CITIGROUP NOMINEES (TEMPATAN) SDN BHD (199301012273) EXEMPT AN FOR KENANGA INVESTORS BHD	46,225,784	8.7468
2. CITIGROUP NOMINEES (TEMPATAN) SDN BHD (199301012273) URUSHARTA JAMAAH SDN. BHD. (2)	20,785,400	3.9330
3. KENANGA NOMINEES (TEMPATAN) SDN BHD (197301003326) EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENT ACCOUNT)	13,550,000	2.5639
4. MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD (6193K) PLEDGED SECURITIES ACCOUNT FOR YU KUAN CHON (01-00868-000)	13,078,000	2.4746
5. CITIGROUP NOMINEES (ASING) SDN BHD (199301009138) EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)	13,000,000	2.4598
6. UOBM NOMINEES (TEMPATAN) SDN BHD (15356H) PLEDGED SECURITIES ACCOUNT FOR CHAN WENG FUI	9,559,786	1.8089
7. KENANGA NOMINEES (TEMPATAN) SDN BHD (197301003326) PLEDGED SECURITIES ACCOUNT FOR MERRY NOEL ROBERT	7,500,000	1.4191
8. UOBM NOMINEES (TEMPATAN) SDN BHD (15356H) EXEMPT AN FOR UNITED OVERSEAS BANK NOMINEES (PTE) LTD (LOCAL CLIENT)	7,500,000	1.4191
9. GAN BOON KAT	7,393,000	1.3989
10. KENANGA NOMINEES (TEMPATAN) SDN BHD (197301003326) PLEDGED SECURITIES ACCOUNT FOR CHAN WENG FUI	6,854,939	1.2971
11. TAN THIAN SIANG	6,500,000	1.2299
12. FIAMMA HOLDINGS BERHAD	6,438,550	1.2183
13. SIGNATURE INTERNATIONAL BERHAD	6,405,650	1.2121
14. KENANGA NOMINEES (TEMPATAN) SDN BHD (197301003326) PLEDGED SECURITIES ACCOUNT KENANGA INVESTORS BERHAD FOR CHAN WENG FUI	6,337,163	1.1991
15. MAYBANK NOMINEES (TEMPATAN) SDN BHD (199301004202) PLEDGED SECURITIES ACCOUNT FOR YU KUAN HUAT	5,312,939	1.0053
16. YU KAI LIANG	4,807,000	0.9096
17. YU KUAN HUAT	4,658,044	0.8814
18. HSBC NOMINEES (ASING) SDN BHD (196101000332) J.P. MORGAN SECURITIES PLC	4,175,600	0.7901
19. KENANGA NOMINEES (TEMPATAN) SDN BHD (197301003326) PLEDGED SECURITIES ACCOUNT FOR YU KUAN CHON	3,986,371	0.7543
20. SUSY DING	3,875,000	0.7332
21. WONG YEE HUI	3,850,000	0.7285
22. KENANGA NOMINEES (TEMPATAN) SDN BHD (197301003326) PLEDGED SECURITIES ACCOUNT FOR HO SWEE MING	3,738,333	0.7074

ANALYSIS OF SHAREHOLDINGS

AS AT 7 OCTOBER 2024 (cont'd)

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 7 OCTOBER 2024)

Names	No. of Shares	Percentage of Shareholdings (%)
23. GAN BOON KAT	3,620,000	0.6850
24. UOBM NOMINEES (TEMPATAN) SDN BHD (15356H) PLEDGED SECURITIES ACCOUNT FOR YU KUAN HUAT	3,600,000	0.6812
25. OOI EE HOW	3,560,000	0.6736
26. CITIGROUP NOMINEES (ASING) SDN BHD (199301009138) CBNY FOR EMERGING MARKET CORE EQUITY PORTFOLIO DFA INVESTMENT DIMENSIONS GROUP INC	3,472,593	0.6571
27. MAYBANK NOMINEES (TEMPATAN) SDN BHD (199301004202) NG WEI KING	3,230,000	0.6112
28. DOH TEE LEONG	3,160,000	0.5979
29. CARTABAN NOMINEES (TEMPATAN) SDN BHD (199301008631) RHB TRUSTEES BERHAD FOR KENANGA ISLAMIC ABSOLUTE RETURN FUND	3,000,000	0.5677
30. MAUDREEN A/P KANJEE	3,000,000	0.5677

YNH PROPERTY BERHAD
(Incorporated in Malaysia)

FINANCIAL STATEMENTS

CONTENTS	PAGE(S)
Directors' report	1 - 7
Statement by directors	8
Declaration by the director primarily responsible for the financial management of the Company	9
Independent auditors' report	10 - 19
Statements of profit or loss and other comprehensive income	20 - 21
Statements of financial position	22 - 24
Statements of changes in equity	25 - 28
Statements of cash flows	29 - 32
Notes to the financial statements	33 - 129

YNH PROPERTY BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors of **YNH PROPERTY BERHAD** hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in business as an investment holding company.

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

RESULTS OF OPERATIONS

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

	Group RM	Company RM
Loss before tax	(49,675,864)	(48,703,445)
Income tax credit/(expense)	<u>8,221,793</u>	<u>(1,174)</u>
Loss for the financial year	<u>(41,454,071)</u>	<u>(48,704,619)</u>
Attributable to:		
Owners of the Company	<u>(41,454,071)</u>	<u>(48,704,619)</u>

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

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial period. The directors do not recommend any dividend payment in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

There was no issuance of shares or debentures during the financial year.

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with Section 127(4)(b) of the Companies Act, 2016 in Malaysia.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

As at 30 June 2024, the Company held 512,512 units of ordinary shares as treasury shares out of its 528,999,579 units of issued and paid-up ordinary shares. Such treasury shares are held at a carrying amount of RM970,157. Further details are disclosed in Note 25 to the financial statements.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

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

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

- (a) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

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

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

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

DIRECTORS

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

Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS*

Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT*

Khong Kam Hou

Ching Lee Fong

Lee Zhi Yan

(Appointed on 1 March 2024)

Oon Seow Ling

(Resigned on 8 December 2023)

* Directors of the Company and certain subsidiary companies

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

Datin Dr. Chan Sow Keng (Alternate director to Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS)

Datin Teh Nai Sim

DIRECTORS' INTERESTS

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

	Number of ordinary shares			At 30.06.2024
	At 01.07.2023	Bought	Sold	
Shares in the Company				
Direct interests				
Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS	128,982,770	-	-	128,982,770
Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT	23,656,810	-	-	23,656,810
Ching Lee Fong	2,998,600	-	-	2,998,600
Indirect interests				
Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS*	43,180,507	-	-	43,180,507
Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT*	131,402,938	-	-	131,402,938

* Shares held through spouse, sibling and spouse of sibling.

By virtue of their interests in the ordinary shares of the Company and pursuant to Section 8(4) of the Companies Act 2016 in Malaysia, Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS and Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT are deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

The other directors in office at the end of the financial year did not hold shares, nor had beneficial interest in the shares of the Company or its related corporation during or at the beginning and end of the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial period, none of the directors of the Company has received or become entitled to receive a benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of full-time employees of the Company as disclosed below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, other than certain directors who have significant financial interests in companies which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 39 to the financial statements.

The details of the directors' remuneration of the Group and of the Company for the financial year are as follows:

	Group RM	Company RM
Executive directors		
Salaries and other emoluments	9,943,615	-
Defined contribution plan	1,889,292	-
	<u>11,832,907</u>	<u>-</u>
Non-executive directors		
Fees	10,500	10,500
Salaries and other emoluments	120,100	120,100
	<u>130,600</u>	<u>130,600</u>
	<u>11,963,507</u>	<u>130,600</u>

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

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There were no indemnity given to or insurance effected for any directors and officers of the Company in accordance with Section 289 of the Companies Act, 2016 in Malaysia. The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act, 2016.

SUBSIDIARY COMPANIES

The details of the Company's subsidiaries are disclosed in Note 15 to the financial statements, which also serve for the purpose of this report.

Other than subsidiary companies with modified opinion in its auditors' report as disclosed in Note 15 to the financial statements, the available auditors' report on the financial statements of the remaining subsidiary companies did not contain any qualification.

AUDITORS' REMUNERATION

The amount paid or payable as remuneration of the auditors of the Group and of the Company for financial year ended 30 June 2024 are as follows:

	Group RM	Company RM
Auditors' remuneration:		
Statutory audit	600,000	308,000
Other services	17,000	5,000
	<u>617,000</u>	<u>313,000</u>

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE FINANCIAL YEAR

The details of significant events during and subsequent to the financial year are disclosed in Note 42 to the financial statements.

Registration No. 200101026228 (561986 - V)

AUDITORS

The auditors, Morison LC PLT, have expressed their willingness to continue in office.

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

**DATO' DR. YU KUAN CHON, DIMP,
PPT, MBBS**

**DATO' YU KUAN HUAT, DPMP, PMP,
AMP, PPT**

Petaling Jaya
30 October 2024

Registration No. 200101026228 (561986 - V)

YNH PROPERTY BERHAD

(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

The directors of **YNH PROPERTY BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2024 and of their financial performance and their cash flows of the Group and of the Company for the financial year then ended.

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

**DATO' DR. YU KUAN CHON, DIMP,
PPT, MBBS**

**DATO' YU KUAN HUAT, DPMP, PMP,
AMP, PPT**

Petaling Jaya
30 October 2024

YNH PROPERTY BERHAD

(Incorporated in Malaysia)

DECLARATION BY THE DIRECTOR PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **DATO' DR. YU KUAN CHON, DIMP, PPT, MBBS**, the director primarily responsible for the financial management of **YNH PROPERTY BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

DATO' DR. YU KUAN CHON, DIMP, PPT, MBBS

Subscribed and solemnly declared by the abovenamed **DATO' DR. YU KUAN CHON, DIMP, PPT, MBBS** at **PETALING JAYA** in the State of Selangor Darul Ehsan on 30 October 2024.

Before me,

COMMISSIONER FOR OATHS

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
YNH PROPERTY BERHAD**
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **YNH PROPERTY BERHAD**, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, 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 20 to 129.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Qualified Opinion

During the previous financial period ended 30 June 2023, the Group was subject to queries and investigations by regulatory authorities regarding joint venture and turnkey contracts entered into for development work with joint venture parties or landowners.

In response, the predecessor auditors had requested the Group to undertake extended procedures for these joint venture and turnkey contracts. The Group agreed to conduct a special review of these transactions and had engaged independent law firms to examine if there is any potential involvement of related parties and non-compliance with applicable laws and regulations. Subsequently, the special review by the independent law firms was completed, as disclosed in Note 42(c) of the financial statements.

(Forward)

In the current financial year, in conjunction with the ongoing regulatory investigations, management has performed an internal assessment on the independent law firms' results. Additionally, following our concurrence on the scope of work with the Group's Audit Committee, a professional services firm was appointed to undertake an additional special independent review of these contracts as disclosed in Note 42(i) of the financial statements.

Included in inventories as at 30 June 2023 was total consideration paid in prior years for the aforementioned joint venture and turnkey contracts with various joint venture parties or landowners for property development work, amounting to RM1,100,210,470. These land costs are subject to agreed entitlements outlined in the contracts with the joint venture parties or landowners. During the financial year, certain turnkey contracts were terminated or considered incomplete, resulting in a reclassification of RM66,883,000 from inventories to other receivables, with the remaining balance of RM1,033,327,470 recognised in inventories as at 30 June 2024. Details of these balances and events are disclosed in Notes 13, 19, 42(a), 42(e), 42(f), 42(h), 42(k) and 43 of the financial statements.

As of the date of our report, despite extensive audit procedures performed by us to address these developments, the outcome of the regulatory authorities' investigations remains unknown, and the special independent review by the Group is still pending completion. Hence, we were unable to obtain sufficient appropriate audit evidence to determine the possible consequential effects thereof, if any, on valuation and related disclosure for the aforementioned inventories and other receivables in the Group's financial statements.

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 qualified 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 IESBA Code.

(Forward)

Information Other than the Financial Statement and Auditors' Report Thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate audit evidence to determine the possible consequential effects thereof, if any, on valuation and related disclosure for the aforementioned inventories and other receivables in the Group's financial statements. Accordingly, we were unable to conclude whether or not the other information is materially misstated with respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

(Forward)

Key Audit Matter	Our audit performed and responses thereon
<p>Goodwill on consolidation</p> <p>As at 30 June 2024, the Group has goodwill of RM17,626,036, of which RM17,618,601 relates to a subsidiary, YNH Construction Sdn. Bhd., which is allocated to the property development segment cash generating unit (“CGU”).</p> <p>In performing the impairment assessment of goodwill, management is required to estimate the recoverable amount of the CGU. The recoverable amount is calculated based on the estimated of the present value of the future cash flows expected to be generated (“value-in-use model”).</p> <p>The key bases and assumptions used in the value-in-use model involve a significant degree of management judgements and estimates, such as projected profit margins, growth rates and discount rates.</p> <p>Refer to key bases and assumptions used as disclosed in Note 14 to the financial statements.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> (i) Performed inquiries with the management to understand and evaluate the process and controls in developing the value-in-use model; (ii) Evaluated the appropriateness of the methodology of the management’s value-in-use model, including the verification of the mathematical accuracy of the underlying calculations and understanding the basis for management judgements and estimates; (iii) Performed retrospective review of the cash flow projections used in the value-in-use model to assess the reliability of the management’s estimates; (iv) Challenged the reasonableness of the key bases and assumptions underpinning the value-in-use model, specifically the projected project margins and growth rates, by amongst others, comparing them against business plans, historical results and market data; (v) Evaluated and challenged the appropriateness of the discount rate used to determine the present value of the cash flows and whether the rate used reflects current market assessments of the time value of money and the risks specific to the asset;

(Forward)

Key Audit Matter	Our audit performed and responses thereon
	<p>(vi) Performed sensitivity analysis on the key assumptions to assess if any reasonably possible change in these assumptions can lead to an impairment loss; and</p> <p>(vii) Assessed the results of the impairment assessment by comparing the recoverable amount of the CGU to its carrying amount.</p>
<p>Revenue recognition for property development activities</p> <p>Revenue from property development during the financial year amounted to RM126,861,578 which represents 87% of the Group's revenue.</p> <p>Revenue from property development is recognised based on the cost-based input method, which is measured on the basis of the Group's effort or inputs to the property development costs incurred relative to the total expected property development costs.</p> <p>We determined this to be a key audit matter given its magnitude relative to the Group's revenue as well as the significant judgements and estimates involved in estimating the total property development costs to complete the project and progress of the project, which include relying on the opinion or service of experts, past experiences and continuous monitoring of the budgeting process.</p>	<p>Our audit procedures, amongst others, included the following:</p> <p>(i) Obtained an understanding of the relevant controls put in place by the Group in respect of revenue recognition for property development activities and performed procedures to evaluate the design and implementation of such controls;</p> <p>(ii) Verified gross development value and assessed the terms and conditions of the major sales contracts to determine that revenue recognised conforms with the Group policies and the requirements of MFRS 15 <i>Revenue from Contracts with Customers</i>;</p> <p>(iii) Evaluated and assessed the reasonableness and appropriateness of the estimated total budgets for property development projects by:</p> <p>(a) reviewing the basis of estimation of cost to complete;</p> <p>(b) challenging the reasonableness of management's assumptions and estimations on the budgeted total costs of development projects; and</p> <p>(c) performing retrospective review to establish the reliability of management-approved total budgeted costs;</p>

(Forward)

Key Audit Matter	Our audit performed and responses thereon
	<p>(iv) Tested sample of costs incurred to the relevant supporting documents such as contractor’s progress claims or suppliers’ invoices, where costs have not been billed or certified, assessed the adequacy of management’s accruals of such costs by reviewing to subsequent contractors’ claims, supplier invoices or approved architect’s certificates;</p> <p>(v) Checked the mathematical accuracy of the revenue and profit based on percentage of completion calculations and considered the implications of any changes in estimate; and</p> <p>(vi) Performed site visits for individually significant ongoing projects and discussed with the site team to arrive at an overall assessment as to whether the percentage of progress towards complete satisfaction of performance obligation determined on a cost-to-cost basis was reasonable.</p>
<p>Funding requirements and ability to meet short-term obligations</p> <p>As at 30 June 2024, the Group has reported current liabilities of RM301,087,112 relating to short-term payables and RM455,215,362 in short-term loans and borrowings (including lease liabilities), where certain revolving credit of the Group are subject to monthly limit reduction over a two to three-year period the a significant Sukuk Wakalah repayment of scheduled for 28 February 2025.</p> <p>We determined this as a key audit matter as the substantial short-term liability position necessitates an evaluation of the Group’s capacity to meet its upcoming obligations and manage its liquidity effectively, particularly in light of cash flow requirements and funding sources.</p>	<p>Our audit procedures, amongst others, included the following:</p> <p>(i) Obtained and reviewed management-approved cash flow forecasts over the next 12 months;</p> <p>(ii) Discussed with management on key assumptions used in the cash flow forecasts including cash collection trends, payment profiles, development progress and significant transactions that may occur in developing the cash flow forecasts for the Group;</p>

(Forward)

Key Audit Matter	Our audit performed and responses thereon
<p>The assessment of the Group’s ability to meet its short-term obligations involves judgment and significant estimation, particularly regarding the cash flow forecasts, access to funding, planned realisation of certain inventories, and liquidity management. These factors are disclosed in Notes 4 and Note 37(ii) to the financial statements</p>	<p>(iii) Evaluated management’s action plans to address finding gaps, including evaluating available financing options, existing loan agreements, realisation plan for certain inventories and other funding sources.;</p> <p>(iv) Performed retrospective review to establish the reliability of management-approved cash flow forecasts; and</p> <p>(v) Challenged the reasonableness of the scenario analysis and performed stress test with reference to the assumptions that used in the cash flow forecast.</p>

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors’ report.

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.

(Forward)

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

(Forward)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that:

- (a) the subsidiaries of which we have not acted as auditors, are disclosed in Note 15 to the financial statements.
- (b) in our opinion we have not obtained all the information and explanations that we required in relation to the matters as disclosed in the *Basis for Qualified Opinion* section.

(Forward)

Other Matters

- (a) The financial statements of the Group and of the Company for the financial period ended 30 June 2023 were audited by another firm of auditors who expressed a qualified opinion on those financial statements on 27 October 2023. Their basis for the qualified opinion was that, given the prevailing ongoing regulatory authorities' investigations and the Group's special review which have not been completed, they were unable to obtain sufficient appropriate audit evidence on whether the joint venture and turnkey contracts entered into with the respective joint venture parties or landowners are not related party transactions, and on the value of the inventories as of 30 June 2023 and the related disclosures. Consequently, they were unable to determine whether any adjustments to those financial statements were necessary.
- (b) This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

**MORISON LC PLT (AF 002469)
202206000028 (LLP00032572-LCA)
Chartered Accountants**

**LIM KAI JIE
03726/04/2025 J
Chartered Accountant**

Petaling Jaya
28 October 2024

YNH PROPERTY BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

	Note	Group		Company	
		01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Revenue	5	148,437,809	307,516,997	-	42,300,000
Cost of sales		<u>(109,852,673)</u>	<u>(156,942,559)</u>	-	-
Gross profit		38,585,136	150,574,438	-	42,300,000
Other operating income		43,028,852	84,565,789	5,151	-
Administrative expenses		(52,049,543)	(94,941,293)	(16,110,300)	(18,677,374)
Selling and distribution expenses		(1,192,665)	(6,499,306)	-	-
Net allowance for impairment losses on receivables		(4,246,653)	(1,666,087)	(13,132,267)	-
Other operating expenses		<u>(17,385,068)</u>	<u>(33,219,578)</u>	-	-
Profit/(Loss) from operations		6,740,059	98,813,963	(29,237,416)	23,622,626
Finance costs	6	<u>(56,415,923)</u>	<u>(78,397,164)</u>	<u>(19,466,029)</u>	<u>(25,838,110)</u>
(Loss)/Profit before tax	7	(49,675,864)	20,416,799	(48,703,445)	(2,215,484)
Income tax credit/(expense)	8	<u>8,221,793</u>	<u>(16,734,580)</u>	<u>(1,174)</u>	-
(Loss)/Profit for the financial year/period		(41,454,071)	3,682,219	(48,704,619)	(2,215,484)

(Forward)

	Note	Group		Company	
		01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
(Loss)/Profit for the financial year/period		(41,454,071)	3,682,219	(48,704,619)	(2,215,484)
Other comprehensive loss, net of tax					
<i>Item that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of a subsidiary company		<u>(5,439)</u>	<u>(4,591,455)</u>	<u>-</u>	<u>-</u>
Total comprehensive loss for the financial year/period		<u>(41,459,510)</u>	<u>(909,236)</u>	<u>(48,704,619)</u>	<u>(2,215,484)</u>
(Loss)/Profit for the financial year/period attributable to:					
Owners of the Company		<u>(41,454,071)</u>	<u>3,682,219</u>	<u>(48,704,619)</u>	<u>(2,215,484)</u>
Total comprehensive loss attributable to:					
Owners of the Company		<u>(41,459,510)</u>	<u>(909,236)</u>	<u>(48,704,619)</u>	<u>(2,215,484)</u>
Loss per share (sen) attributable to ordinary equity holders of the Company:					
Basic and diluted	9	<u>(12.37)</u>	<u>(6.10)</u>		

The accompanying Notes form an integral part of the Financial Statements.

YNH PROPERTY BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	Note	30.06.2024 RM	Group 30.06.2023 RM (Restated)	01.01.2022 RM (Restated)
ASSETS				
Non-Current Assets				
Property, plant and equipment	10	85,980,012	94,982,568	110,892,220
Right-of-use assets	11	38,319,274	38,548,067	47,372,364
Investment properties	12	267,185,346	144,792,782	295,711,195
Inventories	13	940,647,818	980,451,297	1,129,429,133
Goodwill on consolidation	14	17,626,036	17,626,036	17,626,036
Deferred tax assets	16	102,063,810	116,014,561	99,094,902
Total Non-Current Assets		<u>1,451,822,296</u>	<u>1,392,415,311</u>	<u>1,700,125,850</u>
Current Assets				
Inventories	13	769,485,758	791,627,532	591,368,008
Other current assets	17	11,568,124	4,857,144	4,945,986
Trade receivables	18	42,596,962	58,725,500	85,611,614
Other receivables	19	79,106,688	53,244,326	49,102,806
Contract assets	35	36,023,759	-	-
Other investments	21	459,816	444,301	-
Tax recoverables		2,102,600	2,091,080	1,381,934
Deposits, cash and bank balances	22	43,183,059	36,839,955	34,149,859
		984,526,766	947,829,838	766,560,207
Non-current assets classified as held for sale	23	<u>9,431,864</u>	<u>141,717,243</u>	<u>-</u>
Total Current Assets		<u>993,958,630</u>	<u>1,089,547,081</u>	<u>766,560,207</u>
Total Assets		<u><u>2,445,780,926</u></u>	<u><u>2,481,962,392</u></u>	<u><u>2,466,686,057</u></u>

(Forward)

	Note	30.06.2024 RM	Group 30.06.2023 RM (Restated)	01.01.2022 RM (Restated)
EQUITY AND LIABILITIES				
Capital and Reserves				
Share capital	24	528,999,579	528,999,579	528,999,579
Treasury shares	25	(970,157)	(970,157)	(970,157)
Other reserves	26	26,524,999	26,530,438	31,121,893
Retained earnings		<u>227,284,294</u>	<u>292,713,385</u>	<u>324,993,475</u>
		781,838,715	847,273,245	884,144,790
Perpetual securities	27	<u>345,915,827</u>	<u>345,915,827</u>	<u>345,915,827</u>
Total Equity		<u>1,127,754,542</u>	<u>1,193,189,072</u>	<u>1,230,060,617</u>
Non-Current Liabilities				
Loans and borrowings	28	381,390,982	468,461,978	267,897,766
Lease liabilities	29	2,140,495	-	-
Deferred tax liabilities	16	<u>21,591,309</u>	<u>24,430,161</u>	<u>28,593,064</u>
Total Non-Current Liabilities		<u>405,122,786</u>	<u>492,892,139</u>	<u>296,490,830</u>
Current Liabilities				
Trade payables	31	84,775,956	65,742,982	73,242,450
Other payables	32	216,311,156	162,225,051	176,030,298
Amount owing to directors	33	5,149,321	785,497	683,871
Contract liabilities	35	97,994,023	45,511,180	95,794,126
Loans and borrowings	28	453,986,719	440,664,485	539,153,531
Lease liabilities	29	1,228,643	4,153,007	84,256
Provision	30	67,058	135,379	277,887
Provision for taxation		<u>53,390,722</u>	<u>76,663,600</u>	<u>54,868,191</u>
Total Current Liabilities		<u>912,903,598</u>	<u>795,881,181</u>	<u>940,134,610</u>
Total Liabilities		<u>1,318,026,384</u>	<u>1,288,773,320</u>	<u>1,236,625,440</u>
Total Equity and Liabilities		<u>2,445,780,926</u>	<u>2,481,962,392</u>	<u>2,466,686,057</u>

	Note	Company	
		30.06.2024 RM	30.06.2023 RM
ASSETS			
Non-Current Asset			
Investment in subsidiary companies	15	1,344,368,184	1,358,151,879
Total Non-Current Asset		<u>1,344,368,184</u>	<u>1,358,151,879</u>
Current Assets			
Other receivables	19	-	286,477
Amount owing by subsidiary companies	20	13,922,620	17,743,741
Deposits, cash and bank balances	22	27,895,185	3,672,613
Total Current Assets		<u>41,817,805</u>	<u>21,702,831</u>
Total Assets		<u>1,386,185,989</u>	<u>1,379,854,710</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	24	528,999,579	528,999,579
Treasury shares	25	(970,157)	(970,157)
Accumulated losses		<u>(165,995,974)</u>	<u>(93,316,335)</u>
		362,033,448	434,713,087
Perpetual securities	27	<u>345,915,827</u>	<u>345,915,827</u>
Total Equity		<u>707,949,275</u>	<u>780,628,914</u>
Non-Current Liability			
Loans and borrowings	28	<u>168,655,158</u>	<u>320,289,654</u>
Total Non-Current Liability		<u>168,655,158</u>	<u>320,289,654</u>
Current Liabilities			
Other payables	32	7,926,229	6,860,828
Amount owing to directors	33	4,562,368	65,944
Amount owing to subsidiary companies	34	344,357,225	271,930,335
Loans and borrowings	28	152,655,525	-
Provision for taxation		80,209	79,035
Total Current Liabilities		<u>509,581,556</u>	<u>278,936,142</u>
Total Liabilities		<u>678,236,714</u>	<u>599,225,796</u>
Total Equity and Liabilities		<u>1,386,185,989</u>	<u>1,379,854,710</u>

The accompanying Notes form an integral part of the Financial Statements.

	← Attributable to the owner of the company →				
	← Non-distributable →		Distributable		
	Share capital RM	Treasury shares RM	Accumulated losses RM	Perpetual securities RM	Total equity RM
Company					
As of 1 January 2022	528,999,579	(970,157)	(55,138,542)	345,915,827	818,806,707
Total comprehensive loss for the financial period					
Loss for the financial period	-	-	(2,215,484)	-	(2,215,484)
Total comprehensive loss	-	-	(2,215,484)	-	(2,215,484)
Transaction with owners:					
Distribution paid to holders of perpetual securities	-	-	(35,962,309)	-	(35,962,309)
As of 30 June 2023	<u>528,999,579</u>	<u>(970,157)</u>	<u>(93,316,335)</u>	<u>345,915,827</u>	<u>780,628,914</u>

(Forward)

	←——— Attributable to the owner of the company ———→				→
	←——— Non-distributable ———→		Distributable	Perpetual securities	
	Share capital RM	Treasury shares RM	Accumulated losses RM		RM
Company					
As of 1 July 2023	528,999,579	(970,157)	(93,316,335)	345,915,827	780,628,914
Total comprehensive loss for the financial year					
Loss for the financial year	-	-	(48,704,619)	-	(48,704,619)
Total comprehensive loss	-		(48,704,619)	-	(48,704,619)
Transaction with owners					
Distribution paid to holders of perpetual securities	-	-	(23,975,020)	-	(23,975,020)
As of 30 June 2024	528,999,579	(970,157)	(165,995,974)	345,915,827	707,949,275

The accompanying Notes form an integral part of the Financial Statements.

YNH PROPERTY BERHAD

(Incorporated in Malaysia)

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

	Group		Company	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES				
(Loss)/Profit before tax	(49,675,864)	20,416,799	(48,703,445)	(2,215,484)
Adjustments for:				
Amortisation of transaction cost	1,021,029	1,590,267	1,021,029	1,227,932
Amortisation of right-of- use assets	3,203,907	5,060,163	-	-
Depreciation of investment properties	4,834,453	4,858,701	-	-
Depreciation of property, plant and equipment	1,680,900	4,222,764	-	-
Gain on disposal:				
Assets held for sales	(105,944)	-	-	-
Property, plant and equipment	(1,885,884)	(23,352,136)	-	-
Investment properties	-	(10,110,038)	-	-
Right-of-use assets	-	4,192,549	-	-
Inventories written down	-	1,934,239	-	-
Impairment loss on:				
Right-of-use assets	-	1,809,846	-	-
Investment properties	-	1,092,236	-	-
Trade receivables	934,153	881,753	-	-
Other receivables	3,695,165	5,572,430	-	-
Investment in subsidiary companies	-	-	13,783,695	16,858,705
Amount owing by subsidiary companies	-	-	13,132,267	-
Reversal of impairment losses on:				
Trade receivables	(382,665)	(2,359,900)	-	-
Lease receivables	-	(485,886)	-	-
Other receivables	-	(1,942,310)	-	-

(Forward)

	Group		Company	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Finance costs	55,394,894	51,990,866	18,445,000	25,838,110
Finance income	(452,076)	(172,156)	(5,151)	-
Prepayment written off	32,077	-	32,077	-
Property, plant and equipment written off	633,234	758,009	-	-
Provision for rectification works	417,071	475,315	-	-
Operating profit/(loss) before working capital changes	19,344,450	66,433,511	(2,294,528)	41,709,263
Changes in working capital:				
(Increase)/Decrease in:				
Inventories	64,259,567	47,822,523	-	-
Trade receivables	11,881,884	20,805,014	-	-
Other receivables	(25,894,438)	-	254,400	(254,400)
Contract assets	(36,023,759)	-	-	-
Other current assets	(6,710,980)	-	-	-
Increase/(Decrease) in:				
Trade payables	19,032,974	(20,143,085)	-	6,505,809
Other payables	54,080,666	-	1,065,401	-
Contract liabilities	52,482,843	(50,282,946)	-	-
Cash generated from/(used in) operations	152,453,207	64,635,017	(974,727)	47,960,672
Rectification work paid	-	(617,823)	-	-
Income tax refunded	706,686	455,998	-	-
Income tax paid	(5,142,784)	(17,187,102)	-	-
Interest received	452,076	172,156	-	-
Interest paid	(55,394,894)	(51,990,866)	(18,445,000)	(25,838,110)
Net cash (used in)/from operating activities	91,660,919	(4,532,620)	(19,419,727)	22,122,562

(Forward)

	Group		Company	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES				
Additions to properties held for development	-	(97,500,000)	-	-
Additions of investment properties	(13,240)	(50,967)	-	-
Additions of property, plant and equipment	(3,601,824)	(3,827,967)	-	-
Addition in other investment	(15,515)	(605,721)	-	-
Proceeds from disposal of:				
Assets held for sales	12,447,362	-	-	-
Property, plant and equipment	2,592,000	34,570,532	-	-
Investment properties	-	13,411,238	-	-
Right-of-use assets	-	6,535,000	-	-
Withdrawal of fixed deposits pledged	(24,110)	(415,764)	-	-
Withdrawal of escrow accounts	80	130	80	130
Repayment from subsidiary companies	-	-	(9,311,146)	(12,706,528)
Contribution to subsidiaries	-	-	-	(397,087,036)
Interest received	-	-	5,151	-
Net cash from/(used in) investing activities	11,384,753	(47,883,519)	(9,305,915)	(409,793,434)
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES				
Advances from subsidiary companies	-	-	72,426,890	108,103,656
Advances from directors	4,363,824	101,626	4,496,424	53,000
Advances from persons related to directors	-	1,800,000	-	-
Repayment to director related companies	-	(7,553,085)	-	-
Debts issuance cost of Sukuk Wakalah	-	(3,938,278)	-	(3,938,278)

(Forward)

	Group		Company	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Proceeds from issuance of Sukuk Wakalah	-	323,000,000	-	323,000,000
Drawdown of term loans	(73,431,670)	(205,503,298)	-	-
Payment of lease liabilities	(3,758,983)	(4,704,285)	-	-
Distribution paid to holders of perpetual securities	<u>(23,975,020)</u>	<u>(35,962,309)</u>	<u>(23,975,020)</u>	<u>(35,962,309)</u>
Net cash (used in)/from financing activities	<u>(96,801,849)</u>	<u>67,240,371</u>	<u>52,948,294</u>	<u>391,256,069</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	7,657,195	14,824,232	24,222,652	3,585,197
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR/PERIOD	<u>(6,673,057)</u>	<u>(21,497,289)</u>	<u>3,670,723</u>	<u>85,526</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR/PERIOD (NOTE 22)	<u>984,138</u>	<u>(6,673,057)</u>	<u>27,893,375</u>	<u>3,670,723</u>

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

YNH PROPERTY BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

1. CORPORATE INFORMATION

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

The Company is principally engaged in business as an investment holding company.

The details of its subsidiary companies are disclosed in Note 15 to the financial statements.

With effect from 8 January 2024, the registered office of the Company was changed from No. 55A, Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan to B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No.1, Medan Syed Putra Utara, 59200 Kuala Lumpur, W.P Kuala Lumpur.

The principal place of business of the Company is located at No. 188, Jalan PPMP 3/3, Pusat Perniagaan Manjung Point 3, 32040 Seri Manjung, Perak Darul Ridzuan.

The financial statements of the Group and of the Company were authorised by the Board of Directors for issuance on 30 October 2024.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Adoption of amendments to MFRSs

During the financial year, the Group and the Company have adopted the following applicable amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial year:

Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The adoption of these amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company except for:

Amendments to MFRS 101 and MFRS Practice Statement 2 Disclosure of Accounting Policies

The Group and the Company have adopted the amendments to MFRS 101 *Presentation of Financial Statements* and MFRS Practice Statement 2 *Materiality Practice Statement* for the first time in the current financial year. The amendments change the requirements in MFRS 101 *Presentation of Financial Statements* with regard to disclosure of accounting policies. The amendments replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Amendments to MFRS 101 *Presentation of Financial Statements* are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The amendments have no effect on the measurement, recognition or presentation of any items in the Group’s and the Company’s financial statements but affect the disclosure of accounting policies.

New MFRSs and amendments to MFRSs in issue but not yet effective

The Group and the Company have not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback ¹
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current ¹
Amendments to MFRS 101	Non-current Liabilities with Covenants ¹
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements ¹
Amendments to MFRS 121	Lack of Exchangeability ²
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to MFRSs	Annual Improvements to MFRS Accounting Standards - Volume 11 ³
MFRS 18	Presentation and Disclosure in Financial Statements ⁴
MFRS 19	Subsidiaries without Public Accountability: Disclosure ⁴
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵

¹ Effective for annual periods beginning on or after 1 January 2024.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

⁵ Deferred to a date to be determined and announced by MASB.

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost basis unless otherwise indicated in the material accounting policy information below.

Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate (“the functional currency”). The financial statements of the Group and of the Company are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary companies. The financial statements of the subsidiary companies used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

The Group applies the acquisition method to account for business combination from the acquisition date when the acquired set of activities meet the definition of a business and control is transferred to the Group.

Investment in subsidiary companies

In the Company’s separate financial statements, investment in subsidiary companies is stated at cost less accumulated impairment losses.

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

Goodwill arising from business combination

Goodwill arising from business combination represents the excess of cost of the acquisition over the Group’s interest in the fair value of the acquiree’s identifiable assets, liabilities and contingent liabilities, and is initially recognised as an asset at cost and subsequently measured at costs less any accumulated impairment losses.

Revenue from contract with customers

Revenue recognition of the Group are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer). For practical expedient, the Group applied revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics if the Group reasonably expects that the effects on the financial statements would not differ materially from recognising revenue on the individual contracts (or performance obligations) within that portfolio.

The Group recognises revenue from the following major sources:

(a) Property development

Property development contracts with customers may include multiple promises to customers and are accounted for as separate performance obligations. Transaction price will be allocated to each performance obligation based on the stand-alone selling prices. The transaction price is adjusted for the effects of variable consideration (e.g. discounts, rebates, incentives or penalties). The revenue from property development is measured based on the transaction prices net of expected liquidated ascertained damages (“LAD”) payment. LAD is determined based on the expected value method.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer. Control of the asset is transferred over time if the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to-date.

This is generally established when:

- the promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan, and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group’s ability to direct the promised residential and commercial properties for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and
- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the development of the properties and enforce its rights to full payments.

Revenue of property development is recognised over time using input method, which is based on the progress of completion of the physical proportion of contract work to-date, which is determined by the proportion of property development costs incurred for the work performed to date relative to the total property development cost.

The Group recognises sales at a point in time for the sale of completed properties and land held for development, when the control of the land and properties have been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the consideration to which it will be entitled to in exchange for the assets sold.

(b) Construction contracts

The Group constructs buildings and related infrastructure work under long-term contracts with customers. Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, the Group has an enforceable right to payment for performance completed to date and that the customer controls the assets during the course of construction by the Group and that the construction services performed does not create an asset with an alternative use to the Group. Therefore, revenue from construction contracts is recognised over time using input method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the budgeted contract costs. The Group considers this method as an appropriate measure of the progress of completion towards complete satisfaction of the performance obligations.

The Group becomes entitled to invoice customer for construction service based on achieving a series of performance-related milestones.

(c) Income from estates

Revenue from estates is recognised at a point in time when control of the produce is transferred to the customer. The sale of estates produce is either on cash terms or on credit terms of up to 30 days.

(d) Rendering of hotel services

Revenue from a contract to provide hotel services is recognised at a point in time as the services are rendered. Payment terms are either on cash terms or on credit terms of up to 30 days for corporate customers.

(e) Sale of electricity

The Group sells electricity to residents and tenants of a shopping mall. Revenue from sale of electricity is recognised over time when electricity is supplied as the customers simultaneously received and consumed the benefits provided by the Group. The promise to supply electricity represents a promise to transfer a series of distinct goods that are substantially the same and that have the same pattern of transfer to the customers. Consideration from the prepaid sale to tenants where services have not been rendered at the reporting date is deferred as contract liability until actual consumption.

Revenue from postpaid sale of electricity is recognised when electricity is used. Postpaid sales are made with a credit term of 30 days, which is consistent with market practices, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

Other income

(a) Interest income

Interest income is recognised using the effective interest method.

(b) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. Lease incentive granted is recognised as an integral part of the total rental income, over the term of the lease.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the dividend amount can be measured reliably.

Leases

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

Lessee accounting

The Group recognises a right-of-use (“ROU”) asset and a lease liability at the lease commencement date. Right-of-use assets are initially measured at cost less accumulated amortisation and any accumulated impairment losses and adjusted for any remeasurement of the lease liabilities. Amortisation is computed on the straight-line basis over the lease period as follows:

Leasehold lands	60 years
Premises	2 years

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

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an operating expense on a straight-line basis over the lease term.

Lessor accounting

The Group recognises lease payments received from rental of buildings under operating leases as income on a straight-line basis over the lease term as part of revenue.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment are depreciated on straight-line basis over the estimated useful lives of the assets as below except for freehold land is not depreciated.

Buildings	2%
Plant and machineries	20%
Motor vehicles	20%
Tennis court	10%
Office equipment, furniture, fittings and renovations	10% - 20%
Crockery, glassware, cutlery, carpet and linen	12.5% - 25%

Investment properties

The Group uses the cost model to measure its investment properties after initial recognition. Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Vacant land has an unlimited useful life and therefore is not depreciated. Assets under construction included in investment properties are not depreciated as these assets are not yet available for use.

All other investment properties are depreciated on a straight-line basis by allocating their depreciable amounts over their remaining useful lives at the annual rate of 1% - 14%.

Inventories

Inventories are measured at the lower of cost and net realisable value.

Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- (a) building materials and consumables: purchase costs on a first-in first-out basis.
- (b) stationeries and housekeeping supplies: purchase costs on a first-in first-out basis.

Properties held for development

Properties held for development consists of land where no significant development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Cost includes cost of land and attributable development expenditures.

Properties held for development will be reclassified to properties under development when significant development work has been undertaken and is expected to be completed within the normal operating cycle.

Properties under development or held for sale

Cost includes:

- freehold and leasehold rights for land;
- amounts paid to contractors for construction; and
- borrowing costs, planning and design costs, costs for site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

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

Where the financial outcome of a development activity can be estimated reliably, property development revenue and expenses are recognised in profit or loss by using the progress of completion method.

Completed properties

The cost of unsold completed development units comprises cost associated with the acquisition of land, construction costs and appropriate proportions of common development costs determined on a specific identification basis.

Contract assets/liabilities

A contract asset is recognised when the Group's or the Company's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9 Financial Instruments.

A contract liability is stated at cost and represents the obligation of the Group or the Company to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

Borrowing cost

Borrowing costs incurred to finance the land held for property development are capitalised during the substantial period of time that is required to complete and prepare the assets for its intended sale or use.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's and in the Company's statements of financial position when the Group and the Company become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (“FVTOCI”):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (“FVTPL”).

Despite the foregoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group and the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group and the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (ii) below).

(i) *Amortised cost and effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit impaired (see below).

For financial assets that have subsequently become credit impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit impaired financial assets, the Group recognises interest income by applying the credit adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired.

(ii) *Financial assets at FVTPL*

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Financial assets that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called “accounting mismatch”) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Group has not designated any financial assets as FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they not part of a designated hedging relationship. The net gain or loss from other financial assets recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other operating income” or “administrative expenses” line item.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due. Financial guarantee contracts are recognised initially as financial liabilities at fair value, net of transaction costs. Subsequently, the liability is measured at the higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 Revenue from Contracts with Customers.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Impairment of non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets, deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount. For goodwill that has indefinite useful life, the recoverable amount is estimated at each reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs").

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

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount.

Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses ("ECL") on trade receivables, other receivables and deposits, contract assets, amount due from subsidiary companies, fixed deposits with licensed banks as well as cash and bank balances. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade receivables and contract assets. The Group considers past loss experience, timing of billing and observable data such as current changes and future forecasts in economic conditions to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

For all other financial instruments, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12 month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Reversal of impairment loss to profit or loss, if any, is restricted to not exceeding what the amortised cost would have been had the impairment not been recognised previously.

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group and the Company compare the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group and the Company consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information such as financial evaluation of the creditworthiness of the debtors, ageing of receivables, defaults and past due amounts, past experience with the debtors, current conditions and reasonable forecast of future economic conditions.

The Group and the Company presume that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group and the Company have reasonable and supportable information that demonstrates otherwise.

Probability of default

The Group and the Company consider the information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group and the Company, in full, as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets are generally not recoverable.

The Group and the Company consider that default has occurred when a financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write-off policy

The Group and the Company write off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, with case-by-case assessment performed based on indicators such as insolvency or demise. Financial assets written off may still be subject to enforcement activities under the Group's and the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss as bad debts recovered.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group and the Company in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at the original effective interest rate.

If the Group and the Company have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determine at the current reporting date that the conditions for lifetime ECL are no longer met, the Group and the Company measure the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group and the Company recognise an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Perpetual securities

Perpetual securities is classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or to exchange financial assets or liabilities with another person or entity that are potentially unfavourable to the Group.

Distribution on perpetual securities is recognised in equity in the period in which they are declared or paid.

Cost directly attributable to the issuance of the instrument, net of tax, are treated as a deduction from the proceeds.

Statements of cash flow

The Group and the Company adopt the indirect method in the preparation of the statements of cash flow.

For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and exclude pledged fixed deposits.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Directors have used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts.

(a) **Critical judgements in applying the Group's and the Company's accounting policies**

In the process of applying the Group's and the Company's accounting policies, the directors are of the opinion that there are no instances of application of judgements that are expected to have a significant effect on the amounts recognised in the financial statements.

(b) **Key sources of estimation uncertainty**

The directors believe that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year except for the following:

Impairment of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash generating units to which goodwill is allocated. When value-in-use calculations are undertaken, the Group uses its judgement to decide the discount rate to be applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than the expected.

The carrying amount of the Group's goodwill and key assumptions used to determine the recoverable amount for the cash-generating unit, including sensitivity analysis, are disclosed in Note 14.

Property development and construction contracts revenue

The Group recognises revenue and cost from property development activities and construction contract in profit or loss based on the cost-based input method, which is measured on the basis of the Group's efforts or inputs to the property development costs and construction costs incurred to date relative to the total expected property development costs and construction costs.

Significant judgements and estimates are involved in estimating the total property development costs to complete the project and progress of the project, which include relying on the opinion or service of experts, past experiences and continuous monitoring of the budgeting process.

The revenue from property development and construction contracts and balances are disclosed in Notes 5 and 35.

Funding requirements and ability to meet short term obligations

The Group applies significant judgment and makes critical accounting estimates in determining its funding requirements and assessing its ability to meet short-term obligations. This involves evaluating various factors and making assumptions about future events that are inherently uncertain. Management considers the facts and circumstances, including the expected cash flows to be generated from the operations of the Group, particularly from its development projects, and the assessment of potential planned realisation of certain inventories.

Given the inherent uncertainties in forecasting future cash flows and market conditions, actual results may differ from these estimates. Changes in assumptions or circumstances could significantly impact the Group's ability to meet short-term obligations and may require adjustments to the carrying amounts of assets and liabilities in future reporting periods.

Further details regarding the funding requirements and the Group's ability to meet short-term obligations are disclosed in Note 37(ii).

5. **REVENUE**

	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Group		
Revenue from contracts with customers:		
Properties under development	73,778,474	75,904,850
Properties held for development	1,704,581	47,576,812
Completed properties	32,512,256	117,029,902
Construction contracts	870,146	8,092,037
Income from estates	3,620,408	5,439,918
Sale of electricity and other operations	14,375,713	15,769,010
Project management consultant	-	1,962,892
Total revenue from property development activities	126,861,578	271,775,421
Rendering of hotel services, representing revenue from hotel and hospitality	<u>5,677,225</u>	<u>11,822,328</u>
	132,538,803	283,597,749
Revenue from other sources:		
Rental income from:		
Investment properties	15,581,899	22,690,556
Plant and machineries	<u>317,107</u>	<u>1,228,692</u>
	<u>15,899,006</u>	<u>23,919,248</u>
	<u>148,437,809</u>	<u>307,516,997</u>
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Company		
Revenue from other sources:		
Dividend income	<u>-</u>	<u>42,300,000</u>

Disaggregation of revenue

The Group reports the following segments: property development and hotel & hospitality in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure of disaggregation of revenue, it disaggregates revenue into major goods or services and timing of revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	
Timing of revenue recognition:			
At a point in time	57,890,183	181,868,960	
Over time	<u>74,648,620</u>	<u>101,728,789</u>	
	<u><u>132,538,803</u></u>	<u><u>283,597,749</u></u>	
	Property development RM	Hotel & hospitality RM	Total RM
30.06.2024			
Timing of revenue recognition:			
At a point in time	37,837,245	5,677,225	43,514,470
Over time	<u>89,024,333</u>	<u>-</u>	<u>89,024,333</u>
	<u><u>112,485,865</u></u>	<u><u>20,052,938</u></u>	<u><u>132,538,803</u></u>
30.06.2023			
Timing of revenue recognition:			
At a point in time	170,046,632	11,822,328	181,868,960
Over time	<u>101,728,789</u>	<u>-</u>	<u>101,728,789</u>
	<u><u>271,775,421</u></u>	<u><u>23,918,246</u></u>	<u><u>283,597,749</u></u>

6. **FINANCE COSTS**

	Group		Company	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Interest expense on:				
Sukuk Wakalah	18,445,000	24,610,178	18,445,000	24,610,178
Term loans	20,308,330	27,286,577	-	-
Revolving credits	13,806,919	19,909,366	-	-
Bank overdrafts	2,168,315	4,421,809	-	-
Hire purchase	460,788	568,188	-	-
Lease liabilities	205,542	373,114	-	-
Amortisation of transaction costs of sukuk wakalah	<u>1,021,029</u>	<u>1,227,932</u>	<u>1,021,029</u>	<u>1,227,932</u>
	<u>56,415,923</u>	<u>78,397,164</u>	<u>19,466,029</u>	<u>25,838,110</u>

7. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax for the financial year/period is arrived at after charging/(crediting):

	Group		Company	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Auditors' remuneration				
Statutory audit				
Current financial year	600,000	1,068,000	308,000	418,000
Underprovision of prior financial period	214,129	15,089	146,500	5,000
Non-statutory audit	17,000	40,000	5,000	20,000
Amortisation of right-of- use assets	3,203,907	5,060,163	-	-
Depreciation of investment properties	4,834,453	4,858,701	-	-
Depreciation of property, plant and equipment	3,995,214	7,761,214	-	-
Direct operating expenses:				
Income generating investment properties	897,600	1,719,952	-	-
Non-income generating investment properties	-	858,108	-	-
Employees benefits expenses	35,364,587	49,959,907	-	-
Expenses relating to lease of low value assets	1,953,277	4,788,037	-	-
Inventories written down	-	1,934,239	-	-
Interest income	(452,076)	(172,156)	(5,151)	-
Impairment losses on:				
Right-of-use assets	-	1,809,846	-	-
Investment properties	-	1,092,236	-	-
Trade receivables	934,153	881,753	-	-
Other receivables	3,695,165	5,572,430	-	-
Amount owing by subsidiary companies	-	-	13,132,267	-
Investment in subsidiary companies	-	-	13,783,695	16,858,705
Non-executive directors' remuneration (Note 39(c))	130,600	466,898	130,600	466,898

(Forward)

	Group		Company	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Provision for rectification works (Note 30)	417,071	475,315	-	-
Profit from sale and building materials	-	(370,259)	-	-
(Gain)/Loss on disposal of:				
Assets held for sales	(105,944)	-	-	-
Property, plant and equipment	(1,885,884)	(23,352,136)	-	-
Investment properties	-	(10,110,038)	-	-
Right-of-use assets	-	4,192,549	-	-
Rental income on properties	(30,743,110)	(17,991,302)	-	-
Reversal of impairment losses on:				
Trade receivables	(382,665)	(2,359,900)	-	-
Lease receivables	-	(485,886)	-	-
Other receivables	-	(1,942,310)	-	-
Written off of:				
Prepayments	32,077	-	32,077	-
Property, plant and equipment	633,234	758,009	-	-

Breakdown of employees' benefits expenses are as below:

	Group	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Salaries, bonus and other staff related costs	32,711,701	45,687,705
Employees provident fund	2,420,522	4,020,605
Social security expenses	232,364	251,597
	<u>35,364,587</u>	<u>49,959,907</u>

Included in the employees' benefits expenses are Directors' remuneration as disclosed in Note 39(c).

8. **INCOME TAX (CREDIT)/EXPENSE**

	Group		Company	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Estimated tax payable:				
Current financial year	3,633,568	38,667,175	1,174	-
Over provision in prior financial period /year	(22,967,260)	(850,033)	-	-
	(19,333,692)	37,817,142	1,174	-
Deferred tax (Note 16):				
Current financial year	(6,035,239)	(21,557,490)	-	-
Under provision in prior financial period/year	17,147,138	474,928	-	-
	<u>11,111,899</u>	<u>(21,082,562)</u>	<u>-</u>	<u>-</u>
	<u>(8,221,793)</u>	<u>16,734,580</u>	<u>1,174</u>	<u>-</u>

A reconciliation of income tax (credit)/expense applicable to (loss)/profit before tax at the applicable statutory income tax rate to income tax (credit)/expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
(Loss)/Profit before tax	<u>(49,675,864)</u>	<u>20,416,799</u>	<u>(48,703,445)</u>	<u>(2,215,484)</u>
Taxation at statutory rate of 24% (30.06.2023: 24%)	(11,922,207)	4,900,000	(11,688,827)	(531,700)
Tax effects of:				
Non-deductible expenses	11,022,718	11,845,935	11,690,001	10,683,700
Non-taxable income	(143,946)	(223,054)	-	(10,152,000)
Income subject to real property gain tax	-	(1,171,438)	-	-
Deferred tax assets not recognised	1,033,453	1,758,242	-	-
Utilisation of deferred tax assets not recognised	(2,391,689)	-	-	-
(Over)/Under provision in prior financial period/year:				
Estimated tax payable	(22,967,260)	(850,033)	-	-
Deferred tax	<u>17,147,138</u>	<u>474,928</u>	<u>-</u>	<u>-</u>
	<u>(8,221,793)</u>	<u>16,734,580</u>	<u>1,174</u>	<u>-</u>

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS

Basic and diluted loss per share attributable to ordinary equity holders are computed by dividing the (loss)/profit for the financial year/period attributable to owners of the Company adjusted for distribution to holders of perpetual securities, by the weighted average number of ordinary shares in issue during the financial year/period.

Basis and diluted loss per share

	Group	
	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
(Loss)/Profit for the financial year/period attributable to owners of the Company	(41,454,071)	3,682,219
Less: Distribution to holders of perpetual securities	<u>(23,975,020)</u>	<u>(35,962,309)</u>
Loss attributable to ordinary equity holders of the Company	<u>(65,429,091)</u>	<u>(32,280,090)</u>
Weighted average number of ordinary shares (units)	<u>528,999,579</u>	<u>528,999,579</u>
Basic and diluted loss per ordinary share (sen)	<u>(12.37)</u>	<u>(6.10)</u>

Diluted loss per share

There were no dilutive potential equity instruments in issue as at financial year end that have dilutive effect to the loss per share.

10. **PROPERTY, PLANT AND EQUIPMENT**

	Freehold lands RM	Buildings RM	Plant and machineries RM	Motor vehicles RM	Tennis court RM	Office equipment, furniture, fittings and renovations RM	Crockery, glassware, cutlery, carpet and linen RM	Total RM
Group Cost								
As at 1 July 2023	75,125,023	11,605,296	72,396,577	7,355,891	70,004	18,862,550	3,256,976	188,672,317
Additions	37,822	-	3,349,506	-	-	213,776	720	3,601,824
Disposals	-	-	(7,016,162)	-	-	-	-	(7,016,162)
Written off	-	-	(21,032)	-	-	(67,453)	(675,010)	(763,495)
Transfer to assets held for sale (Note 23)	(822,740)	(10,088,575)	-	-	-	-	-	(10,911,315)
As at 30 June 2024	74,340,105	1,516,721	68,708,889	7,355,891	70,004	19,008,873	2,582,686	173,583,169

	Freehold lands RM	Buildings RM	Plant and machineries RM	Motor vehicles RM	Tennis court RM	Office equipment, furniture, fittings and renovations RM	Crockery, glassware, cutlery, carpet and linen RM	Total RM
Accumulated depreciation and impairment loss								
As at 1 July 2023	-	4,511,477	63,524,610	6,761,994	70,002	17,542,428	1,279,238	93,689,749
Charge for the financial year	-	542,144	2,085,482	124,920	-	1,214,922	27,746	3,995,214
Disposals	-	-	(6,310,046)	-	-	-	-	(6,310,046)
Written off	-	-	(18,928)	-	-	(60,708)	(50,625)	(130,261)
Transfer to assets held for sale (Note 23)	-	(3,641,499)	-	-	-	-	-	(3,641,499)
As at 30 June 2024	-	1,412,122	59,281,118	6,886,914	70,002	18,696,642	1,256,359	87,603,157
Carrying amount								
As at 30 June 2024	74,340,105	104,599	9,427,771	468,977	2	312,231	1,326,327	85,980,012

	Freehold lands RM	Buildings RM	Plant and machineries RM	Motor vehicles RM	Tennis court RM	Office equipment, furniture, fittings and renovations RM	Crockery, glassware, cutlery, carpet and linen RM	Total RM
Group Cost								
As of 1 January 2022	85,985,259	11,605,296	70,130,984	7,355,891	70,004	18,504,483	3,231,250	196,883,167
Additions	-	237,488	3,196,256	-	-	368,497	25,726	3,827,967
Disposals	(10,860,236)	-	(407,000)	-	-	-	-	(11,267,236)
Written off	-	(237,488)	(523,663)	-	-	(10,430)	-	(771,581)
As of 30 June 2023	75,125,023	11,605,296	72,396,577	7,355,891	70,004	18,862,550	3,256,976	188,672,317
Accumulated depreciation and impairment loss								
As of 1 January 2022	-	3,698,259	58,555,112	6,556,615	70,002	15,870,409	1,240,550	85,990,947
Depreciation charge for the financial period	-	813,218	5,022,523	205,379	-	1,681,406	38,688	7,761,214
Disposals	-	-	(48,840)	-	-	-	-	(48,840)
Written off	-	-	(4,185)	-	-	(9,387)	-	(13,572)
As of 30 June 2023	-	4,511,477	63,524,610	6,761,994	70,002	17,542,428	1,279,238	93,689,749
Carrying amount								
As of 30 June 2023	75,125,023	7,039,819	8,871,967	593,897	2	1,320,122	1,977,738	94,982,568

(a) Assets pledged for banking facilities

Freehold land and motor vehicles with a carrying amount of RM74,007,205 (30.06.2023: RM74,238,304) has been pledged as security for banking facilities of the Group as disclosed in Note 28 to the financial statements.

(b) Purchase of property, plant and equipment

The aggregate additional cost for the property, plant and equipment of the Group during the financial year are by way of cash.

(c) Operating lease

Included in plant and machinerie are amounts of RM550,715 (30.06.2023: RM796,609) subject to operating lease.

11. **RIGHT-OF-USE ASSETS**

	Leasehold lands RM	Premises RM	Total RM
Group Cost			
As at 1 July 2023	39,976,350	8,773,036	48,749,386
Additions	<u>-</u>	<u>2,975,114</u>	<u>2,975,114</u>
As at 30 June 2024	<u>39,976,350</u>	<u>11,748,150</u>	<u>51,724,500</u>
Accumulated amortisation			
As at 1 July 2023	4,192,899	4,198,574	8,391,473
Amortisation charge for the financial year	<u>482,311</u>	<u>2,721,596</u>	<u>3,203,907</u>
As at 30 June 2024	<u>4,675,210</u>	<u>6,920,170</u>	<u>11,595,380</u>
Accumulated impairment loss			
As at 1 July 2023/30 June 2024	<u>-</u>	<u>1,809,846</u>	<u>1,809,846</u>
Carrying amount			
As at 30 June 2024	<u>35,301,140</u>	<u>3,018,134</u>	<u>38,319,274</u>

	Leasehold lands RM	Premises RM	Total RM
Group Cost			
As at 1 January 2022	51,697,015	-	51,697,015
Additions	225	8,773,036	8,773,261
Disposals	<u>(11,720,890)</u>	<u>-</u>	<u>(11,720,890)</u>
As at 30 June 2023	<u>39,976,350</u>	<u>8,773,036</u>	<u>48,749,386</u>
Accumulated amortisation			
As at 1 January 2022	4,324,651	-	4,324,651
Charge for the financial period	861,589	4,198,574	5,060,163
Disposals	<u>(993,341)</u>	<u>-</u>	<u>(993,341)</u>
As at 30 June 2023	<u>4,192,899</u>	<u>4,198,574</u>	<u>8,391,473</u>
Accumulated impairment loss			
As at 1 January 2022	-	-	-
Impairment loss for the financial period	<u>-</u>	<u>1,809,846</u>	<u>1,809,846</u>
As at 30 June 2023	<u>-</u>	<u>1,809,846</u>	<u>1,809,846</u>
Carrying amount			
As at 30 June 2023	<u>35,783,451</u>	<u>2,764,616</u>	<u>38,548,067</u>

The Group's right-of-use assets consist of land and buildings and premises leased from various owners. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions

- (a) Acquisition of right-of-use assets were through the following:

	Group	
	30.06.2024 RM	30.06.2023 RM
Aggregate costs	2,975,114	8,773,261
Less: Lease liabilities (Note 29)	<u>(2,975,114)</u>	<u>(8,773,036)</u>
Cash payment	<u>-</u>	<u>225</u>

- (b) Assets pledged for banking facilities

The leasehold land with carrying amount of RM33,755,834 (30.06.2023: RM34,213,207) have been pledged as securities for banking facilities of the Group as disclosed in Note 28.

(c) Lease term of leasehold land

In current financial year, the remaining lease term of the leasehold land are ranges from 39 to 83 years (30.06.2023: 40 to 85 years).

(d) Lease term of premises

In current financial year, the remaining lease term of the premises are ranges from 2 to 3 years (30.06.2023: 1 year).

(e) Impairment loss

In previous financial period, the Group carried out impairment reviews on its non-financial assets and noted an indication of impairments in view of the loss-making performance of certain cash-generating units. As a result, the Group recorded impairment losses of certain RM1,809,846.

12. INVESTMENT PROPERTIES

	Group	
	30.06.2024	30.06.2023
	RM	RM
Cost		
As at 1 July/1 January	155,079,294	329,166,828
Additions	13,240	50,967
Disposal	-	(3,967,320)
Transfer from/(to) assets classified as held for sale (Note 23)	155,187,443	(170,171,181)
As at 30 June	<u>310,279,977</u>	<u>155,079,294</u>
Accumulated depreciation		
As at 1 July/1 January	9,194,276	33,455,633
Charge for the financial year/period	4,834,453	4,858,701
Disposal	-	(666,120)
Transfer from/(to) assets classified as held for sale (Note 23)	27,973,666	(28,453,938)
As at 30 June	<u>42,002,395</u>	<u>9,194,276</u>
Accumulated impairment loss		
As at 1 July/1 January	1,092,236	-
Impairment loss for the financial year	-	1,092,236
As at 30 June	<u>1,092,236</u>	<u>1,092,236</u>
Carrying amount		
As at 30 June	<u><u>267,185,346</u></u>	<u><u>144,792,782</u></u>

Investment properties comprise service residences, shophouses, commercial buildings, a sports complex, shopping complex, vacant land and an international school.

(a) Assets pledged for perpetual securities and banking facilities

Investment properties with a carrying amount of RM144,794,804 (30.06.2023: RM144,792,782) have been pledged as security to secure perpetual securities and banking facilities of the Group and of the Company as disclosed in Notes 27 and 28.

(b) Fair value of investment properties is categorised as follows:

	Group Level 3 RM
30.06.2024	
Investment properties	<u>828,432,240</u>
30.06.2023	
Investment properties	<u>697,827,225</u>

There are no Level 1 or Level 2 investment properties or transfers between Level 1 and Level 2 during the financial year ended 30 June 2024 or 30 June 2023.

Level 3 fair value

The estimated fair values of the investment properties were determined based on information available through internal research and the directors' best estimate by reference to similar properties in the locality and adjusting for location, terrain, size, present market trends and other differences. The most significant input into this valuation approach is price per square foot of comparable properties.

13. INVENTORIES

	30.06.2024 RM	Group 30.06.2023 RM (Restated)	01.01.2022 RM (Restated)
At cost:			
Non-current			
Properties held for development:			
Freehold land	556,242,124	600,155,873	736,638,704
Leasehold land	296,855,520	301,371,361	290,554,013
Development costs	<u>87,550,174</u>	<u>78,924,063</u>	<u>102,236,416</u>
	<u>940,647,818</u>	<u>980,451,297</u>	<u>1,129,429,133</u>

	30.06.2024 RM	Group 30.06.2023 RM (Restated)	01.01.2022 RM (Restated)
At cost:			
Current			
Properties under development:			
Freehold land	206,184,568	209,386,687	306,883,627
Leasehold land	7,184,550		
Development costs	73,255,663	48,510,887	36,703,685
	286,624,781	257,897,574	343,587,312
Properties held for sale	255,225,886	255,039,458	-
Completed properties	227,240,189	274,741,061	247,439,092
Building materials and consumables	-	3,649,249	332,121
Stationeries and housekeeping supplies	394,902	300,190	9,483
	<u>769,485,758</u>	<u>791,627,532</u>	<u>591,368,008</u>
	<u>1,710,133,576</u>	<u>1,772,078,829</u>	<u>1,708,302,136</u>

- (a) The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM86,945,504 (30.06.2023: RM116,938,617). The amount recognised as an expense in other operating expenses during the financial period in respect of write down of inventories to net realisable value was Nil (30.06.2023: RM1,934,239).

- (b) The following inventories are pledged as security for banking facilities granted to the Group as disclosed in Note 28 to the financial statements:

	30.06.2024	Group	30.06.2023
	RM		RM
Land held for development	839,952,216		684,961,743
Properties under development	260,146,808		240,334,599
Properties held for sale	255,225,886		255,039,458
Completed properties	<u>225,289,264</u>		<u>234,682,801</u>

Included in the inventories pledged to the banking facilities of the Group amounting to RM311,500,000 (30.06.2023: RM311,500,000) are lands held under joint venture and turnkey contracts.

- (c) Included in properties under development are development costs incurred during the financial year/period as follows:

	30.06.2024	Group	30.06.2023
	RM		RM
Depreciation of property, plant and equipment	2,314,314		1,044,136
Staff costs	<u>1,055,670</u>		<u>1,722,452</u>

- (d) Titles of certain properties held for development of the Group with carrying amount of RM767,016,676 (30.06.2023: RM1,086,939,594) are registered under the names of the previous proprietors or joint venture partners.

- (e) Titles of certain properties under development of the Group with carrying amount of RM259,410,423 (30.06.2023: RM259,410,423) are registered under the names of the previous proprietors or joint venture partners.

- (f) Included in completed properties is RM202,804,349 being a seven-storey retail shopping centre known as “163 Retail Park” which has been disposed subsequent to the financial year end, as disclosed in Note 42(d).
- (g) Included in inventories are properties held for development, properties under development and property held for sale of the Group of RM1,033,327,470 (30.06.2023: RM1,061,827,470) paid in respect of joint venture (“JV”) and turnkey contracts (“TCA”) entered into with the joint venture parties or landowners for property development work. The land cost is subject to the agreed entitlement provided in the contract with the joint venture parties or landowners. These land cost has been recognised based on the total amount of consideration paid to the joint venture parties or landowners as no reliable estimate can be made on the entitlement to be paid to the joint venture parties or landowners to the date due to uncertainties in project feasibility, regulatory approvals and market conditions.

In the previous financial period, the Group was subject to queries and investigations by regulatory authorities regarding these JV and TCA entered into by the Group. Consequently, the Group has initiated a special review of these transactions to examine any potential involvement of related parties and the Group’s compliance with the applicable laws and regulations appointment of special audit review as disclosed in Note 42(i). At the date of authorisation of these financial statements, the outcome of the regulatory authorities’ investigation remain unknown, and the special review undertaken by the Group has not been completed.

Included in the joint venture and turnkey contracts for property development works are amounts of RM76,018,000 paid under joint venture agreements entered into with related parties. The agreements were entered into while a shareholder of the respective JV companies was a key management personnel of the Group and whom is now no longer with the Group.

During the financial year, the joint venture and turnkey agreements were rectified and subsequently approved by the new Board of Directors, following a recommendation from the Independent Investment Committee.

As of the reporting period end, the JV and TCA was for the purpose of building planning, develop and construct of building of potential mixed development and high-rise condominium, with the Group’s share of profit ranging from 55% to 90% (30.06.2023: 55% to 90%). These JV and TCA lands consists of both freehold and leasehold which are primarily located in the district of Manjung, Kuala Lumpur, Batang Padang, Kuala Pilah, Seberang Perai Selatan, Petaling Jaya and Pangkor Island.

- (h) In the previous financial period, a turnkey construction agreement with a joint venture party was mutually terminated and a sub-sale agreement was entered into with the joint venture party to purchase the property. Subsequently, the Group entered into a sale and purchase agreement for the sale of the property to a third party. The transactions are subject to fulfilment of conditions precedent and the related inventory remains classified as property held for sale as of the financial year ended 30 June 2024.

Details of the transactions are disclosed in Note 42(a) to the financial statements.

During the current financial year, the Group entered into a deed of mutual release to terminate a turnkey construction agreement with a joint venture party as disclosed in Note 42(f) to the financial statements. The transaction is subject to the fulfilment of the term and condition as disclosed in Note 42(f) and the related inventory remains classified as property held for sale as of the financial year ended 30 June 2024.

- (i) In the current financial year, the Group served a notice of termination to one of its joint venture party for a turnkey contract entered into as disclosed in Note 42(e) to the financial statements. Consequently, the security deposits paid amounting to RM28,500,000 has been reclassified from inventories to other receivables as disclosed in Note 19 to the financial statements.

14. GOODWILL ON CONSOLIDATION

	30.06.2024	Group	30.06.2023
	RM		RM
At beginning and end of the financial year/period	<u>17,626,036</u>		<u>17,626,036</u>

Goodwill has been allocated to the Group's cash generating unit ("CGU") identified according to its business segments which is the property development segment.

The recoverable amount is determined based on value-in-use model where management makes an estimate of the expected future cash flows covering over 3 years (30.06.2023: 3 years) period as approved by the Board.

The key assumptions for the value-in-use calculation are as below:

	30.06.2024	30.06.2023
	%	%
Budgeted gross margin	9.68 to 10.84	13.05
Pre-tax discount rate	<u>11</u>	<u>14</u>

- Budgeted gross margins - Gross margins are based on the historical gross margins achieved and anticipated future projects.
- Pre-tax discount rate - Discount rate reflects the current market assessment of the risks specific to the segment.

The above key bases and assumptions are determined based on management's expectation of future events and actions to take place in the relevant business segments. Any differences in expectations from the original estimates may result in the variation of the recoverable amounts. The directors are of the opinion that the bases and assumptions used in the estimation of the recoverable amounts are reasonable and do not foresee any possible changes in the above key assumptions that would cause the carrying amounts of the goodwill to materially exceed its recoverable amount.

15. **INVESTMENT IN SUBSIDIARY COMPANIES**

	Company	
	30.06.2024	30.06.2023
	RM	RM
At cost:		
Unquoted shares	552,221,584	552,221,584
Loans that are part of net investments	843,941,509	843,941,509
Less: Accumulated impairment loss	<u>(51,794,909)</u>	<u>(38,011,214)</u>
	<u>1,344,368,184</u>	<u>1,358,151,879</u>

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

During the financial year/period, an impairment loss on the cost of investment in certain subsidiary companies amounted to RM13,783,695 (30.06.2023: RM16,858,705) was recognised and included in administrative expenses line in profit or loss as the subsidiary companies incurred continuous losses, recorded capital deficiency position and are not expected to have significant recoverable amount.

Details of the subsidiary companies are as follows:

Name of Company	Place of business/ Country of incorporation	Effective interest		Principal activities
		30.06.2024 %	30.06.2023 %	
Direct subsidiary companies				
Kar Sin Berhad @	Malaysia	100	100	Property development and, cultivation and sale of oil palm produce
YNH Construction Sdn. Bhd.	Malaysia	100	100	General contracting
D’Kiara Place Sdn. Bhd.^	Malaysia	100	100	Property development and provision of consultancy services
YNH Hospitality Sdn. Bhd.!	Malaysia	100	100	Provision of management services, lodging facilities and property investment holding
YNH Services Sdn. Bhd.!	Malaysia	100	100	Ceased operation
YNH Land Sdn. Bhd.#	Malaysia	100	100	Property investment holding
Green Mirage Sdn. Bhd.	Malaysia	100	100	Property investment holding

Name of Company	Place of business/ Country of incorporation	Effective interest		Principal activities
		30.06.2024	30.06.2023	
		%	%	
Direct subsidiary companies				
Kiara Desaru Sdn Bhd.	Malaysia	100	100	Property investment holding
YNH Engineering Sdn. Bhd.	Malaysia	100	100	General contracting
YNH Electrical Engineering Sdn. Bhd.	Malaysia	100	100	General contracting
YNH Ready Mix Sdn. Bhd.	Malaysia	100	100	Rental of plant and equipment
Sky High Corporation*	Malaysia	100	100	Dormant
YNH Hardware Sdn. Bhd.	Malaysia	100	100	Dormant
YNH Communication Engineering Sdn. Bhd.	Malaysia	100	100	Dormant
YNH Utility Sdn. Bhd.	Malaysia	100	100	Energy and utility provider
Desaru Ace Services Sdn. Bhd.	Malaysia	100	100	Dormant

Name of Company	Place of business/ Country of incorporation	Effective interest		Principal activities
		30.06.2024	30.06.2023	
		%	%	
Indirect subsidiary companies held through Kar Sin Berhad				
Hotel Sfera Sdn. Bhd.	Malaysia	100	100	Operation and management of a hotel and its related business and property investment holding
Mesra Unggul Sdn. Bhd.	Malaysia	100	100	Property investment holding and development
Bay Clubhouse Sdn. Bhd.	Malaysia	100	100	Property investment holding
YNH Realty Sdn. Bhd.	Malaysia	100	100	Marketing agent
Benua Kukuh Sdn. Bhd.	Malaysia	100	100	Property investment holding

@ The auditor's opinion on the financial statements of this subsidiary included a qualification on the inventories amounts of RM1,033,327,470 paid in respect of joint venture and turnkey contracts entered into with various joint venture parties or landowners for property development works. These land costs are subject to agreed entitlements provided in the contracts with the joint venture parties or landowners, which cannot yet be reliably estimated. Additionally, as disclosed in Note 19, included in other receivables of the Group as of 30 June 2024 are amounts of RM66,883,000 (30.06.2023: RM38,383,000) paid in respect of joint venture and turnkey contracts which were terminated or considered incomplete and classified as other receivables.

^ D'Kiara Place Sdn Bhd's shares are held in trust by Kar Sin Berhad as a trustee for the Company.

* Incorporated and has principal place of business in the Federal Territory of Labuan, Malaysia.

97% directly held by the Company and 3% indirectly held through Kar Sin Berhad.

! Not audited by Morison LC PLT

16. **DEFERRED TAX ASSETS/(LIABILITIES)**

	Group	
	30.06.2024	30.06.2023
	RM	RM
Deferred tax assets	102,063,810	116,014,561
Deferred tax liabilities	<u>(21,591,309)</u>	<u>(24,430,161)</u>
	<u>80,472,501</u>	<u>91,584,400</u>

The movements in deferred tax during the financial year/period are as follows:

	Group	
	30.06.2024	30.06.2023
	RM	RM
At 1 July/1 January	91,584,400	70,501,838
Recognised in profit or loss (Note 8)	<u>(11,111,899)</u>	<u>21,082,562</u>
At 30 June	<u>80,472,501</u>	<u>91,584,400</u>

The deferred tax in the financial statements is in respect of the tax effects on the following:

	Group	
	30.06.2024	30.06.2023
	RM	RM
Deferred tax assets		
Temporary differences arising from:		
Expenses	4,213,556	2,210,621
Transfer of property development cost to investment properties	1,351,742	1,351,742
Interest attributable to property development cost	56,362,610	52,056,046
Lease liabilities	778,530	462,114
Unrealised profit on development properties	36,163,288	57,384,022
Unutilised tax losses	<u>4,235,078</u>	<u>3,128,986</u>
	103,104,804	116,593,531
Offsetting	<u>(22,632,303)</u>	<u>(25,009,131)</u>
Deferred tax assets (after offsetting)	<u>80,472,501</u>	<u>91,584,400</u>

	Group	
	30.06.2024	30.06.2023
	RM	RM
Deferred tax liabilities		
Taxable temporary differences in respect of income	-	(209,400)
Differences between the carrying amount of property, plant and equipment and its tax base	(1,095,777)	(1,069,920)
Fair value adjustment on consolidation	<u>(21,536,526)</u>	<u>(23,729,811)</u>
	(22,632,303)	(25,009,131)
Offsetting	<u>22,632,303</u>	<u>25,009,131</u>
Deferred tax liabilities (after offsetting)	<u>-</u>	<u>-</u>

At the end of the reporting period, the Group has deductible temporary differences of interest attributable to property development cost and unrealise profit on development properties, unabsorbed capital allowances and unused tax losses that are available for offsetting against future taxable profits, subject to the agreement with the tax authorities.

The details of unrecognised deductible temporary differences, unabsorbed capital allowances and unutilised tax losses are as follow:

	Group	
	30.06.2024	30.06.2023
	RM	RM
Unabsorbed capital allowances	5,328,515	5,071,509
Unutilised tax losses	<u>25,204,894</u>	<u>31,121,217</u>
	<u>30,533,409</u>	<u>36,192,726</u>

The unabsorbed capital allowances of the Company are available indefinitely for offsetting against future taxable profits of the Company, subject to same business source and guidelines issued by the tax authority.

Pursuant to Section 8 of the Finance Act 2021 (Act 833), the amendments to Section 44(5F) of Income Tax Act 1967, the time limit of the carried forward unutilised tax losses is a maximum of 10 consecutive years of assessment.

The unused tax losses are available for offset against future taxable profits of the Group and of the Company up to the following years of assessment.

	Group	
	30.06.2024	30.06.2023
	RM	RM
Year of assessment:		
2028	31,562,134	33,320,747
2029	648,511	648,511
2030	5,494,611	5,494,611
2031	4,364,709	4,364,709
2032	330,081	330,081
2034	451,006	-
	<u>42,851,052</u>	<u>44,158,659</u>

17. OTHER CURRENT ASSETS

	Group	
	30.06.2024	30.06.2023
	RM	RM
Costs to obtain contracts	8,409,424	1,573,233
Deposits for acquisition of development lands	-	125,211
Mobilisation deposits	3,158,700	3,158,700
	<u>11,568,124</u>	<u>4,857,144</u>

Cost to obtain contracts

Costs to obtain contracts relate to incremental commission fees paid to intermediaries as a result of obtaining residential and commercial properties sales contracts.

These costs are amortised in accordance with the pattern of transfer of goods or services to which the asset relates. During the financial year, amortisation amounting to RM3,762,216 (30.06.2023: RM1,696,830) was recognised as part of cost of sales. There was no impairment loss in relation to the costs capitalised.

Mobilisation deposits

These amounts are paid to architects and other professional services for future development projects. The directors, after considering all relevant and available information, are of the opinion that these amounts are fully recoverable.

18. TRADE RECEIVABLES

	Group	
	30.06.2024	30.06.2023
	RM	RM
Trade receivables from contracts with customers	50,954,364	66,531,414
Lease receivables	2,390,009	2,390,009
	<u>53,344,373</u>	<u>68,921,423</u>
Less: Allowance for impairment loss for:		
Trade receivables from contracts with customers	(8,357,402)	(7,805,914)
Lease receivables	(2,390,009)	(2,390,009)
	<u>(10,747,411)</u>	<u>(10,195,923)</u>
	<u><u>42,596,962</u></u>	<u><u>58,725,500</u></u>

Trade receivables are non-interest bearing and normal credit terms granted by the Group ranges from 14 to 60 days (30.06.2023: 14 to 60 days) from the date of invoices.

Included in trade receivables of the Group are amounts of:

- (i) RM2,099,688 (30.06.2023: RM3,693,256) owing by a company related to a director of the Company;
- (ii) RM1,235,600 (30.06.2023: RM4,037,550) owing by certain directors of the Company;
- (iii) RM570,600 (30.06.2023: RM238,800) owing by persons related to directors of the Company; and
- (iv) RM672,105 (30.06.2023: RM13,585,262) being retention sums held by stakeholders. The retention sums which are receivable upon the expiry of defect liability period as provided in the contracts with customers expected to be collected are as follows:

	Group	
	30.06.2024	30.06.2023
	RM	RM
Within one year	<u>672,105</u>	<u>13,585,262</u>

The movement in the allowance for impairment loss of trade receivables is as follows:

	Group	
	30.06.2024	30.06.2023
	RM	RM
As at 1 July/1 January	10,195,923	11,905,537
Impairment loss recognised on trade receivables from contract with customers	934,153	881,753
Reversal of impairment loss on:		
Trade receivables from contracts with customers	(382,665)	(2,359,900)
Lease receivables	-	(485,886)
Written off	-	254,419
	<u>10,747,411</u>	<u>10,195,923</u>
As at 30 June	<u>10,747,411</u>	<u>10,195,923</u>

The aged analysis of trade receivables at the end of the reporting period:

	Gross carrying amount RM	ECL allowance RM	Net balance RM
Group			
As at 30.06.2024			
Trade receivables			
Neither past due nor impaired	13,706,302	-	13,706,302
Past due not impaired:			
1 to 30 days	2,912,076	(38,524)	2,873,552
31 to 60 days	2,785,364	(85,663)	2,699,701
61 to 90 days	3,643,304	(213,238)	3,430,066
More than 90 days	20,271,131	(383,790)	19,887,341
Total past due but not impaired	<u>29,611,875</u>	<u>(721,215)</u>	<u>28,890,660</u>
Individually assessed	<u>10,026,196</u>	<u>(10,026,196)</u>	<u>-</u>
	<u>53,344,373</u>	<u>(10,747,411)</u>	<u>42,596,962</u>

	Gross carrying amount RM	ECL allowance RM	Net balance RM
As at 30.06.2023			
Trade receivables			
Neither past due nor impaired	19,026,145	-	19,026,145
Past due not impaired:			
1 to 30 days	2,238,622	-	2,238,622
31 to 60 days	1,097,471	-	1,097,471
61 to 90 days	630,440	-	630,440
More than 90 days	35,732,822	-	35,732,822
Total past due but not impaired	39,699,355	-	39,699,355
Individually assessed	10,195,923	(10,195,923)	-
	68,921,423	(10,195,923)	58,725,500

Trade receivables that are not past due nor impaired are creditworthy receivables with good payment records with the Group.

As at the end of reporting period, trade receivables of the Group of RM28,890,660 (30.06.2023: RM39,699,355) were past due but not impaired. Based on past experience and no adverse information to date, the directors of the Company are of the opinion that no allowance for impairment is necessary in respect of these balances as there has not been a significant change in the credit quality and the balances are still considered fully recoverable.

The trade receivables of the Group that are individually assessed to be impaired amounting to RM10,026,196 (30.06.2023: RM10,195,923), relates to customers that is in financial difficulties.

19. **OTHER RECEIVABLES**

	30.06.2024	Group 30.06.2023	01.01.2022
	RM	RM	RM
		(Restated)	(Restated)
Other receivables	82,263,210	57,764,891	51,762,260
Less: Allowance for impairment loss	<u>(10,051,890)</u>	<u>(11,674,695)</u>	<u>(8,044,575)</u>
	72,211,320	46,090,196	43,717,685
Prepayments	748,337	840,341	425,788
Deposits	<u>6,147,031</u>	<u>6,313,789</u>	<u>4,959,333</u>
	<u><u>79,106,688</u></u>	<u><u>53,244,326</u></u>	<u><u>49,102,806</u></u>
		Company	
		30.06.2024	30.06.2023
		RM	RM
Other receivables		-	254,400
Prepayments		<u>-</u>	<u>32,077</u>
		<u><u>-</u></u>	<u><u>286,477</u></u>

The movement in the allowance for impairment loss of other receivables is as follows:

	Group	
	30.06.2024	30.06.2023
	RM	RM
As at 1 July/1 January	11,674,695	8,044,575
Impairment losses recognised	3,695,165	5,572,430
Reversal of impairment losses	-	(1,942,310)
Written off	<u>(5,317,970)</u>	<u>-</u>
As at 30 June	<u><u>10,051,890</u></u>	<u><u>11,674,695</u></u>

- (a) Included in other receivables of the Group is an amount of RM28,500,000 that was reclassified from inventories to other receivables during the current financial year pursuant to the notice of termination served to a joint venture party for a turnkey construction agreement as disclosed in Note 42(e) to the financial statements.

- (b) An amount of RM38,383,000 (30.06.2023: RM38,383,000) related to the consideration paid for a turnkey construction agreement entered into with a joint venture party, where the conditions of the agreement remain unfulfilled due to the joint venture party being neither the registered owner of the land nor having a power of attorney over it as disclosed in Note 42(k). The land is currently under dispute regarding ownership rights to the title.

As the joint venture party had no rights over the land at the turnkey construction agreement inception date, the consideration paid should not be recognised in inventories but should be recognised in other receivables, resulting in the prior year adjustment as disclosed in Note 43.

The Group is currently in pursue to recover the total amount of the consideration paid.

20. AMOUNT OWING BY SUBSIDIARY COMPANIES

	Company	
	30.06.2024	30.06.2023
	RM	RM
As at 1 July/1 January	47,611,505	38,300,369
Less: Allowance for impairment loss	<u>(33,688,885)</u>	<u>(20,556,618)</u>
As at 30 June	<u>13,922,620</u>	<u>17,743,741</u>

The amount owing by subsidiary companies is unsecured, non-trade in nature, non-interest bearing and repayable on demand.

The movement in the allowance for impairment loss of amount owing by subsidiary companies is as follows:

	Company	
	30.06.2024	30.06.2023
	RM	RM
As at 1 July/1 January	20,556,618	20,556,618
Charge for the financial year/period	<u>13,132,267</u>	<u>-</u>
As at 30 June	<u>33,688,885</u>	<u>20,556,618</u>

21. OTHER INVESTMENTS

Other investments of the Group represent investment in short-term money market fund in Malaysia. The Group designated the other investments at fair value through profit or loss because these represent investments that the Group intends to hold for short-term investment purposes.

	Group	
	30.06.2024	30.06.2023
	RM	RM
Financial assets at fair value through profit or loss		
Investment in short term money market fund	<u>459,816</u>	<u>444,301</u>

The fair value of the investment in short term money market fund was determined within Level 1 by reference to the quoted prices in an active market.

22. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM	RM	RM	RM
Cash and bank balances	42,054,711	35,735,717	27,895,185	3,672,613
Fixed deposits with licensed banks	<u>1,128,348</u>	<u>1,104,238</u>	<u>-</u>	<u>-</u>
	43,183,059	36,839,955	27,895,185	3,672,613
Less:				
Escrow accounts	(1,810)	(1,890)	(1,810)	(1,890)
Fixed deposits pledged with licensed banks	(1,128,348)	(1,104,238)	-	-
Bank overdrafts (Note 28)	<u>(41,068,763)</u>	<u>(42,406,884)</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents	<u>984,138</u>	<u>(6,673,057)</u>	<u>27,893,375</u>	<u>3,670,723</u>

- (a) Included in cash and bank balances of the Group is an amount of RM4,907,544 (30.06.2023: RM1,030,612) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and therefore restricted from use in other operations.

- (b) Included in fixed deposits with licensed banks of the Group amounting to RM1,128,348 (30.06.2023: RM1,104,238) is pledged as security for banking facilities granted to the Group and an amount RM161,420 (30.06.2023: RM161,420) held in trust by a director of the Company.

The effective interest rates of fixed deposits with licensed banks of the Group at the end of the reporting period ranges from 1.75% to 3.00% (30.06.2023: 1.30% to 2.93%) per annum.

The maturity period of fixed deposits with licensed banks of the Group at the end of the reporting period ranges from 30 to 365 days (30.06.2023: 30 to 365 days).

- (c) Included in cash and bank balances of the Group and of the Company is an amount of RM1,810 (30.06.2023: RM1,890) held as Escrow Accounts pursuant to the Perpetual Securities Programme as disclosed in Note 27.

23. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

On 17 November 2022, YNH Hospitality Sdn. Bhd., a wholly-owned subsidiary of the Company proposed to enter into a sale and purchase agreement with ALX Asset Berhad for the disposal of two-storey retail shopping mall known as “AEON Seri Manjung” erected on a freehold land for a cash consideration of RM152,000,000 (“Proposed Disposal”). The Proposed Disposal was cancelled during the financial year as disclosed in Note 42(b) and the asset was reclassified back to investment properties.

On 12 April 2023, YNH Ready Mix Sdn. Bhd., a wholly-owned subsidiary of the Company entered into sale and purchase agreements with a person connected to a director of the Company for the disposal of 15 units of service residences for a total cash consideration of RM13,142,000. The disposal was completed on 30 May 2024 and 30 August 2024.

During the financial year, the Group have entered into sale and purchase agreements as below:

- (a) YNH Land Sdn. Bhd., a wholly-owned subsidiary of the Company entered into sale and purchase agreements for disposal of 19 units of shop lot for a total cash consideration of RM9,320,000. The disposal is expected to be completed within the next financial year. Details of the event are as disclosed in Note 42(g).
- (b) Hotel Sfera Sdn. Bhd. a wholly-owned subsidiary through Kar Sin Berhad, entered into sale and purchase agreements for disposal of commercial buildings comprising of hotel, shopoffices and supermarket for a total cash consideration of RM36,000,000. The disposal is expected to be completed within the next financial year. Details of the event are as disclosed in Note 42(j).

Accordingly, the property, plant and equipment and investment properties mentioned above have been classified as non-current assets held for sale.

	Group	
	30.06.2024	30.06.2023
	RM	RM
Non-current assets held for sale	<u>9,431,864</u>	<u>141,717,243</u>

The non-current assets held for sale amounting to RM7,269,816 (30.06.2023: RM129,517,288) have been pledged as security for banking facilities of the Group as disclosed in Note 28.

24. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	Units	Units	RM	RM
Issued and fully paid:				
At beginning and end of financial year/period	<u>528,999,579</u>	<u>528,999,579</u>	<u>528,999,579</u>	<u>528,999,579</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per ordinary share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

25. TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company. The amount consists of the cost of acquisition of treasury shares net of the proceeds received on their subsequent sale or issuance. The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan are applied in the best interests of the Company and its shareholders. The share repurchases made to date were financed by internally generated funds and are being held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016, in Malaysia.

As at 30 June 2024, the Company held 512,512 (30.06.2023: 512,512) ordinary shares as treasury shares at a carrying amount of RM970,157 (30.06.2023: RM970,157).

26. OTHER RESERVES

	Group	
	30.06.2024	30.06.2023
	RM	RM
Capital reserves	26,578,054	26,578,054
Translation reserve	(53,055)	(47,616)
	<u>26,524,999</u>	<u>26,530,438</u>

Capital reserve

The capital reserve represents unrealised gains from fair value adjustments of identifiable net assets of subsidiary companies acquired in prior years, recorded in equity as a non-distributable reserve in accordance with the accounting standards at the time. This existing capital reserve will remain non-distributable until the underlying assets are realised, upon which any resulting gains or losses will be reclassified within equity or recognised in profit or loss.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of subsidiary whose functional currency is different from that of the Group's presentation currency.

27. PERPETUAL SECURITIES

On 7 August 2019, the Company made its first issuance of RM263 million nominal value of unrated perpetual securities ("Perpetual Securities") pursuant to the RM750 million Perpetual Securities Programme.

On 30 July 2020, the Company made its second issuance of RM87 million nominal value of Perpetual Securities under the same programme.

The net proceeds raised from the Perpetual Securities will be utilised for investments, capital expenditure, working capital and repayment of the Group's existing borrowings.

The salient features of the Perpetual Securities are as follows:

- (a) The Perpetual Securities has no fixed maturity date and the Company has an option to redeem at par, in its entirety but not partially, the Perpetual Securities at the end of the fifth year from the issuance date, and on each subsequent coupon payment date (i.e. semi-annually);

- (b) The Company also has the option to redeem the Perpetual Securities if there is any change or amendment to the accounting standards resulting in the Perpetual Securities no longer being classified as equity;
- (c) The Perpetual Securities carries a coupon rate of 6.85% per annum payable semi-annually for the first 5 years, with a 2% per annum stepped-up coupon rate in Year 6 to 8.85% per annum and a 1% per annum stepped-up coupon rate annually from Year 7 to Year 14 before reaching 15.00% per annum from Year 13 onwards.
- (d) Deferred coupon payment, if any, will be cumulative and such deferred coupon payment shall accrue additional coupon and compounding at the prevailing coupon rate.
- (e) The Perpetual Securities is unrated and is secured over an investment property as disclosed in Note 12, specific debenture and assignment over escrow bank account of the Group and of the Company as disclosed in Note 22; and
- (f) Payment to holders of Perpetual Securities will rank:
 - (i) ahead of any class of the Company's share capital, including, without limitation, any preference shares and ordinary shares in the capital of the Company;
 - (ii) any other instruments or securities issued, entered into or guaranteed by the Company, whether by its terms or by operation of law, ranks in right of payment behind the claims of unsecured or unsubordinated obligations of the Company; and
 - (iii) upon the security pledged being exhausted and Perpetual Securities are still outstanding, rank pari passu, without discrimination, preference or priority among themselves and rank at least pari passu with all other present and future unsecured, unconditional and unsubordinated obligations of the Company and with any parity obligations.

During the financial year, the Group and the Company recognised coupon payment as distribution to the holders of perpetual securities of RM23,975,020 (30.06.2023: RM35,962,309).

Subsequent to the financial year, as the Group has not redeemed the Perpetual Securities on its fifth anniversary on 7 August 2024, the coupon rate has stepped to 8.85% per annum.

28. LOANS AND BORROWINGS

	Note	Group		Company	
		30.06.2024 RM	30.06.2023 RM	30.06.2024 RM	30.06.2023 RM
Secured					
Term loans	(a)	261,043,339	306,693,871	-	-
Sukuk Wakalah	(b)	321,310,683	320,289,654	321,310,683	320,289,654
Hire purchase	(c)	5,476,909	6,011,194	-	-
Revolving credits	(d)	199,057,052	226,843,010	-	-
Bank overdrafts	(e)	41,068,763	42,406,884	-	-
Bankers' acceptance	(f)	7,420,955	6,881,850	-	-
		<u>835,377,701</u>	<u>909,126,463</u>	<u>321,310,683</u>	<u>320,289,654</u>
Non-current					
Term loans	(a)	210,500,688	145,198,893	-	-
Sukuk Wakalah	(b)	168,655,158	320,289,654	168,655,158	320,289,654
Hire purchase	(c)	2,235,136	2,973,431	-	-
		<u>381,390,982</u>	<u>468,461,978</u>	<u>168,655,158</u>	<u>320,289,654</u>
Current					
Term loans	(a)	50,542,651	161,494,978	-	-
Sukuk Wakalah	(b)	152,655,525	-	152,655,525	-
Hire purchase	(c)	3,241,773	3,037,763	-	-
Revolving credits	(d)	199,057,052	226,843,010	-	-
Bank overdrafts	(e)	41,068,763	42,406,884	-	-
Bankers' acceptance	(f)	7,420,955	6,881,850	-	-
		<u>453,986,719</u>	<u>440,664,485</u>	<u>152,655,525</u>	<u>-</u>
Total loans and borrowings		<u>835,377,701</u>	<u>909,126,463</u>	<u>321,310,683</u>	<u>320,289,654</u>

The terms and conditions of the term loans of the Group are as follows:

(a) Term loans

	Repayment terms	Interest rate	Security	Amount outstanding	
				30.06.2024 RM	30.06.2023 RM
(i)	Repayable by 168 monthly instalments commencing on the 19th month from the first drawdown. 19th to 48th instalments of RM11,933, 49th to 84th instalments of RM14,709 and 85th to 167th instalments of RM14,709 and 168th instalment of RM3,891,675	1.5% above bankers' cost of fund	Legal charge over certain investment properties held by a subsidiary company of the Group*	4,294,755	4,433,969
(ii)	Repayable by 168 monthly instalments commencing on the 19th month from the first drawdown. 19th to 48th instalments of RM107,401, 49th to 167th instalments of RM132,377 and 168th instalments of RM35,025,069	1.5% above bankers' cost of fund	Legal charge over certain investment properties held by a subsidiary company of the Group*	38,651,657	39,904,588
(iii)	Repayable by 168 monthly instalments commencing on the 19th month from the first drawdown. 19th to 48th instalments of RM11,933, 49th to 167th instalments of RM14,708 and 168th instalment of RM3,891,675	1.5% above bankers' cost of fund	Legal charge over certain investment properties held by a subsidiary company of the Group*	4,274,099	4,450,602

	Repayment terms	Interest rate	Security	Amount outstanding	
				30.06.2024 RM	30.06.2023 RM
(iv)	Repayable by 168 monthly instalments commencing on the 19th month from the first drawdown. 19th to 48th instalments of RM107,401, 49th to 167th instalments of RM132,377 and 168th instalment of RM35,025,069	1.5% above bankers' cost of funds	Legal charge over certain investment properties held by a subsidiary company of the Group*	38,466,882	40,055,411
(v)	Repayable by 120 equal instalments of RM96,873 commencing on the 7th month from the date of first drawdown	1.75% above bankers' cost of funds	Legal charge over certain investment properties of the Group*#	10,397,394	13,171,121
(vi)	Repayable by 84 equal instalments of RM Nil (30.06.2023: RM415,058) commencing on the 1st month from the date of first drawdown	1.25% above the banker's cost of funds	Legal charge over certain land held for development and investment properties of the Group*	-	1,660,232
(vii)	Repayable by 7 equal instalments of RM6,125,000 commencing in 2022	2.0% above the banker's cost of funds	Legal charge over a joint development land of the Group*	24,604,721	32,501,322

	Repayment terms	Interest rate	Security	Amount outstanding	
				30.06.2024	30.06.2023
				RM	RM
(viii)	Repayable by 8 equal instalments of RM4,500,000 commencing in quarter 2 of 2022	2.0% above the banker's cost of funds	Legal charge over a joint development land of the Group*	22,419,074	28,187,810
(ix)	Repayable by 120 monthly instalments of RM400,000 commencing from the date of first drawdown to 24th instalments, 25th to 48th instalments of RM600,000, 49th to 72th instalments of RM800,000, 73th to 96th instalments of RM1,000,000, 97th to 119th instalments of RM1,200,000 and 120th instalment of RM65,200,000; or by way of redemption, whichever is earlier	1.5% above bankers' cost of funds	Legal charge over certain inventories of the Group*	86,951,740	90,908,996

	Repayment terms	Interest rate	Security	Amount outstanding	
				30.06.2024 RM	30.06.2023 RM
(x)	Repayable by 84 equal instalments of RM166,216 commencing on the 1st month from the date of first drawdown	7.75% flat rate	Legal charge over certain joint development land of the Company*	6,222,614	7,673,942
(xi)	Repayable by 35 equal principal instalments of RM1,388,889 commencing on the first day of the 25th month after the date of the first drawdown and to be concurrent with the interest payment date or by way of redemption, whichever is earlier	1.75% above bankers' cost of funds	Legal charge over a joint development land of the Group*	(5,206,534)	35,706,215
(xii)	Repayable by 23 equal principal instalments of RM417,000 commencing on the first day of the 37th month after the date of the first drawdown and to be concurrent with the interest payment date or by way of redemption, whichever is earlier	1.75% above bankers' cost of funds	Legal charge over a joint development land of the Group*	8,033,992	8,039,663
(xiii)	Repayable by way of one bullet installments of principal and interest on 8 January 2028.	5% per annum on daily basis	Legal charge over investment properties and freehold land of the Group*#	21,932,945	-
				<u>261,043,339</u>	<u>306,693,871</u>

* The term loans are guaranteed by the Company.

The term loans is guaranteed by the Directors of the Company.

The term loans of the Group bear interest at rates ranges from 5.46% to 7.75% (30.06.2023: 3.61% to 8.00%) per annum.

Term loans with carrying amount of RM14,474,012 (30.06.2023: RM188,005,002) relates to the proposed disposals as disclosed in Note 23 are expected to be completed within the next financial year.

The assets pledged for term loans are also disclosed in Notes 10, 11, 12 and 13. Certain term loans amounting to RM81,118,500 (30.06.2023: RM112,108,952) was pledged by the joint ventures and turnkey contract agreement.

(b) Sukuk Wakalah

	Group and Company	
	30.06.2024	30.06.2023
	RM	RM
Sukuk Wakalah at nominal value	323,000,000	323,000,000
Debts issuance cost of Sukuk Wakalah	<u>(1,689,317)</u>	<u>(2,710,346)</u>
	<u>321,310,683</u>	<u>320,289,654</u>

On 28 February 2022, the Company issued Sukuk Wakalah in aggregate of RM323 million, with tenure of 3 years and 5 years, which will be due on 28 February 2025 and 26 February 2027.

The net proceeds raised will be utilised by the Company for the following Shariah compliant purposes in the following order of priority:

- (i) repayment of existing financing/borrowings to unencumber assets pledged as disclosed in Notes 10;
- (ii) defraying fees, costs and expenses in relation to the issuance of the Sukuk Wakalah and Sukuk Wakalah Programme;
- (iii) capital expenditure and/or investments (comprising the purchase of land(s), building(s), Shariah-compliant shares, property and/or payment into joint ventures) of the Company, its group of companies and/or any of the security providers for the Sukuk Wakalah;
- (iv) working capital of the Company and/or its group of companies;
- (v) refinancing of existing financing/borrowings of the Company or its group of companies;
- (vi) general corporate purposes of the Company and/or its group of companies; and
- (vii) inter-company advances between the Company and its group of companies.

The Sukuk Wakalah bears interest at rates ranging from 5.50% to 5.90% (30.06.2023: 5.50% to 5.90%) per annum payable semi-annually and is secured by way of legal charge over lands held for future development including certain property, plant and equipment and land held under joint venture and turnkey contracts as disclosed in Notes 10 and 13.

During the financial year, the rating for the Sukuk Wakalah was downgraded from A+ to BB by MARC Ratings, reflecting increased credit risk. Management acknowledges the downgrade but remains confident in the Group's and the Company's ability to meet the scheduled repayment of RM153.6 million on 28 February 2025.

(c) Hire purchase

The Group leases various plant and machineries and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The effective interest rates of the Group at the end of the reporting period ranges from 2.13% to 3.35% (30.06.2023: 2.13% to 3.35%) per annum.

(d) Revolving credits

The revolving credits of the Group bear interest at rates ranges from 2.40% to 8.33% (30.06.2023: 2.40% to 7.20%) per annum and are secured by way of:

- (i) legal charges over certain property, plant and equipment, investment properties, and inventories of the Group as disclosed in Notes 10, 11 and 12;
- (ii) corporate guarantee from the Company.

In previous financial period, monthly limit reduction over a three-year period effective January 2023 on revolving credits with outstanding amount of RM137,041,205 as at 30 June 2023 was imposed on the Group.

During the financial year, monthly limit reduction over a two-year period effective September 2023 on revolving credits with outstanding amount of RM20,052,533 as at 30 June 2023 was imposed on the Group.

(e) Bank overdrafts

Bank overdrafts of the Group bear interest at rates ranging from 6.47% to 10.68% (30.06.2023: 6.00% to 7.58%) per annum and are secured by way of:

- (i) legal charges over certain property, plant and equipment and inventories of the Group as disclosed in Notes 10, 11 and 12; and
- (ii) corporate guarantee from the Company.

(f) Bankers' acceptance

The bankers' acceptances of the Group bear interest at rate of 5.51% to 7.67% (30.06.2023: 5.84%) per annum and are secured by corporate guarantee from the Company.

29. LEASE LIABILITIES

	Group	
	30.06.2024	30.06.2023
	RM	RM
As at of 1 June/1 January	4,153,007	84,256
Additions	2,975,114	8,773,036
Interest expense (Note 6)	205,542	373,114
Payments of interest	(205,542)	(373,114)
Payments of principal	<u>(3,758,983)</u>	<u>(4,704,285)</u>
As of 30 June	<u>3,369,138</u>	<u>4,153,007</u>
Presented as:		
Non-current	2,140,495	-
Current	<u>1,228,643</u>	<u>4,153,007</u>
	<u>3,369,138</u>	<u>4,153,007</u>

The maturity analysis of the lease liabilities are as follows:

	Group	
	30.06.2024	30.06.2023
	RM	RM
Minimum lease payments:		
Not later than one year	1,241,352	4,247,474
Between one to two years	546,660	-
Between two to five years	385,975	-
Later than five years	<u>1,755,000</u>	<u>-</u>
Total minimum lease payments	3,928,987	4,247,474
Less: Future finance charges	<u>(559,849)</u>	<u>(94,467)</u>
Present value of minimum lease payments	<u>3,369,138</u>	<u>4,153,007</u>

The Group does not face a significant liquidity risk with regard to their lease liabilities.

The lease liabilities are denominated in Ringgit Malaysia and comprise land and buildings.

The Group applied the incremental borrowing rate to the lease liabilities ranges from 4.05% to 5.50% (30.06.2023: 5.50%) per annum.

30. PROVISIONS

	Group	
	30.06.2024	30.06.2023
	RM	RM
As at 1 July/1 January	135,379	277,887
Recognised in profit or loss (Note 7)	417,071	475,315
Utilised during the financial year/period	<u>(485,392)</u>	<u>(617,823)</u>
As at 30 June	<u>67,058</u>	<u>135,379</u>
Current	<u><u>67,058</u></u>	<u><u>135,379</u></u>

A provision is recognised for expected rectification works on completed contracts. It is expected that most of these costs will be incurred within one year after the completion of the construction contract.

Based on management's past experience, provision for rectification works are computed at 0.2% (30.06.2023: 0.2%) on the total contracted sum of completed contracts.

31. TRADE PAYABLES

Trade payables are non-interest bearing and the normal credit terms granted to the Group ranges from 14 to 90 days (30.06.2023: 14 to 90 days).

Included in trade payables of the Group are amounts of:

- (i) RM10,250 (30.06.2023: RM10,250) owing to companies related to certain directors of the Company which are under normal credit terms; and
- (ii) RM4,747,193 (30.06.2023: RM3,027,561) being retention sums held by the Group. The retention sums which are payable upon expiry of defect liability period as provided in the contracts with contractors are expected to be settled as follows:

	Group	
	30.06.2024	30.06.2023
	RM	RM
Later than one year	<u>4,747,193</u>	<u>3,027,561</u>

32. OTHER PAYABLES

	Group		Company	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM	RM	RM	RM
Other payables	125,595,755	95,299,930	1,591,651	639,650
Deposits	22,021,816	25,666,772	-	-
Accruals	<u>68,693,585</u>	<u>41,258,349</u>	<u>6,334,578</u>	<u>6,221,178</u>
	<u>216,311,156</u>	<u>162,225,051</u>	<u>7,926,229</u>	<u>6,860,828</u>

Included in other payables of the Group are:

- (i) RM7,639,896 (30.06.2023: RM9,414,531) unsecured advances which are owing to companies in which certain directors of the Company have significant financial interest. The amounts owing are unsecured, non-interest bearing and repayable on demand;
- (ii) RM68,723 (30.06.2023: RM68,723) landowners' entitlement pursuant to the joint venture agreements entered into with the landowners;
- (iii) RM11,685,629 (30.06.2023: RM3,025,543) unsecured advances which are owing to persons related to certain directors of the Company. The amounts owing are unsecured, non-interest bearing and repayable on demand;
- (iv) RM43,500,000 (30.06.2023: RM43,500,000) due to a third-party following revocation of land sales in previous financial years; and
- (v) RM7,724,256 (30.06.2023: RM8,096,677) of guarantee rental return ("GRR"), which related to guaranteed rental promised purchases.

Included in other payables of the Company are:

- (i) RM103,000 (30.06.2023: Nil) unsecured advances which are owing to a company in which certain directors of the Company have significant financial interest. The amounts owing are unsecured, non-interest bearing and repayable on demand; and
- (ii) RM912,080 (30.06.2023: RM12,080) unsecured advances which are owing to persons related to certain directors of the Company. The amounts owing are unsecured, non-interest bearing and repayable on demand.

Included in deposits of the Group are rental and other related deposits amounting to RM8,898,548 (30.06.2023: RM12,267,820).

Included in accruals of the Group and of the Company are coupon interest accrued amounting to RM6,165,178 (30.06.2023: RM 6,165,178) for the perpetual securities as disclosed in Note 27.

33. AMOUNT OWING TO DIRECTORS

Amount owing to directors is non-trade in nature, unsecured, non-interest bearing and repayable on demand.

34. AMOUNT OWING TO SUBSIDIARY COMPANIES

Amount owing to subsidiary companies are non-trade in nature, unsecured, non-interest bearing and repayable on demand.

35. CONTRACT ASSETS/(LIABILITIES)

	Group	
	30.06.2024	30.06.2023
	RM	RM
<u>Contract assets</u>		
Property development activities	3,290,268	-
Construction contracts	32,733,491	-
	<u>36,023,759</u>	<u>-</u>
<u>Contract liabilities</u>		
Property development activities	(2,415,420)	(41,458,502)
Construction contracts	(1,013,897)	-
Property held for sales	(94,475,910)	-
Utility services	(88,796)	(4,052,678)
	<u>(97,994,023)</u>	<u>(45,511,180)</u>

The contract assets primarily relate to the Group's right to consideration for work completed on property development contracts and construction contracts but not yet billed at the reporting date.

The contract liabilities represent progress billings issued for property development contracts for which performance obligations have not been satisfied and advances from customers relating to utility charges and property held for sales. Contract liabilities are recognised as revenue when performance obligations are satisfied.

Significant changes in contract balances:

	Group	
	30.06.2024	30.06.2023
	RM	RM
Revenue recognised that was included in contract liability at the beginning of the financial year/period	20,112,200	73,254,046
Increase due to progress billings or cash received for work yet to be performed	<u>202,252,911</u>	<u>21,971,100</u>

The transaction prices allocated to the remaining performance obligations unsatisfied (or partially satisfied) are as follows:

	Group	
	30.06.2024	30.06.2023
	RM	RM
Property development activities	660,435,749	164,419,054
Construction contracts	<u>4,805,291</u>	<u>-</u>
	<u>665,241,040</u>	<u>164,419,054</u>

Based on the information available to the Group, the management of the Group expects the transaction price allocated to the above unsatisfied (or partially unsatisfied) contracts will be recognised as revenue in the period of next 3 years.

The Group applies the practical expedient in paragraph 121(a) of MRFS 15 *Revenue from contracts with customer* and accordingly, does not disclose information about remaining performance obligations that have original expected duration of 1 year or less.

The Group expects revenue from unsatisfied performance obligations to be recognised in the following years as follows:

	Group	
	30.06.2024	30.06.2023
	RM	RM
Construction contracts:		
Within one year	4,805,291	3,418,933
More than one year, but not more than 3 years	<u>-</u>	<u>4,169,891</u>
	<u>4,805,291</u>	<u>7,588,824</u>
Property development activities:		
Within one year	11,821,805	251,122,466
More than one year, but not more than 3 years	<u>648,613,944</u>	<u>509,203,246</u>
	<u>660,435,749</u>	<u>760,325,712</u>

36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

	1 July RM	Financing cash flows (i) RM	Non-cash changes (ii) RM	30 June RM
Group				
30.06.2024				
Lease liabilities	4,153,007	(3,758,983)	2,975,114	3,369,138
Term loans	306,693,871	(45,650,532)	-	261,043,339
Sukuk Wakalah	320,289,654	-	1,021,029	321,310,683
Hire purchase payables	6,011,194	(534,285)	-	5,476,909
Revolving credit	226,843,010	(27,785,958)	-	199,057,052
Bankers' acceptance	6,881,850	539,145	-	7,420,995
Amount owing to directors	785,497	4,363,824	-	5,149,321
Amount owing to companies related to directors	8,096,677	(372,421)	-	7,724,256
Amount owing to persons related to directors	3,025,543	8,660,086	-	11,685,629
	<u>882,780,303</u>	<u>(64,539,124)</u>	<u>3,996,143</u>	<u>822,237,322</u>
	1 January RM	Financing cash flows (i) RM	Non-cash changes (ii) RM	30 June RM
Group				
30.06.2023				
Lease liabilities	84,256	(4,704,285)	8,773,036	4,153,007
Term loans	327,728,324	(21,034,453)	-	306,693,871
Sukuk Wakalah	-	319,061,722	1,227,932	320,289,654
Hire purchase payables	4,654,352	1,356,842	-	6,011,194
Revolving credit	414,897,925	(188,054,915)	-	226,843,010
Bankers' acceptance	4,652,623	2,229,227	-	6,881,850
Amount owing to directors	683,871	101,626	-	785,497
Amount owing to companies related to directors	15,855,696	(7,759,019)	-	8,096,677
Amount owing to persons related to directors	1,271,290	1,754,253	-	3,025,543
	<u>769,828,337</u>	<u>102,950,998</u>	<u>10,000,968</u>	<u>882,780,303</u>

	1 January RM	Financing cash flows (i) RM	Non-cash changes (ii) RM	30 June RM
Company				
30.06.2024				
Amount owing to subsidiary companies	271,930,335	72,426,890	-	344,357,225
Amount owing to directors	65,944	4,496,424	-	4,562,368
Sukuk Wakalah	320,289,654	-	1,021,029	321,310,683
	<u>592,285,933</u>	<u>76,923,314</u>	<u>1,021,029</u>	<u>670,230,276</u>
30.06.2023				
Amount owing to subsidiary companies	163,826,679	108,103,656	-	271,930,335
Amount owing to directors	12,944	53,000	-	65,944
Sukuk Wakalah	-	319,061,722	1,227,932	320,289,654
	<u>163,839,623</u>	<u>427,218,378</u>	<u>1,227,932</u>	<u>592,285,933</u>

- (i) The cash flows from loans and bank borrowings, lease liabilities, amounts owing to directors, related companies and subsidiary companies make up the net amount of proceeds from or repayments or payments in the statements of cash flows.
- (ii) Non-cash changes included amortisation of transaction cost of loans and borrowings and new lease liabilities.

37. **FINANCIAL INSTRUMENTS**

Classification of financial instruments

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM	RM	RM	RM
Financial assets				
<i>Fair value through profit or loss</i>				
Other investments	<u>459,816</u>	<u>444,301</u>	<u>-</u>	<u>-</u>
<i>At amortised cost</i>				
Trade receivables	42,596,962	58,725,500	-	-
Other receivables	78,358,351	52,403,985	-	254,400
Amount owing by subsidiary companies	-	-	13,922,620	17,743,741
Deposits, cash and bank balances	<u>43,183,059</u>	<u>36,839,955</u>	<u>27,895,185</u>	<u>3,672,613</u>

	Group		Company	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM	RM	RM	RM
Financial liabilities				
<i>At amortised cost</i>				
Trade payables	84,775,956	65,742,982	-	-
Other payables	216,311,156	162,225,051	7,926,229	6,860,828
Amount owing to directors	5,149,321	785,497	4,562,368	65,944
Amount owing to subsidiary companies	-	-	344,357,225	271,930,335
Lease liabilities	3,369,138	4,153,007	-	-
Loans and borrowings	835,377,701	909,126,463	321,310,683	320,289,654
	<u>835,377,701</u>	<u>909,126,463</u>	<u>321,310,683</u>	<u>320,289,654</u>

Financial risk management objectives and policies

The Group and the Company are exposed to financial risk arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of those risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and to the Company that may arise if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk mainly from trade receivables, other receivables and refundable deposits and contract assets; whereas the Company's exposure to credit risk mainly from other receivables, amount due from subsidiary companies and financial guarantee given to licensed banks.

The management has in place a credit procedure to monitor and minimise the exposure of default. Receivables are monitored on a regular and an ongoing basis. Credit evaluations are performed on all customers requiring credit over certain amount.

For cash and cash equivalents, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Company provides advances to subsidiary companies and monitors the results of the subsidiary companies regularly.

Concentration profile

Concentration of credit risk arises when a number of customers are engaged in similar business activities or activities within the same geographic region, or when they have similar risk characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Group monitors various portfolios to identify and assess risk concentration.

The Group major concentration of credit risk relates to the amount due from one (30.06.2023: one) receivables which constituted 14% (30.06.2023: 23%) of its trade receivables at the end of the reporting period.

Exposure to credit risk

In addition, the Company is exposed to credit risk in relation to financial guarantees given to licensed banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. There was no indication that the subsidiary companies would default on repayment at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiaries' banking facilities in view of the securities pledged by the subsidiary companies. As at the end of the reporting period, the Company's maximum exposure to credit risk in relation to the financial guarantees amounts to RM835,377,741 (30.06.2023: RM588,836,809) representing the outstanding banking facilities of the subsidiary companies.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting its obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from trade payables, other payables and accruals, bank borrowings and lease liabilities. The Company's exposure to liquidity risk arises primarily from other payables, amount owing to directors and subsidiary companies and bank borrowings.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company manage liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

As at 30 June 2024, the Group faces heightened liquidity risk due to significant short-term obligations. As disclosed in Note 28(d) to the financial statements, certain revolving credits of the Group are subject to monthly limit reduction over a two to three-year period. Furthermore, there is an upcoming significant repayment of the Sukuk Wakalah scheduled for 28 February 2025, as disclosed in Note 28(b). The concentration of these short-term liabilities may impact the Group's ability to meet its financial obligations as they become due.

To mitigate this risk, the Group has access to unutilised bank facilities, which are immediately available to finance working capital and other funding requirements. There are no restrictions under the terms of these facilities for such intended purposes. The Group is also actively undertaking several strategic initiatives to enhance its liquidity position. These include exploring the sale or further pledging of development land and investment properties to unlock capital, with discussions underway with potential buyers and financial institutions to expedite transactions and secure additional funding, amongst others as disclosed in Notes 42(d), 42(g) and 42(j).

The Group has a robust liquidity risk management framework in place, which includes regular monitoring of cash flow positions to ensure sufficient liquidity buffers, maturity profiling of financial assets and liabilities to manage potential liquidity gaps, and periodic stress testing to assess the impact of adverse market conditions on liquidity. Relationships with multiple financial institutions are maintained to diversify funding sources and reduce reliance on a single lender.

Management has assessed the Group's ability to meet its short-term funding requirements by preparing cash flow forecasts covering at least 12 months from the reporting date, considering realistic assumptions about cash collections, sales, and expense management, and factoring in the impact of management's strategies to improve liquidity. Based on this assessment, management believes that, despite current challenges, the Group will be able to meet its obligations as they fall due.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the end of the reporting period based on undiscounted contractual payments:

	Average effective interest rate %	Carrying amount RM	On demand or within 1 year RM	Between one to five years RM	Over five years RM	Total RM
Group						
30.06.2024						
Trade payables	-	84,775,956	84,775,956	-	-	84,775,956
Other payables	-	216,311,156	216,311,156	-	-	216,311,156
Amount owing to directors	-	5,149,321	5,149,321	-	-	5,149,321
Term loans	5.46 - 7.75	261,043,339	53,900,035	119,861,974	103,750,999	277,513,008
Sukuk Wakalah	5.50 - 5.90	321,310,683	161,356,890	178,268,502	-	339,625,392
Hire purchase payables	2.13 - 3.35	5,476,909	3,273,347	2,266,624	-	5,539,971
Revolving credits	2.40 - 8.33	199,057,052	209,748,485	-	-	209,748,485
Bank overdrafts	5.51 to 7.67	41,068,763	44,226,456	-	-	44,226,456
Bankers' acceptance	5.51 - 7.67	7,420,995	7,909,996	-	-	7,909,996
Lease liabilities	4.05 - 5.50	3,369,138	1,241,352	2,687,635	-	3,928,987
		<u>1,144,983,312</u>	<u>787,892,994</u>	<u>293,471,391</u>	<u>103,750,999</u>	<u>1,194,728,728</u>

	Average effective interest rate %	Carrying amount RM	On demand or within 1 year RM	Between one to five years RM	Over five years RM	Total RM
Group						
30.06.2023						
Trade payables	-	65,742,982	65,742,982	-	-	65,742,982
Other payables	-	162,225,051	162,225,051	-	-	162,225,051
Amount owing to directors	-	785,497	785,497	-	-	785,497
Term loans	3.61 - 8.00	306,693,871	176,567,803	82,045,214	-	354,256,147
Sukuk Wakalah	5.50 - 5.90	320,289,654	18,194,984	354,907,364	95,643,130	468,745,478
Hire purchase payables	2.13 - 3.35	6,011,194	3,365,983	2,944,926	-	6,310,909
Revolving credits	2.40 - 7.20	226,843,010	238,190,019	-	-	238,190,019
Bank overdrafts	6.00 - 7.58	42,406,884	42,406,884	-	-	42,406,884
Bankers' acceptance	5.84	6,881,850	6,881,850	-	-	6,881,850
Lease liabilities	5.50	4,153,007	4,247,474	-	-	4,247,474
		<u>1,141,939,711</u>	<u>718,515,238</u>	<u>439,897,504</u>	<u>95,643,130</u>	<u>1,349,792,291</u>
Company						
30.06.2024						
Other payables	-	7,926,229	7,926,229	-	-	7,926,229
Amount owing to directors	-	4,562,368	4,562,368	-	-	4,562,368
Amount owing to subsidiary companies	-	344,357,225	344,357,225	-	-	344,357,225
Sukuk Wakalah	5.50 - 5.90	320,289,654	18,194,984	354,907,364	95,643,130	468,745,478
Financial guarantee contracts		-	835,377,741	-	-	835,377,741
		<u>677,135,476</u>	<u>1,210,418,547</u>	<u>354,907,364</u>	<u>95,643,130</u>	<u>1,660,969,041</u>

	Average effective interest rate %	Carrying amount RM	On demand or within 1 year RM	Between one to five years RM	Total RM
Company					
30.06.2023					
Other payables	-	6,860,828	6,860,828	-	6,860,828
Amount owing to directors	-	65,944	65,944	-	65,944
Amount owing to subsidiary companies	-	271,930,335	271,930,335	-	271,930,335
Sukuk Wakalah	5.50 - 5.90	320,289,654	-	326,454,832	326,454,832
Financial guarantee contracts	-	-	588,836,809	-	588,836,809
		<u>599,146,761</u>	<u>867,693,916</u>	<u>326,454,832</u>	<u>1,194,148,748</u>

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and of the Company's financial instruments as a result of changes in market interest rates. The Group's and of the Company's exposure to interest rate risk arises primarily from their loans and borrowings with floating interest rates.

The Group and the Company actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets.

The interest rate profile of the Group's floating rate financial liabilities, based on carrying amounts as at the end of the financial year/period are as follows:

	30.06.2024	Group
	RM	30.06.2023
		RM
Floating rate instruments		
Loans and borrowings	<u>498,192,715</u>	<u>575,151,673</u>

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and loss before tax.

Change in basis points	30.06.2024	30.06.2023
	Effect on	Effect on
	profit/(loss)	profit/(loss)
	before tax	before tax
	RM	RM
Strengthened 25 (30.06.2023:25)	(1,245,482)	(1,437,879)
Weakened 25 (30.04.2023:25)	<u>1,245,482</u>	<u>1,437,879</u>

Fair value measurement

The carrying amounts of cash and short-term deposits, short-term receivables and payables and short-term borrowings are reasonable approximation to their fair values due to the relatively short-term nature of these financial instruments. The carrying amounts of long-term floating rate loans are reasonable approximation of fair value as these loans will be re-priced to market interest rates.

The fair value of the short-term fund is determined by reference to the redemption price at the reporting date.

The fair value of fixed rate loans, hire purchase payables and Sukuk Wakalah was estimated by discounting future cash flows using lending rates for similar type of arrangements.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their carrying amounts shown in the statements of financial position.

	Carrying amount RM	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value			
		Fair value				Fair value			
		Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group									
30.06.2024									
Financial liabilities									
Fixed rate loan	(2,777,304)	-	-	-	-	-	-	(2,603,584)	(2,603,584)
Hire purchase payables	(2,235,136)	-	-	-	-	-	-		(2,204,519)
Sukuk Wakalah	(168,655,158)							(159,041,814)	(159,041,814)
30.06.2023									
Financial liabilities									
Fixed rate loan	(7,673,942)	-	-	-	-	-	-	(7,627,989)	(7,627,989)
Hire purchase payables	(6,011,194)	-	-	-	-	-	-	(5,912,650)	(5,912,650)
Sukuk Wakalah	(320,289,654)							(302,033,144)	(302,033,144)
Company									
30.06.2024									
Financial liabilities									
Sukuk Wakalah	(168,655,158)							(159,041,814)	(159,041,814)
30.06.2023									
Financial liabilities									
Sukuk Wakalah	(320,289,654)							(302,033,144)	(302,033,144)

There have been no transfer between Level 1 and Level 2 during the financial year (30.06.2023: no transfer in either directions).

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their carrying amounts shown in the statements of financial position.

38. COMMITMENTS

Operating lease commitments – as lessor

The Group leases its properties which are freehold land with shopping complexes and a school building with non-cancellable lease terms of 10 years. The lease may be renewed for a further 3 terms of 5 years each and contains a clause to enable upward revision on each renewal.

Future minimum rental receivable under the non-cancellable operating lease at the reporting date is as follows:

	Group	
	30.06.2024	30.06.2023
	RM	RM
Not later than one year	-	6,181,170
More than one year and not later than five years	-	2,500
	<u>-</u>	<u>6,183,670</u>

39. RELATED PARTIES

(a) Identity of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Subsidiary companies;
- (ii) Entities in which directors have substantial financial interest;
- (iii) Persons related to directors; and
- (iv) Key management personnel of the Group's, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly and indirectly

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

		Group	
		30.06.2024	30.06.2023
		RM	RM
(Receive and receivable from)/ Paid and payable to related parties			
Directors related companies/firm			
	Transactions		
Various Promotion Sdn. Bhd.	Purchase of construction materials	1,414	-
	Estate maintenance	-	1,337
	Estate weedkillers & fertiliser	-	89,033
Rapid Synergy Bhd.	Rental properties	333,060	499,590
Kar Sin Hardware Sdn. Bhd.	Rental of equipment and transportation cost	1,582,876	2,729,007
Kar Sin Ready Mix Sdn. Bhd.	Sales of wages	-	(25,064)
	Rental of machinery	(60,000)	(282,000)
N.A.B Holdings Sdn. Bhd.	Rental of equipment and transportation cost	112,320	168,480
Mutual Boundary Sdn. Bhd.	Wages back charged	-	(2,608)
	Rental payable	193,213	289,582

		Group	
		30.06.2024	30.06.2023
		RM	RM
(Receive and receivable from)/ Paid and payable to related parties			
Directors related companies/firm			
	Transactions		
Yu & Associate	Legal services	4,038,580	2,256,126
Caldera Machinery Sdn. Bhd.	Rental equipment	230,371	677,194
	Purchase of machinery	-	439,920
	Rental income of equipment	-	(126,196)
Kar Sin Premium Sdn. Bhd.	Broker fee paid	-	477,527
	Rental income of properties	(336,000)	(504,000)
Kar Sin Success Sdn. Bhd.	Rental income of properties	(241,356)	(247,484)
	Professional fee on rental	-	140,762
Halim & Yu Sdn. Bhd.	Billings in relation to room sales, food and beverages	-	(70,366)
	Sales of construction materials and renovation	(196,355)	-
Caldera Construction Sdn. Bhd.	Rental income of equipment	(1,193)	(354,510)
	Sale of building material/wages	(357,958)	(315,672)
	Transportation cost	-	30,000
	Purchase of construction material	42,658	-
Good Intensive Sdn. Bhd.	Wages paid	4,021	10,523
Kar Sin Dream Sdn. Bhd.	Broker fee paid	605,022	526,382

		Group	
		30.06.2024	30.06.2023
		RM	RM
(Receive and receivable from)/ Paid and payable to related parties			
Directors related			
companies/firm	Transactions		
Six Pack Fitness Sdn. Bhd	Rental income of properties	(120,000)	(110,000)
Simbolik Tuah Sdn.Bhd.	Billings in relation to sale of properties	-	(20,503,000)
Teh & Yu Associate	Legal services	4,737,352	804,258
	Rental income	-	(36,000)
The Ark Event Sdn Bhd	Rental income of properties	(40,560)	(43,940)
Directors	Billings in relation to sale of properties	-	(50,626,667)
Persons related to directors	Billings in relation to sale of properties	(2,525,000)	(13,142,000)
	Employee benefits	-	<u>7,246,919</u>

Companies related to directors:

- (i) Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT, who is the managing director and major shareholder of YNH Property Bhd., owns 85% equity interest in Kar Sin Hardware Sdn. Bhd. and 75% equity interest in NAB Holdings Sdn. Bhd.
- (ii) Kar Sin Ready Mix Sdn. Bhd. is a company in which Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT holds 50% equity interest and Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS holds the remaining 50% equity interest.
- (iii) Yu & Associates is a solicitor firm owned by a sibling of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT and Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS.
- (iv) Rapid Synergy Bhd. is a company in which Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS is a substantial shareholder and non-independent non-executive director.
- (v) Various Promotion Sdn. Bhd. is a company owned by the spouse and the son of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT.
- (vi) Halim & Yu Sdn. Bhd. is a company owned by Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT and his spouse.

- (vii) Mutual Boundary Sdn. Bhd. is a company owned by the sons of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT.
- (viii) Caldera Machinery Sdn. Bhd. is a company owned by the daughter and son-in-law of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT owns 50% equity interest.
- (ix) Kar Sin Premium Sdn. Bhd. is a company owned by the daughters of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT.
- (x) Pearl Total Sdn. Bhd. is a company owned by the daughters of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT.
- (xi) Six Pack Fitness Sdn. Bhd. is a company owned by Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT.
- (xii) Kar Sin Power Sdn. Bhd. is a company owned by Dato' Yu Kuan Chon, DIMP, PPT, MBBS and his spouse.
- (xiii) Kar Sin Hardware Sdn. Bhd. is a company in which Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT holds 85% equity interest.
- (xiv) Good Intensive Sdn. Bhd. is a company in which the sister-in-law of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT and Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS, holds 70% equity interest.
- (xv) Caldera Construction Sdn. Bhd. is a company owned by the son-in-law of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT.
- (xvi) Tanah Trio Sdn. Bhd. is a company in which the son of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT owns 60% equity interest.
- (xvii) Simbolik Tuah Sdn. Bhd. is a company owned by Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT and Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS.
- (xviii) Teh & Yu Associate is a solicitor firm owned by the daughter of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT.
- (xix) Zillion Gain Sdn. Bhd. is a company owned by Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT and Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS.
- (xx) Kar Sin Success Sdn. Bhd. is a company owned by the sons of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT.
- (xxi) The Ark Event Sdn. Bhd. is a company owned by the son of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT.
- (xxii) N.A.B Holdings Sdn. Bhd. is a company in which Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT holds 75% equity interest.

(xxiii) Kar Sin Dream Sdn. Bhd., is a company owned by the sons of Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT and Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS.

Sales of properties

The sales of properties represent the agreed consideration as per the sale and purchase agreements entered into between the Group and the related parties on the sale of properties under development and completed properties.

(c) Compensation of key management personnel

	Group		Company	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM	RM	RM	RM
Executive directors				
Salaries and other emoluments	9,943,615	17,337,098	-	-
Defined contribution plan	1,889,292	415,703	-	-
Total executive directors' remuneration (excluding benefits-in-kind)	11,832,907	17,752,801	-	-
Estimated monetary value of benefits-in-kind	-	7,951	-	-
Total executive directors' remuneration (including benefits-in-kind)	11,832,907	17,760,752	-	-
Non-executive directors				
Fees	10,500	235,640	10,500	235,640
Salaries and other emoluments	120,100	231,258	120,100	231,258
Total non-executive directors' emoluments	130,600	466,898	130,600	466,898
Key management personnel				
Salaries and other emoluments	1,578,707	-	-	-
Defined contribution plan	277,140	-	-	-
Total key management personnel emoluments	1,855,847	-	-	-
	13,819,354	18,227,650	130,600	466,898

40. CAPITAL MANAGEMENT

The primary objective of the Group's and of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximises shareholder value. The Group and the Company manage its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year/period ended 30 June 2024 and 30 June 2023.

Consistent with others in the industry, the Group and the Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the statements of financial position) less deposits, cash and bank balances and investments designated at FVTPL. Total capital is the "total equity" as shown in the statements of financial position.

The gearing ratio as at 30 June 2024 and 2023 are as follows:

	30.06.2024	30.06.2023
	RM	RM
Group		
Loans and borrowings	835,377,701	909,126,463
Lease liabilities	3,369,138	4,153,007
Less: Deposits, cash and bank balances	<u>(43,183,059)</u>	<u>(36,839,955)</u>
Net debts	795,563,780	876,439,515
Total equity	<u>1,127,754,542</u>	<u>1,193,189,072</u>
Gearing ratio	<u>0.71</u>	<u>0.73</u>
Company		
Loans and borrowings	321,310,683	320,289,654
Less: Deposits, cash and bank balances	<u>(27,895,185)</u>	<u>(3,672,613)</u>
Net debts	<u>293,415,498</u>	<u>316,617,041</u>
Total equity	<u>707,949,275</u>	<u>780,628,914</u>
Gearing ratio	<u>0.41</u>	<u>0.41</u>

The Group and the Company are required to comply with externally-imposed capital requirements for certain debt-service ratio, debt-to-equity ratio, loan-to-valuation ratio and to maintain certain level of shareholders' equity in respect of their bank borrowings.

41. **SEGMENT INFORMATION**

The Group prepared the following segment information in accordance with MFRS 8 Operating Segments based on the internal reports of the Group's strategic business units which are regularly reviewed by the Group Managing Director ("MD") for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss before tax. Group's income taxes are managed on a group basis and are not allocated to operating segments.

The two reportable operating segments are as follows:

(a) Property development segment

The property development segment is in the business of constructing and developing residential and commercial properties. This reportable segment has been formed by aggregating the property construction/development operating segment, estates, trading or supply of construction materials and the investment properties operating segment, which are regarded by management to exhibit similar economic characteristics.

(b) Hotel and hospitality segment

Hotel and hospitality segment is the operation of and management of hotels and its related business.

Except as indicated above, no other operating segment has been aggregated to form the above reportable operating segments.

Inter-segment pricing is determined on negotiated basis.

	Property development		Hotel and hospitality		Adjustment and elimination		Notes	Per consolidated financial statements	
	01.07.2023 to 30.06.2024 RM	01.01.2022 to 30.06.2023 RM	01.07.2023 to 30.06.2024 RM	01.01.2022 to 30.06.2023 RM	01.07.2023 to 30.06.2024 RM	01.01.2022 to 30.06.2023 RM		01.07.2023 to 30.06.2024 RM	01.01.2022 to 30.06.2023 RM
Revenue:									
External customers	142,760,584	295,694,669	5,677,225	11,822,328	-	-		148,437,809	307,516,997
Inter segment	-	-	-	-	-	-	A	-	-
	<u>142,760,584</u>	<u>295,694,669</u>	<u>5,677,225</u>	<u>11,822,328</u>	<u>-</u>	<u>-</u>		<u>148,437,809</u>	<u>307,516,997</u>
Results:									
Interest income	431,783	172,156	1,841,977	2,007,997	(1,821,684)	(2,007,997)	B	452,076	172,156
Depreciation	8,032,144	12,315,073	4,001,430	1,826,555	-	-		12,033,574	14,141,628
Finance costs	55,289,651	77,054,956	1,126,272	1,342,208	-	-	B	56,415,923	78,397,164
Other non-cash (income)/expenses	5,109,481	5,801,493	187,477	-	-	-	C	5,296,958	5,801,493
Segment (loss)/profit	<u>(57,603,983)</u>	<u>(17,255,682)</u>	<u>7,928,119</u>	<u>(3,161,117)</u>	<u>-</u>	<u>-</u>		<u>(49,675,864)</u>	<u>20,416,799</u>

	Property development		Hotel and hospitality		Adjustment and elimination		Notes	Per consolidated financial statements	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023	30.06.2024	30.06.2023		30.06.2024	30.06.2023
	RM	RM	RM	RM	RM	RM		RM	RM
Assets:									
Segment assets	2,231,852,662	2,313,501,309	213,928,264	168,461,083	-	-	2,445,780,926	2,481,962,392	
Liabilities									
:									
Segment total liabilities	1,061,663,409	1,248,332,462	256,362,975	40,440,858	-	-	1,318,026,384	1,288,773,320	

Note Reconciliation of reportable segment revenue, interest income/finance costs, other material items and assets are as follows:

A Inter-segment revenues are eliminated on consolidation.

B The following item is deducted from segment interest income/finance costs to arrive at “Interest income/Finance costs” presented in the notes to the financial statements:

	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Inter segment interest	<u>1,821,684</u>	<u>2,007,997</u>

C Other material non-cash expenses/income consist of the following items as presented in the respective notes to the financial statements:

	01.07.2023 to 30.06.2024 (12 months) RM	01.01.2022 to 30.06.2023 (18 months) RM
Property, plant and equipment written off	633,234	758,009
Impairment losses on right-of-use assets	-	1,809,646
Impairment losses on investment properties	-	1,092,236
Impairment losses on trade and other receivables	4,629,318	6,454,183
Provision for rectification works	417,071	475,315
Reversal of impairment loss trade and other receivables	<u>(382,665)</u>	<u>(4,788,096)</u>
	<u>5,296,958</u>	<u>5,801,493</u>

D Additions to non-current assets other than financial instruments and deferred tax assets consist of:

	30.06.2024 RM	30.06.2023 RM
Inventories - properties held for development	-	97,500,000
Property, plant and equipment	3,601,824	3,827,967
Right-of-use assets	2,975,114	8,773,261
Investment properties	<u>13,240</u>	<u>50,967</u>
	<u>6,590,178</u>	<u>110,152,195</u>

Geographical information

The Group's operates predominantly in Malaysia and hence, no geographical segment is presented.

Information about major customers

There are no single external customers with revenue amounting to 10% or more of the Group's revenue.

42. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE FINANCIAL YEAR

(a) On 16 May 2023, the Company announced the following events:

On 1 April 2022, Great Wall Park Sdn. Bhd. ("GWP"), the first beneficial owner of the freehold vacant land held under the individual title H.S(D) 47941 PT. 48632 in the Mukim of Kuala Lumpur ("the Property") and Kar Sin Berhad ("KSB"), a wholly owned subsidiary of the Company agreed to mutually terminate the turnkey construction agreement with the term and condition that GWP shall refund to KSB a sum of RM239,500,000 being the total security deposits paid by KSB ("Security Deposits") within 6 months from the date of termination ("the Termination").

On 18 April 2022, KSB had entered into a Sub-Sale Agreement ("SSA") with GWP to purchase the Property for a purchase consideration of RM150,000,000 which shall be offset against the amount of Security Deposits refundable to KSB and the remaining sum of RM89,500,000 ("Balance Security Deposit") shall be refunded to KSB within 6 months from the date of the notice of termination. Subsequent thereto, on 1 September 2022, in a supplemental letter, GWP and KSB clarified the intention of the parties pertaining to the SSA where the SSA shall continue to be effective, valid and enforceable only upon the fulfilment of the following conditions:

- (i) That KSB does not continue to develop the Property; and
- (ii) That the Property is successfully sold by KSB to a third party purchaser.

Subsequently, on 12 May 2023, KSB had entered into a Sale and Purchase Agreement ("SPA") with Imbuhan Sempurna Sdn. Bhd. ("ISSB"), the registered proprietor of the Property, GWP and Sunway Living Space Sdn. Bhd. ("SLS") for the disposal of the Property to SLS for a cash consideration of RM170,000,000. An additional consideration of RM50,000,000 is payable by SLS to KSB if KSB obtains a new development order of the Property with a minimum plot ratio of 7 on net land area. The sale of the Property is conditioned upon the Company obtaining its shareholders' approvals authorising the purchase of the Property from GWP and authorising the sale of the Property to SLS.

On 14 August 2023 and 13 October 2023, the Company had announced that KSB and SLS has mutually agreed to extend the conditional period to 12 October 2023 and subsequently to 12 November 2023. On 10 November 2023, KSB and SLS had executed a Supplemental Agreement to extend the conditional period to 10 February 2024. On 15 February 2024, the Company had announced that KSB and SLS has mutually agreed to further extend the conditional period to 12 May 2024.

Pursuant to a land search conducted on the Property which revealed a registered caveat lodged over the Property, KSB and SLS had on 10 May 2024 executed a second supplemental agreement to vary the terms and conditions of the SPA requiring the registered caveat to be cancelled, amending the additional consideration to RM50,000,000 if KSB obtains a new development order of the Property with a minimum plot ratio of 7 on net land area or RM20,000,000 if KSB obtains a new development order of the Property with a minimum plot ratio of 6 on net land area and extending the conditional period to 12 May 2025.

The Termination, SSA and SPA is still ongoing as the consideration to each of the agreements have not been exchanged in full and the terms and conditions have yet to be fulfilled.

(b) On 17 November 2022, the Company announced that:

- (i) D’Kiara Place Sdn. Bhd. (“DPSB”), a wholly-owned subsidiary of the Company, intends to enter into a conditional sale and purchase agreement with ALX Asset Berhad (“ALX Asset”) for the disposal of 163 Retail Park shopping centre to ALX Asset for a cash consideration of RM270,500,000; and
- (ii) YNH Hospitality Sdn. Bhd. (“YNHH”), a wholly owned subsidiary of the Company, and Kar Sin Berhad, the registered proprietor of Aeon Seri Manjung holding in trust for YNHH and a wholly-owned subsidiary of the Company, intends to enter into a conditional sale and purchase agreement with ALX Asset for the disposal of AEON Seri Manjung shopping centre and the freehold land on which it is erected on to ALX Asset for a cash consideration of RM152,000,000.

(Collectively known as the “Proposed Proposals”)

On 1 March 2023, the shareholders of the Company approved the Proposed Proposals.

On 4 April 2023, DPSB executed the sale and purchase agreement for the proposed disposal of 163 Retail Park (“SPA”).

On 3 July 2023 and 3 January 2024, DPSB and ALX Asset had mutually agreed to extend the fulfilment date of the conditions precedent in the 163 Retail Park SPA until 3 January 2024 and subsequently until 4 February 2024.

On 29 January 2024, the Company announced that DPSB and ALX Asset had entered into a deed of termination to terminate the 163 Retail Park SPA with effect from 26 January 2024 as the Proposed 163 Retail Park disposal has yet to be completed.

Subsequent to the above, the Company will no longer proceed with the Proposed Disposals.

- (c) On 1 November 2023, the Group announced that Samir Sumathi Fernando & Co was appointed on 27 April 2023, to conduct a special review, with the completion date set for 11 July 2023, and an extended completion date estimated by 30 November 2023. The scope of their work includes providing a legal opinion on the compliance of Joint Venture Agreements and Turnkey Construction Agreements entered into by KSB with applicable laws and Bursa Main Market Listing Requirements, as well as assessing the relationships of the parties involved.

Additionally, Benjamin Dawson was appointed on 3 April 2023, to ensure that all agreements related to KSB comply with relevant laws regarding related party transactions, with a completion date of 7 July 2023. The ongoing special review is not expected to have a significant impact on the Group's operations, business, or financial position, as it primarily focuses on potential related party transactions concerning the joint ventures and turnkey contracts.

- (d) On 29 January 2024, the Company had announced that DPSB entered into a Sale and Purchase Agreement ("SPA") with RHB Trustees Berhad (as Trustee of Sunway Real Estate Investment Trust) for the disposal of a seven-storey retail shopping centre known as "163 Retail Park" for a total cash consideration of RM215,000,000.

On 19 September 2024, the shareholders of the Company approved the disposal.

The conditions precedent of the SPA has been satisfied and the unconditional date of the SPA is 23 September 2024. The completion period of the SPA shall be within 3 months from the unconditional date within which time the purchaser is required to deposit RM193,500,000 being the balance purchase price with the stakeholders.

- (e) On 20 March 2024, KSB served a notice of termination to one of its joint venture party ("JV A") pursuant to a turnkey construction agreement entered into for the lands held under 263 titles known as Pusing Land, Mukim Belanja.

The security deposits paid amounting to RM28,500,000 is fully refundable to KSB within 6 months from the date of the notice of termination. KSB is currently in purse to recover the amounts.

- (f) On 21 March 2024, KSB entered into a deed of mutual release to terminate the turnkey construction agreement with a joint venture party ("JV B") for the land held under H.S(D) 90324 PT. 15233 in the Mukim of Batu, Daerah Kuala Lumpur ("the Land"), which was acquired through the turnkey construction agreement with JV B.

The deed of mutual release is subject to the term and condition that the security deposit paid of RM54,500,000 shall be fully refunded within 6 months from the date of the deed of mutual release and will only become effective upon the satisfactory completion of the refund of the security deposit paid by KSB.

On 26 March 2024, KSB had entered into a supplementary agreement with JV B to allow JV B to enter into a development agreement for the Land with a third party.

As of the financial year ended 30 June 2024, the deed of mutual release has not been fully effected.

- (g) On 19 April 2024, YNH Land Sdn. Bhd. (“YNHL”), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement for the disposal of the double storey shop offices held under H.S(D) 2791/82 PT. 6709 and H.S(D) 2792/82 PT. 6710, Mukim Sitiawan, Daerah Manjung, Negeri Perak for a total cash consideration of RM800,000.

On 22 April 2024, YNHL entered into a sale and purchase agreement for the disposal of the double storey shop office held under H.S(D) 2790/82 PT. 6708, Mukim Sitiawan, Daerah Manjung, Negeri Perak for a total cash consideration of RM550,000.

On 6 May 2024, YNHL entered into a sale and purchase agreement for the disposal of the double storey shop offices held under H.S(D) 2793/82 PT. 6711, H.S(D) 2794/82 PT. 6712, H.S(D) 2795/82 PT. 6713 and H.S(D) 2796/82 PT. 6714, Mukim Sitiawan, Daerah Manjung, Negeri Perak for a total cash consideration of RM1,840,000.

On 7 May 2024, YNHL entered into a sale and purchase agreement for the disposal of the double storey shop office held under H.S(D) 2797/82 PT. 6715, Mukim Sitiawan, Daerah Manjung, Negeri Perak for a total cash consideration of RM600,000.

On 9 May 2024, YNHL entered into a sales and purchase agreement for the disposal of the double storey shop office held under H.S(D) 2806/82 PT. 6724, Mukim Sitiawan, Daerah Manjung, Negeri Perak for a total cash consideration of RM750,000.

On 13 May 2024, YNHL entered into a sales and purchase agreement for the disposal of the double storey shop office held under H.S(D) 2788/82 PT. 6706, Mukim Sitiawan, Daerah Manjung, Negeri Perak for a total cash consideration of RM410,000.

On 15 May 2024, YNHL entered into four sales and purchase agreements for the disposals of the double storey shop offices held under H.S(D) 2800/82 PT. 6718, H.S(D) 2801/82 PT. 6719, H.S(D) 2798/82 PT. 6716 and H.S(D) 2799/82 PT. 6717, Mukim Sitiawan, Daerah Manjung, Negeri Perak for a total cash consideration of RM2,000,000.

On 17 May 2024, YNHL entered into five sales and purchase agreements for the disposal of the double storey shop offices held under H.S(D) 2789/82 PT.6707, H.S(D) 2802/82 PT. 6720, H.S(D) 2803/82 PT. 6721, H.S(D) 2804/82 PT. 6722 and H.S(D) 2805/82 PT. 6723, Mukim Sitiawan, Daerah Manjung, Negeri Perak for a total cash consideration of RM2,550,000.

(Collectively known as “the Disposals”)

As of the current financial year ended 30 June 2024, the Disposals have not been completed as the vacant possession has not been delivered to the purchaser pending the written consent from the State Authority of Perak and the receipt of payment of the balance purchase price.

- (h) On 29 April 2024, the Company had announced that KSB entered into a development agreement with New York Empire Sdn. Bhd. (“NYE” or “Proprietor”) and Chin Hin Property (Segambut) Sdn. Bhd. (“CHPS”), for granting the development rights to CHPS to implement and complete the development of all that parcel of freehold land held under Geran Mukim 54, Lot 448, Kepong Rly Line 8th Mile, Mukim Batu, Daerah Kuala Lumpur. KSB’s entitlement is equivalent to the sum of the Guaranteed Beneficiary Owner’s Entitlement (being RM52,000,000 in the event the Gross Development Value (“GDV”) is less than RM685,000,000) plus the Additional Beneficiary Owner’s Entitlement being a sum equivalent to 15.5% of the GDV which exceeds or is above RM685,000,000.

The agreement is subject to the condition precedent that KSB procures the redemption statement issued by RHB Bank Berhad (“RHB”) to which the land is currently being charged to.

As of the current financial year ended 30 June 2024, the condition precedent has not been fulfilled as KSB only obtained the confirmation from RHB that its banking facilities have been fully settled and cancelled on 16 August 2024.

- (i) On 12 June 2024, the Group appointed a professional service firm as special independent reviewer to conduct an independent assessment regarding certain joint ventures and turnkey contracts (“JV”) entered into by the Group. The special audit was conducted in response to the qualified opinion issued by the predecessor auditors. The predecessor auditors had issued a qualified opinion on the financial statements for the financial period ended 30 June 2023 that, given the prevailing ongoing regulatory authorities’ investigations and the Group’s special review which have not been completed, they were unable to obtain sufficient appropriate evidence whether the joint venture and turnkey contracts entered into are not related party transactions and on the value of these inventories.

The special independent reviewer’s scope of works includes:

- Obtain background understanding on the JVs’ transactions;
- Perform background searches on relevant parties;
- Review the JVs’ transaction; and
- Others (i.e. to state the impact to the financial statements and relevant adjustments, where relevant, identify potential breach or non-performance of any requirement or provision of the securities laws and/or a breach of any of the rules of the stock exchange and/or corporate governance practice and propose actions to be taken by the management and the status of the actions taken.)

As of the date of authorisation of the financial statements, the special review undertaken by the Group has not been completed.

- (j) On 27 June 2024, Hotel Sfera Sdn. Bhd. (“Sfera”), a wholly-owned subsidiary of the Company held through KSB, entered into a Sales and Purchase Agreement (“SPA”) for the disposal of the freehold lands together with commercial buildings comprising a hotel, shop offices and supermarket held under GRN 144859 Lot 16944 and GRN 144860 Lot 16943, Mukim Lumut, Daerah Manjung, Negeri Perak (“lands”) for a total cash consideration of RM36,000,000.

Subsequent to the completion of the SPA, the purchaser agrees to grant Sfera a lease in respect of the 4 storey hotel erected on part of the lands.

As of current financial year ended 30 June 2024, the SPA has not been completed pending receipt of the balance purchase price and the redemption statement issued by Public Bank Berhad (“PBB”) to which the lands are currently being charged to.

- (k) On 15 October 2024, KSB entered into a termination agreement with one of its joint venture party (“JV C”) pursuant to a turnkey construction agreement dated 30 September 2020 for the freehold land held under GM No. 1670 Lot No. 2355, Mukim Batu, District of Kuala Lumpur, Negeri Wilayah Persekutuan (“said Land”).

The conditions of the agreement remain unfulfilled due to JV C being neither the registered owner of the land involved nor having a power of attorney over it. The land is currently in dispute regarding ownership rights to the title. JV C had initiated the termination by submitting a notice of termination to KSB on 1 October 2024 informing KSB that due to the ongoing legal proceedings and that they are unable to obtain registration of ownership from the registered owners. they are compelled to terminate the turnkey construction agreement.

KSB is currently in pursuit to recover the total consideration paid amounting to RM38,383,000 from JV C.

43. **PRIOR YEAR ADJUSTMENT**

During the financial year, the Group had uncovered a misstatement which was inadvertently recorded in the prior periods’ financial statements.

On 30 September 2020, the Group had entered into a turnkey construction agreement with a joint venture party. At the time the agreement was entered into, the joint venture party was neither the registered owner of the land involved nor having a power of attorney over it. The land is currently under dispute regarding the ownership rights to the title.

As from inception of the turnkey construction agreement, the joint venture party had no rights over the land causing the conditions of the agreement to remain unfulfilled, the consideration paid for the agreement was erroneously recognised in inventories, whereas it should be recognised in other receivables.

The misstatement has now been corrected by way of retrospective adjustment and the effect of the adjustment is a decrease in inventories and an increase in other receivables as of 30 June 2023 and 1 January 2022 by RM38,383,000 for the Group. The adjustment has no impact on the Statements of Profit or Loss and Other Comprehensive Income and Statements of Cash Flows for prior periods.

The disclosure set out below explain how the impact of the prior year adjustments has affected the financial position of the Group.

	As previously reported RM	Prior year adjustments RM	As restated RM
01.01.2022			
Group			
Statements of Financial Position			
Non-Current Assets			
Inventories	<u>1,167,812,133</u>	<u>(38,383,000)</u>	<u>1,129,429,133</u>
Current Assets			
Other receivables	<u>-</u>	<u>38,383,000</u>	<u>38,383,000</u>
30.06.2023			
Statements of Financial Position			
Non-Current Assets			
Inventories	<u>1,018,834,297</u>	<u>(38,383,000)</u>	<u>980,451,297</u>
Current Assets			
Other receivables	<u>-</u>	<u>38,383,000</u>	<u>38,383,000</u>

44. **COMPARATIVE FIGURES**

The presentation and classification of items in the current year financial statements have been consistent with the previous financial period except that certain comparative figures in the statement of financial position and have been reclassified to conform with current financial year's presentation.

The reclassifications that have been made to the Group's and the Company's financial statements for the financial period ended 30 June 2023 are as follows:

	As previously reported RM	Reclassification RM	As reclassified RM
Group			
Statements of financial position as at 30 June 2023			
Current Assets			
Trade receivables	72,746,485	(14,020,985)	58,725,500
Other current assets	5,697,485	(840,341)	4,857,144
Other receivables	38,383,000	14,861,326	53,244,326
Deposits, cash and bank balance	37,284,256	(444,301)	36,839,955
Other investments	-	444,301	444,301
Non-Current Liabilities			
Loans and borrowings	(383,147,472)	(85,314,506)	(468,461,978)
Current Liabilities			
Loans and borrowings	<u>(525,978,991)</u>	<u>85,314,506</u>	<u>(440,664,485)</u>

	As previously reported RM	Reclassification RM	As reclassified RM
Company			
Statement of profit or loss and other comprehensive income for the financial period ended 30 June 2023			
Net (allowance)/reversal for impairment losses on receivables	(16,858,705)	16,858,705	-
Administrative expenses	<u>(1,818,669)</u>	<u>(16,858,705)</u>	<u>(18,677,374)</u>
Statement of financial position as of 30 June 2023			
Current Assets			
Other current assets	32,077	(32,077)	-
Other receivables	17,998,141	(17,711,664)	286,477
Amount owing by subsidiary companies	-	17,743,741	17,743,741
Current Liabilities			
Other payables	(278,857,107)	271,996,279	(6,860,828)
Amount owing to directors	-	(65,944)	(65,944)
Amount owing to subsidiary companies	<u>-</u>	<u>(271,930,335)</u>	<u>(271,930,335)</u>

In the previous financial period, the financial year end of the Company had changed from 31 December to 30 June. Accordingly, the financial statements of the Company for the current financial period are drawn up for a period of twelve months from 1 July 2023 to 30 June 2024, whereas comparative amounts are presented for a period of eighteen months from 1 January 2022 to 30 June 2023. Therefore, the amounts presented in statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows are not comparable with the amounts presented for comparative period.



YNH PROPERTY BHD

Registration No: 200101026228 (561986-V)

No. 188, Jalan PPMP 3/3,
Pusat Perniagaan Manjung Point 3,
32040 Seri Manjung,
Perak Darul Ridzuan, Malaysia.
Tel: 6-05-688 1128 | Fax: 6-05-688 1388
Email: karsin@streamyx.com

www.ynhb.com.my