



Menang Corporation (M) Berhad
Registration No. : 196401000240 (5383-K)



ANNUAL REPORT
2023



TABLE OF CONTENTS

02	Corporate Information
03	Corporate Structure
04	Directors' Profile
10	Key Senior Management's Profile
11	Chairman's Message
12	Management Discussion and Analysis
17	Audit and Risk Management Committee Report
20	Corporate Governance Overview Statement
31	Statement of Directors' Responsibility
32	Statement on Risk Management and Internal Control
35	Corporate Sustainability Statement
39	Additional Compliance Information
41	Financial Statements
118	List of Properties
120	Analysis of Shareholdings
122	Analysis of Warrant C Holdings
124	Notice of Fifty-Ninth Annual General Meeting
129	Administrative Guide for Shareholders
	Proxy Form



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman
Mr. Toh May Fook

Executive Directors
Mr. Lee Min Huat
Ms. Liew Sook Pin

Independent Non-Executive Directors
Mr. Chee Wai Hong
Mr. Yee Chun Lin
Mr. Kee Hock Kee

COMPANY SECRETARIES

Mr. Chin Wai Yi
(MAICSA 7069783)
SSM Practicing Certificate
No. 202008004409

Ms. Chia Siew Li
(MAICSA 7075719)
SSM Practicing Certificate
No. 202208000715

REGISTERED OFFICE

E-10-4, Megan Avenue 1
189, Jalan Tun Razak
50400 Kuala Lumpur
W.P. Kuala Lumpur
Malaysia
Tel: (603) 2181 0516
Fax: (603) 2181 0516

BUSINESS ADDRESS

Wisma OZ, No. 11-1
Jalan Kuchai Maju 5
Kuchai Entrepreneurs' Park
Jalan Kuchai Lama
58200 Kuala Lumpur
W.P. Kuala Lumpur
Malaysia
Tel: (603) 7971 1771
Fax: (603) 7971 1333

REGISTRAR

**Tricor Investor & Issuing
House Services Sdn. Bhd.**
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
W.P. Kuala Lumpur
Malaysia
Tel: (603) 2783 9299
Fax: (603) 2783 9222

AUDITORS

TGS TW PLT
Unit E-16-2B, Level 16
Icon Tower (East)
No. 1, Jalan 1/68F, Jalan Tun Razak
50400 Kuala Lumpur
W.P. Kuala Lumpur
Malaysia
Tel: (603) 9771 4326
Fax: (603) 9771 4327

PRINCIPAL BANKERS

MBSB Bank Berhad

**Bank Pembangunan
Malaysia Berhad**

Alliance Bank Malaysia Berhad

Public Bank Berhad

SOLICITORS

Mah-Kamariyah & Philip Koh
3A07, Block B
Phileo Damansara 2
46350 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Celine & Oommen
B-3A-12, Gateway Kiaramas
No. 1, Jalan Desa Kiara
Mont' Kiara
50480 Kuala Lumpur
W.P. Kuala Lumpur
Malaysia

STOCK EXCHANGE LISTING

Main Market of the Bursa
Malaysia Securities Berhad

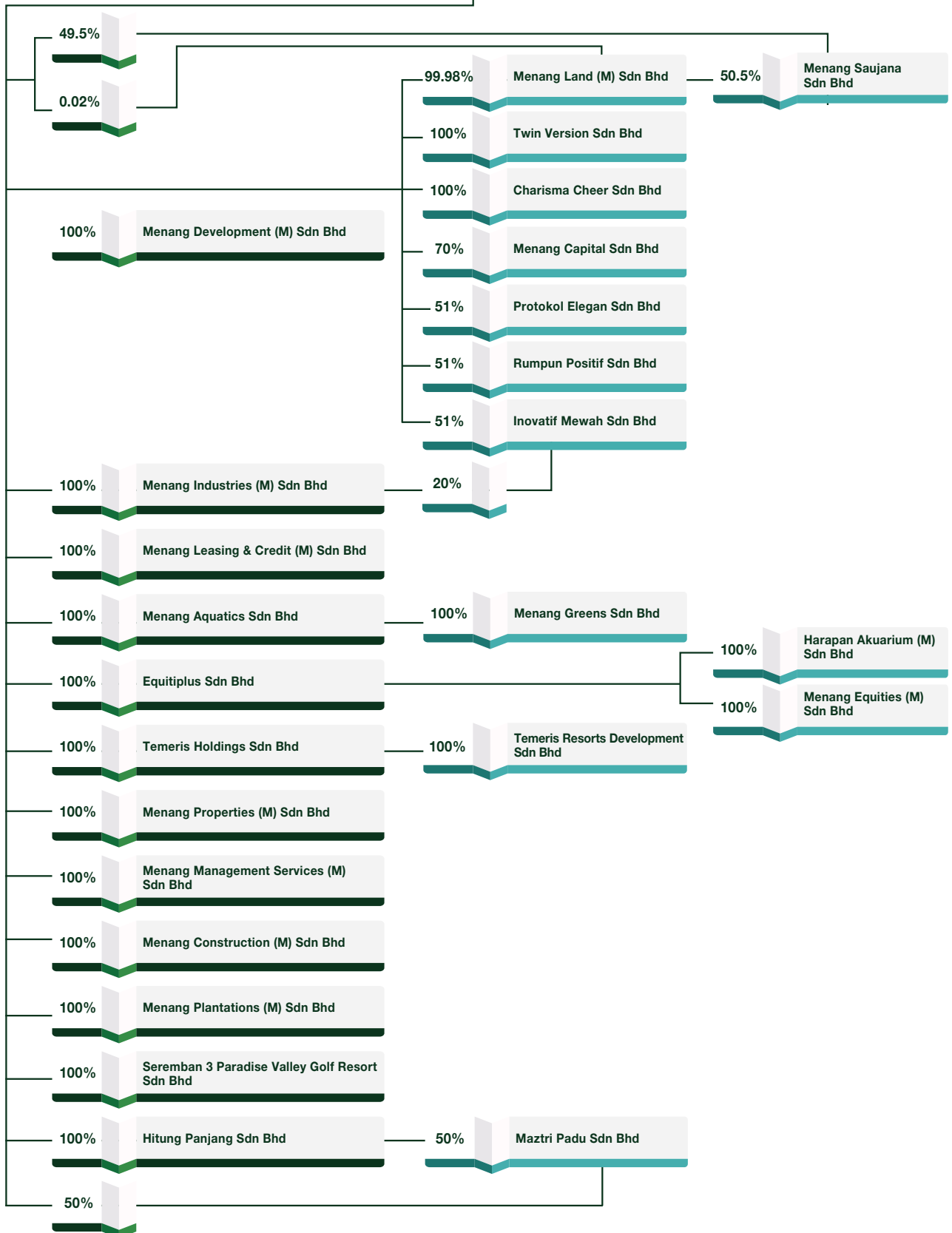
Stock Name : **MENANG**
Stock Code : **1694**
Sector : **PROPERTIES**



CORPORATE STRUCTURE



Menang Corporation (M) Berhad





DIRECTORS' PROFILE



**TOH MAY FOOK
EXECUTIVE CHAIRMAN**

Age : 65
Nationality : Malaysian
Gender : Male
Date of Appointment : 29 January 2021
Board Committee membership : Nil

Qualification, Working Experience and Occupation

Mr. Toh May Fook (“**Mr. Toh**”) graduated with Bachelor of Accounting (Hons.) from University of Malaya. He is a qualified Chartered Accountant, a member of Malaysian Institute of Accountants and The Malaysian Institute of Certified Public Accountants.

Mr. Toh’s top management experience in various conglomerates in Malaysia, Indonesia and China includes: -

1. Group Financial Controller of Roxy Electric Industries (M) Berhad
2. Deputy Managing Director of Sharp Roxy Group of companies in Malaysia
3. Group Managing Director of Campbell Soup Company’s subsidiaries in China
4. Group Financial Controller/Corporate Director of Kalbe Group in Indonesia

Mr. Toh is also active in strategic business development in Malaysia with Morinaga Milk Industry Co. Ltd, Japan.

Directorship of public companies and listed issuers

Nil

Relationship with other directors/shareholders/listed issuer

Nil

Conflict of interest with listed issuer

Nil

Any other convictions (aside from traffic offence)

Nil



Directors' Profile (continued)



Qualification, Working Experience and Occupation

Mr. Lee Min Huat (“**Mr. Lee**”) graduated with a Diploma in Aircraft Maintenance Engineering from Confederation College, Canada in 1979.

Upon graduation, he worked as a Manager at Kalayaan Sdn. Bhd., a property developer, from 1980 to 1984. For the past twenty-two (22) years, he has been involved in property development and commodity trading.

Mr. Lee was appointed as the Executive Director of Scope Industries Berhad (“SCOPE”) on 15 July 2003 and re-designated to Executive Chairman on 24 February 2021. He also holds directorships in all subsidiary companies of SCOPE. He is currently responsible for the formulation of corporate strategies and plans for SCOPE and oversee SCOPE’s finance and manufacturing operations.

Directorship of public companies and listed issuers

Scope Industries Berhad (Executive Chairman)

Relationship with other directors/shareholders/listed issuer

- Son of Dato’ Lee Chin Hwa, the major shareholder of the Company
- Director and shareholder of Chin Leong Thyie Sdn. Bhd., the major shareholder of the Company

Conflict of interest with listed issuer

Nil

Any other convictions (aside from traffic offence)

Nil



Directors' Profile (continued)



Qualification, Working Experience and Occupation

Ms. Liew Sook Pin has established herself in the corporate community after completed several professional accounting courses. She has extensive exposure and experience in the field of finance and accounting, logistic management, marketing development, and strategic planning with various international business enterprises, including Kalbe Group in Indonesia and Morinaga Milk Industry Co. Ltd, Japan.

Directorship of public companies and listed issuers

Nil

Relationship with other directors/shareholders/listed issuer

Nil

Conflict of interest with listed issuer

Nil

Any other convictions (aside from traffic offence)

Nil



Directors' Profile (continued)



CHEE WAI HONG
INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	:	50
Nationality	:	Malaysian
Gender	:	Male
Date of Appointment	:	29 January 2021
Board Committee membership	:	<ul style="list-style-type: none">• Chairman of Audit and Risk Management Committee• Chairman of Remuneration Committee• Member of Nomination Committee

Qualification, Working Experience and Occupation

Mr. Chee Wai Hong (“**Mr. Chee**”) holds an LLB Honours Degree from University of London, United Kingdom and a Master Degree in Business Administration from Universiti Utara Malaysia. He is a qualified Advocate and Solicitor in the High Court of Malaya and is a member of the Malaysian Bar. He is also a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom, a Member of the Malaysian Institute of Accountants and a member of the International Association of Restructuring, Insolvency & Bankruptcy Professionals.

Mr. Chee was trained as a Chartered Accountant in BDO Malaysia and had previously helmed the position of Executive Director of a company listed under the Main Market of Bursa Malaysia Securities Berhad.

Mr. Chee is currently a managing partner of a legal practice in Malaysia.

Directorship of public companies and listed issuers

Nil

Relationship with other directors/shareholders/listed issuer

Nil

Conflict of interest with listed issuer

Nil

Any other convictions (aside from traffic offence)

Nil



Directors' Profile (continued)



YEE CHUN LIN
INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	:	43
Nationality	:	Malaysian
Gender	:	Male
Date of Appointment	:	29 January 2021
Board Committee membership	:	<ul style="list-style-type: none">• Member of Audit and Risk Management Committee• Member of Remuneration Committee• Chairman of Nomination Committee

Qualification, Working Experience and Occupation

Mr. Yee Chun Lin (“**Mr. Yee**”) graduated with BSc in Accounting & Finance from London School of Economics (UoL). He is a Certified Internal Auditor from Institute of Internal Auditors. He is also a Certified Lead Auditor for ISO37001 (Anti Bribery Management System).

Mr. Yee has taken on senior management roles in two international consulting firms and pioneered the set-up of a corporate governance unit of a top ten international audit firm in Malaysia. With over a decade of experience in professional services, he has led and managed internal audit, IT Advisory and Indirect Tax units.

Mr. Yee is experienced in operational and IT audits, corporate governance and risk management advisory, business process improvement and re-engineering, IT general controls review, data analysis & interrogation, indirect taxes, anti-bribery measures and other advisory services including business continuity, disaster recovery planning and control implementation.

Mr. Yee is currently the Executive Director for Adequate Procedures Sdn. Bhd. that provides digital solutions and advisory services in relation to anti-bribery matters.

Directorship of public companies and listed issuers

Nil

Relationship with other directors/shareholders/listed issuer

Nil

Conflict of interest with listed issuer

Nil

Any other convictions (aside from traffic offence)

Nil



Directors' Profile (continued)



KEE HOCK KEE
INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	:	63
Nationality	:	Malaysian
Gender	:	Male
Date of Appointment	:	22 July 2021
Board Committee membership	:	<ul style="list-style-type: none">• Member of Audit and Risk Management Committee• Member of Remuneration Committee• Member of Nomination Committee

Qualification, Working Experience and Occupation

Mr. Kee Hock Kee (“**Mr. Kee**”) is a qualified accountant and is a member of The Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants.

Mr. Kee has over forty (40) years of working experience and was involved in diverse areas of planning, finance, management and operations. He started his articleship with Price Waterhouse, Kuala Lumpur in 1980 and subsequently joined Ernst & Young.

In 1991, Mr. Kee joined the commercial industry and worked in various companies such as Metroplex Berhad, Malaysia Electric Corporation Berhad and Dijaya Corporation Berhad. His last position held was the Chief Financial Officer of Encorp Berhad. Since then, he has been assisting and/or advising private companies on planning, fund raising and business/strategic management.

Directorship of public companies and listed issuers

Nil

Relationship with other directors/shareholders/listed issuer

Nil

Conflict of interest with listed issuer

Nil

Any other convictions (aside from traffic offence)

Nil



KEY SENIOR MANAGEMENT'S PROFILE

WOO BEE LAN Group Chief Financial Officer

Age : 34
Nationality : Malaysian
Gender : Female
Date of Appointment : 1 August 2022

Qualification, Working Experience and Occupation

Ms. Woo Bee Lan (“**Ms. Woo**”) holds a Bachelor of Accountancy Degree from University of Malaya and is also a member of the Malaysian Institute of Accountants.

She started her career as an auditor with KPMG where she gained experience in auditing listed and non-listed companies of various industries including financial services, shared services, manufacturing, construction and property development. Prior to joining the Group in November 2021, she served as the Finance Manager position in various commercial organisations.

Ms. Woo was re-designated as Group Chief Financial Officer on 1 August 2022.

She oversees the corporate finance and financial functions of the Group.

Directorship of public companies and listed issuers

Nil

Relationship with other directors/shareholders/ listed issuer

Nil

Conflict of interest with listed issuer

Nil

Any other convictions (aside from traffic offence)

Nil

NORIZA BINTI MOHD SHARIF Chief Operating Officer

Age : 57
Nationality : Malaysian
Gender : Female
Date of Appointment : 1 January 2020

Qualification, Working Experience and Occupation

Pn. Noriza Binti Mohd Sharif (“**Pn. Noriza**”) holds a Bachelor Degree in Civil Engineering from Marquette University, Wisconsin, USA.

Pn. Noriza has more than 30 years of experience in the construction industry and is involved in the UiTM Private Finance Initiative (PFI) projects such as the construction of UiTM Kampus Seremban, Kompleks Alam Bina dan SeniReka, UiTM Puncak Alam and Institut Latihan UiTM Nilai.

Prior to joining the Group in August 1990, she worked with Majlis Amanah Rakyat (MARA) under the Technical Division overseeing the construction projects under MARA.

Pn. Noriza was re-designated as Chief Operating Officer on 1 January 2020. She oversees the maintenance of the PFI Campuses (during the 20 years Maintenance Period) and operation of Menang Development (M) Sdn. Bhd., a subsidiary of Menang Corporation (M) Berhad.

Directorship of public companies and listed issuers

Nil

Relationship with other directors/shareholders/ listed issuer

Nil

Conflict of interest with listed issuer

Nil

Any other convictions (aside from traffic offence)

Nil



CHAIRMAN'S MESSAGE

Dear Valued Shareholders,

On behalf of the Board of Directors (“the Board”), I am pleased to present the Annual Report of Menang Corporation (M) Berhad (“Menang” or the “Company”) and its subsidiaries (collectively referred as the “Group”) for the financial year ended 30 June 2023 (“FY2023”).

In FY2023, Private Financing Initiative (“PFI”) concession projects continued to deliver favourable financial results to the Group. Coupled with effective and efficient management approaches that led to the resolution of several operational and tax issues, we are proud to report a respectable net profit of RM28 million for FY2023. This represents a substantial 25% increase over the previous financial year's net profit of RM23 million.

Expert consensus points towards challenging times ahead for the global economy, slow growth is expected internationally in the coming years and Malaysian economy will likely to face challenges as well. Being in property development, which is a key driver in our economy, the Group with sizeable land bank although largely ungeared, will also be affected accordingly. Hence, the Group shall aspire:-

- 1) To strengthen the Group's financial position by expanding our capital base and reducing existing borrowings. This is in fact on going smoothly, in view of the positive response from our shareholders in exercising the conversion of the Company's Warrant-C issued on 23 December 2021, resulting in the RM37 million increase of our issued share capital from RM480 million to RM517 million.

Barring any unforeseen circumstances and assuming full conversion of Warrant-C, the Company's issued Share Capital will potentially be increased to 721,199,067 or RM360,599,835 by 13 December 2024.

- 2) To further consolidate our land bank and to pursue development only in niche areas or segments with high certainty of success. At the moment, our management is working on augmenting our land bank to optimize land use efficiency. Through further diligent feasibility studies, the potential development of our existing land around Seremban 3, Klang, Port Dickson, Rantau and Ulu Bernam will enable the Group to create meaningful value for both our stakeholders and the communities we operate in.

At the moment, a 3 acres plot of our land in Telok Kemang, Port Dickson is in the process of being developed into a commercial hub to be named as Menang Point. The Group is in the process of negotiating for long lease agreements with The Coffee Bean & Tea Leaf, Texas Chicken Malaysia and Lotus's Malaysia for the Menang Point project.

- 3) To explore potential opportunities in business segments, where the Group is performing well with credible track record, such as PFI concession related projects.

As the Group has been performing satisfactorily in the three PFI concession projects in the form of two Universiti Teknologi MARA (“UiTM”) campuses and one UiTM training centre since 2014, further effort will be extended to seek for projects which may be of interest to Unit Khas Awam Swasta (“UKAS”), and in the interest of our national development process.

- 4) To diversify into business segments deemed beneficial to our shareholders as and when such opportunity is available.

In summary, the Group views its future with cautious optimism and believes in our ability to deliver positive financial results in the foreseeable future.

WORDS OF APPRECIATION

On behalf of our the Board, I would like to take this opportunity to extend our appreciation to all our business associates, especially UiTM and UKAS, in the excellent management of our PFI concession projects. We would also like to congratulate our management team for carrying out its responsibility well. Finally, the Board would like to convey its deep gratitude to our shareholders for their unwavering support. A special note to shareholders who have converted the Company's Warrant-C, your belief in us strengthens our confidence in our journey to further success.



MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

Menang Corporation (M) Berhad (“**Menang**” or the “**Company**”) is a public limited liability company listed on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”). The Company is an investment holding company with subsidiaries principally involved in concession projects and property development.

Concession Projects

Three Private Financing Initiative (“**PFI**”) concession projects were successfully completed and delivered to Universiti Teknologi Mara (“**UiTM**”) and the Government of Malaysia.

Each concession agreement is for a period of 23 years comprising 3 years of construction works, and from the certificate of acceptance date, 20 years of maintenance works (“**Maintenance Period**”).

During the Maintenance Period, the concession companies will receive the following charges:

- 1) Availability Charges for the development of the facilities and infrastructure; and
- 2) Maintenance Charges for the provision of maintenance works in accordance with the provisions of the concession agreements.

The Company and its subsidiaries (the “**Group**”) concession projects continue to be the primary source of revenue for financial year ended 30 June 2023 (“**FY2023**”).

Details of PFI Projects



UiTM Cawangan Negeri Sembilan, Kampus Seremban (“UiTM Seremban 3”)

Concession Company

- Inovatif Mewah Sdn. Bhd. (“**IMSB**”)

Type of Development

- Campus

Concession period

- 4 May 2010 to 17 January 2034



UiTM Cawangan Selangor, Kampus Puncak Alam (“UiTM Puncak Alam”)

Concession Company

- Rumpun Positif Sdn. Bhd. (“**RPSB**”)

Type of Development

- Campus

Concession period

- 30 April 2012 to 9 September 2035



The Institute of Leadership & Development of UiTM (“UiTM Nilai”)

Concession Company

- Protokol Elegan Sdn. Bhd. (“**PESB**”)

Type of Development

- Training Center

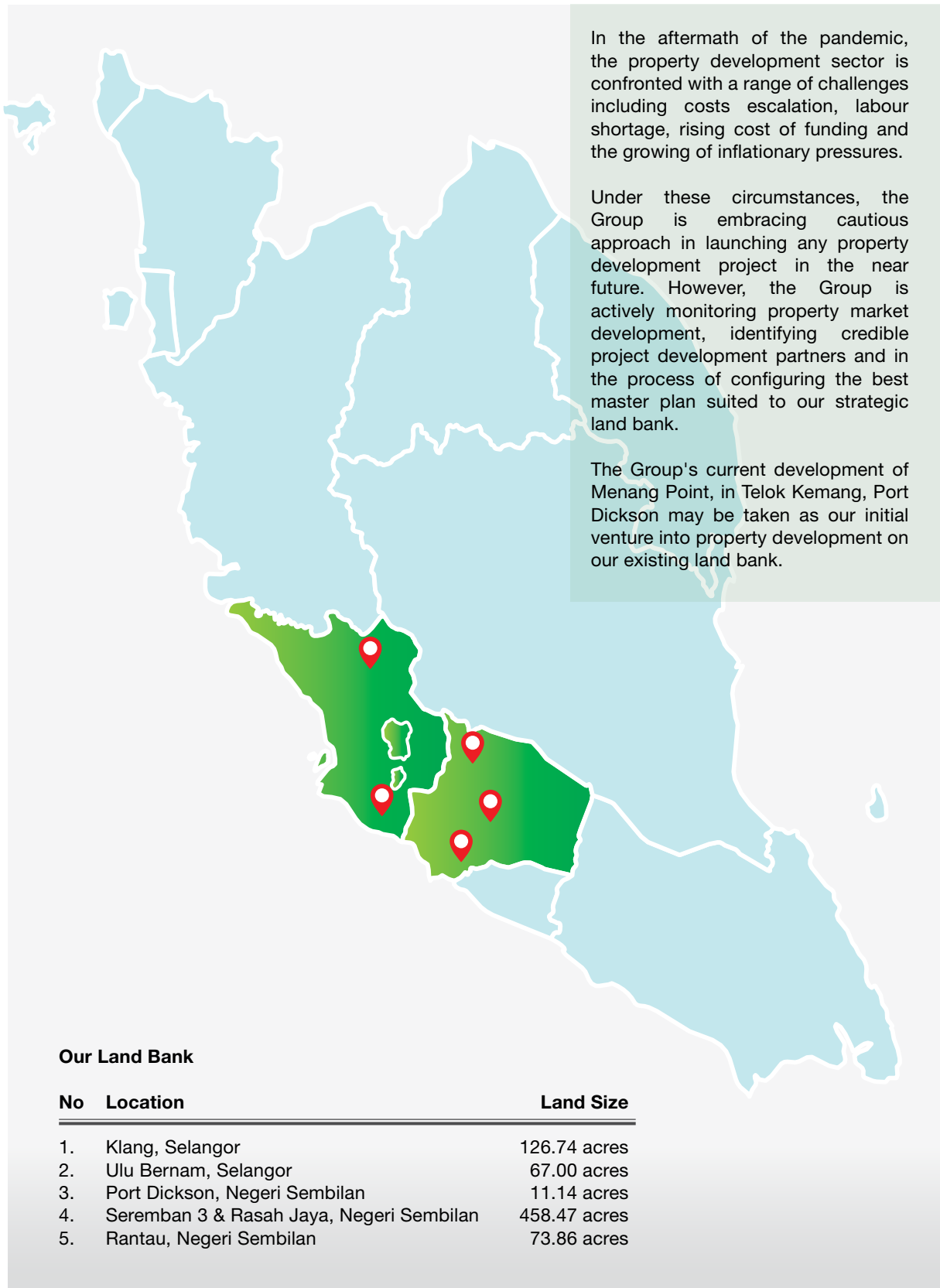
Concession period

- 25 July 2012 to 21 July 2036



Management Discussion and Analysis (continued)

Property Development



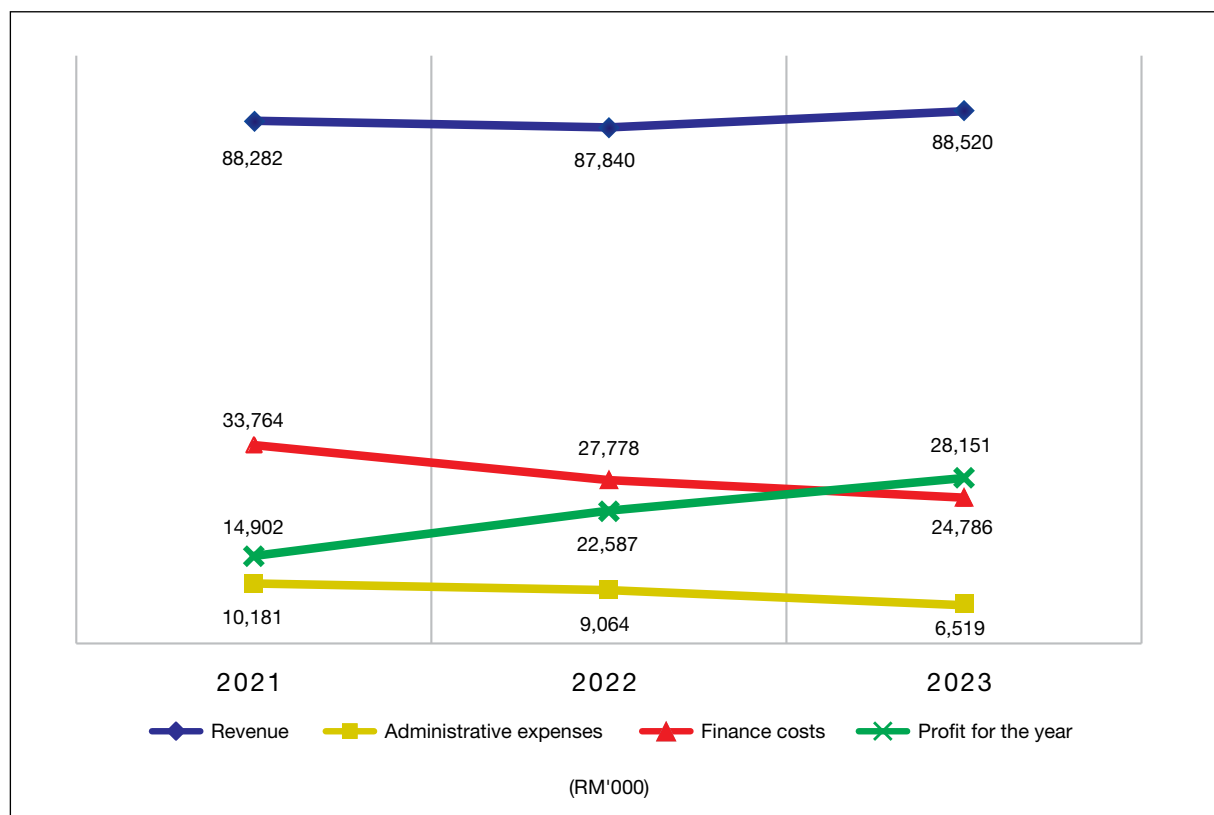


Management Discussion and Analysis (continued)

Discussion and Analysis of Financial Results and Financial Condition

Highlights of Statement of Profit or Loss and Other Comprehensive Income

	2021 RM'000	2022 RM'000	2023 RM'000	2023/2022 %
Revenue	88,282	87,840	88,520	1
Administrative expenses	(10,181)	(9,064)	(6,519)	(28)
Finance costs	(33,764)	(27,778)	(24,786)	(11)
Profit for the year	14,902	22,587	28,151	25



The Group recorded revenue of RM88.5 million in FY2023, representing a marginal increase of RM0.7 million as compared to financial year ended 30 June 2022 (“FY2022”). The concession segment continued to be the main contributors to the Group’s revenue in the current financial year (“FY”).

Throughout FY2023, the management remained dedicated to the implementation of effective and efficient management practices. This commitment resulted in the reduction in administrative expenses of RM2.5 million and reduction in finance costs of RM3.0 million as compared to previous FY.

Further, the Group has resolved a tax-related issue, leading to a tax credit of RM3.7 million. As a result of the cumulative impact of these strategic efforts and favourable developments, the Group's profits surged by approximately 25%, escalating from RM22.6 million in FY2022 to RM28.2 million in FY2023.



Management Discussion and Analysis (continued)

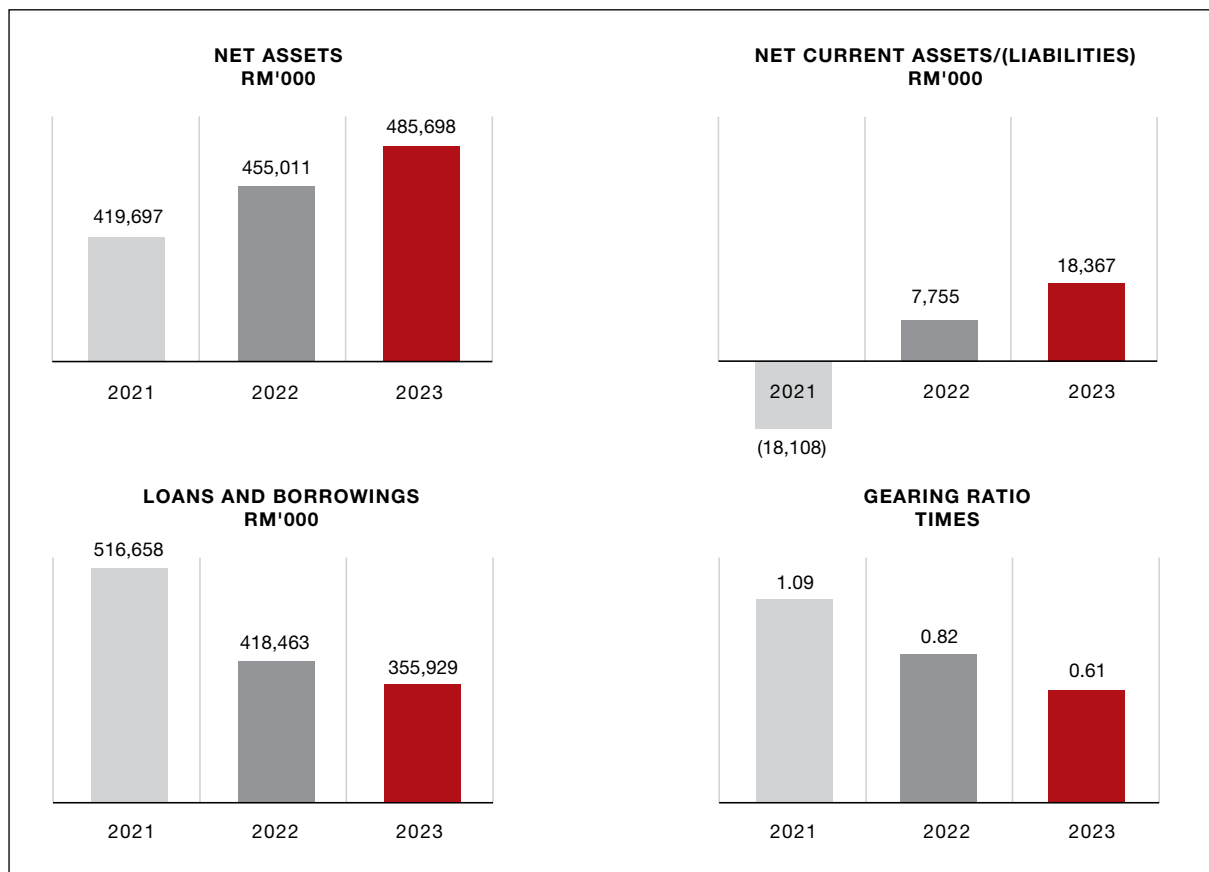
Highlights of Statement of Financial Position

		2021	2022	2023	2023/2022 %
Operating financial assets	(RM'000)	749,124	707,260	663,639	(6)
Deposits, cash and bank balances	(RM'000)	57,236	47,339	58,117	23
Loans and borrowings	(RM'000)	516,658	418,463	355,929	(15)
Net assets	(RM'000)	419,697	455,011	485,698	7
Net assets attributable to owner	(RM'000)	334,873	359,705	379,518	6
Net current assets/(liabilities)	(RM'000)	(18,108)	7,755	18,367	137
NTAs per share	(RM)	0.70	0.71	0.74	4
Gearing ratio	(times)	1.09	0.82	0.61	(25)

During FY2023, the Group's borrowings reduced by RM62.5 million, primarily attributable to the scheduled PFI loan repayment, leading to an improvement in the Group's gearing ratio, decreasing from 0.82 times to 0.61 times.

Overall, the Group's financial standing experienced a significant enhancement. This improvement is reflected across various financial metrics. Net assets increased by RM30.7 million, net assets attributable to the owner grew by RM19.8 million, and net current assets improved by RM10.6 million compared to the previous FY.

The Group's dedication to prudent financial management remained resolute. This commitment is not only directed at maintaining a sound financial position but also extends to the broader objective of achieving sustainable growth and increasing value for all stakeholders.





Management Discussion and Analysis (continued)

Capital Expenditure Requirements, Capital Structure and Capital Resources

The Group has no existing material commitment on capital expenditures.

The Group has on 23 December 2021 completed a Bonus Issue of Warrants and successfully listed the same on Main Market of Bursa Securities.

The status of the Bonus Issue of Warrants is as follows:

	No of Units '000	Proceeds RM'000
Warrants Issued	240,400	120,200
Warrant Exercised as at 30 June 2023	30,526	15,263
Balance of Outstanding Warrants	209,874	104,937

IDENTIFIED ANTICIPATED OR KNOWN RISKS

The Group's main risks are interest rate risk and property market risk, given the current fluctuations and uncertainty regarding global and national uncertainty and instability.

FORWARD-LOOKING STATEMENT

Malaysia's path to recovery will still be confronted with multitude of challenges and uncertainties, therefore the Board remains vigilant of the complex market landscape and the need to be adaptive in the Group's business direction.

Looking ahead, the Group will be actively pursuing transformative opportunities while concurrently strengthening its financial position through the expansion of its capital base and the reduction of borrowings. Further, the Group will continue to explore the development opportunities on our existing land bank situated around Seremban 3, Klang, Port Dickson, Rantau, and Ulu Bernam, with the aim of maximizing the potential value to our shareholders.

Finally, the Group will be prepared to navigate known challenges ahead and stand ready to seize any potential opportunities that may arise from time to time. The Group will continue to align its business strategies with sustainable approach to grow its business for the long term.



AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION OF AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee (“**ARMC**”) comprises the following members, all of whom are Non-Executive Directors. The composition of ARMC complies with Paragraph 15.09 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and the Terms of Reference (“**TOR**”) of the ARMC:

CHAIRMAN

Mr. Chee Wai Hong (Independent Non-Executive Director)

MEMBERS

Mr. Yee Chun Lin (Independent Non-Executive Director)

Mr. Kee Hock Kee (Independent Non-Executive Director)

DETAILS OF ATTENDANCE OF MEMBERS AT THE ARMC MEETINGS

During the financial year ended 30 June 2023 (“**FY2023**”), there were five (5) ARMC meetings held. The details of the attendance of each member are as follows:

Committee Members	Date of Meetings Held/Attended					Total Attendance
	29/8/2022	17/10/2022	28/11/2022	13/2/2023	15/5/2023	
Mr. Chee Wai Hong	√	√	√	√	√	5/5 (100%)
Mr. Yee Chun Lin	√	√	√	√	√	5/5 (100%)
Mr. Kee Hock Kee	√	√	√	√	√	5/5 (100%)

RESPONSIBILITIES AND DUTIES OF THE ARMC

The ARMC is responsible for assisting the Board of Directors (“**the Board**”) in fulfilling its statutory and fiduciary responsibilities of monitoring the Company and its subsidiaries’ (collectively referred as the “**Group**”) management of its financial risk processes, accounting and financial reporting practices, risk and sustainability management, ensuring the efficacy of the Group’s system of internal control and in maintaining oversight of both the internal and external audit functions. Further details of the scope of responsibilities and duties of the ARMC are stated in the TOR of the ARMC, which is available on the Company’s website at www.menangcorporation.com.

The TOR of the ARMC is reviewed at least once a year to ensure it remains consistent with the ARMC’s objectives and responsibilities and any amendments to the TOR is approved by the Board.

The Chairman of the ARMC undertakes a continuing process of engagement with the Management, the Internal Auditors and the External Auditors in order for the ARMC to be kept up-to-date with all significant matters and concerns affecting the Group.

REVIEW OF THE PERFORMANCE OF THE ARMC

The Board, through the Nomination Committee, performs an annual review and assessment of the term of office and performance of the ARMC to assess the ARMC’s effectiveness in carrying out its duties as set out in the TOR. The Board having reviewed and assessed the performance of the ARMC, is satisfied that the ARMC has effectively discharged its duties in accordance with the TOR for the financial year under review.



Audit and Risk Management Committee Report (continued)

SUMMARY OF ACTIVITIES

In line with the TOR of ARMC, the following activities were carried out by the ARMC during the financial year:

1. Financial Reporting & Compliance

- (i) Reviewed the quarterly unaudited financial results and audited financial statements prior to submission to the Board for approval.
- (ii) Reviewed the External Auditors' reports in relation to audit and accounting issues arising from the audit; and updates of new developments on accounting standards issued by the Malaysian Accounting Standards Board prior to submission to Board for approval. The review was to ensure the financial reporting and disclosures requirements are in compliance with:
 - Provision of Companies Act 2016;
 - MMLR of Bursa Securities;
 - Applicable approved accounting standards in Malaysia; and
 - Other legal and regulatory requirements.

In the review of the annual audited financial statements, the ARMC discussed with Management and the External Auditors the accounting principles and standards that were applied and their judgement of the items that may affect the financial statements.

ARMC also reviews and provides advice on whether the financial statements taken as a whole provide a true and fair view of the Company's financial position and performance.

- (iii) Reviewed the ARMC Report, Management Discussion and Analysis, Statement of Directors' Responsibility, Corporate Sustainability Statement and Statement on Risk Management and Internal Control before recommending to the Board for approval and inclusion in the Annual Report.
- (iv) Reviewed related party transactions and conflict of interest situation that may arise within the Group and/or Company, to ensure that transactions entered into were on arm's length basis and on normal commercial terms.

2. External Audit

- (i) Reviewed and discussed with External Auditors' scope of work, budget and audit plan outlining their audit team, audit timeline, key areas of audit focus, communication of other significant audit matters and other updates and amendments.
- (ii) Reviewed the results of the audit, the External Auditors' report, the management letter, including Management's response and internal controls recommendations in respect of control weaknesses noted in the course of their audit.
- (iii) Evaluated the performance and effectiveness of the External Auditors for FY2023 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence. The ARMC is satisfied with the performance of the External Auditors and recommended the audit fee payable for the Board approval as well as recommending them to be re-appointed at the forthcoming Annual General Meeting.
- (iv) Reviewed and approved the non-audit services provided/to be provided by the External Auditors and its affiliates to ensure the provision of the non-audit services does not impair their independence or objectivity as External Auditors of the Group.
- (v) Reviewed and discussed the draft Key Audit Matters with the External Auditors to ensure that issues that are most significant in the audit are disclosed and to address the issues highlighted by external auditors with management and determine whether such issues should be addressed in the ARMC Report to the shareholders.
- (vi) Conducted private sessions with the External Auditors without the presence of the Executive Directors and Management to discuss other issues of concern, if any, arising from the audit.



Audit and Risk Management Committee Report (continued)

3. Risk & Sustainability Management and Internal Audit

- (i) Reviewed and assessed the internal audit function and risk & sustainability management needs, plans and performance for the financial year under review.
- (ii) Reviewed and approved the internal audit plan and budget for the FY2023 to ensure adequacy of resources, competencies and coverage of auditable entities with significant and high risks.
- (iii) Reviewed the audit reports presented by Internal Auditors on findings and recommendations with regards to system and control weaknesses noted in the course of their audit and Management's responses thereto and ensuring material findings are adequately addressed by Management.
- (iv) Reviewed the proposed fees for the Internal Auditors in respect of their audit of the Group.
- (v) Reviewed and assessed the competency and resources' adequacy of the risk management and internal audit function.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to an independent professional firm, namely Wensen Consulting Asia (M) Sdn. Bhd. ("**Wensen**") that reports directly to the ARMC. It is the responsibility of Wensen to provide the ARMC with independent and objective reports on the extent of compliance of the various operating units within the Group's established policies and procedures as well as relevant statutory requirements.

Wensen had assigned two (2) internal audit personnel to assist the person responsible for internal audit. Details on the person responsible for the internal audit are set out below:

Name	:	Shawn Lee Chien Hean
Qualification	:	Bachelor of Accounting (Honours)
Independence	:	Does not have any family relationship with any director and/or major shareholder of the Company
Public Sanction : or penalty	:	Has no convictions for any offences within the past 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.

During the FY2023, the following activities were carried out by the Internal Auditors in discharge of its responsibilities:

- (i) Performed the internal audit function based on the annual internal audit plan which was tabled and approved by the ARMC.
- (ii) Review on project tendering management for UiTM Seremban 3 Campus Project of Inovatif Mewah Sdn. Bhd., UiTM Puncak Alam Campus Project of Rumpun Positif Sdn. Bhd. and UiTM Nilai Training Center Project of Protokol Elegan Sdn. Bhd..
- (iii) Review on payment management of the Group.
- (iv) Prepared the 2023-2025 Internal Audit Plan.
- (v) Emphasis on best practices and management assurance that encompass all business risks, particularly on the effectiveness and efficiency of operations, reliability of reporting, compliance with applicable law and regulations and safeguard of assets.
- (vi) Followed up on status of Management Action Plan on recommendation raised in previous cycle of internal audit including specific timelines for those outstanding matters to be resolved.
- (vii) Reports issued by the internal audit function were tabled at ARMC meetings in which management was present at such meeting to provide pertinent clarification or additional information to address questions raised by ARMC members pertaining to matters raised.

The ARMC is pleased to disclose that there were no significant weaknesses identified that would have resulted in any material losses, contingencies, or uncertainties to the Group, which would require separate disclosure in the financial statements.

Further details of the risk management, internal controls and internal audit function are set out in the Statement on Risk Management and Internal Control in this Annual Report.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (the “**Board**”) recognises the importance of corporate governance and is committed to maintain high standards of corporate governance and strives to ensure that it is practiced throughout Menang Corporation (M) Berhad (the “**Company**”) and its subsidiaries (collectively referred as the “**Group**”) as a fundamental part of discharging its responsibilities in order to safeguard and enhance shareholders’ value and raise the performance of the Group.

In this Statement, the Board provides a summary of the corporate governance practices adopted and applied by the Company based on the principles and best practices set out in the Malaysian Code on Corporate Governance (“**MCCG**”) and the governance standards prescribed in the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) throughout the year under review. This Statement is to be read together with the Corporate Governance (“**CG**”) Report for the financial year ended 30 June 2023 (“**FY2023**”) of the Company. The CG report provides details on how the Company has applied each practice as set out in MCCG for FY2023, a copy of which is available on the Company’s website at www.menangcorporation.com as well as via an announcement on Bursa Securities.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Group acknowledge the pivotal role played by the Board in the stewardship of its directions and operations, and ultimately the enhancement of long-term shareholders’ value. To fulfil this role, the Board plays a critical role in setting the appropriate tone at the top and is charged with leading and managing the Group in an effective, good governance and ethical manner. The Directors individually have a legal duty to act in the best interest of the Group and are also collectively aware of their responsibilities to the stakeholders for the manner in which the affairs of the Group are managed. The Board’s responsibilities, amongst others include the following:

- Reviewing and adopting a strategic plan for the Group;
- Establishing policies for strengthening the financial and operational performance of the Group and ensuring proper and effective execution of the policies;
- Overseeing and evaluating the conduct of the Group’s business to ensure the business is properly managed. This includes ensuring the solvency of the Group and the ability of the Group to meet its contractual obligations and to safeguard its assets;
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Reviewing the adequacy and the integrity of the Company and the Group’s internal control systems and management information systems, including systems for compliance with applicable law, regulations, rules, directives and guidelines;
- Ensuring the conduct of the Group business complies with applicable laws, regulations, rules and directives and guidelines;
- Appointing board committees to address specific issues, considering recommendations of the various board committees and discussing problems and reservations arising from these committees’ deliberations and reports;
- Ensuring that the statutory accounts of the Company and the Group are fairly stated and conform with the relevant regulations including acceptable accounting policies that result in balanced and understandable financial statements;
- Ensuring that there is in place an appropriate succession plan for members of the Board and Senior Management;
- Formalising the Company’s strategies on promoting sustainability, focusing on environmental, social and governance aspects.
- Ensuring the Group adheres to high standards of ethics and corporate behaviour through the Company’s Code of Conduct & Ethics; and
- Developing and implementing an appropriate investor relations programme or shareholder communication policy for the Company.

The Board comprises of members who have a wide range of experience in fields such as legal, management, finance, construction and property development to successfully direct and supervise the Group’s business activities. A brief profile of each Director is presented in the Annual Report.



Corporate Governance Overview Statement (continued)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Separation of position of the Chairman and Group Managing Director/Chief Executive Officer

The Board has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The Chairman and the Group Managing Director/Chief Executive Officer (“**Group MD/Group CEO**”) of the Company has clear division of responsibilities and accountability to ensure a balance of power and authority. The Chairman is responsible for the overall leadership and efficient functioning of the Board. Whilst, the Group MD/Group CEO is the conduit between the Board and the Management in ensuring the success of the governance and management functions of the Company.

Presently, the Company has appointed Mr. Toh May Fook, as an Executive Chairman of the Company, who leads the Board with focus on governance and compliance and acts as a facilitator at Board meetings to ensure that relevant views and contributions from Directors are forthcoming on matter being deliberated and that no Board members dominates the discussion.

The Chairman’s key responsibility, amongst others, includes the following:

- a) Leadership of the Board;
- b) Overseeing the effective discharge of the Board’s oversight role;
- c) Facilitating the effective contribution of all Directors;
- d) Conducting the Board’s function and meetings;
- e) Briefing all Directors in relation to issues arising at meetings;
- f) Scheduling regular and effective evaluations of the Board’s performance; and
- g) Promoting constructive and respectful relations between Board members and between the Board and the Management.

Currently, the Company does not have a Group MD/Group CEO. The Board delegates the responsibility of implementing the Group’s strategies, business plans, policies and day-to-day management to the Executive Committee which consist of the Executive Directors and supported by the Senior Management team and personnel.

The Executive Directors take on primary responsibility to spearhead and manage the overall business activities of the various business division of the Group to ensure optimum utilization of corporate resources and expertise by all the business divisions and at the same time achieve the Group’s long-term objectives. They also implement the policies, strategies, decisions adopted by the Board, monitors the operating financial results against plans and budgets and acts as a conduit between the Board and Management in ensuring the success of the Group’s governance and management functions.

During Board meetings, the Chairman maintains a collaborative atmosphere and ensures that all Directors contribute to the discussion. The Chairman and Executive Directors arrange informal meetings and events from time to time to build constructive relationships between the Board members.

Supply and Access to Information

All Directors have unrestricted access to the advice and services of the Company Secretaries who are suitably qualified and competent to support the Board. The Company Secretaries are responsible for providing support and guidance to the Board on policies and procedures, rules and regulations and relevant laws in regard to the Company as well as the best practices on governance.

In addition, all Directors have full and unrestricted access to all information pertaining to the Group’s businesses and affairs in a timely manner to enable them to discharge their duties effectively.

Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors and Board Committees in advance of the scheduled meetings. Notices of meetings are sent to Directors at least seven (7) days before the meetings. Management provides the Board with detailed meeting materials in advance of the Board or Board Committees’ meetings. Senior Management may be invited to join the meetings to brief the Board and Board Committees on the requisite information on matters being discussed, where necessary.



Corporate Governance Overview Statement (continued)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Supply and Access to Information (Cont'd)

Technology is effectively used in the meetings of Board and Board Committees and in communication with the Board, where the Directors may receive agenda and meeting materials online and participate in meetings via audio or video conferencing.

Commitment of the Board

Formal Board meetings are held at least once every quarter to oversee the business affairs of the Group, and to approve, if applicable, any financial or business objectives and strategies. Ad-hoc meetings are convened when circumstances require. The Chairman of the respective Board Committees report to the Board on key issues deliberated at the respective Board Committees meetings and make recommendations to the Board for decision, where necessary.

The Board met five (5) times during FY2023. The attendance of each Director at the Board meetings held during FY2023 are as follow:

Directors	No. of Meetings Attended	Percentage (%)
Mr. Toh May Fook ^[1]	5/5	100%
Mr. Lee Min Huat	5/5	100%
Ms. Liew Sook Pin	5/5	100%
Mr. Chee Wai Hong	5/5	100%
Mr. Yee Chun Lin	5/5	100%
Mr. Kee Hock Kee	5/5	100%

Notes:

^[1] Redesignated to Executive Chairman of the Company with effect from 20 July 2023

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities which is evidenced by the satisfactory attendance record of the Directors at each Board meeting.

It is the Board's policy for Directors to notify the Board before accepting any new directorship notwithstanding that the MMLR of Bursa Securities allow a Director to sit on the board of a maximum of five (5) listed issuers. Such notification is expected to include an indication of time that will be spent on the new appointment. At present, all Directors of the Company have complied with the MMLR where they do not sit on the board of more than five (5) listed issuers.

Continuous Development of the Board

The Board acknowledges the importance of continuous education and training, in order to keep abreast with the industry, regulatory and compliance issues, trends and best practices and developments in the marketplace, to enable them to discharge their duties and responsibilities more effectively.

All Directors have completed the Mandatory Accreditation Programme. The Directors are mindful that they would continue to enhance their skills and knowledge to maximize their effectiveness as Directors during their tenure. Throughout their period in office, the Directors are continually updated on the Group's business and the regulatory requirements.

The list of training programmes attended by the Directors during the FY2023 under review are as follows:

- Webinar Series: Meeting the Standards on Corporate Disclosure
- 2022 IIA Malaysia National Conference
- Webinar Series: ESG and Sustainability Reporting
- Certificate in Fundamental Islamic Financing Documentation
- Webinar Series: Guide to Related Party Transactions
- Code of Ethics Training by IIA Malaysia
- PLC Transformation programme by Bursa Malaysia
- Conversation with AOB by Securities Commission



Corporate Governance Overview Statement (continued)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Continuous Development of the Board (Cont'd)

The Company Secretary also highlights the relevant guidelines on statutory and regulatory requirements from time to time to the Board. The External Auditors on the other hand, briefed the Board on changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

The Board Committees

The Board has established the following three (3) Board Committees to assist the Board:

- the Audit and Risk Management Committee (“**ARMC**”);
- the Nomination Committee (“**NC**”); and
- the Remuneration Committee (“**RC**”).

The Board Committees are entrusted with specific responsibilities to oversee the Group's affairs, with authority to act on behalf of the Board in accordance with their respective Terms of Reference (“**TOR**”). The Board appoints the Chairman and members of each Board Committee. Each Board Committee is governed by their own TOR, which is approved by the Board and are periodically reviewed.

The Chairman of the respective Board Committees will report to the Board on the outcome of any discussions and make recommendations thereon to the Board. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

The Board Charter

The Company has established a Board Charter to promote high standards of corporate governance and the Board Charter is designed to provide guidance and clarity for Directors and Management with regard to the role of the Board and its committees. The Board Charter clearly sets out the key values and principles of the Company and further sets out the duties and responsibilities of the Board, and the Board Committees. The Board Charter also provides structure guidance and ethical standards for the Board in discharging their duties towards the Group as well as its operating practices. The Board Charter further entails the following issues and decisions reserved for the Board:

- Review and approve strategic direction and business plans;
- Review and approve the financial statements of the Group for timely lodgement and release to relevant authorities and market;
- Review major risks and relevant measures deployed by management to address the risks;
- Establish and delegation of power to board committees and management team;
- Review and approve corporate exercise, restructuring plans, capital expenditure, disposal of capital items, funding requirements;
- Review and consider succession plan, evaluation of board and board committees and individual Directors based on recommendations of NC;
- Review on remuneration packages of Directors based recommendation of RC;
- Review Group budgets;
- Review and ratify the related party transactions and recurrent related party transactions; and
- Approve the appointment and resignation of Directors, Company Secretary and auditors.

The Board Charter is reviewed by the Board from time to time and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities. The Board Charter is made available on the Company's website.

The Company has also implemented various policies such as Corporate Disclosure Policy, Code of Conduct & Ethics, Anti-Bribery & Anti-Corruption Policy, Fit and Proper Policy, Directors and Senior Management's Remuneration Policy, Diversity Policy and Whistle Blowing Policy and Procedures which would be periodically reviewed by the Board and a copy of each policy is available on the Company's website.



Corporate Governance Overview Statement (continued)

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

I. BOARD RESPONSIBILITIES (CONT'D)

The Company Secretaries

The Board is assisted by two (2) qualified and competent Company Secretaries who possess the requisite qualification and are qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016. They and their team play a supportive role by ensuring adherence to the Company's Constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations from time to time. The Company Secretaries monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations. All the Directors have unrestricted access to the advices and services of the Company Secretaries for the purpose of the conduct of the Board's affairs and the business.

The Company Secretaries constantly keep themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance through attendance at relevant conferences and training programmes. The Company Secretaries have also attended the relevant continuous professional development programmes as required by the Companies Commission of Malaysia or the Malaysian Institute of Chartered Secretaries and Administrators for practising company secretary. The Board is satisfied with the performance and support rendered by the Company Secretaries in discharging its functions.

In addition, the Company Secretaries are also accountable to the Board and is responsible for the following:

- Advising the Board on its roles and responsibilities;
- Advising the Board on matters related to corporate governance and the MMLR;
- Ensuring that Board procedures and applicable rules are observed;
- Maintaining records of the Board and ensuring effective management of the Company's statutory records;
- Preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded;
- Assisting communications between the Board and Management;
- Advising the Board on corporate disclosure and compliance with company and securities regulations and MMLR;
- Facilitate the orientation of new Directors and assist in Directors training and development;
- Monitoring corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations;
- Providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time;
- Serve as a focal point for stakeholders' communication and engagement on corporate governance issues; and
- Preparing and circulating notices and agendas of Directors' Meetings and coordinating the preparation of the Board papers in a timely and effective manner.

II. BOARD COMPOSITION

Composition and Diversity

The Directors are of the opinion that the current Board size and composition is adequate for facilitating effective decision making given the scope and nature of the Group's businesses and operations. The Board maintains an appropriate balance of expertise, skills and attributes among the Directors which is reflected in the diversity of backgrounds and competencies of the Directors. Such competencies include finance, accounting, legal, digital and other relevant industry knowledge, entrepreneurial and management experience and familiarity with regulatory requirements and risk management.

The NC ensures that the composition of the Board is refreshed periodically while the tenure, performance and contribution of each Director is assessed by the NC through the Board Evaluation. In addition, each of the retiring Directors will provide their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.



Corporate Governance Overview Statement (continued)

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

II. BOARD COMPOSITION (CONT'D)

Composition and Diversity (Cont'd)

The Board is of the view that diversity of the Board enhances the decision-making capability of the Company and improves the Board's discussion process by allowing different perspectives to be included in decision making. While the Board acknowledges the need to promote gender diversity within its composition and endeavour to increase female participation in the Board and Senior Management, it has decided not to set any specific targets as the Board believes that it is more important to have the right mix and skills for such positions. As at the date of this report, there is one (1) female Director on the Board of the Company.

The Company has adopted a diversity policy which outlines its approach to achieving and maintaining diversity (including gender diversity) on its Board and in Senior Management positions. This includes requirements for the Board to establish measurable objectives for achieving diversity on the Board and in management positions, and for the appropriate Board Committees to monitor the implementation of the policy, assess the effectiveness of the Board nomination process and the appointment process for management positions at achieving the objectives of the policy.

As at the date of this Statement, the Board comprised of six (6) members, three (3) Executive Directors and three (3) Independent Non-Executive Directors. The composition of the Board complies with Paragraph 15.02 of the MMLR of Bursa Securities. In view of their diversified background and extensive experience, they brought a wide range of technical skills and expertise to the Group and have contributed significantly towards performance monitoring, control as well as governance. The Board believes that the current composition is appropriate given the collective skills and experiences of the Directors and the Group's current size and nature of business. The Board will continue to monitor and review the Board's size and composition as may be needed.

The Board of Directors' profile can be found in the Annual Report of the Company.

Independence of Independent Directors

The Board also recognises the importance of independence and objectivity in the decision-making process. The Board is committed to ensure that the Independent Directors are capable to exercise independent judgement and act in the best interests of the Group.

The NC carried out an independence assessment of the Independent Directors based on the guidelines set out in the MMLR to assess the independence of candidate for directorship and existing Directors. The Directors are also required to confirm their independence by completing the independence checklist on an annual basis. Based on the assessment carried out, the NC was satisfied that the Independent Directors are independent of the management and free from any business or other relationships which could interfere with the exercise of independent judgement, objectivity and the ability to act in the best interest of the Group.

As at the date of this statement, none of the Independent Directors has exceeded a cumulative term of nine (9) years. Nonetheless, the Board would justify and seek annual shareholders' approval to retain the Independent Directors after the ninth (9th) year through a two-tier voting process.

ARMC

The ARMC monitors internal control policies and procedures designed to safeguard the Group's assets and to maintain the integrity of financial reporting. The ARMC maintains direct, unfettered access to the Company's External Auditor, Internal Auditor and management.

The ARMC comprises of three (3) members, all of whom are Independent Non-Executive Directors. The present members of the ARMC are as follows:

Director	Designation
Mr. Chee Wai Hong	Chairman
Mr. Yee Chun Lin	Member
Mr. Kee Hock Kee	Member

A copy of the ARMC's TOR can be found in the Company's website at www.menangcorporation.com.



Corporate Governance Overview Statement (continued)

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

II. BOARD COMPOSITION (CONT'D)

NC

The NC oversees matters related to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director as well as identify candidates to fill board vacancies, and nominating them for approval by the Board.

The NC comprises of three (3) members, all of whom are Independent Non-Executive Directors. The present members of the NC are as follows:

Director	Designation
Mr. Yee Chun Lin	Chairman
Mr. Chee Wai Hong	Member
Mr. Kee Hock Kee	Member

During the FY2023, the NC held one meeting and all member registered full attendance. Below is a summary of the key activities undertaken by the NC in discharge of its duties for the FY2023:

- (a) Reviewed the composition of the Board and Board Committees with regards to the mix of skills, independence and diversity in accordance with its policy;
- (b) Determined the Directors who stand for re-election and re-appointment by rotation;
- (c) Assessed the effectiveness and performance of the Board as a whole and the contribution of each individual Director. This was carried out through a self-assessment document that was completed by each Director. The assessment criteria include the following:
 - Board composition
 - Board process
 - Performance of Board Committees
 - Information provided to the Board
 - Role of the Board in strategy and planning
 - Risk management framework
 - Accountability and standard of conduct of Directors
- (d) Reviewed the terms of office of the ARMC and each member of the ARMC to ascertain that the ARMC and its members have carried out their duties in accordance with the ARMC's TOR;
- (e) Assessed and reviewed the independence and continuing independence of the Independent Directors;
- (f) Oversee the selection and recruitment of potential candidates and recommend to the Board after taking into consideration of their competencies, integrity, track record of identified candidate;
- (g) Reviewed and recommended the adoption of the Diversity Policy; and
- (h) Reviewed the TOR of the NC.

A copy of the NC's TOR can be found in the Company's website at www.menangcorporation.com.

RC

The RC is responsible for recommending to the Board the remuneration principles and the framework for members of the Board and Senior Management.

The RC comprises of three (3) members, all of whom are Independent Non-Executive Directors.

The present members of the RC are as follows:

Director	Designation
Mr. Chee Wai Hong	Chairman
Mr. Yee Chun Lin	Member
Mr. Kee Hock Kee	Member



Corporate Governance Overview Statement (continued)

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

II. BOARD COMPOSITION (CONT'D)

RC (Cont'd)

During the FY2023, the RC held one meeting and all member registered full attendance. Below are the summary of the key activities undertaken by the RC in discharge of its duty:

- (a) Reviewed, assessed and recommended the remuneration packages of the Executive Directors and Senior Management;
- (b) Reviewed the Directors' fees and other benefits payable to Non-Executive Directors;
- (c) Reviewed the TOR of the RC; and
- (d) Reviewed and recommended the adoption of the Directors' and Senior Management Remuneration Policy.

A copy of the RC's TOR can be found in the Company's website at www.menangcorporation.com.

Annual Assessment

The NC is responsible in evaluating performance and effectiveness of the entire Board, the Board Committees and individual Director on a yearly basis. The evaluation process is led by the NC Chairman and supported by the Company Secretaries via questionnaires. The NC reviews the outcome of the evaluation and recommends to the Board on areas for continuous improvement and also for them to form the basis of recommending relevant Directors for re-election at the Annual General Meeting ("AGM") of the Company.

The assessment criteria used in the assessment of Board and individual Directors include mix of skills, knowledge, Board diversity, size and experience of the Board, core competencies and contribution of each Director. The Board Committees were assessed based on their roles and responsibilities, scope and knowledge, frequency and length of meetings, supply of sufficient and timely information to the Board and also overall effectiveness and efficiency in discharging their function.

The Board evaluation comprises Performance Evaluation of the Board and various Board Committees, Directors' Peer Evaluation and Assessment of the independence of the Independent Directors. The assessment is based on four (4) main areas relating to Board Structure, Board Operations, Board and Chairman's roles and responsibilities and Board Committees' role and responsibilities.

For Directors' Peer Evaluation, the assessment criteria include abilities and competencies, calibre and personality, technical knowledge, objectivity and the level of participation at Board and Committee meetings including his/her contribution to Board processes.

Any appointment of a new Director to the Board or Board Committee is recommended by the NC for consideration and approval by the Board. In accordance with the Company's Constitution, one-third (1/3) of the Directors for the time being shall retire from office at each AGM. A retiring director shall be eligible for re-election. The Constitution also provides that all Directors shall retire at least once every three (3) years.

During the year, the Board conducted an internally facilitated Board assessment. The results and recommendations from the evaluation of the Board and Committees are reported to the Board for full consideration and action. The Board was comfortable with the outcome and that the skills and experience of the current Directors satisfy the requirements of the skills matrix and that the Chairman possesses the leadership to safeguard the stakeholders' interest and ensure the development of the Group.

The NC also considered the results of the evaluation when considering the re-election of Directors and recommended to the Board for endorsement the Directors standing for re-election at forthcoming AGM of the Company.



Corporate Governance Overview Statement (continued)

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

III. REMUNERATION

The objective of the Group's internal remuneration policy is to provide fair and competitive remuneration to its Board and Senior Management in order for the Company to attract and retain Board and Senior Management of calibre to run the Group successfully. The responsibilities for developing the remuneration policy and determining the remuneration packages of Executive Directors and Senior Management lie with the RC. Nevertheless, it is ultimately the responsibility of the Board to approve the remuneration of Executive Directors and Senior Management.

Based on the remuneration framework, the remuneration packages for the Executive Directors and Senior Management compose of a fixed component (i.e. salary, allowance and etc.) and a variable component (i.e. bonus, benefit-in kind-and etc.) which is determined by the Group's overall financial performance in each financial year which is designed to support our strategy and provides a balance between motivating and challenging our Senior Management to deliver our business priorities, as set out by Executive Directors, and strong performance while also driving the long-term sustainable success of the Group.

The level of remuneration of Non-Executive Directors reflects their experience and level of responsibility undertaken by them. Non-Executive Directors will receive a fixed fee, with additional fees if they are members of Board Committees, with the Chairman of the ARMC, RC or NC receiving a higher fee in respect of his service as Chairman of the respective Committees. The fees for Directors are determined by the Board with the approval from shareholders at the AGM and no Director is involved in deciding his/her own remuneration.

During the financial year under review, the RC had reviewed the remuneration package for the Executive Directors and Senior Management personnel, which reflects the level of risk and responsibility, the individual's performance indicators in the job, the performance of the Company and concluded that the packages are well within comparable companies in similar industry. The RC further discussed the annual salary review for the Executive Directors and Senior Management in line with the budget salary increase for the rest of the organisation.

The RC had also reviewed the Directors' Fees and Benefits Payable to the Directors, which reflects the experience and level of responsibilities undertaken by the individual Director concerned. The RC then presented their recommendation accordingly to the Board.

The Board is of the view that the current remuneration level suffices to attract, retain and motivate qualified Directors to serve on the Board. The detailed disclosure on named basis for the remuneration of individual Directors which includes fees, salary, bonus, benefits in-kind and other emoluments from the Company and the Group for the FY2023 are set out in the CG Report.

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

I. ARMC

The Board is assisted by the ARMC to oversee the Group's financial reporting processes and the quality of its financial reporting and to ensure the financial statements of the Group comply with the applicable financial reporting standards in Malaysia.

The Chairman of the ARMC is not the Chairman of the Board, ensuring that the impairment of objectivity on the Board's review of the ARMC's findings and recommendation remains intact.

The ARMC has adopted a TOR which sets out its goals, objectives, duties, responsibilities and criteria on the composition of the ARMC which includes a former key audit partner of the Group to observe a cooling-off period of at least three (3) years before being able to be appointed as a member of the ARMC.

All the ARMC members are financially literate and are able to understand matters under the purview of the ARMC including the financial reporting policies, carried out their duties in accordance with the TOR of the ARMC. Therefore, the ARMC is relied upon by the Board to, amongst others, provide advice in the areas of financial reporting, external audit, internal control environment and internal audit process, review of related party transactions as well as conflict of interest situation.



Corporate Governance Overview Statement (continued)

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

I. ARMC (CONT'D)

The Board places great emphasis on the objectivity and independence of the External Auditors. Through the ARMC, the Board maintains a transparent relationship with the External Auditors in seeking professional advice on the internal control and ensuring compliance with the appropriate accounting standards. The ARMC is empowered to communicate directly with the External Auditors to highlight any issues of concern at any point in time. During FY2023, the External Auditors met the ARMC twice without the presence of the Executive Directors and Management.

The ARMC ensures the external audit function is independent of the activities it audits and reviews the contracts for the provision of non-audit services by the External Auditors in order to make sure that it does not give rise to conflict of interests. The excluded contracts would include management consulting, internal audit and standard operating policies and procedures documentation.

On an annual basis, the ARMC reviews the appointment, performance and remuneration of the External Auditors before recommending them to the shareholders for re-appointment at the AGM of the Company. Based on the annual assessment with the External Auditors, the ARMC was satisfied with the performance and suitability of the External Auditors and recommended to the Board and subsequently, proposed for shareholder's approval for the re-appointment of Messrs. TGS TW PLT as External Auditors of the Company for financial year ending 30 June 2024.

As part of the ARMC's review processes, the ARMC had obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Further details of the roles and responsibilities of the ARMC, number of meetings and attendance, summary of ARMC activities and Internal Auditors' reviews FY2023 are set out in ARMC Report in the Annual Report.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

During the current financial year, the Board and the Management maintained the existing risk management framework that was adopted previously. The Board is assisted by the ARMC in reviewing the adequacy of the risk management and internal control system of the Group. This covers all material controls including financial, operational, compliance and risk management systems.

The Group has outsourced its Internal Audit Function to Wensen Consulting Asia (M) Sdn. Bhd. ("Wensen"). Wensen is an independent professional firm that supports the ARMC, and by extension, the Board, by providing an independent assurance on the adequacy and effectiveness of the Group's internal control systems. The results of the audits and the recommendations for improvement or actions needed to be taken by the Management were presented at during ARMC meetings.

Further information on the Group's risk management and internal control framework is set out in the Statement of Risk Management and Internal Control of this Annual Report.



Corporate Governance Overview Statement (continued)

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

I. COMMUNICATION WITH STAKEHOLDERS

The Company recognises the importance of accountability to its stakeholders through effective and constructive communication and timely dissemination of information on all material business and corporate developments to the shareholders, stakeholders and the public, in general. The Board has formalised a corporate disclosure policy and procedure not only to comply with the disclosure requirements as stipulated in the MMLR, but also sets out the persons authorised and responsible to approve and disclose material information to all stakeholders.

The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities and press conferences. It is the Group's practice that any material information for public announcement, including annual, quarterly financial statements, press releases, and presentation to investors, analyst and media are factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.

The Group has a dedicated Investor page which is accessible by the public via its website, which enhances such communication with the stakeholders through all announcements made, Annual Reports as well as the corporate and governance structure of the Company.

II. CONDUCT OF GENERAL MEETINGS

The Company's AGM is an important means of communicating with its shareholders. To ensure effective participation of an engagement with the shareholders at the AGM of the Company, all members of the Board would be present at the meeting to respond to questions raised by shareholders and proxies. In addition, the Chairman of the Board would chair the AGM in an orderly manner and encourage the shareholders and proxies to speak at the meeting. The overall performance of the Group would be presented at the meeting.

To ensure shareholders have sufficient time to go through the Annual Report, notice of AGM is circulated at least twenty-eight (28) calendar days before the date of the AGM. The AGM of the Company was conducted through live streaming and online remote voting using Remote Participation and Voting facilities. Shareholders whom were unable to attend the virtual AGM were also encouraged to vote on the proposed motions by appointing a proxy.

The Board also encourages participation from shareholders by having "question and answer" session during the AGM during which the Directors (inclusive of the Chairman of the ARMC, NC and RC) are available to provide meaningful response to questions raised by the shareholders.

In line with the MMLR, the Company has implemented and will continue to implement poll voting for all proposed resolutions set out in the notice of any general meeting. An independent scrutineer will also be appointed to validate the votes cast at any general meeting of the Company.

This Statement was approved by the Board of Directors on 24 October 2023.



STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE AUDITED FINANCIAL STATEMENTS

In accordance with the Companies Act 2016 in Malaysia (“**Act**”) and under Paragraph 15.26 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a listed issuer is required to issue a statement explaining the Board’s responsibility for preparing the annual audited financial statements and about the state of risk management and internal control of the listed issuer as a group in the annual report.

The Directors are of the opinion that the financial statements as set out in this Annual Report are drawn up in accordance with applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Act so as to give a true and fair view of the financial position, results and cash flows of the Company and its subsidiaries (the “**Group**”) for the financial year ended 30 June 2023.

In the process of preparing these financial statements, and other than as disclosed in the notes to the financial statements, the Directors have reviewed the accounting policies and practices to ensure that they were consistently applied throughout the year. In cases where judgement and estimates were made, they were based on reasonableness and prudence.

The Directors are responsible to ensure that the Group keep proper accounting records which disclose the financial position of the Group with reasonable accuracy and to enable them to comply with the provisions of the Act.

The Directors have also taken all such necessary steps to ensure that proper internal controls are in place to safeguard the assets of the Group and to detect and prevent fraud and other irregularities.

This Statement was approved by the Board of Directors on 24 October 2023.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“**Board**”) of Menang Corporation (M) Berhad (the “**Company**”) and its subsidiaries (the “**Group**”) is committed to embracing the Malaysian Code on Corporate Governance and to adhere to the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”). The Company is pleased to provide the following Statement on Risk and Management and Internal Control (“**Statement**”) which outlines the scope and nature of risk management and the internal controls of the Group for the financial year ended 30 June 2023 (“**FY2023**”).

This Statement is prepared pursuant to Paragraph 15.26(b) of the MMLR of Bursa Securities, Malaysian Code on Corporate Governance and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

ACCOUNTABILITY OF THE BOARD

The Board recognises the importance of good risk management practices and sound internal controls as a platform to good corporate governance. The Board acknowledges its responsibility for the Group’s overall system of risk management and internal control and regularly reviews its adequacy and integrity. In establishing the Group’s system of risk management and internal control, the following criteria are taken into consideration:

- (i) Systems can only be designed to manage rather than eliminate the risk of failure to achieve business objectives. This system, by its nature, can only provide reasonable but not absolute assurance against material misstatement, fraud or loss; and
- (ii) This system is a continuous process for identifying, evaluating and managing the significant risks faced by the Group.

The Board, with the assistance of the Audit and Risk Management Committee (“**ARMC**”), periodically reviews the adequacy and effectiveness of the Group’s risk management and internal control system with the support of the Internal Auditors. This would include the on-going process for identifying, evaluating and establishing mitigating procedures for any significant risk identified within the operations as a result of changes in business environment and regulatory requirements.

The ARMC, with the assistance of the Senior Management, is delegated to oversee the implementation and management of the systems of risk management and internal control within the established framework throughout the Group.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The main features of the Group’s risk management and internal control framework are as follows:

- (i) The Senior Management who assumes an active role in the day-to-day operations of the Group works closely and reports regularly to the Board on corporate and accounting developments, this in turn facilitates the prioritisation of risk related issues for the Group to plan its resources and address the risk accordingly;
- (ii) Financial reports are presented to the ARMC and the Board on a quarterly basis for review and if necessary, corrective action are taken;
- (iii) The Board, ARMC and Management regularly review the internal audit reports and monitor the status of the implementation of recommendations to address any internal control weaknesses identified;
- (iv) A defined organisational and hierarchical structure outlining the lines of reporting and job responsibilities at the operational level. In ensuring that each operating unit is functioning efficiently, emphasis is placed on the integrity and competence of personnel employed through regular performance reviews and regular reviews and improvements on internal policies, objectives and operational procedure; and
- (v) Adequate insurance coverage of major assets to ensure that assets of the Group are sufficiently covered against mishap that may result in losses to the Group.



Statement on Risk Management and Internal Control (continued)

INTERNAL CONTROL

The key elements of the internal control system that provide effective governance and oversight of internal control are described as follow:

- (i) A well-defined organisational structure with clear lines of accountability and responsibilities provides a sound framework within the organisation in facilitating check and balance for proper decision making at the appropriate authority levels of management including matters that require the Board's approval;
- (ii) A documented delegation of authority that sets out decisions that need to be taken and the appropriate levels of management involved including matters that require the Board's approval;
- (iii) The Board and ARMC meet at least once on a quarterly basis to review and deliberate on the unaudited quarterly financial reports, annual financial statements, internal audit reports and etc. Discussions with management were held to deliberate on the actions that are required to be taken to address internal control issues identified; and
- (iv) Internal policies and procedures had been established for key business units within the Group.

INTERNAL AUDIT FUNCTION

Internal auditing is an independent, objective assurance and consulting activity designed to improve and add value to the Company's operations. The internal auditors review the adequacy and the integrity of the risk management and internal control systems, assess compliance with applicable laws and regulations, ascertain compliance with policies and procedures and made appropriate recommendations in improving the internal control and governance processes in the Group.

In desire to maintain total independence in the management of the internal control environment and remain in compliance with the Bursa Securities MMLR, the Company has appointed an independent professional firm, Wensen Consulting Asia (M) Sdn. Bhd. ("**Wensen**") to manage the Company's internal audit function.

The total cost incurred for internal audit activities of the Group for the FY2023 amounted to RM11,517.

During the FY2023, Wensen assists the Board and ARMC in performing regular and systematic review and provide independent assessment on the adequacy, efficiency and effectiveness of the Group's risk management framework and internal control system. Wensen is free from any relationships or conflict of interest, which may impair their objectivity and independence of the internal audit function. The ARMC together with Wensen agrees on the scope and planned internal audit activities and all audit findings including recommended corrective actions were presented directly to the ARMC.

In the planning and throughout the course of their audit work, Wensen made reference to the International Professional Practices Framework and Code of Ethics issued by the Institute of Internal Auditors, Inc (USA) with classification and reporting according to the principles of COSO Internal Control – Integrated Framework as well as the Group's policies.

In addition, follow up review will be conducted to ensure that corrective actions have been implemented on a timely manner. Based on the internal audit review conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this Annual Report.



Statement on Risk Management and Internal Control (continued)

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the MMLR, the external auditors have reviewed this Statement on Risk Management and Internal Control for its inclusion in the annual report for FY2023. The limited assurance review was performed in accordance with Audit and Assurance Practice Guide 3 issued by the Malaysian Institute of Accountants.

Based on the review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the integrated annual report of the Group, in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

CONCLUSION

For the year under review and up to the date of approval of this statement, the Board is of the view that the risk management and internal control systems of the Group are adequate, effective and satisfactory to safeguard the Group's interest and assets.

The Board recognises the necessity to continuously improve the Group's system of internal control and risk management practices to safeguard shareholders' investments and the Group's assets. Therefore, the Board will continuously enhance the Group's system of internal control and risk management to meet the changing and challenging business environment and put in place appropriate action plans to further augment the system of internal control and risk management as and when necessary.

This Statement was approved by the Board of Directors on 24 October 2023.



CORPORATE SUSTAINABILITY STATEMENT

INTRODUCTION

Menang Corporation (M) Berhad (“Menang” or the “Company”) and its subsidiaries (the “Group”) recognise that sustained growth is co-dependent on Economic, Environment and Social (“EES”) of the Group’s stakeholders. Our business strategies take into account a broad spectrum of risks and opportunities that may affect our organisation and industry, coupled with evolving stakeholders’ expectations on sustainable practices. The information in this report provides an overview of our sustainability practices for the financial year ended 30 June 2023.

SUSTAINABILITY COMMITMENT

We always factor in sustainability as an integral part of our business operations and decisions as we continue to scale up our progress on the journey to sustainability. We remain committed in ensuring our business activities are performed with high standards of social and environmental conduct to maximise long-term value creation for all stakeholders. This includes ensuring assets under our portfolio and our businesses are carried out in a manner that generates positive environmental outcomes.

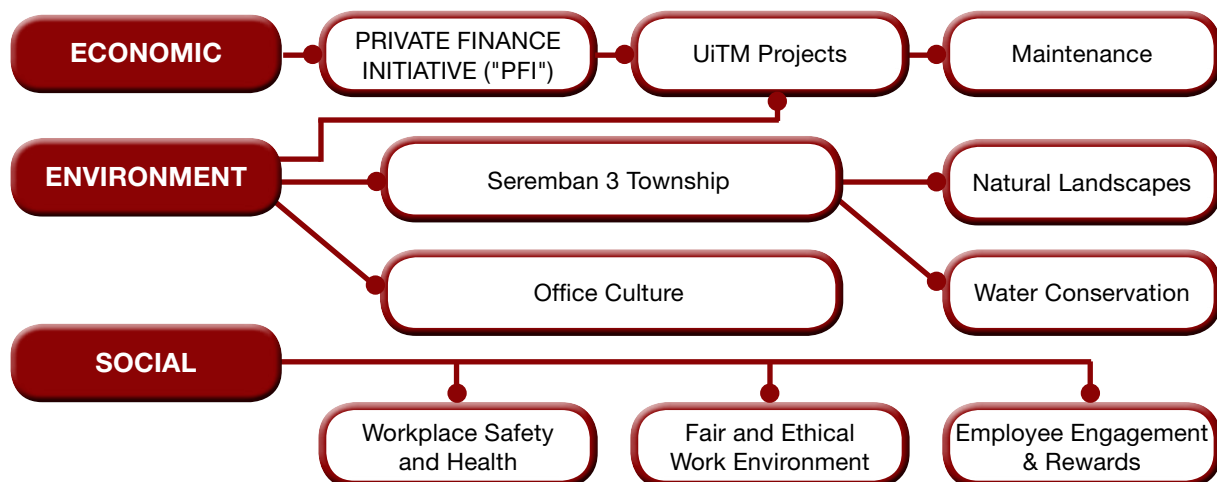
Our commitment to sustainability is multi-faceted and it extends to the day-to-day operations with high work ethics and values to achieve short and long-term goals. This includes engaging actively with our business partners and employees.

GOVERNANCE STRUCTURE

We have an established and committed governance structure that steers our sustainability strategy and allows us to build transformative capacity and change. Our Board of Directors are responsible to set out the overall business strategy of the Group. The management team is tasked with executing the strategy in a sustainable manner. This process is being monitored and refined regularly as we strive towards achieving our economic, environmental and social goals.

A strong governance structure enables us to implement our sustainable strategy across our Group, strengthen relations with stakeholders as well as ensure overall accountability.

KEY SUSTAINABILITY AREAS





Corporate Sustainability Statement (continued)

ECONOMIC



(i) PRIVATE FINANCE INITIATIVE (“PFI”)

The Group entered into 3 concession agreements with the Government of Malaysia and Universiti Teknologi Mara (UiTM) under PFI scheme to construct and maintain highly valued education and training facilities for the development of an enlarged pool of educated and skilled labour which could contribute positively to the Malaysian society. As of to date, the Group has successfully constructed and delivered 2 UiTM campuses and a training centre.

(ii) UiTM Projects

The Group’s first UiTM project was completed and fully operational in year 2014. Situated in our flagship Seremban 3 township, the UiTM Seremban 3 Campus houses 3 main faculties, namely, Faculty of Computer Science and Mathematics, Faculty of Sports Science and Recreation and Faculty of Administrative Science and Policy Studies. The UiTM Seremban 3 Campus is able to accommodate up to 5,000 students.

The second project was the Kompleks Alam Bina dan Seni Reka, UiTM Puncak Alam Campus which was completed in year 2015. The campus was designed to accommodate 3,000 students and house the Faculty of Building, Planning and Surveying as well as the Faculty of Art and Design.

The third and final project was the UiTM Institute of Leadership and Development located in Bandar Enstek, Nilai which commenced operations in the year 2016. The training centre conducts residential leadership and development programs for UiTM Academic and Non-Academic staff with state-of-the-art training facilities.

(iii) Maintenance of Campuses and Training Centre

Upon completion of all 3 UiTM Projects, the Group was placed with the responsibility of maintaining the campuses and the training centre for a period of 20 years. The Group provides an efficient and systematic way of maintaining the campuses and the training centre by ensuring proper resources such as well-trained and skilled workers and automated monitoring systems are in place. Steps are constantly being taken to achieve high level of maintenance standards and Key Performance Indicators (KPIs). The Group believes in setting a benchmark for all current and future projects to promote a culture of high level and effective maintenance of public buildings in the country. By doing so, the Group would be able to achieve its objective of maintaining the cashflow streams it derives from the Availability Charges and Maintenance Charges from the Government for the 20 years maintenance period remain sustainable and well protected.

ENVIRONMENT



The Group is aware that the growth and development of the communities have a large impact on the natural environment and constantly keep in mind the environmental impact of the Group’s operations and strive to minimise the negative impacts while contributing towards greener, more environmentally friendly initiatives.

(i) UiTM Projects

During the construction of the UiTM campuses and training centre, the Group has endeavoured to implement many eco-friendly and green concepts and features in terms of the architecture and infrastructure design of the buildings in order to attain a high energy efficiency and sustainability level typical of Green Buildings.

Post-construction, the maintenance team on-site provides assistance to the UiTM management by consistently monitoring water and energy usage throughout the campuses and the training centre. The maintenance team periodically identifies areas of concern and provide recommendations on how to conserve water and energy in these particular areas.



Corporate Sustainability Statement (continued)

ENVIRONMENT (CONT'D)

(i) UiTM Projects (Cont'd)

In the UiTM Seremban 3 Campus, the Group launched the first ever 'district cooling plant with ice-making facility' which serves to conserve and utilise energy as efficiently as possible. The cooling plant diverts energy used during off-peak hours to ice making facilities to produce ice which is then used as a cooling agent for the air conditioners during the daytime operating peak period. This helps to conserve high energy level needed to cool the buildings during peak hours.

Similarly, UiTM Puncak Alam Campus maintenance team is consistently focussing their efforts in creating a smart green campus through sustainable and energy conservation campus initiatives.

(ii) Seremban 3 Township

Our 457 acre flagship Seremban 3 township is just less than 10 minute drive from the heart of Seremban Town which is next to the UiTM Seremban 3 Campus, has been another focus point for the Group's green efforts. The Group has always made it a priority to preserve the natural landscape as much as possible when developing the property. It takes great effort in harvesting and replanting trees, plants and grass while expanding the natural water features and conserving the natural ecosystem that currently exists.

Furthermore, the Group fieldwork predominantly utilises these natural water features and harvesting rainwater for fieldwork consumption such as watering the landscape towards our efforts in water conservation. The Group's priority is to preserve these natural ecosystems and avoid polluting them by minimising chemical usage on the property and instead opting for more organic solutions wherever possible.

(iii) Office Culture

The Group endeavours to encourage an office culture of green habits towards green efforts which include the 3Rs (Reduce, Reuse & Recycling), using environmentally friendly paper for our printing and photocopying purposes while encouraging double-sided printing and conserving energy when not in use. The Group also encourage employees to carpool and utilise the public transports (while keeping safe) when attending work or work events outside the office to minimise carbon emissions resulting from transportation.

SOCIAL



The Group recognises the importance of sustaining good internal dynamics and acknowledges that employees are one of the Group most important asset. As such, the Group is committed to providing staff with a safe, healthy, engaging and caring work environment to motivate and encourage high performance and productivity towards long-term success.

(i) Workplace Safety and Health

The Group strives towards zero life loss targets at all workplaces and ensures that all legislative requirements stipulated under Malaysian Occupational Safety and Health Act 1994 are met at all times, including:

- building fire safety and emergency exit protocol training once a year;
- proper safety equipment provided for employees working on-site; and
- upkeep of first aid kit to provide immediate medical assistance.



Corporate Sustainability Statement (continued)

SOCIAL (CONT'D)

(ii) A Fair and Ethical Work Environment

The Group strives to provide employees with an environment that presents professional and intellectual challenges and encourages effective teamwork whilst complying with the legal framework laid down in Malaysian Employment Act 1955. Furthermore, the Group subscribes to:

- a code of conduct and ethics that rejects any discrimination, harassment and intimidation;
- hiring and recruitment selection are conducted in a fair, objective and non-discriminatory manner; and
- encouraging re-employment of retired or former employees who are:
 - qualified for the job vacancy;
 - with good work history and good performance records;
 - in good physical and mental health.

(iii) Employee Engagement

The Group encourages an effective flow of information through regular communication and interaction. The following measures were implemented to align business goals and objectives across all levels of the workforce:

1. Open door policy that encourages communication between employees, finding productive solutions and resolving any issues together, promoting inter-departmental cooperation and aligning goals and objectives across all levels of the Group's workforce. Also, the Group encourages regular engagement among Senior Management, Human Resources and employees; and
2. Regular Group events including collective employee birthday celebrations and Malaysian festival celebrations like Chinese New Year and Hari Raya lunches.

(iv) Employee Incentive

The Group strives to provide competitive packages and comprehensive benefits including medical benefits to foster innovation, reward performance and maintain the morale of our employees even during this challenging times.



ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

Bonus Issue of Warrants

The Company has completed the listing and quotation for 240,399,627 warrants on the Main Market of Bursa Malaysia Securities Berhad on 23 December 2021. As at 30 June 2023, approximately RM15.61 million was raised from the exercising the warrants. The status of the utilisation of the proceeds raised from the bonus issue of warrants is set out as follows:

	RM'000
Proceeds raised	
Allotted	15,263
Pending allotment	350
	15,613
Amount utilised	
(1) Property development business	-
(2) Working capital	
(2)(a) Payment to trade and other payables (including scheduled repayment of interest and/or principal amount to financial institution)	(10,428)
(2)(b) Staff related costs	(2,001)
(2)(c) General administrative/operating expenses	(2,099)
Total amount utilised	(14,528)
Unutilised balance	1,085

2. AUDIT FEES AND NON-AUDIT FEES

During the financial year, the amount incurred by the Company and its subsidiaries (collectively referred as the "Group") in respect of the audit fees and non-audit fees for services rendered by the external auditors were as follows:

Nature of Services	Company (RM'000)	Group (RM'000)
Audit Service	40	123
Non-Audit Services	4	4
Total	44	127

The non-audit services comprised the following assignments:

- (1) Review of Statement on Risk Management and Internal Control; and
- (2) Review of Reporting on Other Information.



Additional Compliance Information (continued)

3. MATERIAL CONTRACTS

With exception to the transaction as described in Note 31 of the financial statements, there were no other material contracts entered into by the Group which involved Directors' and major shareholders' interest either still subsisting at the end of the financial year ended 30 June 2023 or entered into since the end of the previous financial year.

4. CONTRACTS RELATING TO LOANS

There were no contracts relating to loans entered into by the Group during the financial year ended 30 June 2023 that involved the interests of Directors and major shareholders.

5. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE NATURE ("RRPT")

The Group did not enter into any RRPT which exceeded the threshold limits allowed under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad other than as disclosed in the audited financial statements during the financial year ended 30 June 2023.

This Statement was approved by the Board of Directors on 24 October 2023.



FINANCIAL STATEMENTS

42	Directors' Report
48	Statements of Financial Position
50	Statements of Profit or Loss and Other Comprehensive Income
51	Statements of Changes in Equity
53	Statements of Cash Flows
55	Notes to the Financial Statements
113	Statement by Directors
113	Statutory Declaration
114	Independent Auditors' Report



DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services. The principal activities of its subsidiaries are disclosed in Note 8 to the financial statements.

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

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	28,151	1,816
Attributable to:		
Owners of the Company	17,277	1,816
Non-controlling interests	10,874	-
	28,151	1,816

RESERVES AND PROVISIONS

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

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year. The Board of Directors do not recommend any dividend in respect of the current financial year.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully-paid up ordinary shares of the Company increased from 506,252,590 to 511,325,130 by way of issuance of 5,072,540 new ordinary shares pursuant to warrants exercised at an exercise price of RM0.50 each for cash.

The new ordinary shares issued during the financial year rank pari passu in all respect with the existing ordinary shares of the Company.

There was no issuance of debentures during the financial year.



Directors' Report (continued)

WARRANTS 2021/2024

The Warrants are constituted by the Deed Poll dated 30 November 2021 (“Deed Poll”).

On 16 December 2021, 240,399,627 Warrants (“Warrants”) were issued free by the Company pursuant to the bonus issue on the basis of one (1) Warrant for every two (2) existing ordinary shares held.

The salient features of the Warrants are as follows:

Terms	Details
Form	The Warrants were issued in registered form and constituted by the Deed Poll.
Board lot	For the purpose of trading on Bursa Securities, a board lot of Warrants shall comprise 100 Warrants carrying the rights to subscribe for 100 new Ordinary Shares at any time during the Exercise Period, or such other denomination as determined by Bursa Securities.
Listing	Approval has been obtained from Bursa Securities on 29 October 2021 for the admission of the Warrants to the Official List of Bursa Securities, and for the listing of and quotation for the new shares arising from the exercise of the Warrants.
Expiry date	Three (3) years from the date of issuance of the Warrants.
Exercise period	The period of three (3) years commencing on, an inclusive of, the Issue Date on the Expiry Date, provided that if such day falls on a day which is not a Market Day, then it will be the Market Day immediately preceding the said non-Market Day.
Exercise price	RM0.50 payable in full upon exercise of each Warrant.
Exercise rights	Each Warrant carries the entitlement, at any time during the Exercise Period, to subscribe for one (1) new ordinary share in the Company at the Exercise Price.
Participating rights	The Warrant holders are not entitled to vote in any general meetings of the Company or participation in any form of distribution other than on winding-up, compromise or arrangement of Company and/or in any offer of further securities in the Company until and unless the Warrant holder becomes a shareholder of Company by exercising his/her Warrants into new Company's Shares or unless otherwise resolved by Company in a general meeting.
Ranking of new Company's shares	The new Company's shares to be issued arising from the exercise of the Warrants shall, upon allotment and issue, rank pari passu in all respects with the existing Company's shares, save and except that the new Company's shares will not be entitled to any dividends, rights, allotments and/or other forms of distributions, that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of such new Company's shares.
Governing law	Laws and regulations of Malaysia.

The movements of the warrants during the financial year are as follows:

	At 1.7.2022	Number of units exercised	At 30.6.2023
Warrants 2021/2024	214,946,477	(5,072,540)	209,873,937

OPTIONS GRANTED OVER UNISSUED SHARES

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



Directors' Report (continued)

DIRECTORS

The Directors in office during the financial year until the date of this report are:

Chee Wai Hong
Kee Hock Kee
Lee Min Huat*
Liew Sook Pin*
Toh May Fook*
Yee Chun Lin

* *Director of the Company and of its subsidiaries*

The Directors who held office in the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year up to the date of this report:

Dato' Abu Samah Bin Shabudin
Lee Chee Seong (Alternate Director to Nik Ahmad Fazlan Bin Nik Ali)
Mazliatul Akma Binti Zulkipli
Mohd Hasnan Bin Abu Hassan
Nik Ahmad Fazlan Bin Nik Ali
Noriza Binti Mohd Sharif
Rauharofzazila Binti Ahmad
Zeffree Bin Zainudin
Saipul Bin Ahmad (Appointed on 18 September 2023)
Dato' Shahrir Bin Abdul Jalil (Resigned on 18 September 2023)

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 is deemed incorporated herein by such reference to the financial statements of the respective subsidiaries and made a part hereof.

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares and options over shares of the Company and of its related corporations of those who were Directors at financial year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.7.2022	Addition	Sold	At 30.6.2023
Interests in the Company				
Direct interests				
Lee Min Huat	5,473,300	-	-	5,473,300
Liew Sook Pin	35,257,600	1,000,000	-	36,257,600
Toh May Fook	60,099,300	1,000,000	-	61,099,300
Indirect interests				
Lee Min Huat #	60,278,820	-	-	60,278,820

Indirect through company in which the Director has substantial financial interests.



Directors' Report (continued)

DIRECTORS' INTERESTS IN SHARES (CONT'D)

The interests and deemed interests in the shares and options over shares of the Company and of its related corporations of those who were Directors at financial year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows: (Cont'd)

	At	Number of warrants		At
	1.7.2022	Alloted	Exercised	30.6.2023
Interests in the Company				
Direct interests				
Lee Min Huat	2,736,650	-	-	2,736,650
Liew Sook Pin	1,128,800	-	(1,000,000)	128,800
Toh May Fook	30,049,650	-	(1,000,000)	29,049,650
Indirect interests				
Lee Min Huat #	16,601,010	-	-	16,601,010

Indirect through company in which the Director has substantial financial interests.

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

DIRECTORS' BENEFITS

Since the end of previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by Directors as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than any deemed benefit which may arise from transactions as disclosed in Notes 26 and 29 to the financial statements.

	Group RM'000	Company RM'000
Directors of the Company		
Non-Executive Directors		
Other emoluments	8	8
Directors' fee	111	111
	119	119
Executive Directors		
Salaries and other emoluments	2,301	-
	2,420	119

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

INDEMNITY AND INSURANCE COSTS

There was no indemnity given to or insurance effected for any Directors, officers and auditors of the Group and of the Company during the financial year.



Directors' Report (continued)

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
 - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render it necessary to write off any 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
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) 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; or
 - (iv) 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.
- (c) At the date of this report, there does not exist:
- (i) 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; or
 - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the Directors:
- (i) no contingent liability 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 will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
 - (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.



Directors' Report (continued)

SUBSEQUENT EVENTS

The subsequent events are disclosed in Note 37 to the financial statements.

AUDITORS

The Auditors, TGS TW PLT (202106000004 (LLP0026851-LCA) & AF002345), have expressed their willingness to continue in office.

Auditors' remuneration for the Group and the Company as set out in Note 26 to the financial statements are RM123,000 and RM40,000 respectively.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 24 October 2023.

LEE MIN HUAT

LIEW SOOK PIN

KUALA LUMPUR



STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	1,006	1,245	124	146
Investment properties	5	51,319	51,481	9,600	9,762
Inventories	6	159,342	160,368	-	-
Operating financial assets	7	618,186	663,639	-	-
Investments in subsidiaries	8	-	-	249,708	249,708
Investment in an associate	9	*	*	-	-
		829,853	876,733	259,432	259,616
Current assets					
Inventories	6	32,384	32,154	-	-
Operating financial assets	7	45,453	43,621	-	-
Trade receivables	10	16,433	11,447	-	-
Other receivables	11	966	5,473	60	53
Amount due from subsidiaries	12	-	-	14,726	12,184
Amount due from an associate	13	2,209	2,209	-	-
Tax recoverable		5,500	1,798	10	9
Deposits with licensed banks	14	13,239	13,038	-	-
Cash and bank balances	15	44,878	34,301	1,090	761
		161,062	144,041	15,886	13,007
Total assets		990,915	1,020,774	275,318	272,623
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	255,663	253,127	255,663	253,127
Retained earnings	17	123,855	106,578	5,651	3,835
		379,518	359,705	261,314	256,962
Non-controlling interests ("NCI")		106,180	95,306	-	-
Total equity		485,698	455,011	261,314	256,962



Statements of Financial Position
As at 30 June 2023
(continued)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
EQUITY AND LIABILITIES (CONT'D)					
LIABILITIES					
Non-current liabilities					
Loans and borrowings	18	276,000	345,905	-	-
Deferred tax liabilities	19	86,522	83,572	-	-
		362,522	429,477	-	-
Current liabilities					
Loans and borrowings	18	79,929	72,558	-	-
Lease liabilities	20	-	16	-	16
Trade payables	21	3,400	3,400	-	-
Other payables	22	34,123	37,833	543	1,334
Amount due to subsidiaries	12	-	-	13,461	14,311
Contract liability	23	25,243	22,479	-	-
		142,695	136,286	14,004	15,661
Total liabilities		505,217	565,763	14,004	15,661
Total equity and liabilities		990,915	1,020,774	275,318	272,623

* Amount less than RM1,000

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



STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	24	88,520	87,840	2,280	2,280
Cost of sales		(24,936)	(23,050)	-	-
Gross profit		63,584	64,790	2,280	2,280
Other income		432	2,490	910	28
Administrative expenses		(6,519)	(9,064)	(1,586)	(2,510)
Other expenses		-	-	*	(25,276)
Net gain/(loss) on impairment of financial assets		105	46	212	(983)
Profit/(Loss) from operations		57,602	58,262	1,816	(26,461)
Finance costs	25	(24,786)	(27,778)	*	(2,606)
Profit/(Loss) before tax	26	32,816	30,484	1,816	(29,067)
Taxation	27	(4,665)	(7,897)	-	-
Profit/(Loss) for the financial year, representing total comprehensive income/ (loss) for the financial year		28,151	22,587	1,816	(29,067)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		17,277	12,105	1,816	(29,067)
NCI		10,874	10,482	-	-
		28,151	22,587	1,816	(29,067)
Earnings per share					
Basic earnings per share (sen):	28	3.40	2.50		
Diluted earnings per share (sen):	28	2.51	2.44		

* Amount less than RM1,000

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

		← Attributable to owners of the Company →				
		Non- distributable Share capital RM'000	Distributable Retained earnings RM'000	Total RM'000	NCI RM'000	Total equity RM'000
Group						
At 1 July 2021		240,400	94,473	334,873	84,824	419,697
	Profit for the financial year, representing total comprehensive income for the financial year	-	12,105	12,105	10,482	22,587
	Transaction with owners:					
	Issuance of ordinary shares pursuant to exercise of warrants	12,727	-	12,727	-	12,727
	At 30 June 2022	253,127	106,578	359,705	95,306	455,011
At 1 July 2022		253,127	106,578	359,705	95,306	455,011
	Profit for the financial year, representing total comprehensive income for the financial year	-	17,277	17,277	10,874	28,151
	Transaction with owners:					
	Issuance of ordinary shares pursuant to exercise of warrants	2,536	-	2,536	-	2,536
	At 30 June 2023	255,663	123,855	379,518	106,180	485,698



Statements of Changes In Equity
For The Financial Year Ended 30 June 2023
(continued)

	Note	<u>Non- distributable Share capital</u> RM'000	<u>Distributable Retained earnings</u> RM'000	Total equity RM'000
Company				
At 1 July 2021		240,400	32,902	273,302
Loss for the financial year, representing total comprehensive loss for the financial year		-	(29,067)	(29,067)
Transaction with owners:				
Issuance of ordinary shares pursuant to exercise of warrants	16	12,727	-	12,727
At 30 June 2022		253,127	3,835	256,962
At 1 July 2022				
Profit for the financial year, representing total comprehensive income for the financial year		-	1,816	1,816
Transaction with owners:				
Issuance of ordinary shares pursuant to exercise of warrants	16	2,536	-	2,536
At 30 June 2023		255,663	5,651	261,314

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



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash flows from operating activities					
Profit/(Loss) before tax		32,816	30,484	1,816	(29,067)
Adjustments for:					
Depreciation of investment properties		162	162	162	162
Depreciation of property, plant and equipment		296	175	65	65
Interest income		(307)	(1,953)	-	-
Interest expenses		24,786	27,778	*	2,606
Allowance for expected credit losses ("ECLs") on:					
- amount due from subsidiaries		-	-	-	5,402
- other receivables		39	-	-	-
Gain on disposal of a subsidiary		(99)	-	-	-
Reversal of allowance for ECLs on:					
- amount due from subsidiaries		-	-	(212)	(4,419)
- trade receivables		(132)	(44)	-	-
- other receivables		(12)	(2)	-	-
Impairment loss on investment in subsidiaries		-	-	-	25,276
Interest income on operating financial assets		(28,426)	(30,183)	-	-
Waiver of debt from amount due to a subsidiary		-	-	(910)	-
Operating profit before working capital changes		29,123	26,417	921	25
Changes in working capital:					
Inventories		796	415	-	-
Operating financial assets		72,047	72,047	-	-
Receivables		(376)	15,592	(7)	(7)
Payables		(3,709)	(8,175)	(791)	(1,428)
Contract liability		2,764	2,421	-	-
		71,522	82,300	(798)	(1,435)
Cash generated from/(used in) operations		100,645	108,717	123	(1,410)
Interest paid		(24)	(11)	-	-
Interest received		36	1,558	-	-
Tax paid		(5,417)	(6,186)	(1)	(1)
Tax refunded		-	51	-	49
Net cash from/(used in) operating activities		95,240	104,129	122	(1,362)
Cash flows from investing activities					
Interest received		271	395	-	-
Placement of deposits pledged with licensed banks		(200)	(247)	-	-
Purchase of property, plant and equipment		(57)	(1,084)	(43)	(4)
Net cash inflow from disposal of a subsidiary		100	-	-	-
(Advance to)/Repayment from subsidiaries		-	-	(2,330)	31,936
Net cash from/(used in) investing activities		114	(936)	(2,373)	31,932



Statements of Cash Flows
For the Financial Year Ended 30 June 2023
(continued)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash flows from financing activities					
Drawdown of term loan		-	13,000	-	-
Interest paid		(24,762)	(27,767)	*	(2,606)
Repayments of lease liabilities	A	(16)	(102)	(16)	(21)
Advances from subsidiaries		-	-	60	79
Repayments of term loans		(61,842)	(112,975)	-	(40,000)
Proceeds from issuance of share capital from exercise of warrants		2,536	12,727	2,536	12,727
Net cash (used in)/from financing activities		(84,084)	(115,117)	2,580	(29,821)
Net increase/(decrease) in cash and cash equivalents					
		11,270	(11,924)	329	749
Cash and cash equivalents at the beginning of the financial year					
		32,543	44,467	761	12
Cash and cash equivalents at the end of the financial year					
		43,813	32,543	1,090	761
Cash and cash equivalents at the end of the financial year comprises:					
Cash and bank balances		44,878	34,301	1,090	761
Deposits with licensed banks		13,239	13,038	-	-
Less: Bank overdraft	18	(1,088)	(1,780)	-	-
		57,029	45,559	1,090	761
Less: Deposits pledged with licensed banks	14	(13,216)	(13,016)	-	-
		43,813	32,543	1,090	761

NOTE TO THE STATEMENTS OF CASH FLOWS

A. Cash outflows for leases as a lessee

Included in net cash from operating activities:					
Payment relating to short-term leases	26	36	14	-	-
Included in net cash used in financing activities:					
Payment of lease liabilities		16	102	16	21
Payment on interest of lease liabilities		*	8	*	3
		16	110	16	24
		52	124	16	24

* Amount less than RM1,000

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



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

1. CORPORATE INFORMATION

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

The registered office of the Company is located at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur.

The principal place of business of the Company is located at Wisma OZ, No. 11-1, Jalan Kuchai Maju 5, Kuchai Entrepreneurs' Park, Jalan Kuchai Lama, 58200 Kuala Lumpur.

The principal activities of the Company are investment holding and the provision of management services. The principal activities of its subsidiaries are disclosed in Note 8 to the financial statements.

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

2. BASIS OF PREPARATION

(a) Statement of compliance

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.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies below.

Adoption of new and amended standards

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

Amendment to MFRS 16	COVID-19 - Related Rent Concessions beyond 30 June 2021
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018 - 2020	Amendments to MFRS 1 Amendments to MFRS 9 Amendments to Illustrative Examples accompanying MFRS 16 Amendments to MFRS 141

The adoption of the above amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.



Notes To The Financial Statements (continued)

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective

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

		Effective dates for financial year beginning on or after
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules	1 January 2023
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above new and amendments to MFRSs when they become effective.

The initial applications of the above-mentioned new and amendments to MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to nearest thousand, unless otherwise stated.



Notes To The Financial Statements (continued)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements

The followings are the accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options - Group and the Company as lessee

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if they are reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if they are reasonably certain not to be exercised.

The Group and the Company have several lease contracts that include extension and termination options. The Group and the Company apply judgements in evaluating whether they are reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, they consider all relevant factors that create an economic incentive for them to exercise either the renewal or termination. After the commencement date, the Group and the Company reassess the lease term if there is a significant event or change in circumstances that is within their controls and affects their abilities to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group and the Company include the renewal period as part of the lease term for leases of land and building with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Satisfaction of performance obligations in relation to contracts with customers

The Group and the Company are required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations.

The Group and the Company recognise revenue over time in the following circumstances:

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

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group and the Company assesses each contract with customers to determine when the performance obligation of the Group and the Company under the contract is satisfied.



Notes To The Financial Statements (continued)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Useful lives of property, plant and equipment and investment properties

The Group and the Company regularly review the estimated useful lives of property, plant and equipment and investment properties based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment and investment properties would increase the recorded depreciation and decrease the values of property, plant and equipment and investment properties. The carrying amount at the reporting date for property, plant and equipment and investment properties are disclosed in Notes 4 and 5 to the financial statements.

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected selling prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of their inventories. Details of inventories are disclosed in Note 6 to the financial statements.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Determination of transaction prices

The Group and the Company are required to determine the transaction price in respect of each of their contracts with customers. In making such judgement the Group and the Company assess the impact of any variable consideration in the contract due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

There is no significant financing as the period between the transfer of control of good or service to a customer and the payment date is always less than one year, and no non-cash consideration noted in the contracts with customers.



Notes To The Financial Statements (continued)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Revenue from property development contracts

Revenue is recognised when the control of the asset is transferred to the customers and, depending on the terms of the contracts and the applicable laws governing the contracts control of the asset may transfer over time or at a point in time.

In accordance with IC Int 12 *Service Concession Arrangements*, revenue associated with construction works under the Concession Agreement shall be recognised and measured in accordance with MFRS 15 *Revenue from Contracts with Customers* ("MFRS 15"). The consideration received or receivable from construction work rendered by the Group is measured in accordance with MFRS 15, i.e. based on the allocated transaction price. The estimated revenue is affected by a variety of uncertainties that depend on the outcome of future event.

Significant judgements are used to estimate these total property development costs to complete the contracts. In making these estimates, management relies on past experience, the work of specialists and a continuous monitoring mechanism.

Provision for ECLs of financial assets at amortised cost

The Group and the Company review the recoverability of their receivables at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgements in making these assumptions and selecting the inputs to the impairment calculation, based on Group's and Company's past history, existing market conditions at the end of each reporting period.

The Group and the Company use a provision matrix to calculate ECLs for receivables. The provision rates are based on number of days past due.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The carrying amounts at the reporting date for receivables are disclosed in Notes 10, 11, 12 and 13 to the financial statements.

Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group and the Company use the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group and the Company would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group and the Company estimate the incremental borrowing rate using observable inputs when available and are required to make certain entity-specific estimates.



Notes To The Financial Statements (continued)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

3. SIGNIFICANT ACCOUNTING POLICIES

The Group and the Company apply the significant accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed in profit or loss as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is re-measured at its acquisition-date fair value and the resulting gain or loss is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 *Financial Instruments* is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (Cont'd)

(i) Subsidiaries (Cont'd)

Inter-company transactions, balances and unrealised gains or losses on transactions within the Group are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investment in subsidiaries are stated at cost less accumulated impairment losses. On disposal of such investments, the differences between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(m)(i) to the financial statements on impairment of non-financial assets.

(ii) NCI

NCI at the reporting period, being the portion of the net assets of subsidiaries to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated statements of financial position and statements of changes in equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group are presented in the consolidated statements of comprehensive income as an allocation of the profit or loss and the comprehensive income for the financial year between the NCI and the equity shareholders of the Company.

Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

Transactions with NCI that do not result in loss of control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiaries is recorded in equity. Gains or losses on disposals to NCI are also recorded in equity.

(iii) Loss of control

Upon the losses control of a subsidiary, the Group derecognised the assets and liabilities of the former subsidiary, including any goodwill, and NCI and other components of equity related to the former subsidiary from the consolidated statements of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is re-measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a financial asset depending on the level of influence retained.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Investment in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

On acquisition of an investment in an associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of associate's profit or loss for the period in which the investment is acquired.

An associate is accounted for either at cost or equity method as described in MFRS 128 from the date on which the investee becomes an associate. Under the equity method, on initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of profit or loss and other comprehensive income of the associate after the date of acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Profits or losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the associate.

Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the assets transferred.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The requirements of MFRS 136 *Impairment of Assets* are applied to determine whether it is necessary to recognise any additional impairment losses with respect to its net investment in the associate. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment losses is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investments at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in associate is either stated at cost less accumulated impairment losses or equity method. On disposal of such investment, the difference between net disposal proceeds and its carrying amount is recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(m)(i) to the financial statements on impairment of non-financial assets.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(m)(i) to the financial statements on impairment of non-financial assets.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Property, plant and equipment (Cont'd)

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the assets to working condition for their intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. All other repair and maintenance costs are recognised in profit or loss as incurred.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and the Company and their costs can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in the profit or loss on straight-line basis at following annual rates to write off the cost of each asset to its residual value over its estimated useful life.

Plant and machinery	10% - 25%
Motor vehicles	20%
Furniture, fittings and equipment	10% - 25%
Site office and signboards	20%
Renovation	10% - 20%
Office	Over the lease term

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the property, plant and equipment.

(d) Leases

As lessee

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

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. The policy of recognition and measurement of impairment losses is in accordance with Note 3(m)(i) to the financial statements.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Leases (Cont'd)

As lessee (Cont'd)

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives and principal depreciation rate of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Office	Over the lease term
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The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the Group's and the Company's incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group and the Company are reasonably certain to exercise.

Variable lease payments that do not depend on an index or a rate and are dependent on a future activity are recognised as expenses in profit or loss in the period in which the event or condition that triggers the payment occurs.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Group and the Company change their assessment of whether they will exercise an extension or termination option.

Lease payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased new.

As lessor

When the Group and the Company act as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Group and the Company do not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

If the lease arrangement contains lease and non-lease components, the Group and the Company apply MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract based on the stand-alone selling price.

The Group and the Company recognise assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Group and the Company use the interest rate implicit in the lease to measure the net investment in the lease.

The Group and the Company recognises lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income". Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Freehold lands are not depreciated. Building is depreciated on a straight-line basis to write down the cost of each asset to its residual value over its estimated useful life of 50 years.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(m)(i) to the financial statements on impairment of non-financial assets.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. Upon disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

(f) Inventories

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

(i) Land held for property development

Land held for property development consists of purchase price of land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale. If net realisable value cannot be determined reliably, these inventories will be stated at the lower of cost or fair value costs to sell. Fair value is the amount the inventory can be sold in an arm's length transaction.

Land held for property development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current asset.

Land held for property development is transferred to property development costs under current assets when development activities have commenced and are expected to be completed within the normal operating cycle.

(ii) Property under development and completed property

Property under development consists of the cost of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities, including common costs such as the cost of constructing mandatory infrastructure, amenities and affordable houses (net of estimated approved selling prices) and other related costs. The asset is subsequently recognised as an expenses in profit or loss when and as the control of the asset is transferred to the customer.

Properties development costs attributable to unsold properties, upon completion, are transferred to completed properties held for sale.

The costs of completed properties include costs of land and related development costs or its purchase costs and incidental cost of acquisition. Costs is determined on a specific identification basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable selling expenses.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Operating financial assets

The Group entered into various public-to-private service concession arrangement to construct or upgrade infrastructure (construction or upgrade services) and operate and maintain that infrastructure (operation services) for a specific period of time under a single contract or arrangement. Under these concession arrangements, the grantor controls significant residual interest in the infrastructure at the end of the concession period.

The Group accounts for its service concession arrangements under the financial asset model as the Group has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services. The consideration received and receivable is allocated by reference to the relative fair values of the various services delivered, when the amounts are separately identified. The allocation is performed by reference to the fair values of the services provided even if the contract stipulates individual prices for certain services. This is because, the amounts specified in the contracts may not necessarily be representative of the fair values of the services provided or the prices that would be charged if the services were sold on a standalone basis. The Group estimates the relative fair values of the services by reference to the costs of providing each service plus a reasonable profit margin.

In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value. It is subsequently measured at amortised cost. The amount initially recognised plus the cumulative interest on that amount is calculated using the effective interest method.

Any assets carried under concession arrangements is derecognised when the contractual rights to the financial asset expire.

(h) Financial assets

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

A financial asset (unless it is a trade receivable without financing component) is initially measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), directly attributable transaction costs. A trade receivable without a significant financing component is initially measured at the transaction price.

The Group and the Company determine the classification of their financial assets at initial recognition, and are not reclassified subsequent to their initial recognition unless the Group and the Company change their business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(i) Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Financial assets (Cont'd)

All financial assets, except for those measured at FVTPL and equity investments measured at fair value through other comprehensive income, are subject to impairment.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received for financial instrument is recognised in profit or loss.

(i) Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become parties to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(j) 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*.

(k) Offsetting of financial instruments

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



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, bank overdraft and deposits with licensed banks that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of statements of cash flows, cash and cash equivalents are presented net of bank overdraft and pledged deposits.

(m) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indications exist, the asset's recoverable amount is estimated.

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 other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. 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 cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the losses have decreased or no longer exist. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss.

(ii) Financial assets

The Group and the Company recognise an allowance for ECLs for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on their historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Share capital

An equity instrument is any contracts that evidence a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

(o) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursements that the Group and the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is recognised in the profit or loss net of any reimbursement.

(p) Employee benefits

(i) Short-term employee benefits

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

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as expenses in the profit or loss as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Revenue recognition

(i) Revenue from contracts with customers

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

Revenue recognition of the Group and the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer). For practical expedient, the Group and the Company applied revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics in the property development business if the Group and the Company 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 and the Company measure revenue from sale of goods or services at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties such as goods and service tax, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group and the Company use the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group and the Company expect to better predict the amount of consideration to which it is entitled.

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

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

Revenue from the sale of completed properties is recognised at a point in time when control of the property is transferred to the customer and it is probable that the Group will collect the consideration to which it is entitled.

Revenue from maintenance income and management fee are recognised over time when the service is rendered.

(ii) Interest income

Interest income is recognised using the effective interest method. The notional interest income resulting from the accretion of discount on operating financial assets using the effective interest rate method is recognised in profit or loss.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(r) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(s) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

(t) Income taxes

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.



Notes To The Financial Statements (continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(u) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

(v) Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

(w) Earnings per share

(i) Basic

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

(ii) Diluted

Diluted earnings per share is calculated by dividing the net profit for the reporting period attributable to common controlling shareholders by the weighted average number of ordinary shares in issue, adjusted for the dilutive effects of all potential ordinary shares to be issued.

(x) Related parties

A related party is a person or entity that is related to the Group. A related party transaction is a transfer of resources, services or obligations between the Group and its related party, regardless of whether a price is charged.

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) Has control or joint control over the Group;
 - (ii) Has significant influence over the Group; or
 - (iii) Is a member of the key management personnel of the Group.

- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group.
 - (ii) The entity is an associate or joint venture of the other entity.
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) The entity is a joint venture of a third entity and the other entity is an associate of the same third entity.
 - (v) The entity is a post-employment benefit plan for the benefits of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly-controlled by a person identified in (a) above.
 - (vii) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the Group.
 - (viii) The entity, or any member of a company of which it is a party, provides key management personnel services to the Group.



Notes To The Financial Statements (continued)

4. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, fitting and equipment RM'000	Site office and signboards RM'000	Renovation RM'000	Office RM'000	Total RM'000
Group Cost							
At 1 July 2021	49	264	688	104	123	43	1,271
Additions	-	849	56	-	179	-	1,084
At 30 June 2022	49	1,113	744	104	302	43	2,355
Additions	-	-	12	-	45	-	57
Written off	-	-	(35)	-	-	-	(35)
Expiry of lease contract	-	-	-	-	-	(43)	(43)
At 30 June 2023	49	1,113	721	104	347	-	2,334
Accumulated depreciation							
At 1 July 2021	39	180	593	91	25	7	935
Charge for the financial year	4	86	29	3	31	22	175
At 30 June 2022	43	266	622	94	56	29	1,110
Charge for the financial year	1	192	35	3	51	14	296
Written off	-	-	(35)	-	-	-	(35)
Expiry of lease contract	-	-	-	-	-	(43)	(43)
At 30 June 2023	44	458	622	97	107	-	1,328
Carrying amount							
At 30 June 2023	5	655	99	7	240	-	1,006
At 30 June 2022	6	847	122	10	246	14	1,245



Notes To The Financial Statements (continued)

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Furniture, fitting and equipment RM'000	Site office and signboards RM'000	Renovation RM'000	Office RM'000	Total RM'000
Company Cost					
At 1 July 2021	624	93	123	43	883
Additions	4	-	-	-	4
At 30 June 2022	628	93	123	43	887
Additions	-	-	43	-	43
Written off	(35)	-	-	-	(35)
Expiry of lease contract	-	-	-	(43)	(43)
At 30 June 2023	593	93	166	-	852
Accumulated depreciation					
At 1 July 2021	554	90	25	7	676
Charge for the financial year	18	1	24	22	65
At 30 June 2022	572	91	49	29	741
Charge for the financial year	17	1	33	14	65
Written off	(35)	-	-	-	(35)
Expiry of lease contract	-	-	-	(43)	(43)
At 30 June 2023	554	92	82	-	728
Carrying amount					
At 30 June 2023	39	1	84	-	124
At 30 June 2022	56	2	74	14	146

(a) Including in net carrying amount of property, plant and equipment are ROU assets as follows:

	Group and Company 2023 RM'000	Group and Company 2022 RM'000
Office	-	14

(b) Depreciation charge of ROU assets are as follow:

	Group and Company 2023 RM'000	Group and Company 2022 RM'000
Office	14	22



Notes To The Financial Statements
(continued)

5. INVESTMENT PROPERTIES

	Freehold lands RM'000	Group Freehold building RM'000	Total RM'000
Cost			
At 1 July 2021/At 30 June 2022/At 30 June 2023	65,243	8,114	73,357
Accumulated depreciation			
At 1 July 2021	-	2,515	2,515
Charge for the financial year	-	162	162
At 30 June 2022	-	2,677	2,677
Charge for the financial year	-	162	162
At 30 June 2023	-	2,839	2,839
Accumulated impairment losses			
At 1 July 2021/At 30 June 2022/At 30 June 2023	19,199	-	19,199
Carrying amount			
At 30 June 2023	46,044	5,275	51,319
At 30 June 2022	46,044	5,437	51,481
Company			
	Freehold land RM'000	Freehold building RM'000	Total RM'000
Cost			
At 1 July 2021/At 30 June 2022/At 30 June 2023	4,325	8,114	12,439
Accumulated depreciation			
At 1 July 2021	-	2,515	2,515
Charge for the financial year	-	162	162
At 30 June 2022	-	2,677	2,677
Charge for the financial year	-	162	162
At 30 June 2023	-	2,839	2,839
Carrying amount			
At 30 June 2023	4,325	5,275	9,600
At 30 June 2022	4,325	5,437	9,762



Notes To The Financial Statements (continued)

5. INVESTMENT PROPERTIES (CONT'D)

Fair value information

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Fair value of investment properties	101,722	128,397	18,496	22,630

Expenses recognised in profit or loss

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Direct operating expenses	211	258	117	80

Fair value basis of investment properties

Investment properties are stated at cost. As at the reporting date, the fair values of the investment properties are valued based on the exit price at the measurement date from the perspective of a market participant that holds the asset. In estimating the fair values of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation techniques during the financial year.

Fair value measurement of the investment properties were categorised as follows:

	Group		Company	
	2023 Level 3 RM'000	2022 Level 3 RM'000	2023 Level 3 RM'000	2022 Level 3 RM'000
Freehold land	87,902	117,446	4,676	11,679
Freehold building	13,820	10,951	13,820	10,951
	101,722	128,397	18,496	22,630

Level 3 Fair value

Level 3 fair value of land and building have been generally estimated by the Directors based on the recent transacted prices in the market of land and building with similar condition and location. In estimating the fair values of the investment properties, the highest and best use of investment properties as its current use.



Notes To The Financial Statements (continued)

6. INVENTORIES

	Group	
	2023	2022
	RM'000	RM'000
Non-current		
Properties held for development		
- Freehold land	130,935	131,010
- Development costs	28,407	29,358
	159,342	160,368
Current		
Properties under development		
- Freehold land	19,705	19,585
- Leasehold land	9,236	9,236
- Development costs	3,443	3,333
	32,384	32,154
	191,726	192,522

Included in properties held for development are freehold land and development costs with carrying amount of RM12,560,000 (2022: RM12,560,000) pledged as security to secure banking facilities granted to the Group.

Included in properties held for development are two pieces of freehold land and development costs in Seremban with carrying amount of RM5,557,000 (2022: RM5,557,000). The total land area are hold 50% each by a subsidiary and a third party respectively with the intention to develop the land together.

Included in properties under development are land and development costs with carrying amount of RM28,795,000 (2022: RM28,795,000) which the Group has entered into Consortium Agreement, Deed of Trusts, Shareholders Agreements and Memorandum of Re-iteration and Confirmation. This amount refers to the 70% share entitlement of the land by the consortium parties whereas the Group has remaining 30% of its share entitlement of the land.



Notes To The Financial Statements (continued)

7. OPERATING FINANCIAL ASSETS

	Group	
	2023	2022
	RM'000	RM'000
Non-current	618,186	663,639
Current	45,453	43,621
	663,639	707,260

- (i) The Group entered into certain concession agreements with Universiti Teknologi MARA (“UiTM”) and the Government of Malaysia (“the Government”) as represented by the Ministry of Higher Education Malaysia under a private finance initiative for the right and authority to undertake the planning, design, development, construction, landscaping, equipping, installations, completion, testing and commissioning of the facilities and infrastructure of UiTM campuses and to carry out the maintenance works in relation to the maintenance of the facilities and infrastructure.

Each concession agreement is for a period of 23 years comprising 3 years of construction works and 20 years of maintenance works (“Maintenance Period”). The maintenance works will commence upon the issuance of Certificate of Acceptance by UiTM and expiring on the last date of the Maintenance Period. Upon expiry of the Maintenance Period, the Group is required to handover the facilities and infrastructure at no cost to UiTM in a well-maintained and operational condition.

UiTM will pay the Group throughout the Maintenance Period concession charges which comprise availability charges for the availability of the facilities and infrastructure and maintenance charges for the provision of maintenance works in accordance with the provisions of the concession agreements. The Group and UiTM may make request in writing for the review of the maintenance charges at the interval of every five years after the maintenance commencement date, subject to the Government’s approval.

The amount being the financial assets arising from the above concession agreements represents the fair value of the consideration receivable for the construction services delivered during the stage of construction. They carry interest at rates ranging from 3.91% to 4.37% (2022: 3.91% to 4.37%) per annum and repayable in the form of availability charges upon fulfilment of the terms and conditions in the concession agreements.

- (ii) All rights, interest and title limited to the availability charges, any amount payable by the Government, and reimbursement of costs by UiTM are assigned to financial institutions to secure term loan facilities granted to the Group.

8. INVESTMENT IN SUBSIDIARIES

	Company	
	2023	2022
	RM'000	RM'000
In Malaysia		
At cost		
Unquoted shares	432,902	432,902
Less: Accumulated impairment losses *	(183,194)	(183,194)
	249,708	249,708

* In the previous financial year, the Company recognised impairment loss of RM25,276,000 in respect of certain investments in subsidiaries as these subsidiaries are continuously loss making and the Company has determined the recoverable amount to be lower than the cost of investment of RM25,276,000.



Notes To The Financial Statements (continued)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

Movements in the accumulated impairment losses are as follows:

	Company	
	2023 RM'000	2022 RM'000
At beginning of the financial year	183,194	157,918
Impairment loss for the financial year	-	25,276
At end of the financial year	183,194	183,194

Details of the subsidiaries are as follows:

Name of company	Place of business / Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Menang Development (M) Sdn. Bhd.	Malaysia	100	100	Property development
Menang Leasing and Credit (M) Sdn. Bhd.	Malaysia	100	100	Leasing and hire purchase
Menang Management Services (M) Sdn. Bhd.	Malaysia	100	100	Management services
Menang Properties (M) Sdn. Bhd.	Malaysia	100	100	Property investment
Menang Aquatics Sdn. Bhd.	Malaysia	100	100	Investment holding and undertaking of landscaping projects
Menang Construction (M) Sdn. Bhd.	Malaysia	100	100	Property construction
Equitiplus Sdn. Bhd.	Malaysia	100	100	Investment holding
Hitung Panjang Sdn. Bhd.	Malaysia	100	100	Investment holding
Temeris Holdings Sdn. Bhd.	Malaysia	100	100	Investment holding
Menang Industries (M) Sdn. Bhd.	Malaysia	100	100	Investment holding



Notes To The Financial Statements (continued)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows: (Cont'd)

Name of company	Place of business / Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Menang Plantations (M) Sdn. Bhd.	Malaysia	100	100	Dormant
Seremban 3 Paradise Valley Golf Resort Sdn. Bhd.	Malaysia	100	100	Dormant
Held through Hitung Panjang Sdn. Bhd.:				
Maztri Padu Sdn. Bhd.	Malaysia	100	100	Management services and property development
Held through Menang Leasing and Credit (M) Sdn. Bhd.:				
Menang Finservices (M) Sdn. Bhd.	Malaysia	-	100	Licensed money-lender
Held through Menang Land (M) Sdn. Bhd.:				
Menang Saujana Sdn. Bhd.	Malaysia	100	100	Property development
Held through Menang Aquatics Sdn. Bhd.:				
Menang Greens Sdn. Bhd.	Malaysia	100	100	Landscaping and turf farming
Held through Equitiplus Sdn. Bhd.:				
Harapan Akuarium (M) Sdn. Bhd.	Malaysia	100	100	Investment holding
Menang Equities (M) Sdn. Bhd.	Malaysia	100	100	Investment holding
Held through Temeris Holdings Sdn. Bhd.:				
Temeris Resorts Development Sdn. Bhd.	Malaysia	100	100	Property development
Held through Menang Development (M) Sdn. Bhd.:				
Menang Land (M) Sdn. Bhd.	Malaysia	100	100	Investment holding
Twin Version Sdn. Bhd.	Malaysia	100	100	Investment holding
Charisma Cheer Sdn. Bhd.	Malaysia	100	100	Investment holding
Inovatif Mewah Sdn. Bhd.	Malaysia	71	71	Concession arrangements
Rumpun Positif Sdn. Bhd.	Malaysia	51	51	Concession arrangements
Protokol Elegan Sdn. Bhd.	Malaysia	51	51	Concession arrangements



Notes To The Financial Statements
(continued)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Material partly-owned subsidiaries

Set out below are the Group's subsidiaries that have material NCI:

Name of company	Proportion of ownership interest and voting rights held by NCI		Profit allocated to NCI		Accumulated NCI	
	2023	2022	2023	2022	2023	2022
	%	%	RM'000	RM'000	RM'000	RM'000
Inovatif Mewah Sdn. Bhd.	29	29	5,499	4,749	48,166	42,667
Rumpun Positif Sdn. Bhd.	49	49	3,310	3,461	37,708	34,398
Protokol Elegan Sdn. Bhd.	49	49	2,065	2,272	20,306	18,241
			10,874	10,482	106,180	95,306

Summarised financial information for subsidiaries that have NCI that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations.

(i) Summarised statement of financial position

	Inovatif Mewah Sdn. Bhd. RM'000	Rumpun Positif Sdn. Bhd. RM'000	Protokol Elegan Sdn. Bhd. RM'000
2023			
Non-current assets	260,891	258,619	98,676
Current assets	87,745	37,847	14,547
Non-current liabilities	(117,378)	(175,926)	(58,325)
Current liabilities	(65,169)	(43,584)	(13,458)
Net assets	166,089	76,956	41,440
2022			
Non-current assets	282,474	276,225	104,940
Current assets	74,826	33,427	13,707
Non-current liabilities	(151,805)	(199,929)	(65,333)
Current liabilities	(58,369)	(39,523)	(16,088)
Net assets	147,126	70,200	37,226



Notes To The Financial Statements (continued)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Material partly-owned subsidiaries (Cont'd)

(ii) Summarised statement of profit or loss and other comprehensive income

	Inovatif Mewah Sdn. Bhd. RM'000	Rumpun Positif Sdn. Bhd. RM'000	Protokol Elegan Sdn. Bhd. RM'000
2023			
Revenue	39,093	33,600	14,231
Profit for the financial year, representing total comprehensive income for the financial year	18,963	6,756	4,215
2022			
Revenue	40,221	32,547	14,526
Profit for the financial year, representing total comprehensive income for the financial year	16,377	7,063	4,636

(iii) Summarised statement of cash flows

	Inovatif Mewah Sdn. Bhd. RM'000	Rumpun Positif Sdn. Bhd. RM'000	Protokol Elegan Sdn. Bhd. RM'000
2023			
Net cash from operating activities	45,476	38,231	15,001
Net cash (used in)/from investing activities	(2,068)	(4)	75
Net cash used in financing activities	(36,649)	(35,537)	(15,086)
Net increase/(decrease) in cash and cash equivalents	6,759	2,690	(10)
2022			
Net cash from operating activities	43,100	37,227	15,056
Net cash (used in)/from investing activities	(4,155)	1	1
Net cash used in financing activities	(43,308)	(40,537)	(14,725)
Net (decrease)/increase in cash and cash equivalents	(4,363)	(3,309)	332



Notes To The Financial Statements (continued)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Disposal of a subsidiary

On 5 September 2022, Menang Leasing and Credit (M) Sdn. Bhd. entered into a share sale agreement with Goh Choong Kheng and Lee Boon Kwong in relation to the disposal of 500,000 ordinary shares in Menang Finservices (M) Sdn. Bhd. ("MFSB"), representing 100% of the total issued shares of MFSB for a total sales consideration of RM100,000. The disposal has been completed on 22 March 2023.

The effect of the disposal of MFSB on the financial position of the Group as at the date of disposal was as follows:

	2023
	RM
Other receivable	2
Other payable	(1)
<hr/>	
Total net assets disposed	1
Gain on disposal	99
<hr/>	
Proceeds from disposal	100
Less: Cash and cash equivalents	(*)
<hr/>	
Net cash inflows from disposal	100

* Amount less than RM1,000

(c) Striking off of a subsidiary

On 11 July 2023, a wholly-owned subsidiary of the Company, Menang Leasing and Credit (M) Sdn. Bhd. has submitted an application to the Companies Commission of Malaysia to strike off its name from the Register pursuant to Section 550 of the Companies Act 2016.

9. INVESTMENT IN AN ASSOCIATE

	Group	
	2023	2022
	RM'000	RM'000
In Malaysia		
Unquoted shares, at cost	*	*

* Amount less than RM1,000



Notes To The Financial Statements (continued)

9. INVESTMENT IN AN ASSOCIATE (CONT'D)

Details of the associate is as follows:

Name of company	Place of business / Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Pacific Bright Sdn. Bhd.	Malaysia	30	30	To act as manager for a consortium

- (a) The summarised financial information is not presented as the associate is not material to the Group.
- (b) The Group has not recognised its share of losses of the associate because the Group's cumulative share of losses has exceeded its interest in that associate and the Group has no obligation in respect of these losses.

10. TRADE RECEIVABLES

	Group	
	2023 RM'000	2022 RM'000
Trade receivables	5,701	868
Accrued income	10,913	10,913
	16,614	11,781
Less: Accumulated allowance for ECLs	(181)	(334)
	16,433	11,447

Trade receivables are non-interest bearing and are generally on 14 days to 90 days (2022: 14 days to 30 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Movements in the allowance for ECLs are as follows:

	Group	
	2023 RM'000	2022 RM'000
At beginning of the financial year	334	378
Reversal of allowance for ECLs	(132)	(44)
Written off	(21)	-
At end of the financial year	181	334



Notes To The Financial Statements
(continued)

10. TRADE RECEIVABLES (CONT'D)

The following table provide information about the exposure to credit risk and allowance for ECLs for trade receivables:

	Gross carrying amount RM'000	ECLs RM'000	Carrying amount RM'000
Group			
2023			
Not past due	16,327	-	16,327
Past due:			
Less than 30 days	6	-	6
31 to 60 days	8	-	8
61 to 90 days	5	-	5
More than 90 days	87	-	87
	106	-	106
	16,433	-	16,433
Credit impaired:			
Individual impaired	181	(181)	-
	16,614	(181)	16,433
2022			
Not past due	11,333	-	11,333
Past due:			
Less than 30 days	7	-	7
31 to 60 days	11	-	11
61 to 90 days	7	-	7
More than 90 days	89	-	89
	114	-	114
	11,447	-	11,447
Credit impaired:			
Individual impaired	334	(334)	-
	11,781	(334)	11,447



Notes To The Financial Statements (continued)

11. OTHER RECEIVABLES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-trade receivables	679	5,189	-	-
Less: Allowance for ECLs	(56)	(32)	-	-
	623	5,157	-	-
Deposits	16	14	-	6
Prepayment	327	302	60	47
	966	5,473	60	53

Non-trade receivables are unsecured, non-interest bearing and repayable on demand.

Movements in the allowance for ECLs are as follows:

	Group	
	2023 RM'000	2022 RM'000
At beginning of the financial year	32	34
Allowance for ECLs	39	-
Reversal of allowance for ECLs	(12)	(2)
Written off	(3)	-
At end of the financial year	56	32

12. AMOUNT DUE FROM/(TO) SUBSIDIARIES

	Company	
	2023 RM'000	2022 RM'000
Amount due from subsidiaries:		
Non-trade related	83,250	80,920
Less: Allowance for ECLs	(68,524)	(68,736)
	14,726	12,184
Amount due to subsidiaries:		
Non-trade related	(13,461)	(14,311)



Notes To The Financial Statements
(continued)

12. AMOUNT DUE FROM/(TO) SUBSIDIARIES (CONT'D)

Movements in the allowance for ECLs are as follows:

	Company	
	2023 RM'000	2022 RM'000
At beginning of the financial year	68,736	67,753
Allowance for ECLs	-	5,402
Reversal of allowance for ECLs	(212)	(4,419)
At end of the financial year	68,524	68,736

These amounts are unsecured, non-interest bearing and repayable on demand.

13. AMOUNT DUE FROM AN ASSOCIATE

	Group	
	2023 RM'000	2022 RM'000
Trade related	1,181	1,181
Non-trade related	1,148	1,148
Less: Allowance for ECLs	(120)	(120)
	1,028	1,028
	2,209	2,209

Movements in the allowance for ECLs are as follows:

	Group	
	2023 RM'000	2022 RM'000
At beginning/end of the financial year	120	120

This amount is unsecured, non-interest bearing and repayable on demand.



Notes To The Financial Statements (continued)

14. DEPOSITS WITH LICENSED BANKS

	Group	
	2023 RM'000	2022 RM'000
Deposits with licensed bank	13,239	13,038
Less: Deposits held under Designated Accounts and pledged as securities for term loans	(13,216)	(13,016)
Net balance	23	22

Included in deposits with licensed banks of the Group are amount of RM13,216,000 (2022: RM13,016,000) which were held under Designated Accounts and pledged as securities for term loans granted to subsidiaries of the Group.

Included in deposits placed with licensed banks of the Group amounting to RM7,564,000 (2022: RM3,545,000) are placements made for a period of 3 months or less, depending on the immediate cash requirements of the Group and bear interest at rates ranging from 2.45% to 2.75% (2022: 1.75% to 2.00%) per annum.

Deposits with maturities more than 3 months amounting to RM5,675,000 (2022: RM9,493,000) are placements made for a period of more than 3 months and bear interest at rates ranging from 2.40% to 3.15% (2022: 2.15% to 2.40%) per annum and mature within one year.

15. CASH AND BANK BALANCES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash and bank balances	99,916	83,289	1,090	761
Less: Monies held in Maintenance Reserve Fund which were excluded from cash and bank balances	(55,038)	(48,988)	-	-
Cash and bank balances as reported in statements of financial position	44,878	34,301	1,090	761
Less: Bank balances held under Designated Accounts and pledged as securities for term loans	(15,551)	(7,779)	-	-
Less: Bank balances held as Maintenance Reserve Fund	(25,018)	(22,254)	-	-
Net balance	4,309	4,268	1,090	761

Monies held in Maintenance Reserve Fund of 2 subsidiaries amounting to RM55,038,000 (2022: RM48,988,000) were excluded from the cash and bank balances of the Group.

Included in cash and bank balances of the Group are amount of RM15,551,000 (2022: RM7,779,000) which were held under Designated Accounts and pledged as securities for term loans granted to subsidiaries of the Group.

Included in cash and bank balances of the Group is an amount of RM25,018,000 (2022: RM22,254,000) which was held as Maintenance Reserve Fund for the purpose of utilisation for capital replacements, as disclosed in Note 23 to the financial statements and therefore restricted from use in other operations.



Notes To The Financial Statements (continued)

16. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2023 Units'000	2022 Units'000	2023 RM'000	2022 RM'000
Issued and fully paid				
At beginning of the financial year	506,252	480,799	253,127	240,400
Shares issued during the financial year	5,073	25,453	2,536	12,727
At end of the financial year	511,325	506,252	255,663	253,127

During the financial year, the issued and fully-paid up ordinary shares of the Company increased from 506,252,590 to 511,325,130 by way of issuance of 5,072,540 new ordinary shares pursuant to warrants exercised at an exercise price of RM0.50 each for cash.

In the previous financial year, the issued and fully-paid up ordinary shares of the Company increased from 480,799,440 to 506,252,590 by way of issuance of 25,453,150 new ordinary shares pursuant to warrants exercised at an exercise price of RM0.50 each for cash.

The movements of the warrants are as follows:

	At 1.7.2022	Number of units exercised	At 30.6.2023
Warrants 2021/2024	214,946,477	(5,072,540)	209,873,937
	At date of issuance	Number of units exercised	At 30.6.2022
Warrants 2021/2024	240,399,627	(25,453,150)	214,946,477

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

17. RETAINED EARNINGS

The entire retained earnings of the Company are available for distribution as single-tier dividends.



Notes To The Financial Statements (continued)

18. LOANS AND BORROWINGS

	Group	
	2023	2022
	RM'000	RM'000
Secured		
Term loans	354,841	416,683
Bank overdraft	1,088	1,780
	355,929	418,463
Non-current		
Term loans	276,000	345,905
Current		
Term loans	78,841	70,778
Bank overdraft	1,088	1,780
	79,929	72,558
	355,929	418,463

The loans and borrowings are secured by the following:

- (a) legal charge over certain freehold land and development costs held for development of a subsidiary as disclosed in Note 6 to the financial statements;
- (b) all agreements in relation to the concession agreements as disclosed in Note 7 to the financial statements;
- (c) deposits with licensed banks of the Group as disclosed in Note 14 to the financial statements;
- (d) cash and bank balances of the Group as disclosed in Note 15 to the financial statements;
- (e) debenture creating a first fixed and floating charge over all present and future assets of certain subsidiaries; and
- (f) corporate guarantee from the Company, subsidiaries and a corporate shareholder of the subsidiary.

The repayment term and interest rates range per annum are as follows:

Term loans bears interest at rates ranging from 5.19% to 8.15% (2022: 4.00% to 10.00%) per annum. The term loans are repayable from 120 to 180 monthly instalments.

Bank overdraft facility is repayable on demand and bears interest at effective interest rate of 7.67% (2022: ranged from 6.42% to 6.67%) per annum.



Notes To The Financial Statements (continued)

19. DEFERRED TAX LIABILITIES

	Group	
	2023 RM'000	2022 RM'000
At beginning of the financial year	83,572	79,968
Recognised in profit or loss	2,950	3,377
Under provision in prior financial years	-	227
At end of the financial year	86,522	83,572

The components and movement of deferred tax liabilities and assets are made up of temporary differences arising from:

	Group	
	2023 RM'000	2022 RM'000
Operating financial assets	95,487	95,877
Inventories	168	168
Unutilised business losses	(5,315)	(6,440)
Unabsorbed capital allowances	(3,818)	(6,033)
	86,522	83,572

20. LEASE LIABILITIES

	Group and Company	
	2023 RM'000	2022 RM'000
Current	-	16

The maturity analysis of lease liabilities at the end of the reporting period:

	Group and Company	
	2023 RM'000	2022 RM'000
Within 1 year	-	16
Less: Future finance charges	-	*
Present value of lease liabilities	-	16

* Amount less than RM1,000



Notes To The Financial Statements (continued)

21. TRADE PAYABLES

The normal trade credit terms granted to the Group ranged from 30 to 40 days (2022: 30 to 40 days) depending on the term of the contracts.

22. OTHER PAYABLES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-trade payables	24,283	26,560	428	165
Sales and service tax payable	240	-	-	-
Accruals	7,805	8,473	115	163
Deposits	1,795	1,794	-	-
Goods and services tax payable	-	1,006	-	1,006
	34,123	37,833	543	1,334

Included in non-trade payables of the Group as at the end of the financial year is an amount of RM23,162,000 (2022: RM25,557,000) arising from the Consortium Agreement entered into between a subsidiary and consortium parties.

Included in non-trade payables of the Group and the Company as at the end of the financial year is an amount due to Directors of RM141,000 and RM69,000 (2022: RM135,000 and RM135,000).

23. CONTRACT LIABILITY

	Group	
	2023 RM'000	2022 RM'000
Maintenance Reserve Fund	25,243	22,479

23.1 Point transactions

	Group	
	2023 RM'000	2022 RM'000
At beginning of the financial year	22,479	20,058
Deferred during the financial year	2,981	2,791
Recognised during the financial year	(217)	(370)
At end of the financial year	25,243	22,479

Contract liability relating to a concession arrangement represents Maintenance Reserve Fund established for the purpose of carrying out capital replacements for the Facilities and Infrastructure of UiTM campus by a subsidiary of the Company.



Notes To The Financial Statements
(continued)

24. REVENUE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue from contracts with customers:				
- Management fees	96	96	2,280	2,280
- Sales of properties	1,500	450	-	-
- Maintenance income	58,498	57,111	-	-
	60,094	57,657	2,280	2,280
Revenue from other source:				
Interest income on operating financial assets	28,426	30,183	-	-
	88,520	87,840	2,280	2,280
Timing of revenue recognition:				
- At over time	58,594	57,207	2,280	2,280
- At a point in time	1,500	450	-	-
	60,094	57,657	2,280	2,280

25. FINANCE COSTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest expenses on:				
- Lease liabilities	*	8	*	3
- Term loans	24,626	27,728	-	2,603
- Bank overdraft	136	31	-	-
- Late charges on payables	24	11	-	-
	24,786	27,778	*	2,606

* Amount less than RM1,000



Notes To The Financial Statements (continued)

26. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax is determined after charging/(crediting) amongst other, the following items:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Auditors' remuneration:				
- statutory audit				
- current financial year	123	126	40	40
- (over)/under provision in prior financial year	-	(12)	-	10
- non-statutory audit				
- current financial year	4	4	4	4
Allowance for ECLs on:				
- amount due from subsidiaries	-	-	-	5,402
- other receivables	39	-	-	-
Depreciation of investment properties	162	162	162	162
Depreciation of property plant and equipment	296	175	65	65
Impairment loss on investment in subsidiaries	-	-	-	25,276
Lease expenses related to:				
- short-term leases (a)	36	14	-	-
Non-executive Directors remuneration as follows:				
- Directors' fee	111	123	111	123
- other emolument	8	16	8	16
Bad debts recovered	-	(2)	-	-
Gain on disposal of a subsidiary	(99)	-	-	-
Interest income from:				
- receivables	(31)	(1,558)	-	-
- deposits with licensed banks	(271)	(395)	-	-
- cash and cash equivalents	(5)	-	-	-
Reversal of impairment loss on:				
- amount due from subsidiaries	-	-	(212)	(4,419)
- trade receivables	(132)	(44)	-	-
- other receivables	(12)	(2)	-	-
Rental income	(13)	(7)	-	-
Waiver of debts from amount due to a subsidiary	-	-	(910)	-

- (a) The Group leases properties with contract terms of not more than one year. These leases are short term. The Group has elected not to recognise ROU assets and lease liabilities for these leases.



Notes To The Financial Statements
(continued)

27. TAXATION

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Tax expenses recognised in profit or loss				
Current tax				
- Current financial year	5,412	5,258	-	-
- Over provision in prior financial years	(3,697)	(965)	-	-
	1,715	4,293	-	-
Deferred tax				
- Origination and reversal of temporary differences	2,950	3,377	-	-
- Under provision in prior financial years	-	227	-	-
	2,950	3,604	-	-
	4,665	7,897	-	-

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(Loss) before tax	32,816	30,484	1,816	(29,067)
At Malaysian statutory tax rate of 24% (2022: 24%)	7,876	7,316	436	(6,976)
Expenses not deductible for tax purposes	476	457	64	6,353
Income not subject to tax	(166)	(123)	(51)	-
Movement of deferred tax assets not recognised	176	985	(449)	623
Over provision of tax expense in prior financial years	(3,697)	(965)	-	-
Under provision of deferred tax in prior financial years	-	227	-	-
	4,665	7,897	-	-



Notes To The Financial Statements (continued)

27. TAXATION (CONT'D)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Property, plant and equipment	168	272	18	39
Inventories	5,601	5,601	-	-
Unutilised business losses	87,873	87,016	20,936	22,682
Unabsorbed capital allowances	2,566	2,585	-	102
	96,208	95,474	20,954	22,823

In accordance with the provision of Finance Act 2018, the utilised business losses could be carried forward for a maximum of seven consecutive years of assessment. Any balance of the unutilised business losses at the end of the seventh year shall be disregarded.

The Finance Act 2021 stated that the time frame to carry forward unutilised business losses for year of assessment 2019 and subsequent years of assessment be extended from seven to ten consecutive years of assessment. The other temporary differences do not expire under current tax legislation.

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in the subsidiaries that have a recent history of losses.

28. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share are calculated based on the consolidated profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2023 RM'000	2022 RM'000
Profit attributable to owners of the Company	17,277	12,105
Weighted average number of ordinary shares in issue (units)	508,279	485,144
Basic earnings per ordinary shares (in sen)	3.40	2.50



Notes To The Financial Statements (continued)

28. EARNINGS PER SHARE (CONT'D)

(b) Diluted earnings per share

The diluted earnings per share has been calculated based on the adjusted consolidated earnings for the financial year attributable to the owners of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares as follows:

	Group	
	2023 RM'000	2022 RM'000
Profit attributable to owners of the Company	17,277	12,105
Weighted average number of ordinary shares in issue (units)	508,279	485,144
Effect of warrants	180,204	10,685
Weighted average number of ordinary shares in issue (units) (diluted)	688,483	495,829
Diluted earnings per ordinary shares (in sen)	2.51	2.44

29. STAFF COSTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Salaries and other emoluments	3,257	4,433	581	1,158
Social security contributions	20	16	6	5
Defined contribution plans	386	420	68	99
Other benefits	63	65	23	17
	3,726	4,934	678	1,279

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Company and of the subsidiaries during the financial year as below:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Executive Directors				
Salaries and other emoluments	2,301	2,367	-	14
Directors' fee	-	113	-	113
	2,301	2,480	-	127



Notes To The Financial Statements (continued)

30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Term loans RM'000	Lease liability RM'000	Total RM'000
Group			
2023			
At 1 July 2022	416,683	16	416,699
<u>Cash changes</u>			
Repayment	(61,842)	(16)	(61,858)
Interest paid	(24,626)	*	(24,626)
	(86,468)	(16)	(86,484)
	330,215	-	330,215
<u>Non-cash changes</u>			
Interest expense recognised in profit or loss	24,626	*	24,626
At 30 June 2023	354,841	-	354,841
2022			
At 1 July 2021	516,658	118	516,776
<u>Cash changes</u>			
Repayment	(112,975)	(102)	(113,077)
Drawdown	13,000	-	13,000
Interest paid	(27,728)	(8)	(27,736)
	(127,703)	(110)	(127,813)
	388,955	8	388,963
<u>Non-cash changes</u>			
Interest expense recognised in profit or loss	27,728	8	27,736
At 30 June 2022	416,683	16	416,699



Notes To The Financial Statements
(continued)

30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONT'D)

The table below show the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes: (Cont'd)

	Lease liability RM'000
Company 2023	
At 1 July 2022	16
<u>Cash changes</u>	
Repayment	(16)
Interest paid	*
	(16)
	-
<u>Non-cash changes</u>	
Interest expense recognised in profit or loss	*
At 30 June 2023	-

	Term loan RM'000	Lease liability RM'000	Total RM'000
Company 2022			
At 1 July 2021	40,000	37	40,037
<u>Cash changes</u>			
Repayment	(40,000)	(21)	(40,021)
Interest paid	(2,603)	(3)	(2,606)
	(42,603)	(24)	(42,627)
	(2,603)	13	(2,590)
<u>Non-cash changes</u>			
Interest expense recognised in profit or loss	2,603	3	2,606
At 30 June 2022	-	16	16

* Amount less than RM1,000



Notes To The Financial Statements (continued)

31. RELATED PARTY DISCLOSURES

(a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group and of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Rental paid and payable to an Executive Director	26	24	16	24
Rental deposit paid to an Executive Director	7	-	-	-
Rental paid and payable to a company in which Directors of the Company has substantial financial interest	29	14	-	-
Rental deposits paid to a company in which Directors of the Company has substantial financial interest	1	4	-	-
Management fee received and receivable from subsidiaries	-	-	(2,280)	(2,280)

(c) Compensation of key management personnel

Remuneration of Directors and other members of key management are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Salaries and other emoluments	2,732	3,266	271	531
Directors' fee	111	236	111	236
	2,843	3,502	382	767



Notes To The Financial Statements (continued)

32. OPERATING SEGMENTS

For management purposes, the Group is organised into business units based on their products and services, and has three reportable segments as follows:

Property development : Development of residential and commercial properties.

Investment holding : Investment holding and provision of management services.

Concession arrangements : Construction and maintenance of facilities and infrastructure.

Other non-reportable segments which are below the quantitative thresholds for determining reportable segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

	Investment holding RM'000	Property development RM'000	Concession arrangements RM'000	Others RM'000	Eliminations RM'000	Consolidation RM'000
Group						
2023						
Business segments						
Revenue from external customer	96	1,500	86,924	-	-	88,520
Inter-segment revenue	2,280	-	-	-	(2,280)	-
Total revenue	2,376	1,500	86,924	-	(2,280)	88,520
Results						
Finance income	31	172	273	-	(169)	307
Finance costs	-	(806)	(24,149)	-	169	(24,786)
Depreciation of property, plant and equipment and investment properties	(227)	(231)	-	-	-	(458)
Allowance for ECLs on receivables	-	(39)	-	(10)	10	(39)
Reversal of allowance for ECLs on receivables	356	-	-	110	(322)	144
Segment profit/(loss)	1,904	(2,640)	34,599	(834)	(213)	32,816
Taxation	-	-	(4,665)	-	-	(4,665)
Profit/(Loss) for the financial year	1,904	(2,640)	29,934	(834)	(213)	28,151
Assets						
Additions to non-current assets	43	14	-	-	-	57
Segment assets	306,995	334,216	752,998	3	(408,797)	985,415
Liabilities						
Segment liabilities	75,435	92,430	387,485	4,182	(140,837)	418,695



Notes To The Financial Statements (continued)

32. OPERATING SEGMENTS (CONT'D)

	Investment holding RM'000	Property development RM'000	Concession arrangements RM'000	Others RM'000	Eliminations RM'000	Consolidation RM'000
Group (Cont'd)						
2022						
Business segments						
Revenue from external customer	96	450	87,294	-	-	87,840
Inter-segment revenue	2,280	-	-	-	(2,280)	-
Total revenue	2,376	450	87,294	-	(2,280)	87,840
Results						
Finance income	9	1,963	1,103	-	(1,122)	1,953
Finance costs	(2,606)	(843)	(25,451)	-	1,122	(27,778)
Depreciation of property, plant and equipment and investment properties	(227)	(110)	-	-	-	(337)
Reversal of allowance for ECLs on receivables	46	-	-	-	-	46
Segment (loss)/profit	(29,120)	(2,617)	35,976	(376)	26,621	30,484
Taxation	-	3	(7,900)	-	-	(7,897)
(Loss)/Profit for the financial year	(29,120)	(2,614)	28,076	(376)	26,621	22,587
Assets						
Additions to non-current assets	4	1,080	-	-	-	1,084
Segment assets	304,401	340,369	783,960	830	(410,584)	1,018,976
Liabilities						
Segment liabilities	77,281	92,582	447,643	4,175	(139,490)	482,191

The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position.

	Group	
	2023	2022
	RM'000	RM'000
Segment assets	985,415	1,018,976
Tax recoverable	5,500	1,798
Total assets	990,915	1,020,774



Notes To The Financial Statements (continued)

32. OPERATING SEGMENTS (CONT'D)

The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position.

	Group	
	2023 RM'000	2022 RM'000
Segment liabilities	418,695	482,191
Deferred tax liabilities	86,522	83,572
Total liabilities	505,217	565,763

Geographical information

Non-current assets information and revenue by geographical segment is not presented as the Group's activities are conducted principally in Malaysia.

Information about major customers

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

Customer	Group	
	2023 RM'000	2022 RM'000
UiTM	86,924	87,294

33. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised.



Notes To The Financial Statements (continued)

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (Cont'd)

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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At amortised cost				
Financial assets				
Operating financial assets	663,639	707,260	-	-
Trade receivables	16,433	11,447	-	-
Other receivables	639	5,171	-	6
Amount due from an associate	2,209	2,209	-	-
Amount due from subsidiaries	-	-	14,726	12,184
Deposits with licensed banks	13,239	13,038	-	-
Cash and bank balances	44,878	34,301	1,090	761
	741,037	773,426	15,816	12,951
At amortised cost				
Financial liabilities				
Loans and borrowings	355,929	418,463	-	-
Other payables	33,883	36,827	543	328
Trade payables	3,400	3,400	-	-
Amount due to subsidiaries	-	-	13,461	14,311
	393,212	458,690	14,004	14,639

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operation whilst managing their credit, liquidity and market risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

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 these risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from trade and other receivables, amount due from an associate, deposits with licensed banks and cash and bank balances. The Company's exposure to credit risk arises principally from other receivables, amount due from subsidiaries and cash and bank balances. There are no significant changes as compared to previous financial year.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.



Notes To The Financial Statements (continued)

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

The Company provides advances to subsidiaries. It also provides unsecured financial guarantees to banks for banking facilities granted to certain subsidiaries. The company monitors on an ongoing basis the result of the subsidiaries and repayments made by the subsidiaries.

At each reporting date, the Group and the Company assess whether any if the receivables are credit impaired.

The gross carrying amounts of credit impaired receivables are written off (either partial or full) when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, receivables that are written off could still be subject to enforcement activities.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represent the Group's and the Company's maximum exposure to credit risk except for financial guarantees provided to banks and non-financial institutions for banking facilities.

There are no significant changes as compared to previous financial year.

As at the end of the financial year, the Group has 1 (2022: 1) major customer and accounted for approximately 97% (2022: 95%) of the trade receivables outstanding.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group and the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirement and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance their liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.



Notes To The Financial Statements (continued)

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	On demand or within 1 year RM'000	1 to 5 years RM'000	After 5 years RM'000	Total contractual cash flows RM'000	Total carrying amount RM'000
Group					
2023					
<u>Non-derivative financial liabilities</u>					
Term loans	99,409	268,956	48,858	417,223	354,841
Bank overdraft	1,088	-	-	1,088	1,088
Trade payables	3,400	-	-	3,400	3,400
Other payables	33,883	-	-	33,883	33,883
	137,780	268,956	48,858	455,594	393,212
2022					
<u>Non-derivative financial liabilities</u>					
Term loans	93,694	321,044	72,298	487,036	416,683
Bank overdraft	1,780	-	-	1,780	1,780
Lease liability	16	-	-	16	16
Trade payables	3,400	-	-	3,400	3,400
Other payables	36,827	-	-	36,827	36,827
	135,717	321,044	72,298	529,059	458,706
Company					
2023					
<u>Non-derivative financial liabilities</u>					
Other payables	543	-	-	543	543
Amount due to subsidiaries	13,461	-	-	13,461	13,461
	14,004	-	-	14,004	14,004
Financial guarantee	67,393	-	-	67,393	-
2022					
<u>Non-derivative financial liabilities</u>					
Lease liability	16	-	-	16	16
Other payables	328	-	-	328	328
Amount due to subsidiaries	14,311	-	-	14,311	14,311
	14,655	-	-	14,655	14,655
Financial guarantee	76,215	-	-	76,215	-



Notes To The Financial Statements (continued)

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk

(a) Interest rate risk

The Group's deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manage the interest rate risk of its deposits with licensed financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group manage their interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitor their interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group do not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group	
	2023	2022
	RM'000	RM'000
Fixed rate instrument		
<u>Financial asset</u>		
Deposits with licensed banks	13,239	13,038
Net financial asset	13,239	13,038
Floating rate instruments		
<u>Financial liabilities</u>		
Bank overdraft	(1,088)	(1,780)
Term loans	(354,841)	(416,683)
	(355,929)	(418,463)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.



Notes To The Financial Statements (continued)

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Interest rate risk (Cont'd)

Interest rate risk sensitivity analysis (Cont'd)

Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have increased/ decreased the Group's profit before tax by RM3,559,000 (2022: RM4,185,000), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

34. CORPORATE GUARANTEE

	Company	
	2023	2022
	RM'000	RM'000
Guarantee given to financial institutions for banking facilities granted to subsidiaries	67,393	76,215

35. CAPITAL MANAGEMENT

The Group's and the Company's objective when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholder and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt.

The Group and the Company monitors capital using a gearing ratio. The Group's and the Company's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at end of the reporting period are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Loans and borrowings	355,929	418,463	-	-
Less: Deposits with licensed banks	(13,239)	(13,038)	-	-
Cash and bank balances	(44,878)	(34,301)	(1,090)	(761)
Net debts/(cash)	297,812	371,124	(1,090)	(761)
Total equity	485,698	455,011	261,314	256,962
Gearing ratio	0.61	0.82	N/A*	N/A*

* Gearing ratio not applicable as the cash and cash equivalent of the Company are sufficient to settle the outstanding debt.

There were no changes in the Group's and the Company's approach to capital management during the financial year.



Notes To The Financial Statements (continued)

36. MATERIAL LITIGATION

Kuala Lumpur Sessions Court Writ Of Summons No. WA-B52NCvC-439-11/2021: Moore Advent Tax Consultants Sdn Bhd V Menang Development (M) Sdn Bhd (In The Original Action); Menang Development (M) Sdn Bhd V Shun Leong Kwong, Moore Advent Tax Consultants Sdn Bhd And Ong Chong Chee (In The Counter Claim)

Menang Development (M) Sdn. Bhd. ("MDSB"), Shun Leong Kwong ("Shun"), Moore Advent Tax Consultants Sdn. Bhd. ("MATC"), and Ong Chong Chee ("Ong") have reached a full and final settlement to amicably resolve all ongoing court proceedings and had agreed that:

- (a) The appeals filed by MDSB in the Court of Appeal to be withdrawn by MDSB with no order as to costs.
- (b) The Stay Application filed by MDSB in the High Court to be withdrawn by MDSB with no order as to costs.

In conjunction with the full and final settlement, the withdrawal of the appeals and the withdrawal of the Stay Application by MDSB, Shun, MATC and Ong have given their respective undertaking not to enforce the following orders/judgement granted by the High Court against MDSB:

- (a) Shun undertakes not to enforce the costs of RM8,000 granted by the High Court to Shun in allowing application of Shun to strike out MDSB's counter claim;
- (b) MATC undertakes not to enforce the Summary Judgement granted by the High Court in allowing application of MATC to enter a summary judgement against MDSB; and
- (c) MATC and Ong undertake not to enforce the costs of RM8,000 granted by the High Court to MATC and Ong in allowing application of MATC and Ong to strike out MDSB's counter claim.

Subsequent to the settlement, MDSB, Shun, MATC and Ong shall have no further or other claims or demands against the other party of whatsoever nature or howsoever arising from the aforesaid proceedings.

Save and confined only to the legal cost, the settlement does not have any material impact to the share capital, net assets per share, gearing, earnings per share and operations of the Company.

The material facts of the suit are set out below:

On 5 November 2021, MDSB, a wholly owned subsidiary of the Company, had been served with a Writ of Summons No. WA-B52NCvC-439-11/2021 ("Writ") filed by MATC, for the following orders:

- (a) the outstanding sum of RM533,600;
- (b) general damages for breach of contract;
- (c) pre-judgement interest pursuant to the Civil Law Act 1956 at the rate of 5% per annum from 6 August 2018, or such other date as the Court deems fit and proper, until the date of judgement;
- (d) post-judgement interest pursuant to the Civil Law Act 1956 at the rate of 5% per annum from the date of judgement until the date of full payment of the judgement sum;
- (e) costs; and
- (f) such further and/or other relief that the Court deems fit and appropriate.



Notes To The Financial Statements (continued)

36. MATERIAL LITIGATION (CONT'D)

Kuala Lumpur Sessions Court Writ Of Summons No. WA-B52NCvC-439-11/2021: Moore Advent Tax Consultants Sdn Bhd V Menang Development (M) Sdn Bhd (In The Original Action); Menang Development (M) Sdn Bhd V Shun Leong Kwong, Moore Advent Tax Consultants Sdn Bhd And Ong Chong Chee (In The Counter Claim) (Cont'd)

Subsequently, MDSB had on 17 December 2021 filed a Counter Claim against Shun, MATC and Ong ("Counter Claim"), seeking for the following orders:

- (a) a declaration that the engagement letter dated 26 January 2016 is invalid, null and void and of no effect;
- (b) further or in the alternative to the above a declaration that the engagement letter dated 26 January 2016 is not binding on MDSB;
- (c) a declaration that the alleged revised professional engagement between MDSB and MATC dated 21 September 2016 is invalid, null and void and of no effect;
- (d) further or in the alternative to the above, a declaration that the alleged revised professional engagement is not binding on MDSB;
- (e) a declaration that MDSB's invoice no. INV06950 dated 5 October 2016 issued to MATC in the sum of RM849,272 is invalid, null and void and of no effect;
- (f) a declaration that MDSB's invoice no. INV07636 dated 3 July 2017 issued to MATC in the sum of RM255,566 is invalid, null and void and of no effect;
- (g) a declaration that the invoices no. INV09120 dated 6 August 2018 issued by MATC to MDSB in the sum of RM593,600 is invalid, null and void and of no effect;
- (h) a declaration that MDSB does not owe any sums to MATC;
- (i) a declaration that Shun has acted in breach of his fiduciary duties owed towards MDSB;
- (j) a declaration that MATC and Ong have dishonestly assisted Shun in breach of his fiduciary duties owed to MDSB;
- (k) a declaration that MATC knowingly received the sum of RM1,164,838 which was paid out of MDSB or on behalf of MDSB when such sum was paid out in breach of Shun's fiduciary duties owed to MDSB;
- (l) a declaration that MATC is holding the sum of RM1,164,838 as a constructive trustee for MDSB;
- (m) a declaration that Shun, MATC and Ong have conspired to injure MDSB;
- (n) judgement against Shun, MATC and Ong in the sum of RM1,164,838 on a joint and several basis;
- (o) interest on the sum of RM1,164,838 at the rate of 5% p.a. from the date of judgement until full and final settlement;
- (p) general damages to be assessed;
- (q) aggravated and/or punitive damages to be assessed;
- (r) costs; and
- (s) any other order and/or relief which the Court deems first and necessary.



Notes To The Financial Statements (continued)

36. MATERIAL LITIGATION (CONT'D)

Kuala Lumpur Sessions Court Writ Of Summons No. WA-B52NCvC-439-11/2021: Moore Advent Tax Consultants Sdn Bhd V Menang Development (M) Sdn Bhd (In The Original Action); Menang Development (M) Sdn Bhd V Shun Leong Kwong, Moore Advent Tax Consultants Sdn Bhd And Ong Chong Chee (In The Counter Claim) (Cont'd)

On 4 January 2022, Shun, MATC and Ong entered their respective appearance in the Counter Claim.

On 10 January 2022, our solicitors filed an originating summons to transfer all proceedings filed by MATC at the Kuala Lumpur Sessions Court to the Kuala Lumpur High Court. On 9 February 2022, an order was granted for the transfer application.

On 23 May 2022, MATC filed for Summary Judgement application against MDSB in the Writ and Shun, MATC and Ong filed for Striking Out application against MDSB's Counter Claim.

On 18 January 2023, the High Court had delivered its decision as follows:-

- (a) The Striking Out application by Shun of MDSB's Counter Claim is allowed with cost of RM8,000 to be paid by MDSB to Shun;
- (b) The Summary Judgment application by MATC in the Original Action was allowed with cost of RM8,000 to be paid by MDSB to MATC; and
- (c) The Striking Out application by MATC and Ong of MDSB's Counter Claim is allowed with cost of RM8,000 to be paid by MDSB to MATC and Ong.

Subsequently, MDSB had filed a notice of appeal to the Court of Appeal against the High Court's decision in the Court of Appeal with the following registered Appellate Numbers:

- (a) Appeal No. W-02(IM)(NCC)-147-01/2023, which is an appeal to the Court of Appeal against the decision of the High Court in allowing application of Shun to strike out MDSB's counter claim;
- (b) Appeal No. W-02(IM)(NCC)-148-01/2023, which is an appeal to the Court of Appeal against the decision of the High Court in allowing application of MATC to enter a Summary Judgement against MDSB; and
- (c) Appeal No. W-02(IM)(NCC)-149-01/2023, which is an appeal to the Court of Appeal against the decision of the High Court in allowing application of MATC and Ong to strike out MDSB's counter claim.

On 10 February 2023, MDSB has filed an application in the High Court action for a Stay of Execution of the judgement dated 18 January 2023 granted by the High Court in allowing MATC's application to enter a Summary Judgement against MDSB and allowing Shun, MATC and Ong's applications to strike out MDSB's counter claim, pending the full and final disposal of MDSB's Appeals filed in the Court of Appeal.

37. SUBSEQUENT EVENTS

- (a) On 4 October 2023, the wholly owned subsidiary, MDSB entered into a Sale and Purchase Agreement with Zillion Sdn. Bhd. for the acquisition of a vacant land at a purchase consideration of RM7,376,204.

Simultaneously, MDSB would dispose some of its properties at a consideration price of RM7,376,204 as settlement of the purchase consideration.

- (b) On 4 October 2023, the wholly owned subsidiary, MDSB entered into a Sale and Purchase Agreement with Zillion Sdn. Bhd. for the acquisition of a vacant land at a purchase consideration of RM576,311.

Simultaneously, MDSB would dispose some of its properties at a consideration price of RM576,311 as settlement of the purchase consideration.



Notes To The Financial Statements (continued)

37. SUBSEQUENT EVENTS (CONT'D)

- (c) On 4 October 2023, the wholly owned subsidiary, MDSB entered into a Deed of Revocation and Rescission with Harasa Abadi Sdn. Bhd. in relation to the purchase of a vacant land pursuant to a Sales and Purchase Agreement dated 23 November 2008 made between MDSB and Harasa Abadi Sdn. Bhd. at a purchase price of RM1,550,000.

Simultaneously, MDSB would dispose some of its properties at a consideration price of RM1,551,293 as settlement of the purchase consideration.

- (d) On 4 October 2023, the wholly owned subsidiary, MDSB entered into a Deed of Revocation and Rescission with Harasa Abadi Sdn. Bhd. in relation to the purchase of a vacant land pursuant to a Sales and Purchase Agreement dated 23 November 2008 made between MDSB and Harasa Abadi Sdn. Bhd. at a purchase price of RM1,610,000.

Simultaneously, MDSB would dispose some of its properties at a consideration price of RM1,609,328 as settlement of the purchase consideration.

- (e) On 5 October 2023, MDSB has incorporated a new 70% owned subsidiary, namely Menang Capital Sdn. Bhd. with an issued share capital of RM10 divided into 10 ordinary shares.

38. DATE OF AUTHORISATION OF ISSUE

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 October 2023.



STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 48 to 112 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2023 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 24 October 2023.

LEE MIN HUAT

LIEW SOOK PIN

KUALA LUMPUR

STATUTORY DECLARATION

Pursuant to Section 251(1) of the Companies Act 2016

I, Woo Bee Lan (MIA: 40063), being the officer primarily responsible for the financial management of Menang Corporation (M) Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 48 to 112 are 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.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in the)
Federal Territory on 24 October 2023)
)

WOO BEE LAN

Before me,

SHI'ARATUL AKMAR BINTI SAHARI
(NO. W788)
Commissioner for Oaths



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MENANG CORPORATION (M) BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Menang Corporation (M) Berhad, which comprise the statements of financial position as at 30 June 2023 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 a summary of significant accounting policies, as set out on pages 48 to 112.

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

Basis for opinion

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

Independence and other ethical responsibilities

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

Key audit matters

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

Key audit matters

How we addressed the key audit matters

1. Investment properties

As at 30 June 2023, the carrying amount of the Group's investment properties on consolidation amounted to RM51,319,000.

The Group assessed any indication of impairment in its investment properties based on indicative market value and estimation by Directors, if any. We focused on this area because significant judgements arise over the determination of recoverable amount of the investment properties based on fair value less cost of disposal.

Our procedures performed in relation to managements' impairment assessment and testing included the following:

- discussing with Directors on the Group's assessment on estimated market value on selected investment properties items;
- comparing against the recent transacted prices, if any, of comparable land;
- estimating by Directors based on recent transacted prices in the market of land and building with similar condition and location; and
- assessing the appropriateness of the key assumptions.



Independent Auditors' Report To The Members Of Menang Corporation (M) Berhad (continued)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key audit matters (Cont'd)

<u>Key audit matters</u>	<u>How we addressed the key audit matters</u>
<p>2. Inventories</p> <p>As at 30 June 2023, the carrying amount of the Group's inventories on consolidation amounted to RM191,726,000.</p> <p>We focused on this area because assessment of their net realisable value of these land held for development and completed properties requires the application of significant judgement made by the Directors.</p>	<p>Our procedures performed in relation to managements' impairment assessment and testing included the following:</p> <ul style="list-style-type: none"> - understanding the assumption used by the Directors in determining the estimated selling price of the land held for development; - comparing against the recent transacted prices, if any, of comparable land; - discussing with Directors on matters that may impact the carrying amount of inventories; - discussing any impact assessment provided by the Directors; and - discussing with Directors on the Group's assessment on estimated net realisable value on selected inventory items.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

Information other than the financial statements and auditors' report thereon

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

Our opinion on the financial statements of the Group and of the Company do 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 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 the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and 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 and the Company or to cease operations, or have no realistic alternative but to do so.



Independent Auditors' Report To The Members Of Menang Corporation (M) Berhad (continued)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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

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

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



Independent Auditors' Report
To The Members Of Menang Corporation (M) Berhad
(continued)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' responsibilities for the audit of the financial statements (Cont'd)

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

Other matter

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

TGS TW PLT

202106000004 (LLP0026851-LCA) & AF002345
Chartered Accountants

Ooi Poh Lim

03087/10/2023 J
Chartered Accountant

KUALA LUMPUR
24 October 2023



LIST OF PROPERTIES HELD

AS AT 30 JUNE 2023

Location	Note	Tenue	Area (Approximately)	Existing Usage/ Description	Age of Buildings	Net Book Value RM'000	Year of Acquisition
Geran No. 27917 Lot No. 48 Mukim of Kapar Daerah Klang Selangor Darul Ehsan	1	Freehold Land	59.32 acres	Vacant Industrial Land for Future Development	N/A	18,410	1998
HSD 97332 PT 25008 Mukim of Kapar Daerah Klang Selangor Darul Ehsan	1	Leasehold 99 Years Expiry date - 2103	39.70 acres	Vacant Industrial Land for Future Development	N/A	6,115	1998
HSD 97333 PT 50718 Mukim of Klang Daerah Klang Selangor Darul Ehsan	1	Leasehold 99 Years Expiry date - 2103	27.72 acres	Vacant Industrial Land for Future Development	N/A	4,270	1998
Geran No. 21944 Lot No. 20 Mukim of Ulu Bernam Daerah Ulu Selangor Selangor Darul Ehsan		Freehold Land	46.50 acres	Vacant Industrial Land for Future Development	N/A	8,717	1998
Lot No. 663, GM 3689 Mukim of Ulu Bernam Daerah Ulu Selangor Selangor Darul Ehsan		Freehold Land	10.38 acres	Vacant Industrial Land for Future Development	N/A	1,945	1998
Lot No. 889, GM 3690 Mukim of Ulu Bernam Daerah Ulu Selangor Selangor Darul Ehsan		Freehold Land	10.12 acres	Vacant Industrial Land for Future Development	N/A	1,898	1998
Lot 237, GM 583 Mukim of Si Rusa Daerah Port Dickson Negeri Sembilan Darul Khusus		Freehold Land	4.20 acres	Vacant Service Apartments Land for Future Development	N/A	11,530	1998
Lot 1279, CT 6441 Mukim of Si Rusa Daerah Port Dickson Negeri Sembilan Darul Khusus		Freehold Land	3.93 acres	Vacant Hotel Resort Land for Future Development	N/A	6,840	1998
Rasah Jaya Various subdivided lots Mukim of Rasah, Seremban Negeri Sembilan Darul Khusus		Freehold Land	1.49 acres	On Going Mixed Development Land	N/A	1,856	1998



List Of Properties Held
As At 30 June 2023
(continued)

Location	Note	Tenue	Area (Approximately)	Existing Usage/ Description	Age of Buildings	Net Book Value RM'000	Year of Acquisition
Seremban 3 Various subdivided lots Mukim of Rasah, Seremban Negeri Sembilan Darul Khusus		Freehold Land	456.98 acres	On Going Mixed Development Land	N/A	172,774	2001
Lot 56171, Geran 279940 Mukim of Rantau, Seremban Negeri Sembilan Darul Khusus		Freehold Land	73.86 acres	Agricultural Land	N/A	5,101	2004
Lot 661, Geran No 587 Mukim of Si Rusa Daerah Port Dickson Negeri Sembilan Darul Khusus		Freehold Land	1.01 acres	Agricultural Land	N/A	1,206	2004
Lot 996, Geran No 591 Mukim of Si Rusa Daerah Port Dickson Negeri Sembilan Darul Khusus		Freehold Land	2.00 acres	Agricultural Land	N/A	2,383	2004

Note:

1. These properties are subject to a consortium arrangement where the Group has a 30% interest. Please refer to Note 6 and Note 22 of the financial statements for the financial year ended 30 June 2023.



ANALYSIS OF SHAREHOLDINGS

AS AT 2 OCTOBER 2023

ORDINARY SHARES

Total Number of Issued Shares	:	514,949,490
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	397	4.45	11,235	0.00
100 to 1,000	3,122	35.02	1,665,307	0.32
1,001 to 10,000	4,699	52.70	12,806,646	2.49
10,001 to 100,000	593	6.65	16,485,807	3.20
100,001 to 25,747,473 (*)	101	1.13	299,456,235	58.15
25,747,474 and above (**)	4	0.05	184,524,260	35.84
TOTAL	8,916	100.00	514,949,490	100.00

Remarks: * - Less than 5% of issued shares
** - 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest		Indirect Interest	
	No. of Shares Held	%	No. of Shares Held	%
Mr. Toh May Fook	61,099,300	11.87	2,629,400 ⁽¹⁾	0.51
Chin Leong Thye Sdn. Bhd.	60,278,820	11.71	-	-
Ms. Liew Sook Pin	36,257,600	7.04	2,629,400 ⁽¹⁾	0.51
Dato' Lee Chin Hwa	26,888,540	5.22	61,547,180 ⁽²⁾	11.95
Mr. Lee Min Huat	5,473,300	1.06	60,278,820 ⁽³⁾	11.71

Notes:

- (1) Deemed interest through TTYC Holdings Sdn. Bhd. by virtue of Section 8 of the Companies Act 2016 ("the Act").
(2) Deemed interest through Chin Leong Thye Sdn. Bhd. and his spouse, Tan Tuan @ Tan Nya by virtue of Section 8 of the Act.
(3) Deemed interest through Chin Leong Thye Sdn. Bhd. by virtue of Section 8 of the Act.

DIRECTORS' SHAREHOLDINGS

Name	Direct Interest		Indirect Interest	
	No. of Shares Held	%	No. of Shares Held	%
Mr. Toh May Fook	61,099,300	11.87	2,629,400 ⁽¹⁾	0.51
Ms. Liew Sook Pin	36,257,600	7.04	2,629,400 ⁽¹⁾	0.51
Mr. Lee Min Huat	5,473,300	1.06	60,278,820 ⁽²⁾	11.71
Mr. Chee Wai Hong	-	-	-	-
Mr. Yee Chun Lin	-	-	-	-
Mr. Kee Hock Kee	-	-	-	-

Notes:

- (1) Deemed interest through TTYC Holdings Sdn. Bhd. by virtue of Section 8 of the Act.
(2) Deemed interest through Chin Leong Thye Sdn. Bhd. by virtue of Section 8 of the Act.



Analysis Of Shareholdings
As At 2 October 2023
(continued)

LIST OF TOP 30 SHAREHOLDERS AS AT 2 OCTOBER 2023

Name of Shareholders	Holdings	
	No. of Shares	% of Issued Capital
1. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Toh May Fook (PB)	61,099,300	11.87
2. Chin Leong Thye Sdn. Bhd.	60,278,820	11.71
3. Liew Sook Pin	36,257,600	7.04
4. Lee Chin Hwa	26,888,540	5.22
5. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Lai Ming Chun @ Lai Poh Lin (PB)	24,550,000	4.77
6. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Kim Heung (PB)	23,750,000	4.61
7. UOB Kay Hian Nominees (Asing) Sdn. Bhd. Exempt an for UOB Kay Hian Pte Ltd (A/C Clients)	23,095,060	4.48
8. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Ng Lee Ling (PB)	22,300,000	4.33
9. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Pei Geok (PB)	20,503,230	3.98
10. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Wei Wen (PB)	20,250,000	3.93
11. Fong Lai Wah	16,176,540	3.14
12. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Pei Ing (PB)	15,440,700	3.00
13. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Wei Hoong (PB)	15,187,500	2.95
14. HSBC Nominees (Asing) Sdn. Bhd. Exempt an for the Hongkong and Shanghai Banking Corporation Limited (PB-HKDIV-ACCL)	15,000,000	2.91
15. Tan Aik Pen	14,400,000	2.80
16. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Pei Fong (PB)	12,808,625	2.49
17. Gan Ai Meng	12,271,220	2.38
18. CGS-CIMB Nominees (Tempatan) Sdn. Bhd. Pledge securities account for Nicholas Pun Chee Cheang (BNDR TUNGGAL-CL)	8,919,220	1.73
19. Tea Su Ling	7,120,260	1.38
20. AllianceGroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lee Min Huat (7005950)	4,857,300	0.94
21. Soon Ban Hin Oriental (M) Sdn. Bhd.	4,000,900	0.78
22. Khoo Chiow Ling	2,966,220	0.58
23. TTYC Holdings Sdn. Bhd.	2,629,400	0.51
24. Gan Ai Meng	2,531,800	0.49
25. CGS-CIMB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Toh Gian Ming (P-Point-CL)	2,410,120	0.47
26. Siew Lee Ying @ Siew Lee Yong	1,739,200	0.34
27. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Yoong Kah Yin (PB)	1,400,000	0.27
28. Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tea Su Ling (E-IMO/IGN)	1,381,500	0.27
29. Tan Tuan @ Tan Nya	1,178,360	0.23
30. Robyn Lim Kit Yoong	1,034,800	0.20



ANALYSIS OF WARRANT C HOLDINGS

AS AT 2 OCTOBER 2023

Number of Warrants	:	206,249,577
Exercise price of the warrants	:	RM0.50
Expiry date of warrants	:	13 December 2024
Rights of Warrants Holder	:	The Warrants holders are not entitled to any voting rights or to participate in any distribution and/or offer of further securities in our Company until and unless such Warrants holders exercise their Warrants into new ordinary shares of the Company.

DISTRIBUTION OF WARRANT HOLDINGS

Size of Warrant holdings	No. of Warrant holders		No. of Warrant	
		%		%
Less than 100	484	5.61	13,962	0.00
100 to 1,000	5,489	63.67	2,383,763	1.15
1,001 to 10,000	2,217	25.71	6,365,497	3.09
10,001 to 100,000	346	4.01	11,544,648	5.60
100,001 to 10,312,477 (*)	80	0.93	77,894,677	37.77
10,312,478 and above (**)	6	0.07	108,047,030	52.39
TOTAL	8,622	100.00	206,249,577	100.00

Remarks: * - Less than 5% of issued Warrants C
 ** - 5% and above of issued Warrants C

DIRECTORS' WARRANT HOLDINGS

Name of Directors	Direct	No. of Warrants Held		%
		%	Indirect	
Mr. Toh May Fook	-	-	42,000,050 ⁽¹⁾	20.36
Mr. Lee Min Huat	10,486,650	5.08	16,601,010 ⁽²⁾	8.05
Ms. Liew Sook Pin	128,800	0.06	42,000,050 ⁽¹⁾	20.36
Mr. Chee Wai Hong	-	-	-	-
Mr. Yee Chun Lin	-	-	-	-
Mr. Kee Hock Kee	-	-	-	-

Notes:

- (1) Deemed interest through TTYC Holdings Sdn. Bhd. by virtue of Section 8 of the Companies Act 2016 ("the Act").
 (2) Deemed interest through Chin Leong Thye Sdn. Bhd. by virtue of Section 8 of the Act.



Analysis Of Warrant C Holdings
As At 2 October 2023
(continued)

LIST OF TOP 30 WARRANT HOLDERS AS AT 2 OCTOBER 2023

Name of Warrant Holders	Holdings	
	No. of Warrants	%
1. TTYC Holdings Sdn. Bhd.	42,000,050	20.36
2. Chin Leong Thye Sdn. Bhd.	16,601,010	8.05
3. Lee Chin Hwa	13,422,170	6.51
4. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Wei Hoong (PB)	12,998,800	6.30
5. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Kim Heung (PB)	11,875,000	5.76
6. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Ng Lee Ling (PB)	11,150,000	5.41
7. AllianceGroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lee Min Huat (7005950)	7,750,000	3.76
8. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Lai Ming Chun @ Lai Poh Lin (PB)	6,775,000	3.28
9. Fong Lai Wah	6,628,070	3.21
10. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Pei Geok (PB)	5,251,615	2.55
11. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Wei Wen (PB)	5,017,962	2.43
12. RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lee Cheun Wei	5,000,000	2.42
13. CGS-CIMB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Nicholas Pun Chee Cheang (BNDR TUNGGAL-CL)	4,238,460	2.06
14. Gan Ai Meng	3,385,010	1.64
15. CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Tan Pei Fong (PB)	2,593,350	1.26
16. Lee Min Huat	2,428,650	1.18
17. CGS-CIMB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Toh Gian Ming (P POINT-CL)	2,074,310	1.01
18. Soon Bah Hin Oriental (M) Sdn. Bhd.	2,000,450	0.97
19. Siew Lee Ying @ Siew Lee Yong	1,982,350	0.96
20. HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Goh Ee Lik @ Goey Mee Pheng	1,800,030	0.87
21. Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chan Hin Yee (KLC/UOB)	1,633,000	0.79
22. Teh Wee Koon	1,230,000	0.60
23. Khoo Chiow Ling	1,141,110	0.55
24. Tay Hock Soon	1,110,200	0.54
25. HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Seong Kwok Ching	1,065,600	0.52
26. Yap Pei Pei	1,000,000	0.48
27. Tan Pei Geok	750,000	0.36
28. UOB Kay Hian Nominees (Asing) Sdn. Bhd. Exempt an for UOB Kay Hian Pte Ltd (A/C Clients)	714,320	0.35
29. Tan Tuan @ Tan Nya	559,300	0.27
30. Tay Yi Thong	491,000	0.24



NOTICE OF FIFTY-NINTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Ninth (“59th”) Annual General Meeting (“AGM”) of Menang Corporation (M) Berhad (“MCB” or “Company”) will be conducted virtually through remote participation and electronic voting via the online meeting platform at Vote2U Online website at <https://web.vote2u.my> provided by Agmo Digital Solutions Sdn. Bhd. on Monday, 27 November 2023 at 10.00 a.m. and at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

AGENDA

Ordinary Business:

- | | | |
|----|---|---|
| 1. | To receive the Audited Financial Statements for the financial year ended 30 June 2023 together with Reports of the Directors’ and the Auditors’ thereon. | Please refer to Explanatory Note 1 |
| 2. | To re-elect Chee Wai Hong as Director in accordance with Clause 103 of the Constitution of the Company. | Ordinary Resolution 1 |
| 3. | To re-elect Liew Sook Pin as Director in accordance with Clause 103 of the Constitution of the Company. | Ordinary Resolution 2 |
| 4. | To approve the payment of Directors’ fees and benefits payable to Directors of the Company and its subsidiaries up to an aggregate amount of RM450,000 for the period from 28 November 2023 until the next Annual General Meeting of the Company. | Ordinary Resolution 3 |
| 5. | To re-appoint Messrs TGS TW PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 4 |

Special Business:

To consider and, if thought fit, to pass the following resolutions:

- | | | |
|----|--|------------------------------|
| 6. | Authority for Directors to allot and issue shares and Waiver of Pre-emptive Rights pursuant to the Companies Act 2016. | Ordinary Resolution 5 |
|----|--|------------------------------|

“THAT pursuant to Section 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total issued shares/total number of voting shares of the Company (excluding treasury shares) at the time of issue.

THAT pursuant to Section 85 of the Companies Act 2016 approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued Company’s shares arising from any issuance of new Company’s shares pursuant to Section 76 of the Companies Act 2016.

THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

- | | | |
|----|---|------------------------------|
| 7. | Authority for the Company to Purchase Its Own Ordinary Shares (“Proposed Share Buy-Back”) | Ordinary Resolution 6 |
|----|---|------------------------------|

“THAT subject to the Companies Act 2016, the provisions of the Constitution of the Company, the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other relevant authority or approval for the time being in force or as may be amended from time to time, the Directors of the Company be and are hereby authorised to make purchases of the Company’s shares as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:



Notice Of Fifty-Ninth Annual General Meeting (continued)

- (a) the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time of the said purchase(s);
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained earnings of the Company at the time of purchase; and
- (c) the authority conferred by this resolution shall continue to be in force until:
 - (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting at which such resolution was passed at which time the said authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
 - (iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first,

but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:

- (a) cancel all the ordinary shares so purchased; and/or
- (b) retain the ordinary shares so purchased as treasury shares; and/or
- (c) retain part thereof as treasury shares and cancel the remainder.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary (including the opening and maintaining of depository account(s) under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion deem necessary and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company.”

- 8. To transact any other business that may be transacted at an annual general meeting of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

BY ORDER OF THE BOARD

CHIN WAI YI (MAICSA 7069783) (SSM PC No. 202008004409)
CHIA SIEW LI (MAICSA 7075719) (SSM PC NO. 202208000715)
Company Secretaries

Kuala Lumpur
Date: 27 October 2023



Notice Of Fifty-Ninth Annual General Meeting (continued)

NOTES:

1. The 59th AGM of the Company will be conducted as a virtual meeting through live streaming and online remote voting via Remote Participation and Voting (“**RPV**”) facilities. The Company has appointed Agmo Digital Solutions Sdn. Bhd. as the Poll Administrator for the 59th AGM to facilitate the RPV facilities via Vote2U online website at <https://web.vote2u.my>. Shareholders of the Company are required to register for the 59th AGM not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof. **(Please follow the procedures as stipulated in the Administrative Guide).**
2. A member of the Company who is entitled to attend, speak and vote at this 59th AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.
3. Where a member appoints more than one (1) proxy to attend and vote at the same 59th AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 (“**SICDA**”), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
5. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

6. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
7. The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited at the registered office of the Company at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or via electronic means using RPV facilities via Vote2U at <https://web.vote2u.my> not less than forty-eight (48) hours before the time appointed for holding the 59th AGM or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.
8. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.
9. In respect of deposited securities, only members whose names appear in the Record of Depositors on 17 November 2023 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 59th AGM.
10. Any alteration in the Proxy Form must be initialed.
11. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolution set out in the Notice of 59th AGM will be put to the vote by poll.

Explanatory Notes:

1. Item 1 of the Agenda

Agenda item no. 1 is meant for discussion only as the provision of Section 340 of the Companies Act 2016 requires that the Audited Financial Statements and the Reports of the Directors and Auditors thereon be laid before the Company at its AGM. As such this Agenda item is not a business which requires a resolution to be put to vote by shareholders.



Notice Of Fifty-Ninth Annual General Meeting (continued)

2. Items 2 and 3 of the Agenda

The Nomination Committee (“NC”) have considered the performance and contribution of each of the retiring Directors. Based on the results of the Board Evaluation conducted for the financial year ended 30 June 2023, the performance of each of the retiring Directors was found to be satisfactory. In addition, each of the retiring Directors had provided their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

Based on the recommendation of the NC, the Board supports the re-election of the Directors based on the following justification and their profiles are set out in the Company’s Annual Report:

Chee Wai Hong : Chee Wai Hong fulfills the requirements of independence set out in Main Market Listing Requirements of Bursa Malaysia Securities Berhad. He remains objective and independent in expressing his view and participating in Board’s deliberations and decision making process.

Chee Wai Hong has exercised due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Director of the Company.

Liew Sook Pin : Liew Sook Pin has overall responsibility for planning, implementing and integrating the strategic direction of the Company. She is familiar with the Company’s business operations and able to provide valuable input to steer the Company forward.

Liew Sook Pin has exercised due care and carried out her professional duties proficiently during her tenure as an Executive Director of the Company.

The retiring Directors will abstain from voting on the resolution in respect of their re-election at the 59th AGM of the Company.

3. Item 6 of the Agenda

The Company had, during its Fifty-Eighth AGM held on 28 November 2022, obtained its shareholders’ approval for the general mandate for issuance of shares pursuant to Section 76 of the Companies Act 2016. The Company did not issue any shares pursuant to this mandate obtained.

The Ordinary Resolution 5 proposed under item 6 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 76 of the Companies Act 2016. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total ten per centum (10%) of the total issued shares/ total number of voting shares of the Company capital for such purpose as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM. The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding investment project(s) and/or working capital.

4. Item 7 of the Agenda

The proposed Ordinary Resolution 6, if passed, will empower the Company to purchase and/or hold up to ten percent (10%) of the total number of issued shares of the Company. This authority unless revoked or varied by the Company at a general meeting will expire at the next AGM of the Company.

Please refer to the statement to shareholders in relation to the proposed authority for purchase of own ordinary shares by the Company dated 27 October 2023 for further information.



Notice Of Fifty-Ninth Annual General Meeting (continued)

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 59th AGM and/or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 59th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 59th AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty.



ADMINISTRATIVE GUIDE FOR SHAREHOLDERS

MENANG CORPORATION (M) BERHAD

Fifty-Ninth (“59th”) Annual General Meeting (“AGM”)

Date of Meeting	: Monday, 27 November 2023
Time of Meeting	: 10.00 a.m.
Virtual Meeting accessible at	: https://web.vote2u.my
Domain Registration Number of Online Meeting Platform registered with MYNIC Berhad	: D6A471702

Menang Corporation (M) Berhad (“**the Company**”) is conducting its forthcoming 59th AGM on a virtual basis through online remote voting using the Remote Participation and Voting Facilities (“**RPV**”).

We strongly encourage our shareholders whose names appear on the Record of Depositors as at 17 November 2023 and holders of proxy for those shareholders to participate in the virtual AGM and vote remotely at this AGM. In line with the Malaysian Code on Corporate Governance Practice 13.3, this virtual AGM will facilitate greater shareholder’s participation (including posting questions to the Board of Directors and/or Management of the Company) and vote at the AGM without being physically present at the venue. For shareholders who are unable to participate in this virtual AGM, you may appoint proxy(ies) or the Chairman of the Meeting as your proxy to attend and vote on your behalf at the AGM of the Company.

Kindly note that the quality of the live streaming is highly dependent on the bandwidth and stability of the internet connection of the participants (shareholders and proxies). Hence, you are to ensure that internet connectivity throughout the duration of the meeting is maintained while using RPV provided by Agmo Digital Solutions Sdn. Bhd. (“**AGMO**”) via its **Vote2U Online** website at <https://web.vote2u.my>.

PROCEDURES TO PARTICIPATE IN RPV

Please follow the procedures to participate in RPV as summarised below:

BEFORE AGM DAY

A: REGISTRATION

Individual Shareholders

	Description	Procedure
i.	Shareholders to register with Vote2U online	<p>The registration will open from the day of notice</p> <ol style="list-style-type: none"> Access website at https://web.vote2u.my Click “Sign Up” to sign up as a user. Read the ‘Privacy Policy’ and ‘Terms & Conditions’ and indicate your acceptance of the ‘Privacy Policy’ and ‘Terms & Conditions’ on a small box <input type="checkbox"/>. Then click “Next”. *Fill-in your details (note: create your own password). Then click “Continue”. Upload softcopy of your identification card (MYKAD) (front only) (for Malaysian) or Passport (for non-Malaysian). Click “Submit” to complete the registration. Your registration will be verified and an email notification will be sent to you. Please check your email. <p>Note: If you have registered as a user with Vote2U Online previously, you are not required to register again.</p> <p>*Check your email address is keyed in correctly. *Remember the password you have keyed-in.</p>



Administrative Guide For Shareholders (continued)

PROCEDURES TO PARTICIPATE IN RPV (CONTINUED)

BEFORE AGM DAY

B: REGISTER PROXY

Individual Shareholder / Corporate Shareholder / Nominees Company

	Description	Procedure
i.	Submit Form of Proxy (hardcopy)	<p>The closing time to submit your hardcopy Form of Proxy is at 10.00 a.m., Saturday, 25 November 2023.</p> <p>a. *Fill-in details on the hardcopy Form of Proxy and ensure to provide the following information:</p> <ul style="list-style-type: none"> • MYKAD (for Malaysian) / Passport (for non-Malaysian) number of the Proxy • *Email address of the Proxy <p>b. Submit/Deposit the hardcopy Form of Proxy to GAP Advisory Sdn. Bhd. at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia</p> <p>Note: After verification, an email notification will be sent to the Proxy and will be given a temporary password. The Proxy could use the temporary password to log in to Vote2U.</p> <p>*Check the email address of Proxy is written down correctly.</p>
ii.	Electronic Lodgement of Proxy Form (e-Proxy Form) <i>For individual shareholders only</i>	<p>a. Individual shareholders to log in to Vote2U with your email address and password that you have registered with Vote2U.</p> <p>b. Click "Register Proxy Now" for e-Proxy registration.</p> <p>c. Select the general meeting event that you wish to attend.</p> <p>d. Select/ add your Central Depository System ("CDS") account number and number of shares.</p> <p>e. Select "Appoint Proxy".</p> <p>f. Fill-in the details of your proxy(ies) – ensure proxy(ies) email address(es) is/are valid.</p> <p>g. Indicate your voting instruction should you prefer to do so.</p> <p>h. Thereafter, select "Submit".</p> <p>i. Your submission will be verified.</p> <p>j. After verification, proxy(ies) will receive email notification with temporary credentials, i.e. email address & password, to log in to Vote2U.</p> <p>Note: You need to register as a shareholder before you can register a proxy and submit the e-Proxy form. Please refer above 'A: Registration' to register as shareholder.</p>

Shareholders who appoint Proxy(ies) to participate in the virtual AGM must ensure that the hardcopy Form of Proxy or e-proxy is submitted not less than forty-eight (48) hours before the time for holding the meeting or any adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.



Administrative Guide For Shareholders (continued)

PROCEDURES TO PARTICIPATE IN RPV (CONTINUED)

ON AGM DAY

A: WATCH LIVESTREAMING

Individual Shareholders & Proxies

	Description	Procedure
i.	Login to virtual meeting portal - Vote2U online & watch Live Streaming.	<p>The Vote2U online portal will open for log in, starting from 9.00 a.m., Monday, 27 November 2023, one (1) hour before the commencement of the AGM.</p> <ol style="list-style-type: none"> Login with your email and password. Select the General Meeting event (for example, "59th AGM"). Check your details. Click "Watch Live" button to view the live streaming.

B: ASK QUESTION

Individual Shareholders & Proxies

	Description	Procedure
i.	Ask Question during AGM (real-time)	<p>Questions submitted online using <u>typed text</u> will be moderated before being forwarded to the Chairman to avoid repetition. Every question and message will be presented with the full name of the shareholder or proxy raising the question.</p> <ol style="list-style-type: none"> Click "Ask Question" button to post question(s). Type in your question and click "Submit". <p>The Chairperson / Board of Directors will endeavor to respond to questions submitted by remote shareholders and proxies during the AGM.</p>

C: VOTING REMOTELY

Individual Shareholders & Proxies

	Description	Procedure
i.	Online Remote Voting	<p>Once the Chairman announces the opening of remote voting:</p> <ol style="list-style-type: none"> Click "Confirm Details & Start Voting". To vote, select your voting choice from the options provided. A confirmation screen will appear to show your selected vote. Click "Next" to continue voting for all resolutions. To change your vote, click "Back" and select another voting choice. After you have completed voting, a Voting Summary page appears to show all the resolutions with your voting choices. Click "Confirm" to submit your vote. <p>[Please note that you are <u>not able</u> to change your voting choices after you have confirmed and submitted your votes.]</p>



Administrative Guide For Shareholders (continued)

ADDITIONAL INFORMATION

Voting Procedure

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting at the AGM will be conducted by poll. Poll administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

No Door Gift or e-Voucher or Food Voucher

There will be no door gift or e-Voucher or food voucher given at this AGM.

Enquiry

- a. For enquiries relating to the general meeting, please contact our **Investor Relation** during office hours (9:00 a.m. to 5:00 p.m.) on Mondays to Fridays (except public holidays) as follows:

Email: general@menangcorporation.com

- b. For enquiries relating to RPV facilities or issues encountered during registration, log in, connecting to the live streaming and online voting facilities, please contact Vote2U helpdesk during office hours (9:00 a.m. to 5:00 p.m.) on Mondays to Fridays (except public holidays) as follows:

Telephone Number: 03-7664 8520 / 03-7664 8521

Email: vote2u@agmostudio.com

PROXY FORM

**CDS ACCOUNT NO. OF
AUTHORISED NOMINEE**

NUMBER OF SHARES HELD

MENANG CORPORATION (M) BERHAD

[Registration No. 196401000240 (5383-K)]
(Incorporated in Malaysia)

I/We, _____ NRIC/Passport No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

contact no. _____ email address _____ being a member/ members of **Menang Corporation (M) Berhad ("Company")** hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Fifty-Ninth Annual General Meeting of the Company ("**59th AGM**") will be conducted virtually through remote participation and electronic voting via the online meeting platform at Vote2U Online website at <https://web.vote2u.my> provided by Agmo Digital Solutions Sdn. Bhd. on Monday, 27 November 2023 at 10.00 a.m. and at any adjournment thereof.

IMPORTANT NOTE:

Please (i) tick [✓] either **ONE** of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) please tick [✓] option (c) if you would like to appoint the Chairman of the 59th AGM as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option	Name of proxy(ies)	NRIC/ Registration No.	Email Address & Phone Number	Proportion of shareholding to be represented
(a)	Appoint ONE proxy only (Please complete details of proxy below)			
				100%
(b)	Appoint MORE THAN ONE proxy (Please complete details of proxies below)			
Proxy 1				%
Proxy 2				%
				100%
(c)	The Chairman of the 59th AGM as my/our proxy and/or failing the above proxy to vote for me/us on my/our behalf			

My/our proxy/proxies is/are to vote as indicated below:

Please indicate with an "X" in the appropriate box provided to indicate how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on the Resolutions, the proxy shall vote at his/her discretion, or abstain from voting as the proxy thinks fit.

No	Resolutions	For		Against	
		Proxy 1	Proxy 2	Proxy 1	Proxy 2
	Ordinary Business				
Ordinary Resolution 1	To re-elect Chee Wai Hong				
Ordinary Resolution 2	To re-elect Liew Sook Pin				
Ordinary Resolution 3	To approve the payment of Directors' fees and benefits payable to Directors of the Company and its subsidiaries up to an aggregate amount of RM450,000 for the period from 28 November 2023 until the next Annual General Meeting of the Company				
Ordinary Resolution 4	To re-appoint Messrs TGS TW PLT as Auditors of the Company				
	Special Business				
Ordinary Resolution 5	To authorise the Directors to allot and issue shares and Waiver of Pre-emptive Rights pursuant to the Companies Act 2016				
Ordinary Resolution 6	To authorise the Company to purchase its own ordinary shares.				

Dated this _____ day of _____ 2023

Signature / Common Seal of Shareholder

Contact No: _____

NOTES:

- The 59th AGM of the Company will be conducted as a virtual meeting through live streaming and online remote voting via Remote Participation and Voting ("**RPV**") facilities. The Company has appointed Agmo Digital Solutions Sdn. Bhd. as the Poll Administrator for the 59th AGM to facilitate the RPV facilities via Vote2U online website at <https://web.vote2u.my>. Shareholders of the Company are required to register for the 59th AGM not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof. (**Please follow the procedures as stipulated in the Administrative Guide**).
- A member of the Company who is entitled to attend, speak and vote at this 59th AGM may appoint a proxy to attend, speak and vote on his/her behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his/her proxy without limitation.
- Where a member appoints more than one (1) proxy to attend and vote at the same 59th AGM, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.



NOTES:

4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he/she may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
5. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
7. The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited at the registered office of the Company at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or via electronic means using RPV facilities via Vote2U at <https://web.vote2u.my> not less than forty-eight (48) hours before the time appointed for holding the 59th AGM or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.
8. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.
9. In respect of deposited securities, only members whose names appear in the Record of Depositors on 17 November 2023 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 59th AGM.
10. Any alteration in the Proxy Form must be initialed.
11. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolution set out in the Notice of 59th AGM will be put to the vote by poll.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and /or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Fifty-Ninth Annual General Meeting dated 27 October 2023.

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AFFIX
STAMP

GAP Advisory Sdn. Bhd.
E-10-4, Megan Avenue 1,
189, Jalan Tun Razak,
50400 Kuala Lumpur,
W.P. Kuala Lumpur,
Malaysia.

2nd Fold Here

Fold This Flap For Sealing



Menang Corporation (M) Berhad

Registration No.: 196401000240 (5383-K)

Wisma OZ, No. 11-1, Jalan Kuchai Maju 5, Kuchai Entrepreneurs' Park

Jalan Kuchai Lama, 58200 Kuala Lumpur

Tel : (603) 7971 1771 | Fax : (603) 7971 1333

www.menangcorporation.com