PJ DEVELOPMENT HOLDINGS BERHAD
196501000113 (5938 - A)

(Incorporated in Malaysia)

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

31 DECEMBER 2023

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Ong Leong Huat @ Wong Joo Hwa
Puan Sri Khor Chai Moi
Ong Ju Yan
Ong Ju Xing
Dato' Thanarajasingam Subramaniam

COMPANY SECRETARIES

Chua Siew Chuan (MAICSA 0777689) (SSM PC No.: 201908002648)
Lim Lih Chau (LS 0010105) (SSM PC No.: 201908001454)

AUDITORS

BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206)
Level 8, BDO @ Menara CenTARa,
360 Jalan Tuanku Abdul Rahman,
50100 Kuala Lumpur.

PRINCIPAL BANKERS

Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad
RHB Bank Berhad

SOLICITORS

Cheang & Ariff
Lee Hishammuddin Allen & Gledhill
Raslan Loong, Shen & Eow
Rosli Dahlan Saravana Partnership

CORPORATE INFORMATION (CONT'D)

REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13,
46200 Petaling Jaya,
Selangor.
Tel. No.: (603) 7890 4700
Fax No.: (603) 7890 4670

REGISTERED OFFICE

21st Floor, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1999
Fax No.: (603) 2026 6331

PRINCIPAL BUSINESS ADDRESS

7th Floor, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1999
Fax No.: (603) 2166 6220

CORPORATE INFORMATION (CONT'D)

PRINCIPAL BUSINESS ADDRESSES BY SEGMENT

PROPERTY SEGMENT

Property Development

OSK Property Holdings Berhad
Level 7, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1688
Fax No.: (603) 2177 1687
www.oskproperty.com.my

Yarra Park City Pty. Ltd.
Level 2, 99 Queensbridge St,
Melbourne, VIC 3006,
Australia.
Tel No.: (61) 3 9686 5566
Fax No.: (61) 3 9686 5544
www.melbournesquare.com.au

Sales Galleries

Harbour Place Sales Gallery Butterworth
Lot 2449 & 2450,
Jalan Chain Ferry,
Seberang Perai Utara,
12100 Butterworth,
Penang.
Tel No.: (604) 332 1188
Fax No.: (604) 332 3128
www.rubica.com.my

Melbourne Square Display Gallery Australia
29 Balston Street,
Southbank, Melbourne,
VIC 3006, Australia.
Tel No.: (61) 4 1637 1166
www.melbournesquare.com.au

Property Investment and Management

Faber Towers
Lot 201C, Level 2, Faber Towers,
Jalan Desa Bahagia, Taman Desa,
58100 Kuala Lumpur.
Tel No.: (603) 7980 1311 (Operation)
Tel No.: (603) 7972 6813 (Leasing)
Fax No.: (603) 7980 1310

CORPORATE INFORMATION (CONT'D)

PRINCIPAL BUSINESS ADDRESSES BY SEGMENT (CONT'D)

CONSTRUCTION SEGMENT

OSK Construction Sdn. Bhd.
Level 12, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1668
Fax No.: (603) 2078 6688
www.oskconstruction.com

INDUSTRIES SEGMENT

Cables

Olympic Cable Company Sdn. Bhd.
Lot PT 2126-2131, Jalan PK1,
Taman Perindustrian Krubong,
75250 Melaka.
Tel No.: (606) 337 3088/3090
Fax No.: (606) 337 3099
www.olympic-cable.com.my

Marketing & Sales Office
Level 16, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1698
Fax No.: (603) 2177 1693

Industrialised Building System

Acotec Sdn. Bhd.
Level 16, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 2177 1838
Fax No.: (603) 2177 1833
www.acotec.com.my

Factory
Central Region
Lot C38, Block C,
Nilai Industrial Estate,
71800 Nilai, Negeri Sembilan.

Sales Office
Northern Region
No. 2746 (1st Floor),
Jalan Chain Ferry,
Taman Inderawasih,
13600 Prai, Penang.
Tel No.: (604) 398 9733
Fax No.: (604) 398 1733

Factory
Northern Region
76KM Butterworth-Ipoh Main Trunk Road,
34700 Simpang, Taiping,
Perak.

CORPORATE INFORMATION (CONT'D)

PRINCIPAL BUSINESS ADDRESSES BY SEGMENT (CONT'D)

INDUSTRIES SEGMENT (CONT'D)

Industrialised Building System (Cont'd)

Sales Office
Southern Region
No. 02-11, Blok 4,
Danga Bay, Jalan Skudai,
80200 Johor Bahru,
Johor.
Tel No.: (607) 232 9205
Fax No.: (607) 232 9205

Factory
Southern Region
Lot PTB 1290-1298,
Jalan Tun Mutahir 5,
Kawasan Perindustrial Bandar Tenggara,
81000 Kulai, Johor.

HOSPITALITY SEGMENT

Hotels and Resorts

Swiss-Garden International Hotels, Resorts and Inns
Level 14, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 9078 2688
www.swissgarden.com

Swiss-Garden Beach Resort Kuantan
2656-2657, Mukim Sungai Karang,
Balok Beach,
26100 Beserah, Kuantan,
Pahang.
Tel No.: (609) 548 8288
: (603) 9078 2688 (KL Sales Office)
www.swissgarden.com/beach-resort-kuantan

Swiss-Garden Hotel & Residences, Genting Highlands
Windmill Upon Hills,
Genting Permai,
69000 Genting Highlands,
Pahang.
Tel No.: (603) 9213 0777
: (603) 9078 2688 (KL Sales Office)
www.swissgarden.com/residences-genting

Swiss-Garden Hotel Melaka
T2-4, The Shore @ Melaka River,
Jalan Persisiran Bunga Raya,
75300 Melaka Tengah,
Melaka.
Tel No.: (606) 288 3131
Fax No.: (606) 288 3377
www.swissgarden.com/hotel-melaka

Swiss-Garden Hotel Bukit Bintang Kuala Lumpur
117, Jalan Pudu,
55100 Kuala Lumpur.
Tel No.: (603) 2141 3333
www.swissgarden.com/kuala-lumpur

Holiday Inn Express & Suites
Lot 512, Jalan Syed Mohd Mufti,
80000 Johor Bahru,
Johor.
Tel No.: (607) 218 3333

CORPORATE INFORMATION (CONT'D)

PRINCIPAL BUSINESS ADDRESSES BY SEGMENT (CONT'D)

HOSPITALITY SEGMENT (CONT'D)

Hotels and Resorts (Cont'd)

Damai Laut Golf & Country Club
Hala Damai 2, Jalan Damai Laut,
Off Jalan Teluk Senangin,
32200 Lumut, Perak.
Tel No.: (6019) 574 2113

DoubleTree by Hilton Damai Laut Resort
Persiaran Swiss-Garden,
Jalan Damai Laut,
Off Jalan Teluk Senangin,
32200 Lumut, Perak.
Tel No.: (605) 684 3333

Vacation Club

SGI Vacation Club Berhad
Level 14, Plaza OSK,
Jalan Ampang,
50450 Kuala Lumpur.
Tel No.: (603) 7661 6238
www.sgivacationclub.com

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

CONTENTS **PAGE**

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors have the pleasure of presenting their report together with the audited financial statements of PJ Development Holdings Berhad Group ("the Group"), which includes PJ Development Holdings Berhad ("the Company") and its subsidiaries, associates and a joint venture, and the Company for the year ended 31 December 2023 pursuant to Section 252 of the Companies Act 2016 ("CA2016").

(A) PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding, property investment and provision of management services to the subsidiaries. The principal activities of the Group are organised into five core reportable business segments comprising Property; Construction; Industries; Hospitality; and Investment Holding Segments as described in Note 3 to the financial statements. The principal activities of the subsidiaries; and the associates and a joint venture, are described in Notes 8 and 9 to the financial statements respectively. There have been no significant changes in the nature of these principal activities during the year.

(B) FINANCIAL MATTERS

PROFIT AFTER TAX FOR THE YEAR

	Group RM'000	Company RM'000
Profit after tax attributable to:		
Owners of the Company	84,297	82,213
Non-controlling interests	(14)	-
	84,283	82,213

DIVIDENDS

Dividends declared and paid by the Company since the end of the previous year:

	RM'000
A single-tier interim dividend of 29.7 sen per ordinary share in respect of the current year ended 31 December 2023 was paid on 31 March 2023	155,838

The Directors do not recommend any final dividend for the year ended 31 December 2023. Further details of the dividends are disclosed in Note 36 to the financial statements.

DIRECTORS' REPORT (CONT'D)

(B) FINANCIAL MATTERS (CONT'D)

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the year have been disclosed in the financial statements.

SIGNIFICANT EVENTS

Significant events consist of the changes in the composition of the Group during the year as disclosed in Note 8(b) to the financial statements.

SIGNIFICANT SUBSEQUENT EVENTS

There were no material subsequent events from the end of the year and till the date of this report.

ISSUE OF SHARES AND DEBENTURES

There were no issuances of shares and debentures during the year.

The details of the shares are disclosed in Note 25 to the financial statements.

OPTIONS TO TAKE UP UNISSUED SHARES OF THE COMPANY

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

TREASURY SHARES

The Company did not purchase any ordinary shares from the open market during the year.

The details of the treasury shares are disclosed in Note 26 to the financial statements.

DIRECTORS' REPORT (CONT'D)

(B) FINANCIAL MATTERS (CONT'D)

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts in respect of trade receivables, amounts due from subsidiaries and other assets, as disclosed in Notes 14, 16 and 17 to the financial statements respectively.

At the date of this report, the Directors are not aware of any circumstances which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS OTHER THAN DEBTS

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps to ensure that any current assets other than debts, which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company, had been written down to an amount which the current assets might be expected so to realise in respect of inventories and contract assets as disclosed in Notes 12 and 18 to the financial statements respectively.

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

METHOD OF VALUATION OF ASSETS OR LIABILITIES

At the date of this report, the Directors are not aware of any circumstances 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. Assets that are measured at fair values included biological assets and short-term funds are disclosed in Notes 19 and 20 to the financial statements respectively.

DIRECTORS' REPORT (CONT'D)

(B) FINANCIAL MATTERS (CONT'D)

CONTINGENT AND OTHER LIABILITIES

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

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

(b) any contingent liability of the Group and of the Company which has arisen since the end of the year, other than those arising in the normal course of business of the Group and of the Company.

No contingent or other liability has become enforceable, or is likely to become enforceable within twelve (12) months after the end of the year which, in the opinion of the Directors, will or may affect the ability of the Group or of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

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

ITEMS OF UNUSUAL NATURE

In the opinion of the Directors:

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

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

DIRECTORS' REPORT (CONT'D)

(C) DIRECTORS MATTERS

DIRECTORS OF THE COMPANY

The Directors of the Company who have held office during the year are:

Tan Sri Ong Leong Huat @ Wong Joo Hwa*
Puan Sri Khor Chai Moi*
Ong Ju Yan*
Ong Ju Xing*
Dato' Thanarajasingam Subramaniam

* Who is also the Director of the subsidiary(ies)

During the period commencing from the end of the year till the date of this report, there were no changes in the Directors of the Company.

DIRECTORS OF THE SUBSIDIARIES

In addition to the four Directors of the Company who are also Directors of the subsidiaries as disclosed above, the Directors of the subsidiaries who have held office during the year are:

Dato' Mohd Daud bin Samsuddin	
Dato' Saiful Bahri bin Zainuddin	
Fan Pui Chin	
Ng Lai Ping	
Ong Ghee Bin	
Tan Kheak Chun	
Ting Chun Hong	
Wong Chong Shee	
Ong Yee Ching	
Tio Jun Lim	
Lee Kuan Hong	
Chong Cheong Leong	- appointed on 2 February 2023
Ng Kin Wai	- appointed on 6 July 2023
Yeat Siew Hong	- resigned on 2 February 2023

During the period commencing from the end of the year till the date of this report, there were no changes in the Directors of the subsidiaries.

DIRECTORS' REPORT (CONT'D)

(C) DIRECTORS MATTERS (CONT'D)

DIRECTORS' INTERESTS

Neither at the end of the year, nor at any time during the year, did there subsist any arrangement to which the Company was a party, being arrangements with the objects of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

According to the Register of Directors' Shareholdings kept by the Company under Section 59 of the CA2016, the Directors in office at the end of the year who have interests in the shares of the Company and of its related corporations during the year are as follows:

(a) The Company

	Number of ordinary shares			
	As at 1.1.2023	**Acquired**	**Disposed**	**As at 31.12.2023**
Indirect interest:				
Tan Sri Ong Leong Huat @ Wong Joo Hwa	510,573,593 [(1)]	9,500	-	510,583,093 [(1)]

(b) Related corporations

(i) Ultimate holding company, Yellow Rock (L) Foundation

Tan Sri Ong Leong Huat @ Wong Joo Hwa is deemed to have an interest in Yellow Rock (L) Foundation by virtue of his controlling interest in Yellow Rock (L) Foundation.

(ii) Immediate holding company, OSK Holdings Berhad

	Number of ordinary shares			
	As at 1.1.2023	**Acquired**	**Disposed**	**As at 31.12.2023**
Direct interests:				
Tan Sri Ong Leong Huat @ Wong Joo Hwa	54,175,861	-	-	54,175,861
Puan Sri Khor Chai Moi	29,456,882	380,000	-	29,836,882
Ong Ju Yan	24,737,550	-	-	24,737,550
Ong Ju Xing	22,084,395	-	-	22,084,395

DIRECTORS' REPORT (CONT'D)

(C) DIRECTORS MATTERS (CONT'D)

DIRECTORS' INTERESTS (CONT'D)

According to the Register of Directors' Shareholdings kept by the Company under Section 59 of the CA2016, the Directors in office at the end of the year who have interests in the shares of the Company and of its related corporations during the year are as follows: (Cont'd)

(b) Related corporations (Cont'd)

(ii) Immediate holding company, OSK Holdings Berhad (Cont'd)

	Number of ordinary shares			
	As at 1.1.2023	**Acquired**	**Disposed**	**As at 31.12.2023**
Indirect interests:				
Tan Sri Ong Leong Huat @ Wong Joo Hwa	1,072,851,139 [(2)]	-	-	1,072,851,139 [(2)]
Puan Sri Khor Chai Moi	39,737,045 [(3)]	-	-	39,737,045 [(3)]
Ong Ju Yan	2,667,701 [(4)]	-	-	2,667,701 [(4)]
Ong Ju Xing	926,600 [(4)]	-	-	926,600 [(4)]

(iii) Related company, OSK Property Holdings Berhad

	Number of ordinary shares			
	As at 1.1.2023	**Acquired**	**Disposed**	**As at 31.12.2023**
Indirect interest:				
Tan Sri Ong Leong Huat @ Wong Joo Hwa	345,639,965 [(1)]	-	-	345,639,965 [(1)]

Notes:

(1) Deemed interested pursuant to Section 8 of CA2016 by virtue of his substantial shareholdings in OSK Holdings Berhad.

(2) Deemed interested pursuant to Section 8 of CA2016 by virtue of his controlling interest in Yellow Rock (L) Foundation and disclosure made pursuant to Section 59(11)(c) of CA2016 in relation to interests held by his children, other than Ong Ju Yan and Ong Ju Xing whose interests have been disclosed herein.

DIRECTORS' REPORT (CONT'D)

(C) DIRECTORS MATTERS (CONT'D)

DIRECTORS' INTERESTS (CONT'D)

According to the Register of Directors' Shareholdings kept by the Company under Section 59 of the CA2016, the Directors in office at the end of the year who have interests in the shares of the Company and of its related corporations during the year are as follows: (Cont'd)

Notes: (Cont'd)

(3) Disclosure made pursuant to Section 59(11)(c) of CA2016 in relation to interests held by her children, other than Ong Ju Yan and Ong Ju Xing whose interests have been disclosed herein.

(4) Disclosure made pursuant to Section 59(11)(c) of CA2016 in relation to interest held by his spouse.

Tan Sri Ong Leong Huat @ Wong Joo Hwa, by virtue of his interest in the Company, is also deemed to have an interest in the shares of all the Company's subsidiaries to the extent the Company has an interest.

Other than as disclosed above, the other Director in office at the end of the year did not hold any shares of the Company or of its related corporations.

REMUNERATION AND BENEFITS OF DIRECTORS OF THE COMPANY

Directors' remuneration for the year were as follows:

	Group RM'000	Company RM'000
Fees	20	20
Salaries, bonuses and other emoluments	6,777	3,161
Defined contribution plan	634	381
Estimated money value of benefits-in-kind	69	49
	7,500	3,611

Since the end of the previous year, no Director 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 the Directors or the fixed salary of full-time employees or estimated money value of other benefits of certain subsidiaries of the Company where further details are disclosed in Note 31(b) to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except information as disclosed in Notes 37(c) and 37(d) to the financial statements.

DIRECTORS' REPORT (CONT'D)

(C) DIRECTORS MATTERS (CONT'D)

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The immediate holding company, OSK Holdings Berhad, provides insurance cover for the Directors and officers of OSK Holdings Berhad and its subsidiaries including the Company. The cost of such insurance thereon is disclosed in the Directors' Report of OSK Holdings Berhad. There was no indemnity given to or insurance cover for the auditors of the Group and of the Company during the year.

(D) AUDITORS AND AUDITORS' REMUNERATION

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration for the year were as follows:

	Group RM'000	**Company RM'000**
Statutory audit	319	46
Other services	47	5
	366	51

Further details of auditors' remuneration are disclosed in Note 31 to the financial statements.

(E) STRUCTURE OF THE GROUP

(a) Immediate and ultimate holding companies

Yellow Rock (L) Foundation, a Labuan foundation registered under the Labuan Foundations Act 2010, is regarded by the Directors as the Company's ultimate holding company.

OSK Holdings Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, represents the Company's immediate holding company.

DIRECTORS' REPORT (CONT'D)

(E) STRUCTURE OF THE GROUP (CONT'D)

(b) Subsidiaries

The details of subsidiaries are disclosed in Note 8 to the financial statements.

For the year ended 31 December 2023, the auditors' reports on the financial statements of all the subsidiaries were unqualified.

None of the subsidiaries hold any shares in the holding company or in other related corporations.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 5 March 2024.

Tan Sri Ong Leong Huat @ Wong Joo Hwa

Ong Ju Yan

Kuala Lumpur, Malaysia
5 March 2024

196501000113 (5938 - A)

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tan Sri Ong Leong Huat @ Wong Joo Hwa and Ong Ju Yan, being two of the Directors of PJ Development Holdings Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 17 to 162 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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 31 December 2023 and of the results and the cash flows of the Group and of the Company for the year ended on that date.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 5 March 2024.

Tan Sri Ong Leong Huat @ Wong Joo Hwa

Ong Ju Yan

Kuala Lumpur, Malaysia
5 March 2024

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Ng Lai Ping (CA 12349), being the officer primarily responsible for the financial management of PJ Development Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 17 to 162 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
the abovenamed Ng Lai Ping
at Kuala Lumpur in the Federal Territory
on 5 March 2024

Ng Lai Ping

Before me,

Commissioner for Oaths
Kuala Lumpur, Malaysia
5 March 2024

PESURUHJAYA SUMPAH
W 729
MARDHIYYAH
ABDUL WAHAB
1 JAN 2024-31 DIS 2026
MALAYSIA

SUITE 9.03, TINGKAT 9
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NO. 288 JALAN RAJA LAUT
50350 KUALA LUMPUR

BDO

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www.bdo.my

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50100 Kuala Lumpur
Malaysia

196501000113 (5938 - A)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PJ DEVELOPMENT HOLDINGS BERHAD (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PJ Development Holdings Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 17 to 162.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

196501000113 (5938 - A)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PJ DEVELOPMENT HOLDINGS BERHAD (Cont'd)
(Incorporated in Malaysia)

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 Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the Directors' Report 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 Directors' Report and, in doing so, consider whether the Directors' Report 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 Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

196501000113 (5938 - A)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PJ DEVELOPMENT HOLDINGS BERHAD (Cont'd)
(Incorporated in Malaysia)

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:

(a) 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.

(b) 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 internal control of the Group and of the Company.

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

196501000113 (5938 - A)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PJ DEVELOPMENT HOLDINGS BERHAD (Cont'd)
(Incorporated in Malaysia)

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

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: (Cont'd)

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

(e) 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.

(f) 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 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 8 to the financial statements.

196501000113 (5938 - A)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PJ DEVELOPMENT HOLDINGS BERHAD (Cont'd)
(Incorporated in Malaysia)

Other Matters

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

BDO PLT

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Chan Wai Leng
02893/08/2025 J
Chartered Accountant

Kuala Lumpur
5 March 2024

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

		Group		Company	
	Note	2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
ASSETS:					
Non-current					
Property, plant and equipment	6	411,557	362,203	764	185
Investment properties	7	71,691	64,256	-	-
Investments in subsidiaries	8	-	-	882,679	872,119
Investments in associates and a joint venture	9	558,788	529,715	-	-
Intangible assets	10	3,859	3,859	-	-
Right-of-use assets	11	43,844	42,296	-	-
Inventories	12	67,211	67,209	-	-
Deferred tax assets	13	28,090	31,971	-	-
Trade receivables	14	941	7	-	-
Other assets	17	39	-	-	-
Amounts due from related companies	15	-	513	-	-
Amounts due from subsidiaries	16	-	-	16,057	16,754
		1,186,020	1,102,029	899,500	889,058
Current					
Inventories	12	94,448	105,824	-	-
Trade receivables	14	109,497	107,140	-	-
Other assets	17	25,486	14,911	56	65
Contract assets	18	126,008	120,721	-	-
Biological assets	19	444	519	-	-
Amounts due from related companies	15	54,162	58,544	-	-
Amounts due from subsidiaries	16	-	-	9,868	4,156
Tax recoverable		1,127	8,410	-	-
Cash, bank balances and short-term funds	20	329,520	422,571	95,230	184,982
		740,692	838,640	105,154	189,203
TOTAL ASSETS		1,926,712	1,940,669	1,004,654	1,078,261

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023 (CONT'D)

		Group		Company	
	Note	2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
LIABILITIES:					
Non-current					
Borrowings	21	32,909	33,374	-	-
Trade payables	22	14,901	9,732	-	-
Contract liabilities	23	62,888	75,184	-	-
Lease liabilities	11	1,727	870	-	-
Deferred tax liabilities	13	7,411	7,872	-	-
		119,836	127,032	-	-
Current					
Borrowings	21	111,353	107,950	5,000	5,000
Trade payables	22	46,631	47,525	-	-
Other liabilities	24	188,400	205,263	1,649	1,578
Contract liabilities	23	7,309	7,852	-	-
Lease liabilities	11	1,783	3,836	-	-
Tax payable		10,856	3,391	170	223
Amounts due to related companies	15	94,354	45,201	-	-
		460,686	421,018	6,819	6,801
TOTAL LIABILITIES		580,522	548,050	6,819	6,801
NET ASSETS		1,346,190	1,392,619	997,835	1,071,460
EQUITY:					
Share capital	25	570,726	570,726	570,726	570,726
Treasury shares, at cost	26	(5,133)	(5,133)	(5,133)	(5,133)
		565,593	565,593	565,593	565,593
Reserves	27	780,632	827,054	432,242	505,867
Issued capital and reserves attributable to Owner of the Company		1,346,225	1,392,647	997,835	1,071,460
Non-controlling interests	8(e)	(35)	(28)	-	-
TOTAL EQUITY		1,346,190	1,392,619	997,835	1,071,460

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

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2023

		Group		Company	
	Note	**2023**	**2022**	**2023**	**2022**
		RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	28	776,910	674,373	68,756	120,348
Cost of sales	29	(561,654)	(466,302)	(3,744)	(4,548)
Gross profit		215,256	208,071	65,012	115,800
Other income	30	17,409	17,681	20,468	7,978
Administrative expenses	31	(112,385)	(119,096)	(1,014)	(1,304)
Other expenses	32	(2,654)	(4,992)	(1,209)	(62,681)
		117,626	101,664	83,257	59,793
Finance costs	33	(8,093)	(6,617)	(242)	(198)
		109,533	95,047	83,015	59,595
Share of results of associates and a joint venture, net of tax		15,201	16,665	-	-
Profit before tax		124,734	111,712	83,015	59,595
Tax expense	34	(40,451)	(27,681)	(802)	(906)
Profit after tax		84,283	84,031	82,213	58,689
Profit/(Loss) attributable to:					
Owners of the Company		84,297	84,080	82,213	58,689
Non-controlling interests	8(e)	(14)	(49)	-	-
		84,283	84,031	82,213	58,689
Earnings per share attributable to Owners of the Company (sen):					
Basic/Diluted	35	16.07	16.02		

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

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit after tax	84,283	84,031	82,213	58,689
Other comprehensive income/(expenses) for the year, net of tax				
Items of other comprehensive income/ (expense) that:				
(a) Will be reclassified subsequently to statement of profit or loss when specific conditions are met:				
- Foreign currency translation gain/(loss)	25,294	(6,564)	-	-
(b) Reclassified subsequently to statement of profit or loss:				
- Foreign currency translation gain upon dissolution of subsidiaries	-	26	-	-
	25,294	(6,538)	-	-
Share of other comprehensive expense and reserves of associates accounted for using equity method for items that:				
(a) Will be reclassified subsequently to statement of profit or loss when specific conditions are met:				
- Other reserves	(168)	-	-	-
	(168)	-	-	-
Total other comprehensive income/(expenses) for the year, net of tax	25,126	(6,538)	-	-
Total comprehensive income	109,409	77,493	82,213	58,689
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	109,423	77,542	82,213	58,689
Non-controlling interests	(14)	(49)	-	-
	109,409	77,493	82,213	58,689

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

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

Group

	Note	Attributable to Owners of the Company							
		Share capital (Note 25)	Treasury shares (Note 26)	Foreign currency translation reserves (Note 27)	Other reserve (Note 27)	Retained profits (Note 27)	Total issued share capital and reserves	Non-controlling interests [Note 8(e)]	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2023		570,726	(5,133)	(60,826)	(390)	888,270	1,392,647	(28)	1,392,619
Profit/(Loss) after tax		-	-	-	-	84,297	84,297	(14)	84,283
Foreign currency translations gain		-	-	25,294	-	-	25,294	-	25,294
Share of other comprehensive expense and reserves of associates accounted for using equity method:									
- *Other reserves*		-	-	-	(168)	-	(168)	-	(168)
Other comprehensive income/(expense)		-	-	25,294	(168)	-	25,126	-	25,126
Total comprehensive income/(expenses)		-	-	25,294	(168)	84,297	109,423	(14)	109,409
Dividends paid to Owners of the Company	36	-	-	-	-	(155,838)	(155,838)	-	(155,838)
Loss on acquisition of additional interests in a subsidiary from non-controlling interests	8(b)(ii)	-	-	-	-	(7)	(7)	7	-
Total transactions with Owners in their capacity as Owners		-	-	-	-	(155,845)	(155,845)	7	(155,838)
As at 31 December 2023		570,726	(5,133)	(35,532)	(558)	816,722	1,346,225	(35)	1,346,190

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

Group (Cont'd)

		Attributable to Owners of the Company							
	Note	Share capital (Note 25)	Treasury shares (Note 26)	Foreign currency translation reserves (Note 27)	Other reserve (Note 27)	Retained profits (Note 27)	Total issued share capital and reserves	Non-controlling interests [Note 8(e)]	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2022		570,726	(5,133)	(54,288)	(390)	925,202	1,436,117	(308)	1,435,809
Profit/(Loss) after tax		-	-	-	-	84,080	84,080	(49)	84,031
Foreign currency translations loss		-	-	(6,564)	-	-	(6,564)	-	(6,564)
Foreign currency translation reclassified to profit or loss upon dissolution of subsidiaries	8(c)(i)(5)	-	-	26	-	-	26	-	26
Other comprehensive expense		-	-	(6,538)	-	-	(6,538)	-	(6,538)
Total comprehensive (expenses)/income		-	-	(6,538)	-	84,080	77,542	(49)	77,493
Dividends paid to Owners of the Company	36	-	-	-	-	(120,683)	(120,683)	-	(120,683)
Loss on acquisition of additional interests in a subsidiary from non-controlling interests	8(c)(ii)(2)	-	-	-	-	(329)	(329)	329	-
Total transactions with Owners in their capacity as Owners		-	-	-	-	(121,012)	(121,012)	329	(120,683)
As at 31 December 2022		570,726	(5,133)	(60,826)	(390)	888,270	1,392,647	(28)	1,392,619

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

Company

	Note	Share capital (Note 25)	Treasury shares (Note 26)	Distributable Retained profits (Note 27)	Total equity
		RM'000	RM'000	RM'000	RM'000
As at 1 January 2023		570,726	(5,133)	505,867	1,071,460
Profit after tax/Total comprehensive income		-	-	82,213	82,213
Dividends paid to Owners of the Company	36	-	-	(155,838)	(155,838)
As at 31 December 2023		570,726	(5,133)	432,242	997,835
As at 1 January 2022		570,726	(5,133)	567,861	1,133,454
Profit after tax/Total comprehensive income		-	-	58,689	58,689
Dividends paid to Owners of the Company	36	-	-	(120,683)	(120,683)
As at 31 December 2022		570,726	(5,133)	505,867	1,071,460

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

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	2023	**2022**	**2023**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	124,734	111,712	83,015	59,595
Adjustments #	27,374	35,521	(82,970)	(59,897)
Share of results of associates and a joint venture	(15,201)	(16,665)	-	-
Operating profit/(loss) before changes in working capital	136,907	130,568	45	(302)
Decrease/(Increase) in:				
Inventories	8,558	(255)	-	-
Trade receivables	(3,572)	51,376	-	-
Other assets	(10,619)	1,498	9	(9)
Contract assets	(3,952)	(29,645)	-	-
Related companies	(1,620)	2,602	-	-
Immediate holding company	1	(3)	-	-
Increase/(Decrease) in:				
Trade payables	4,449	7,001	-	-
Other liabilities	(16,859)	(7,284)	72	1,029
Contract liabilities	(12,839)	(21,591)	-	-
Changes in working capital	(36,453)	3,699	81	1,020
Cash from operations	100,454	134,267	126	718
Income tax paid	(29,021)	(31,236)	(858)	(364)
Income tax refunded	6,738	805	3	-
Interest paid	(1,542)	(683)	-	-
Net cash from/(used in) operating activities	76,629	103,153	(729)	354

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment, divestment and income from investment:					
Funds distribution income received		3,527	3,024	1,605	1,704
Interest received		6,080	4,627	2,146	1,042
Investment properties expenditure	7(b)(i)	(7,807)	(7,140)	-	-
Advance from/(to) related companies		55,668	(33,972)	-	-
Proceeds from disposals of property, plant and equipment		233	9,460	-	-
Purchase of:					
- land for property development		(1,820)	-	-	-
- property, plant and equipment	6(b)(i)	(72,044)	(37,296)	(735)	(4)
- right-of-use assets	11(b)(i)	(1,592)	-	-	-
Net investment, divestment and income from investment		(17,755)	(61,297)	3,016	2,742
Dividends and shares:					
Capital repayment from subsidiaries	8(d)(ii)	-	-	7,500	26,590
Dividends received		11,100	30,000	64,745	115,800
Repayments (to)/from subsidiaries		-	-	(6,144)	9,062
Subscription of shares in subsidiaries	8(b)(i), 8(c)(ii)(1)	-	-	(2,180)	(88,323)
Net dealings with subsidiaries and associates		11,100	30,000	63,921	63,129
Net cash (used in)/from investing activities		(6,655)	(31,297)	66,937	65,871

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Fundings in business:					
Drawdowns/(Repayments):					
Proceeds from issuance/drawdowns of term loans and bankers' acceptances		8,235	14,209	-	-
Redemptions/Repayments of:					
- term loans and bankers' acceptances		(5,297)	(11,090)	-	-
- revolving credits - net		-	(10,060)	-	-
Net drawdowns/(repayments)	21(e)(i)	2,938	(6,941)	-	-
Interest paid		(6,391)	(5,077)	(242)	(198)
Payment of lease liabilities	11(c)	(4,554)	(17,429)	-	-
Dividends paid to Owners of the Company/ *Net dealings with Owners of the Company*	36	(155,838)	(120,683)	(155,838)	(120,683)
Net cash used in financing activities		(163,845)	(150,130)	(156,080)	(120,881)
Net decrease in cash and cash equivalents		(93,871)	(78,274)	(89,872)	(54,656)
Effects of exchange rate changes		820	170	120	(20)
Cash and cash equivalents at beginning of the year		422,571	500,675	184,982	239,658
Cash and cash equivalents at end of the year, comprised cash, bank balances and short-term funds	20	329,520	422,571	95,230	184,982

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
#Adjustments					
Operating items (non-cash and disclosure items):					
Allowance for impairment losses (net) on trade receivables	14(b)(i)	610	922	-	-
Interest expense		1,702	1,540	-	-
Write down/(back) of inventories:					
- finished goods		3,382	(668)	-	-
- raw materials		264	3	-	-
- work-in-progress		(2,401)	596	-	-
Write off of:					
- trade receivables		7	50	-	-
- other receivables		3	-	-	-
		3,567	2,443	-	-
Non-operating items:					
Allowance for/(Write back of) impairment losses (net) on:					
- amounts due from subsidiaries	16(c)(i)	-	-	1,128	(3,117)
- investments in subsidiaries	8(d)(i)	-	-	(5,015)	59,253
Depreciation		27,855	36,792	156	84
Dividend income		-	-	(64,745)	(115,800)
Funds distribution income		(3,527)	(3,024)	(1,605)	(1,704)
(Gain)/Loss on foreign currency translations (net)		(933)	201	(10,985)	2,395
Gain on disposals (net) of plant and equipment		(72)	(1,291)	-	-
Interest expense		6,391	5,077	242	198
Interest income		(6,080)	(4,627)	(2,146)	(1,042)
Loss/(Gain) on fair valuation of:					
- biological assets	19(d)	75	5	-	-
- retention sums		(244)	(319)	-	-
Loss on strike-off of subsidiaries	8(d)(i)	-	-	-	20
Modifications of leases		-	(19)	-	-
Recovery of bad debts of trade receivables		(2)	-	-	-
Waiver of debts		-	-	-	(184)
Write off of plant and equipment	6(b)(iv)	344	283	-	-
		23,807	33,078	(82,970)	(59,897)
#Adjustments		27,374	35,521	(82,970)	(59,897)

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

PJ DEVELOPMENT HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2023

1. CORPORATE INFORMATION AND AUTHORISATION OF FINANCIAL STATEMENTS FOR USE

The Company is a public company limited by shares, incorporated under the CA2016, domiciled in Malaysia.

The registered office of the Company is located at 21st Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur. The principal place of business of the Company is located at 7th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur.

The Company is principally engaged in investment holding, property investment and provision of management services to the subsidiaries. The principal activities of the subsidiaries; and associates and a joint venture, are described in Notes 8 and 9 to the financial statements respectively. There have been no significant changes in the nature of these principal activities during the year.

Yellow Rock (L) Foundation, a Labuan foundation registered under the Labuan Foundations Act 2010, is regarded by the Directors as the Company's ultimate holding company. OSK Holdings Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, represents the Company's immediate holding company.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 5 March 2024.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

This note provides the overall basis of preparation that is useful and relevant in understanding these financial statements.

(a) Accounting convention

These financial statements have been prepared on a historical cost convention, other than biological assets and short-term funds which are measured at their fair values. The financial statements of the Group and the Company have been prepared on the basis that they will continue to operate as a going concern. The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on going concern matters are discussed in Note 43(c)(ii)(1).

The financial statements are presented in Ringgit Malaysia ("RM") which is also the functional currency of the Company and all values are rounded to the nearest thousand (RM'000), unless otherwise indicated.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

(a) Accounting convention (Cont'd)

The material accounting policies, significant judgements, key estimates and assumptions have also been placed together in the same note as the related qualitative and quantitative disclosures, to provide a more holistic discussion to users of these financial statements.

(b) Statement of compliance with financial reporting standards and Companies Act

These financial statements have been prepared in accordance with applicable approved Malaysian Financial Reporting Standards ("MRFS") issued by Malaysian Accounting Standards Board ("MASB"), IFRS Accounting Standards issued by International Accounting Standards ("IASB") and the requirements of the Companies Act 2016 in Malaysia.

During the year, the Group and the Company have adopted amendments to MFRS as disclosed in Notes 43(a). The standards, amendments to published standards and interpretations to existing MFRS; and the sustainability disclosure standards issued by the International Sustainability Standards Board ("ISSB") that are applicable to the Group and the Company but not yet effective for the current financial year are disclosed in Notes 43(b) and 43(c) respectively.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries as at the end of the year. Note 8 shows further information on investments in subsidiaries. The financial statements of these subsidiaries are prepared for the same reporting period as the Group. The accounting policies of all companies are aligned with those of the Group.

Control is achieved when the Group is exposed or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group's controls over an investee is satisfied if, and only if, the Group has:

(i) power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) exposure, or rights, to variable returns from its involvement with the investee; and
(iii) the ability to use its power over the investee to affect its returns.

There is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, all relevant facts and circumstances are considered in assessing whether the Group has power over an investee, including:

(i) the contractual arrangement(s) with the other vote holders of the investee;
(ii) rights arising from other contractual arrangements; and
(iii) the voting rights and potential voting rights.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

(c) Basis of consolidation (Cont'd)

At the end of the year, the Group owns more than half of the voting rights resulting in control in all its subsidiaries. The effective proportion of ownership of interest is shown in Note 8(f).

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders (owner) of the Company and the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. At the end of the financial year, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities (intragroup outstanding balances), equity, income, expenses and cash flows relating to transactions between members of the Group as well as dividends paid/payable to the Company by subsidiaries and associates and a joint venture are eliminated in full on consolidation. Unrealised gains arising from transactions are also eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The carrying amounts of the Group's interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in the statement of changes in equity and attributed to the Owners of the Company.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity. Any resultant gain or loss is recognised in the statement of profit or loss. Any investment retained in the subsidiary is measured at fair value at the date when control is lost.

The non-controlling interests are equity in a subsidiary not attributable, directly or indirectly, to the Group. The non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Non-controlling interests are initially measured at either fair value or at the non-controlling interests' proportionate share of the subsidiary's identifiable net assets. Subsequently, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

(d) Climate-related matters

It is required to consider climate-related matters in estimates and assumptions when making judgments where appropriate. This assessment includes potential impacts on the Group due to both physical and transition risks. The Group believes its business model and products and services will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. The climate-related risks might not currently have a material impact on measurement, but the Group is closely observing relevant changes and developments, such as new climate-related legislation.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements for each potential item are discussed in Note 43(c)(ii).

3. SEGMENT INFORMATION

This note provides performance, assets and liabilities analysis by business and geographical segments.

For management purposes, the Group's business activities are organised into five core reportable business segments, based on the nature of the products and services. The executive committee is the chief operating decision maker and 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.

The five core business segments are described as follows:

(1) Property

(i) Property Development
- Development of residential and commercial properties for sale, provision of project management services and sharing of results of associates which are involved in property development activities in Malaysia and Australia.

(ii) Property Investment and Management
- Management and letting of properties, contributing rental yield and appreciation of properties and sharing of results of an associate and a joint venture which deals with letting of office space and retail space.

(2) Construction

Building construction revenue derived from the property development projects carried out.

3. SEGMENT INFORMATION (CONT'D)

The five core business segments are described as follows: (Cont'd)

(3) Industries

(i) Olympic - Cables
- Manufacturing and sale of power cables are divided into three major categories, namely (i) low-voltage power cables, (ii) medium-voltage power cables and (iii) fire-resistant power cables.

(ii) Acotec - Industrialised Building System ("IBS")
- Manufacturing and sale of IBS concrete wall panels.

(4) Hospitality

(i) Hotels and Resorts
- Management and operation of hotels and resorts, including golf course operations, room rental, food and beverage revenue and fee income.

(ii) SGI Vacation Club
- Management of vacation timeshare and sale of timeshare membership.

(5) Investment Holding and Others

- Investing activities and other insignificant business segments including the sale of oil palm fresh fruit bunches and investments which contribute dividend income and interest income.

Inter-segment revenues are eliminated upon consolidation.

Business segment revenue and results include items directly attributable to each segment as well as those that can be allocated on a reasonable basis. Inter-segment transactions have been entered into at arms-length terms mutually agreed between the segments and have been eliminated to arrive at the Group's results. During the year, there is no single external customer that makes up ten percent or more of the Group's revenue.

The basis of segmentation and related measurement of segment revenue, results, assets and liabilities were not materially changed as compared with the previous year.

3. SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis:

Business segment assets and liabilities analysis:

	Note	Property RM'000	Construction RM'000	Industries RM'000	Hospitality RM'000	Investment Holding and Others RM'000	Conso- lidated RM'000
2023							
Assets							
Tangible assets		517,967	62,196	253,200	350,300	151,185	1,334,848
Intangible assets	10	-	-	-	-	3,859	3,859
		517,967	62,196	253,200	350,300	155,044	1,338,707
Investments in associates and a joint venture	9	558,788	-	-	-	-	558,788
Segment assets		1,076,755	62,196	253,200	350,300	155,044	1,897,495
Deferred tax assets and tax recoverable		11,415	705	85	17,011	1	29,217
Total assets		1,088,170	62,901	253,285	367,311	155,045	1,926,712
Liabilities							
Segment liabilities		251,754	61,437	75,409	166,625	7,030	562,255
Deferred tax liabilities and tax payable		7,051	34	6,034	35	5,113	18,267
Total liabilities		258,805	61,471	81,443	166,660	12,143	580,522
Expenditure capitalised under:							
Property, plant and equipment	6(b)(i)	1,199	5,677	20,452	42,971	1,745	72,044
Investment properties	7(b)(i)	7,807	-	-	-	-	7,807
Right-of-use assets	11(b)(i)	-	-	-	1,592	-	1,592
		9,006	5,677	20,452	44,563	1,745	81,443

3. SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis: (Cont'd)

Business segment assets and liabilities analysis: (Cont'd)

	Note	Property RM'000	Construction RM'000	Industries RM'000	Hospitality RM'000	Investment Holding and Others RM'000	Conso-lidated RM'000
2022							
Assets							
Tangible assets		519,450	49,686	218,838	342,153	236,587	1,366,714
Intangible assets	10	-	-	-	-	3,859	3,859
		519,450	49,686	218,838	342,153	240,446	1,370,573
Investments in associates and a joint venture	9	529,715	-	-	-	-	529,715
Segment assets		1,049,165	49,686	218,838	342,153	240,446	1,900,288
Deferred tax assets and tax recoverable		18,221	285	1,321	20,423	131	40,381
Total assets		1,067,386	49,971	220,159	362,576	240,577	1,940,669
Liabilities							
Segment liabilities		253,547	45,629	67,067	163,655	6,889	536,787
Deferred tax liabilities and tax payable		2,215	31	3,125	46	5,846	11,263
Total liabilities		255,762	45,660	70,192	163,701	12,735	548,050
Expenditure capitalised under:							
Property, plant and equipment	6(b)(i)	145	3,344	3,064	30,739	4	37,296
Investment properties	7(b)(i)	7,140	-	-	-	-	7,140
		7,285	3,344	3,064	30,739	4	44,436

3. SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis: (Cont'd)

Business segment performance analysis:

	Property RM'000	Construction RM'000	Industries RM'000	Hospitality RM'000	Investment Holding and Others RM'000	Conso-lidated RM'000
2023						
Revenue						
Total revenue	108,328	215,420	400,423	98,995	74,731	897,897
Elimination of:						
Inter-segment revenue	-	(43,053)	(4,169)	-	2,080	(45,142)
Dividends from:						
- subsidiaries	-	-	-	-	(64,745)	(64,745)
- associate	(11,100)	-	-	-	-	(11,100)
Revenue from external parties	97,228	172,367	396,254	98,995	12,066	776,910
Results						
Segment profit	48,807	1,291	47,824	3,839	8,061	109,822
Share of results of associates and a joint venture	15,201	-	-	-	-	15,201
	64,008	1,291	47,824	3,839	8,061	125,023
Elimination of unrealised profit	-	(94)	-	-	(195)	(289)
Profit before tax	**64,008**	**1,197**	**47,824**	**3,839**	**7,866**	**124,734**
Tax expense	(21,988)	(192)	(13,490)	(2,830)	(1,951)	(40,451)
Profit after tax	**42,020**	**1,005**	**34,334**	**1,009**	**5,915**	**84,283**
2022						
Revenue						
Total revenue	243,129	132,790	293,923	88,352	134,099	892,293
Elimination of:						
Inter-segment revenue	-	(71,456)	(49)	(168)	(447)	(72,120)
Dividends from:						
- subsidiaries	-	-	-	-	(115,800)	(115,800)
- associate	(30,000)	-	-	-	-	(30,000)
Revenue from external parties	213,129	61,334	293,874	88,184	17,852	674,373
Results						
Segment profit	63,007	1,016	15,383	3,747	11,690	94,843
Share of results of associates and a joint venture	16,665	-	-	-	-	16,665
	79,672	1,016	15,383	3,747	11,690	111,508
Realisation of profit upon completion of sale/ (Elimination of unrealised profit)	-	419	-	-	(215)	204
Profit before tax	**79,672**	**1,435**	**15,383**	**3,747**	**11,475**	**111,712**
Tax expense	(17,874)	(1)	(4,104)	(2,189)	(3,513)	(27,681)
Profit after tax	**61,798**	**1,434**	**11,279**	**1,558**	**7,962**	**84,031**

3. SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis: (Cont'd)

Business segment performance analysis: (Cont'd)

Items included in the business segment performance analysis are:

	Property RM'000	Construction RM'000	Industries RM'000	Hospitality RM'000	Investment Holding and Others RM'000	Conso- lidated RM'000
2023						
Cost of Sales (Note 29)						
Depreciation	(177)	-	(5,515)	-	-	(5,692)
Write (down)/back of inventories:						
- finished goods	-	-	(3,382)	-	-	(3,382)
- raw materials	-	-	(264)	-	-	(264)
- work-in-progress	-	-	2,401	-	-	2,401
Write off of plant and equipment	-	-	-	(130)	-	(130)
Other Income (Note 30)						
Fair valuation gain of						
- retention sums	132	112	-	-	-	244
- short-term funds	669	-	-	-	-	669
Foreign currency translations gains	-	-	808	4	121	933
Funds distribution income	950	909	-	62	1,606	3,527
Gain on disposals of plant and equipment	2	9	62	118	-	191
Gain on redemption of short-term funds	475	-	-	-	904	1,379
Interest income	2,336	1	313	137	1,480	4,267
Write back of impairment losses on trade receivables	-	-	571	55	-	626
Administrative Expenses (Note 31)						
Depreciation	(3,755)	(719)	(922)	(15,445)	(1,322)	(22,163)
Other Expenses (Note 32)						
Allowance for impairment losses on trade receivables	-	-	(1,229)	(5)	(2)	(1,236)
Fair valuation loss of:						
- biological assets	-	-	-	-	(75)	(75)
- short-term funds	-	-	-	-	(129)	(129)
Loss on disposal of plant and equipment	-	-	-	(119)	-	(119)
Write off of:						
- trade receivables	-	-	-	(7)	-	(7)
- other receivables	-	-	-	(3)	-	(3)
- plant and equipment	-	-	-	(214)	-	(214)

3. SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis: (Cont'd)

Business segment performance analysis: (Cont'd)

Items included in the business segment performance analysis are: (Cont'd)

	Property RM'000	Construction RM'000	Industries RM'000	Hospitality RM'000	Investment Holding and Others RM'000	Consolidated RM'000
2023 (Cont'd)						
Finance costs (Note 33)						
Finance costs	(3,304)	(15)	(1,121)	(3,463)	(190)	(8,093)
2022						
Cost of Sales (Note 29)						
Depreciation	(178)	-	(5,284)	-	-	(5,462)
Write back/(down) of inventories:						
- finished goods	-	-	668	-	-	668
- raw materials	-	-	(3)	-	-	(3)
- work-in-progress	-	-	(596)	-	-	(596)
Other Income (Note 30)						
Fair valuation gain of:						
- retention sums	199	120	-	-	-	319
- short-term funds	853	-	-	-	1,853	2,706
Foreign currency translations gains	-	-	56	-	-	56
Funds distribution income	897	389	-	32	1,706	3,024
Gain on disposals of plant and equipment	-	480	58	920	-	1,458
Gain on redemption of short-term funds	196	-	-	-	-	196
Interest income	2,005	2	504	27	544	3,082
Write back of impairment losses on trade receivables	-	-	715	27	-	742
Administrative Expenses (Note 31)						
Depreciation	(15,845)	(894)	(842)	(12,539)	(1,210)	(31,330)

3. SEGMENT INFORMATION (CONT'D)

(a) Business segment analysis: (Cont'd)

Business segment performance analysis: (Cont'd)

Items included in the business segment performance analysis are: (Cont'd)

	Property RM'000	Construction RM'000	Industries RM'000	Hospitality RM'000	Investment Holding and Others RM'000	Conso-lidated RM'000
2022 (Cont'd)						
Other Expenses (Note 32)						
Allowance for impairment losses on trade receivables	-	-	(1,615)	(49)	-	(1,664)
Fair valuation loss of:						
- biological assets	-	-	-	-	(5)	(5)
- short-term funds	(50)	-	-	-	(190)	(240)
Foreign currency translations loss	-	-	(101)	-	(156)	(257)
Loss on disposal of plant and equipment	-	-	-	(167)	-	(167)
Loss on redemption of short-term funds	(379)	-	-	-	(642)	(1,021)
Write off of:						
- trade receivables	-	-	(30)	(20)	-	(50)
- plant and equipment	-	(4)	-	(279)	-	(283)
Finance costs (Note 33)						
Finance costs	(2,703)	(31)	(546)	(3,176)	(161)	(6,617)

3. SEGMENT INFORMATION (CONT'D)

(b) Geographical segments analysis:

The Group's operations are mainly based in Malaysia which consists of all the five core reportable business segments and in Australia comprises businesses from Property Development and Property Investment.

	Note	Malaysia RM'000	Australia RM'000	Conso-lidated RM'000
2023				
Revenue		776,910	-	776,910
Profit before tax		117,340	7,394	124,734
Non-current assets^		598,162	-	598,162
Expenditure capitalised under:				
Property, plant and equipment	6(b)(i)	72,044	-	72,044
Investment properties	7(b)(i)	7,807	-	7,807
Right-of-use assets	11(b)(i)	1,592	-	1,592
		81,443	-	81,443
2022				
Revenue		674,373	-	674,373
Profit before tax		105,742	5,970	111,712
Non-current assets^		539,823	-	539,823
Expenditure capitalised under:				
Property, plant and equipment	6(b)(i)	37,296	-	37,296
Investment properties	7(b)(i)	7,140	-	7,140
		44,436	-	44,436

^ Non-current assets exclude financial instruments, deferred tax assets and investments in associates and a joint venture.

4. CAPITAL MANAGEMENT

This note outlines the overview of the Group's capital management policy.

For the Group's capital management, capital is equivalent to issued capital and reserves attributable to the Owners of the Company or Shareholders' funds. The primary objectives of the Group's capital management are to ensure that it maintains optimum capital base and healthy capital ratios to sustain its future business development so that the Group is able to continue to provide returns and maximise Shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions by meeting the internal capital requirements, optimising return to Shareholders, and maintaining adequate levels and optimum mix of capital. To meet these objectives, the Group may adjust the dividend payment to its Shareholders, return capital to Shareholders or issue new shares.

The Group monitors capital by actively managing the level of gearing ratio which is the net debts divided by Shareholders' funds. The gearing ratio at the end of the year is as follows:

		Group	
	Note	**2023**	**2022**
		RM'000	**RM'000**
Borrowings	21	144,262	141,324
Advance from related companies	15	78,589	33,021
Lease liabilities	11	3,510	4,706
Advances to related companies	15	(35,110)	(45,210)
Cash, bank balances and short-term funds	20	(329,520)	(422,571)
Net cash		(138,269)	(288,730)
Issued capital and reserves attributable to Owners of the Company/Shareholders' funds		1,346,225	1,392,647

The gearing ratio is not presented as the Group is in a net cash position.

The Group manages its treasury centrally via a treasury management centre and allocates cash and financing to support business requirements. No changes were made in the objectives, policies or processes for managing capital as compared with the previous year.

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT

This note outlines objectives and policies of how the Group and the Company manage their financial risks and liquidity positions and provides information about the types of key financial risks on the financial instruments of the Group and the Company which categorised as follows:

(i) Financial assets and financial liabilities at fair value through profit or loss ("FVTPL"); and
(ii) Financial assets and financial liabilities at amortised costs ("AC").

Group

	Note	FVTPL RM'000	AC RM'000	Total RM'000
2023				
Financial assets				
Trade receivables	14	-	110,438	110,438
Amounts due from related companies	15	-	54,162	54,162
Other assets excluding prepayments	17	-	23,649	23,649
Cash, bank balances and short-term funds	20	109,360	220,160	329,520
		109,360	408,409	517,769
Financial liabilities				
Lease liabilities	11	-	3,510	3,510
Amounts due to related companies	15	-	94,354	94,354
Borrowings	21	-	144,262	144,262
Trade payables	22	-	61,532	61,532
Other liabilities excluding provisions	24	-	152,583	152,583
		-	456,241	456,241
2022				
Financial assets				
Trade receivables	14	-	107,147	107,147
Amounts due from related companies	15	-	59,057	59,057
Other assets excluding prepayments	17	-	12,592	12,592
Cash, bank balances and short-term funds	20	275,807	146,764	422,571
		275,807	325,560	601,367
Financial liabilities				
Lease liabilities	11	-	4,706	4,706
Amounts due to related companies	15	-	45,201	45,201
Borrowings	21	-	141,324	141,324
Trade payables	22	-	57,257	57,257
Other liabilities excluding provisions	24	-	171,371	171,371
		-	419,859	419,859

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

Company

	Note	FVTPL RM'000	AC RM'000	Total RM'000
2023				
Financial assets				
Amounts due from subsidiaries	16	-	25,925	25,925
Other assets excluding prepayments	17	-	45	45
Cash, bank balances and short-term funds	20	2,318	92,912	95,230
		2,318	118,882	121,200
Financial liabilities				
Borrowings	21	-	5,000	5,000
Other liabilities excluding provisions	24	-	365	365
		-	5,365	5,365
2022				
Financial assets				
Amounts due from subsidiaries	16	-	20,910	20,910
Other assets excluding prepayments	17	-	46	46
Cash, bank balances and short-term funds	20	155,097	29,885	184,982
		155,097	50,841	205,938
Financial liabilities				
Borrowings	21	-	5,000	5,000
Other liabilities excluding provisions	24	-	340	340
		-	5,340	5,340

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

Key financial risks, measurements and respective mitigation strategies of the Group

Types of risks and exposures	Note	Measurement	Strategies
(a) Liquidity risk			
Lease liabilities	11	Cash flow forecasts analysis	Right mix of short-mid-long terms fundings
Amounts due to related companies	15	Debts maturity analysis	Availability of committed lines and credit facilities
Borrowings	21		Monitoring of short-term funds
Trade payables	22		
Other liabilities excluding provisions	24		
(b) Market risk			
(i) Interest rate risk			
Lease liabilities	11	Funding cost analysis	Diversification of bankers
Amounts due from/to related companies	15	Sensitivity analysis	Diversification of borrowings types
Deposits with licensed financial institutions	20		Centralisation of treasury management
Housing Development Accounts	20		
Borrowings	21		
(ii) Currency risk			
Trade receivables	14	Cash flow forecasts	Foreign currency forwards and cross-currency swap
Other assets excluding prepayments	17	Sensitivity analysis	Foreign operations use local financing i.e. natural hedge
Cash, bank balances and short-term funds	20		
Borrowings	21		
Trade payables	22		
Other liabilities excluding provisions	24		
(iii) Other price risks			
Commodity price risks	5(b)(iii)	Quantity and price analysis	Procurement management, materials price monitoring and hedging
Oil palm fresh fruit bunches price risk	19	Sensitivity analysis	
(c) Credit risk			
Trade receivables	14	Credit ratings	Securing of adequate collaterals
Amounts due from related companies	15	Ageing analysis	Diversification of deposits with bankers
Other assets excluding prepayments	17	Creditworthiness	Guidelines for short-term placements
Contract assets	18	Climate-related rating, if relevant	
Bank balances and short-term funds	20		
Financial guarantees given to licensed financial institutions for credit facilities granted to a joint venture	5(c)		

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

The Group's Enterprise Risk Management framework outlines the governance and control application of risk management throughout our business operations and finance processes. In addition, the treasury management centre together with the business units identify, evaluate and manage financial risks.

The Group's principal financial liabilities comprise borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group’s operations. The Group's principal financial assets include trade receivables, cash, bank balances and short-term funds that derive directly from its operations.

There were no material changes in the exposures to risks and how they arise or its objectives, policies and processes for managing the risks and the methods used to measure the risks from the previous year.

Objectives and policies

Financial risk management policies and guidelines are established to ensure that financial resources are adequately available for business development whilst managing the financial risks that are exposed to the Group i.e. liquidity risk, market risk (include interest rate, currency and other price risks) and credit risk. The Group also manages and allocates its capital resources centrally to ensure that all business units maintain the required level of capital and prudent level of liquidity at all times.

The Board of Directors embrace effective risk management as an integral part of business, operations and decision-making process. The Board acknowledges that the activities of the Group may involve some degree of risks and it should be noted that any system could only provide a reasonable and not absolute assurance against any misstatement or loss.

The Board will pursue an ongoing process for identifying, assessing and managing key business areas, and overall operational and financial risks faced by the business units as well as regularly reviewing and enhancing risk mitigation strategies. Key financial risks are elaborated below:

(a) Liquidity risk

Liquidity risk definition and strategy

Liquidity risk is the risk that the Group and the Company will encounter difficulties in maintaining and raising funds to meet its financial commitments and obligations when they fall due at a reasonable cost. The funding needs are primarily met by bank borrowings and internally generated funds.

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(a) Liquidity risk (Cont'd)

Liquidity risk definition and strategy (Cont'd)

The Group and the Company seek to achieve a balance between certainty of funding and flexibility through the use of a cost-effective borrowing structure including short-term revolving and bankers' acceptances credits, term lines as disclosed in Note 21. Such policy seeks to ensure that all projected net borrowing needs are covered by adequate committed facilities. In addition, debt maturities are the right mix of short-mid-long terms and are closely monitored to ensure that the Group and the Company can meet its refinancing needs and obligations as and when they fall due. The Group and the Company assessed the concentration of risk for refinancing its debt and concluded it to be low.

Cash flow forecasts, taking into account all major transactions, are prepared and monitored. Any excess funds from operating cash cycles, which are temporary in nature, are invested in short-term funds as and when available with a wide array of licensed financial institutions at the most beneficial interest rates. The Group and the Company manage the funding needs and allocate funds in such a manner that all business units maintain optimum levels of liquidity which are sufficient for their operations. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

Liquidity risk exposures

In respect of the borrowings that are supported by corporate guarantees provided by the Company as disclosed in Note (c), there was no indication as at 31 December 2023 that any subsidiary or joint venture would default. In the event of a default by the subsidiaries or joint venture, the financial guarantees could be called on demand.

The table below analyses the financial liabilities into relevant maturity grouping based on the remaining period at the end of the year to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows and the balances shown below will not agree to the balances as reported in the statements of financial position as the table incorporates all contractual cash flows on an undiscounted basis, including both principal and interest payments.

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(a) Liquidity risk (Cont'd)

Liquidity risk exposures (Cont'd)

Group

	On demand or within 1 year RM'000	>1 to 2 years RM'000	>2 to 5 years RM'000	Over 5 years RM'000	Total contractual undis-counted cash flows RM'000
2023					
Borrowings	113,461	8,830	26,209	555	149,055
Trade payables	46,631	1,812	14,140	-	62,583
Lease liabilities	1,897	1,215	557	20	3,689
Amounts due to related companies	94,354	-	-	-	94,354
Other liabilities excluding provisions	152,583	-	-	-	152,583
	408,926	11,857	40,906	575	462,264
2022					
Borrowings	110,100	7,115	27,767	1,830	146,812
Trade payables	47,525	58	10,188	-	57,771
Lease liabilities	3,927	755	130	-	4,812
Amounts due to related companies	45,201	-	-	-	45,201
Other liabilities excluding provisions	171,371	-	-	-	171,371
	378,124	7,928	38,085	1,830	425,967

Company

	On demand or within 1 year RM'000	Total contractual undis-counted cash flows RM'000
2023		
Borrowings	5,020	5,020
Other liabilities excluding provisions	365	365
	5,385	5,385
2022		
Borrowings	5,017	5,017
Other liabilities excluding provisions	340	340
	5,357	5,357

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. The Group is exposed to three types of market risk i.e. interest rate risk, currency risk and other price risk while the Company is only exposed to interest rate risk and currency risk. Management continually evaluates risk arising from adverse movements in market prices or rates. External conditions such as global and domestic economic climates that are generally unpredictable and uncontrollable may affect the overall performance of the Group. Financial instruments affected by market risk include loans and borrowings and deposits.

(i) Interest rate risk

Interest rate risk definition and strategy

Interest rate risk is the risk that the fair value or yield (i.e. future cash flows) of a financial instrument will fluctuate because of changes in market interest rates. The floating rate borrowings are managed based on respective licensed financial institutions' cost of funds or base rates to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall. The floating rate borrowings are monitored and negotiated according to changes in the interest rates to ensure that the Group and the Company benefit from the lowest possible finance cost.

The Group and the Company manage their interest rate risk by having a balanced portfolio of fixed and variable-rate loans and borrowings. Such borrowings at variable rates were mainly denominated in RM. The borrowings carried at amortised cost are periodically and contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

Interest rate risk exposures

The financial instruments that are exposed to interest rate risk are lease liabilities, amounts due from/to related companies, amounts due from subsidiaries, bank balances and short-term funds and borrowings as disclosed in Notes 11, 15, 16, 20 and 21 respectively.

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(b) Market risk (Cont'd)

(i) Interest rate risk (Cont'd)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group's and the Company's profit after tax if interest rates had been an average of 25 (2022: 25) basis points higher/lower for the Group and the Company, with all other variables remained constant, arising mainly as a result of higher/lower net interest expense from borrowings.

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Profit after tax				
Interest rates				
- increased by 0.25%	263	549	224	383
- decreased by 0.25%	(263)	(549)	(224)	(383)

(ii) Currency risk

Currency risk definition and strategy

Currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group’s operating activities (when revenue or expense is denominated in a foreign currency) and the Group’s net investments in foreign subsidiaries.

The Group predominantly operates in Malaysia. The Group also carries out its business in Australia through its associates. Certain subsidiaries in the Group transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises when transactions are denominated in foreign currencies which is minimal for the financial assets and liabilities of the Group.

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(b) Market risk (Cont'd)

(ii) Currency risk (Cont'd)

Currency risk exposures

The following tables summarised the currency exposure of financial assets and financial liabilities of the Group as at year end which are mainly in Ringgit Malaysia ("RM"), Australian Dollar ("AUD") and United States Dollar ("USD"). Exposure to other currencies mainly included Chinese Yuan Renminbi, Singapore Dollar and Euro.

Group

	Note	Denominated in				
		RM	**AUD**	**USD**	**Others**	**Total**
		RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
2023						
Financial assets						
Trade receivables	14	103,505	-	139	6,794	110,438
Other assets excluding prepayments	17	12,990	37	3,585	7,037	23,649
Cash, bank balances and short-term fund	20	311,556	6,562	86	11,316	329,520
		428,051	6,599	3,810	25,147	463,607
Financial liabilities						
Lease liabilities	11	3,510	-	-	-	3,510
Borrowings	21	144,262	-	-	-	144,262
Trade payables	22	57,890	-	3,197	445	61,532
Other liabilities excluding provisions	24	152,131	9	443	-	152,583
		357,793	9	3,640	445	361,887
2022						
Financial assets						
Trade receivables	14	103,265	-	285	3,597	107,147
Other assets excluding prepayments	17	11,013	11	674	894	12,592
Cash, bank balances and short-term fund	20	410,768	4,419	4,024	3,360	422,571
		525,046	4,430	4,983	7,851	542,310

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(b) Market risk (Cont'd)

(ii) Currency risk (Cont'd)

Currency risk exposures (Cont'd)

The following tables summarised the currency exposure of financial assets and financial liabilities of the Group as at year end which are mainly in Ringgit Malaysia ("RM"), Australian Dollar ("AUD") and United States Dollar ("USD"). Exposure to other currencies mainly included Chinese Yuan Renminbi, Singapore Dollar and Euro. (Cont'd)

Group (Cont'd)

		Denominated in				
	Note	**RM RM'000**	**AUD RM'000**	**USD RM'000**	**Others RM'000**	**Total RM'000**
2022 (Cont'd)						
Financial liabilities						
Lease liabilities	11	4,706	-	-	-	4,706
Borrowings	21	141,324	-	-	-	141,324
Trade payables	22	54,296	-	191	2,770	57,257
Other liabilities excluding provisions	24	171,367	4	-	-	171,371
		371,693	4	191	2,770	374,658

Company

		Denominated in		
Financial assets	**Note**	**RM RM'000**	**AUD RM'000**	**Total RM'000**
2023				
Cash, bank balances and short-term funds	20	91,879	3,351	95,230
2022				
Cash, bank balances and short-term funds	20	183,570	1,412	184,982

The Group holds cash and bank balances denominated in foreign currencies for working capital purposes.

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(b) Market risk (Cont'd)

(ii) Currency risk (Cont'd)

Currency risk exposures (Cont'd)

The Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposure to the net assets of the Group's foreign operations is managed through borrowings denominated in the relevant foreign currencies. During the year, there is no other significant foreign exchange risk arising from foreign currency transactions that may affect the overall activities of the Group.

Sensitivity analysis for currency risk

The following table demonstrates the sensitivity analysis of the Group's and the Company's profit after tax to a reasonably possible change in AUD and USD exchange rate against the functional currency of the Group and the Company entities, with all other variables held constant. The sensitivity analysis includes only significant outstanding balances denominated in foreign currency. The Group's exposure to foreign currency changes for all other currencies is not material.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit after tax				
AUD/RM				
- strengthen by 3%	150	101	76	33
- weaken by 3%	(150)	(101)	(76)	(33)
SGD/RM				
- strengthen by 3%	413	159	-	-
- weaken by 3%	(413)	(159)	-	-
USD/RM				
- strengthen by 3%	4	109	-	-
- weaken by 3%	(4)	(109)	-	-

(iii) Other price risks

Commodity price risks

Olympic Cable Company Sdn. Bhd. ("OCC"), a wholly-owned subsidiary of the Company, is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of cables and therefore require a continuous supply of copper, aluminium and compound materials. OCC is exposed to changes in the price of these materials on its forecast purchases.

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(b) Market risk (Cont'd)

(iii) Other price risks (Cont'd)

Commodity price risks (Cont'd)

OCC has enacted a risk management strategy for commodity price risk and its mitigation. Based on the 12-month forecast of the required copper and aluminium supply, OCC considers hedging the purchase price using forward commodity purchase contracts when appropriate. The forward contracts do not result in a physical delivery of copper but are designated as cash flow hedges to offset the effect of price changes in copper. OCC hedges its expected copper purchases when considered to be highly probable. In managing this, OCC also observes the movement of the copper and aluminium prices and negotiates with its suppliers for the final settlement price. Hedging activities are evaluated regularly to align with the Group's expectations about the price changes and defined risk appetite; ensuring the most cost-effective hedging strategies are applied. As at 31 December 2023, OCC did not enter into any forward commodity purchase contract.

Commodity price sensitivity

The following table shows the effect of price changes in copper and aluminium:

	Group	
	2023	**2022**
	RM'000	**RM'000**
Profit after tax		
Copper		
- increase by 10%	(11,233)	(8,191)
- decrease by 10%	11,233	8,191
Aluminium		
- increase by 10%	(3,200)	(3,286)
- decrease by 10%	3,200	3,286

Oil palm fresh fruit bunches price risk

As disclosed in Note 19, the Group has certain exposure in oil palm fresh fruit bunches.

If the oil palm fresh fruit bunches selling price changed by 10%, profit or loss for the Group would have equally increased or decreased by approximately RM38,000 (2022: RM43,000) respectively.

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(c) Credit risk

Credit risk definition, strategy and exposures

Credit risk is the risk of potential financial loss arising from the failure of a counterparty to fulfil its obligations under a contractual agreement and includes settlement/clearing risk, concentration risk, credit assessment risk, recovery risk and credit-related liquidity risk.

The Group is exposed to credit risk from its operating activities principally from trade receivables, amounts due from related companies, other assets, contract assets, bank balances and short-term funds as disclosed in Notes 14, 15, 17, 18 and 20 respectively. The Company also provides financial guarantees given to licensed financial institutions for credit facilities granted to its joint venture. The Company's exposure to credit risk arises principally from bank balances, short-term funds, amounts due from subsidiaries and financial guarantees given to licensed financial institutions for credit facilities granted to its subsidiaries and a joint venture of the Group.

The Group's business activities are guided by internal credit policies and guidelines that are approved by the Board of Directors, which have been established to ensure that the overall objectives in the area of lending are achieved.

The Group conservatively manages its credit risk by controlling on granting of credits, revision in limits and other monitoring procedures.

The Group is monitoring the economic environment and reviewing the expected credit loss model by revisiting the criteria in determining the significant increase in credit risk. The balances disclosed in the statements of financial position had netted off with the credit risk exposure through the impairment assessment carried out.

Trade receivables, contract assets and other assets

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(c) Credit risk (Cont'd)

Bank balances, short-term funds and amounts due from related companies/subsidiaries

Credit risk from balances with banks and financial institutions is managed by the Group's treasury management centre following the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's executive committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Impairment assessment

The Group and the Company adopt, where applicable, the 'simplified approach' and 'general approach' impairment assessment pursuant to MFRS 9 'Financial Instruments' for impairment assessment and the related assessments are trade receivables, amounts due from related companies/subsidiaries, other assets, contract assets, bank balances and short-term funds disclosed in Notes 14, 15, 16, 17, 18 and 20 respectively.

Allowance for impairment losses is made and interest income is recognised in accordance with the relevant accounting policies or when deemed necessary based on estimates of expected losses that may arise from non-collection of debts from its business. Impairment is made based on individual assessment only when avenues of recovery have been exhausted and the debts are deemed to be irrecoverable in the foreseeable future.

Amounts due from related companies, subsidiaries or a joint venture are assessed on an individual basis. It is assumed that there is a significant increase in credit risk when the financial position of any of them deteriorates significantly. Amounts due from related companies, subsidiaries and a joint venture; and financial guarantees are credit impaired when such related company, subsidiary or joint venture is unable to meet its debts when due after exhausting its capability to secure new financing. It requires management to exercise significant judgement in determining the probability of default on the advances and financial guarantees, appropriate forward-looking information and significant increase in credit risk.

The maximum credit risk exposure of the Group and of the Company arising from the amounts due from related companies and subsidiaries are represented by their carrying amounts in the statements of financial position as disclosed in Notes 15 and 16. The bank balances are placed with credit-worthy licensed financial institutions. Therefore, both bank balances and short-term funds have low credit risk.

5. FINANCIAL INSTRUMENTS RISK MANAGEMENT (CONT'D)

(c) Credit risk (Cont'd)

Financial guarantee contracts

Corporate guarantees are granted to lenders for financing facilities extended to certain subsidiaries and a joint venture. The maximum credit risk exposure of the financial guarantees issued are as follows:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Corporate guarantees given to licensed financial institutions for credit facilities granted to subsidiaries	-	-	117,430	111,832
Corporate guarantees given to third parties for credit facilities granted to a subsidiary	-	-	-	2,000
Corporate guarantees given to licensed financial institutions for credit facilities a joint venture	30,015	32,208	30,015	32,208
	30,015	32,208	147,445	146,040

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss incurred because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised as financial liabilities at the time the guarantee crystallises. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected loss model under MFRS 9 and the amount initially recognised less amortisation, where appropriate.

Financial guarantees have low credit risk at the end of the year as the financial guarantees are unlikely to be called upon by the licensed financial institutions. The fair values of the financial guarantees are negligible as the probability of a joint venture defaulting repayment and the licensed banks calling upon the financial guarantees are remote.

6. PROPERTY, PLANT AND EQUIPMENT

This note provides information about the property, plant and equipment (alternatively named as fixed assets) used to generate business income.

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Net carrying amount:				
Freehold land and golf course on freehold land	75,490	68,117	-	-
Buildings	176,595	179,727	-	-
Plant and machinery	25,764	15,032	-	-
Motor vehicles	945	402	661	-
Furniture, fittings, equipment and renovation	109,097	62,800	103	185
Assets under construction	12,256	24,130	-	-
Bearer plant	11,410	11,995	-	-
	411,557	362,203	764	185

	Group	
	2023	2022
	RM'000	RM'000
Net carrying amount analysed by business segments:		
Property	4,752	4,306
Construction	8,221	4,097
Industries	62,720	47,970
Hospitality	317,050	293,264
Investment Holding and Others	18,814	12,566
	411,557	362,203

All the property, plant and equipment are in use for business.

(a) Recognition, measurement and significant judgement

Property, plant and equipment are recognised when it is probable that the future economic benefits will flow to the Group and the Company. These assets are initially measured at cost (i.e. the fair value at the date on which control is obtained) including the cost of replacing part of the plant and equipment and subsequently stated at cost less accumulated depreciation and accumulated impairment losses, if any. Assets under construction are stated at cost including borrowing costs for construction projects provided the recognition criteria are met, net of accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, depreciation is provided separately based on their specific useful lives. When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred. It is required to determine whether these expenditures satisfy the definition of an asset and are recognised as property, plant and equipment.

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

(a) Recognition, measurement and significant judgement (Cont'd)

Depreciation is calculated on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life of the assets. Depreciation expense on property, plant and equipment is recognised in the statement of profit or loss in the expense category that is consistent with the function of the property, plant and equipment. Freehold land and a golf course on freehold land are not depreciated. Assets under construction are not depreciated until such time when the asset is available for use. The estimated useful life represents the common life expectancy applied in the industry within which the Group and the Company operate. The principal depreciation periods and annual rates used are as follows:

	Years	Percentage (%)
Buildings	33 - 60	2 - 3
Plant and machinery	5 - 10	10 - 20
Motor vehicles	5 - 7	15 - 20
Furniture, fittings, equipment and renovation	5 - 10	10 - 20
Bearer plants	22	5

Residual value, useful life and depreciation method are reviewed at least annually 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 items of property, plant and equipment.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each year's end and adjusted prospectively, if appropriate.

At each reporting date, an assessment is performed on whether there is an indication of impairment on an asset. If any indication exists or when annual impairment testing for an asset is required an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. An impairment loss is accounted for if the carrying amount exceeds the recoverable amount as the asset is considered impaired and written down to its recoverable amount.

For impairment assessment, the recoverable amount of the property, plant and equipment is determined based on either (a) "value-in-use" of Cash Generating Units ("CGU"); or (b) indicative market value of the property, plant and equipment, where appropriate.

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

(a) Recognition, measurement and significant judgement (Cont'd)

Value-in-use of the CGU is determined by discounting the future cash flows to be generated from continuing use of the CGU. Significant judgement is used in making these estimates on future results and key assumptions applied to cash flow projections of the CGU. The key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rates, which are, among others, dependent on forecasted economic conditions.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on property, plant and equipment are discussed in Notes 43(c)(ii)(4) and 43(c)(ii)(5).

Further details of impairment are disclosed in Note (b)(v).

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's 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, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

Carrying amount of an item of property, plant and equipment is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised (Notes 30 and 32).

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

(b) Other information

(i) Movement of property, plant and equipment by classes of assets

Group

2023

Cost	Note	Freehold land and golf course on freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, fittings, equipment and renovation RM'000	Assets under construction RM'000	Bearer plant RM'000	Total RM'000
At the beginning of the year		68,214	316,588	127,068	7,127	149,548	26,250	18,058	712,853
Additions	3(a),3(b)	5,292	2,505	12,905	994	36,904	13,125	319	72,044
Disposals		-	(57)	(606)	(1)	(778)	-	-	(1,442)
Write offs	(b)(iv)	-	-	(965)	(15)	(8,141)	-	-	(9,121)
Reclassification upon completion		-	-	2,500	-	22,499	(24,999)	-	-
Reclassified from inventories	12(b)(i)	2,081	-	-	-	-	-	-	2,081
At the end of the year		75,587	319,036	140,902	8,105	200,032	14,376	18,377	776,415
Accumulated depreciation									
At the beginning of the year		-	120,818	112,036	6,725	86,747	-	6,063	332,389
Charge for the year	(b)(iii)	-	5,587	4,643	451	12,681	-	904	24,266
Disposals		-	(7)	(576)	(1)	(697)	-	-	(1,281)
Write offs	(b)(iv)	-	-	(965)	(15)	(7,797)	-	-	(8,777)
At the end of the year		-	126,398	115,138	7,160	90,934	-	6,967	346,597
Accumulated impairment									
At the beginning/end of the year		97	16,043	-	-	1	2,120	-	18,261
Net carrying amount		75,490	176,595	25,764	945	109,097	12,256	11,410	411,557

During the year, freehold land measuring approximately 65.7 acres costing RM2.1 million has been reclassified from land held for property development due to a change in use of the land to coconut plantation.

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

(b) Other information (Cont'd)

(i) Movement of property, plant and equipment by classes of assets (Cont'd)

Group (Cont'd)

2022

Cost	**Note**	**Freehold land and golf course on freehold land RM'000**	**Buildings RM'000**	**Plant and machinery RM'000**	**Motor vehicles RM'000**	**Furniture, fittings, equipment and renovation RM'000**	**Assets under construction RM'000**	**Bearer plant RM'000**	**Total RM'000**
At the beginning of the year		71,431	327,053	125,475	7,456	125,821	25,358	18,058	700,652
Additions	3(a),3(b)	-	1,832	3,060	10	28,823	3,571	-	37,296
Disposals		(3,217)	(12,297)	(1,467)	(338)	(7,277)	-	-	(24,596)
Write offs	(b)(iv)	-	-	-	(1)	(531)	-	-	(532)
Reclassification upon completion		-	-	-	-	2,679	(2,679)	-	-
Reclassified from right-of-use assets	11(b)(iii)	-	-	-	-	33	-	-	33
At the end of the year		68,214	316,588	127,068	7,127	149,548	26,250	18,058	712,853
Accumulated depreciation									
At the beginning of the year		-	120,576	109,364	6,655	83,519	-	5,159	325,273
Charge for the year	(b)(iii)	-	5,594	4,139	409	9,643	-	904	20,689
Disposals		-	(5,352)	(1,467)	(338)	(6,177)	-	-	(13,334)
Write offs	(b)(iv)	-	-	-	(1)	(248)	-	-	(249)
Reclassification from right-of-use assets	11(b)(iii)	-	-	-	-	10	-	-	10
At the end of the year		-	120,818	112,036	6,725	86,747	-	6,063	332,389
Accumulated impairment									
At the beginning of the year		97	18,164	-	-	973	2,120	-	21,354
Disposals		-	(2,121)	-	-	(972)	-	-	(3,093)
At the end of the year		97	16,043	-	-	1	2,120	-	18,261
Net carrying amount		68,117	179,727	15,032	402	62,800	24,130	11,995	362,203

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

(b) Other information (Cont'd)

(i) Movement of property, plant and equipment by classes of assets (Cont'd)

Company

2023

Cost	Note	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
At the beginning of the year		821	2,254	3,075
Additions		735	-	735
At the end of the year		1,556	2,254	3,810
Accumulated depreciation				
At the beginning of the year		821	2,069	2,890
Charge for the year	(b)(iii)	74	82	156
At the end of the year		895	2,151	3,046
Net carrying amount		661	103	764

2022

Cost	Note	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
At the beginning of the year		821	2,250	3,071
Additions		-	4	4
At the end of the year		821	2,254	3,075
Accumulated depreciation				
At the beginning of the year		821	1,985	2,806
Charge for the year	(b)(iii)	-	84	84
At the end of the year		821	2,069	2,890
Net carrying amount		-	185	185

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

(b) Other information (Cont'd)

(ii) Assets pledged as security

Property, plant and equipment of certain subsidiaries with the following carrying amounts are pledged to licensed financial institutions for credit facilities granted to the subsidiaries:

	Note	Group 2023 RM'000	Group 2022 RM'000
Freehold land		21,153	38,575
Leasehold land		391	391
Buildings		80,636	114,463
	21(c)	102,180	153,429

(iii) Depreciation charge

The total depreciation charge for the year is as follows:

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Recognised in profit or loss and classified under:					
- Cost of sales	29(b)	5,033	4,913	-	-
- Administrative expenses	31	17,899	15,163	156	84
Charged to contract assets and liabilities in relation to construction contracts	18(b)(ii)	1,334	613	-	-
	(b)(i)	24,266	20,689	156	84

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

(b) Other information (Cont'd)

(iv) Write offs

Plant and equipment written off for the year are as follows:

	Note	Group 2023 RM'000	Group 2022 RM'000
Cost		9,121	532
Accumulated depreciation		(8,777)	(249)
Net carrying amount		344	283
Recognised in profit or loss and classified under:			
- Cost of sales	29(b)	130	-
- Other expenses	32	214	283
	(b)(i)	344	283

These write offs are no longer in use and do not generate future economic benefits to the Group.

(v) Impairment

Impairment assessment on property, plant and equipment of certain subsidiaries was carried out based on the "value-in-use" of CGU by using the key assumptions as disclosed in Note (a) above. There was no indication of impairment as the recoverable amounts of such CGU were higher than their carrying amounts. For assessment of the value-in-use of the CGU, it is believed that no reasonably possible change in any of the above key assumptions would cause the carrying amounts of the CGU to materially exceed their recoverable amounts.

For impairment assessment on property, plant and equipment of certain subsidiaries under Hotel and Resorts Division carried out based on the indicative market values of property, plant and equipment.

7. INVESTMENT PROPERTIES

This note provides information about the investment properties held by the Group to generate rental income and benefit from capital appreciation.

	Note	Group 2023 RM'000	Group 2022 RM'000
Freehold land		12,751	12,751
Buildings		13,261	13,633
Investment property under construction		45,679	37,872
	(b)(i)	71,691	64,256
Fair value		89,997	77,712

Carrying amount analysed by business segments:

	2023 RM'000	2022 RM'000
Property	71,593	64,155
Industries	98	101
	71,691	64,256

(a) Recognition and measurement

Investment properties of the Group comprise hypermarket premises, office buildings, shop offices, commercial units, residential units and car parks. Management determined that the investment properties consist of two classes of assets (i.e. office and retail) based on the nature, characteristics and risks of each property.

Investment properties comprise properties held for rental yields or capital appreciation or both and are not occupied by the Group.

Investment properties are capitalised when it is probable that the future economic benefits will flow to the Group. These investment properties are capitalised initially at acquisition cost, being the fair value of consideration paid, including related transaction costs and subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are recognised in the statement of profit or loss when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

7. INVESTMENT PROPERTIES (CONT'D)

(a) Recognition and measurement (Cont'd)

Depreciation is calculated on a straight-line basis to write off the cost of each investment property to its residual value over the estimated useful life. The estimated useful life represents common life expectancy applied in the industry within which the Group operates. Depreciation expense on investment properties is recognised in the statement of profit or loss. The principal depreciation period for buildings is 50 years. Freehold land and buildings under construction are not depreciated.

At the end of the year, the Group assesses whether there is any indication of impairment. If such an indication exists, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. An impairment is accounted for if the carrying amount exceeds the recoverable amount.

Investment properties are derecognised either when they have been disposed (i.e. at the date the recipient obtains control) or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, on the retirement or disposal during the year are recognised in the statement of profit or loss. In determining the amount of consideration from the derecognition of investment property, the effects of variable consideration will be considered, the existence of a significant financing component, non-cash consideration, and consideration payable to the buyer, if any.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, such property is accounted in accordance with the policy stated under property, plant and equipment up to the date of change in use.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on investment properties are discussed in Note 43(c)(ii)(5).

7. INVESTMENT PROPERTIES (CONT'D)

(b) Other information

(i) Movement of investment properties

Group

2023

Cost	**Note**	**Freehold land RM'000**	**Buildings RM'000**	**Building under construction RM'000**	**Total RM'000**
At the beginning of the year		12,751	32,983	37,872	83,606
Additions	3(a),3(b)	-	-	7,807	7,807
At the end of the year		12,751	32,983	45,679	91,413
Accumulated depreciation					
At the beginning of the year		-	5,852	-	5,852
Charge for the year	(b)(iii)	-	372	-	372
At the end of the year		-	6,224	-	6,224
Accumulated impairment					
At the beginning/end of the year		-	13,498	-	13,498
Net carrying amount		12,751	13,261	45,679	71,691

2022

Cost	**Note**	**Freehold land RM'000**	**Buildings RM'000**	**Building under construction RM'000**	**Total RM'000**
At the beginning of the year		12,751	32,983	30,732	76,466
Additions	3(a),3(b)	-	-	7,140	7,140
At the end of the year		12,751	32,983	37,872	83,606
Accumulated depreciation					
At the beginning of the year		-	5,479	-	5,479
Charge for the year	(b)(iii)	-	373	-	373
At the end of the year		-	5,852	-	5,852
Accumulated impairment					
At the beginning/end of the year		-	13,498	-	13,498
Net carrying amount		12,751	13,633	37,872	64,256

The additional costs incurred were for the existing investment properties.

7. INVESTMENT PROPERTIES (CONT'D)

(b) Other information (Cont'd)

(i) Movement of investment properties (Cont'd)

As disclosed in Note 33, interest of RM1.6 million (2022: RM1.0 million) was capitalised during the year which was calculated based on interest rates ranging from 4.45% to 4.97% (2022: 3.46% to 4.59%).

(ii) Rental income and direct expenses

Rental income and direct expenses arising from investment properties during the year are as follows:

	Group	
	2023 RM'000	2022 RM'000
Rental income generating	2,044	2,055
Direct expenses incurred to generate the rental income	861	852

(iii) Depreciation charge

The total depreciation charge for the year is as follows:

		Group	
	Note	2023 RM'000	2022 RM'000
Recognised in profit or loss and classified under:			
Cost of sales	29(b)	177	178
Administrative expenses	31	195	195
	(b)(i)	372	373

(iv) Assets pledged as security

Investment properties with a total carrying amount of RM60.1 million (2022: RM52.2 million) are pledged to licensed financial institutions for credit facilities granted to the subsidiaries as disclosed in Note 21(c).

(v) Other relevant information

The fair value of the investment properties is estimated by the Directors by reference to transaction prices for similar properties in the vicinity as well as based on the investment method taking into account rental receipts, market rental yields and the use of appropriate capitalisation rates.

No restriction on the realisability of investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancement.

8. INVESTMENTS IN SUBSIDIARIES

This note provides information about the investments in subsidiaries which generate dividend income for the Company.

		Company	
	Note	2023	2022
		RM'000	RM'000
Unquoted shares in Malaysia		624,029	624,334
Unquoted shares outside Malaysia		71,308	71,308
Equity loan to a subsidiary		187,342	176,477
	(d)(i)	882,679	872,119

(a) Recognition, measurement and significant judgement

Subsidiaries are all entities, over which the Group has control as described in Note 2(c). Investments in subsidiaries are recognised upon the power to control entities is established. Investments in subsidiaries are stated at cost, measured at the fair value of the consideration paid, and subsequently carried at cost less accumulated impairment losses, if any.

The Group reviews the investments in subsidiaries measured at cost for impairment when there is an indication of impairment in each reporting period. The recoverable amount is assessed by reference to value-in-use or its fair value less cost to sell of underlying assets of the subsidiary. If estimated using the value-in-use, is to be based on reasonable and supportable assumptions that represent the Company's best estimate of the range of future economic conditions. For value-in-use calculations, the future cash flows are to be estimated for an asset in its current condition, so the Company will need to exclude any estimated cash flows expected to arise from enhancing the asset's performance.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on investments in subsidiaries are discussed in Note 43(c)(ii)(5).

(b) Changes in the Group's composition for the year ended 31 December 2023

(i) Subscription of shares in subsidiaries

During the year, the Company had subscribed for new ordinary shares in the following wholly-owned subsidiaries:

Date	Company	No. of share	For cash
		'000	RM'000
18.07.23	Vibrant Practice Sdn. Bhd.	180	180
21.12.23	PJD Hotels Sdn. Bhd.	2,000	2,000
		2,180	2,180

Equity interests of the abovementioned companies remained at 100%.

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Changes in the Group's composition for the year ended 31 December 2023 (Cont'd)

(ii) Subscription of ordinary shares in Damai Laut Golf Resort Sdn. Bhd. ("DLGR") by PJD Hotels Sdn. Bhd. ("PJD Hotels")

On 21 December 2023, PJD Hotels, a wholly-owned subsidiary of the Company, subscribed for 2,000,000 new ordinary shares at RM1 each in DLGR. Accordingly, the issued and paid-up ordinary share capital of DLGR increased from RM138,666,869 to RM140,666,869. Upon completion of the share subscriptions, PJD Hotels's equity interests in DLGR remained at 99.64%.

The subscription of shares has the following effects on the Group:

	RM'000
Net liabilities acquired from non-controlling interests	7
Loss on consolidation recognised in statement of changes in equity	(7)
Net cash in/(out)flow on subscription of ordinary shares in DLGR	-

(c) Changes in the Group's composition for the year ended 31 December 2022

(i) Striking off/dissolution of dormant subsidiaries

(1) On 23 February 2022, OCC Malaysia Sdn. Bhd. ("OCCM"), a dormant company and wholly-owned subsidiary of OSK Industries Limited ("OSKIL"), an indirect wholly-owned subsidiary of the Company, was struck off from the registrar upon the publication of the notice of striking off pursuant to Section 551(3) of the CA2016 in the Gazette.

(2) On 29 March 2022, PJDC International Sdn. Bhd. ("PJDCI"), a dormant company and wholly-owned subsidiary of the Company, was struck off from the registrar upon the publication of the notice of striking off pursuant to Section 551(3) of the CA2016 in the Gazette.

(3) On 8 November 2022, PJ Equity Sdn. Bhd. ("PJE"), a dormant company and wholly-owned subsidiary of the Company, was struck off from the registrar upon the publication of the notice of striking off pursuant to Section 551(3) of the CA2016 in the Gazette.

(4) On 20 December 2022, Eframe Sdn. Bhd. ("Eframe") and Eframe Solutions Sdn. Bhd. ("EframeSol"), both are dormant companies and wholly-owned subsidiaries of the Company, were struck off from the registrar upon the publication of the notice of striking off pursuant to Section 551(3) of the CA2016 in the Gazette.

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) Changes in the Group's composition for the year ended 31 December 2022 (Cont'd)

(i) Striking off/dissolution of dormant subsidiaries (Cont'd)

(5) OCC Cables Limited ("OCCL"), is a wholly-owned subsidiary of OSKIL, which in turn is a wholly-owned subsidiary of the Company. On 30 December 2022, OCCL and OSKIL were dissolved from the register under the British Virgin Islands Business Companies Act 2004 by application to the Register of Corporate Affairs of the British Virgin Islands.

Striking offs of OCCM, PJDCI, PJE, Eframe and EframeSol; and the dissolutions of OCCL and OSKIL did not have any material financial impact on the Group.

(ii) Subscription of shares in subsidiaries

(1) During the year, the Company had subscribed for new ordinary shares in the following wholly-owned subsidiaries:

Date	Company	No. of share '000	For cash RM'000
09.02.22	PJD Management Services Sdn. Bhd.	1,600	1,600
25.03.22	DLHA Management Services Sdn. Bhd.	15	15
26.04.22	PJD Hotels Sdn. Bhd.	56,449	56,449
26.04.22	Swiss-Inn JB Sdn. Bhd.	10,485	10,485
10.05.22	PJD Management Services Sdn. Bhd.	3,800	3,800
02.08.22	Swiss-Garden Rewards Sdn. Bhd.	14,824	14,824
27.12.22	Vibrant Practice Sdn. Bhd.	1,150	1,150
		88,323	88,323

Equity interests of the abovementioned companies remained at 100%.

(2) Subscription of ordinary shares in DLGR by PJD Hotels

On 26 April 2022 and 24 November 2022, PJD Hotels, a wholly-owned subsidiary of the Company, subscribed for 54,448,969 and 2,000,000 new ordinary shares at RM1 each in DLGR. Accordingly, the issued and paid-up ordinary share capital of DLGR increased from RM82,217,900 to RM138,666,869. Upon completion of the share subscriptions, PJD Hotels's equity interests in DLGR increased to 99.64% from 99.39%.

The subscription of shares has the following effects on the Group:

	RM'000
Net liabilities acquired from non-controlling interests	329
Loss on consolidation recognised in statement of changes in equity	(329)
Net cash in/(out)flow on subscription of ordinary shares in DLGR	-

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(d) Other information

(i) Movement of investments in subsidiaries

	Note	Company 2023 RM'000	Company 2022 RM'000
Unquoted shares in Malaysia			
Cost			
At the beginning of the year		758,758	697,045
Strike off of subsidiaries	(c)(i),32	-	(20)
Subscription of shares	(b)(i),(c)(ii)(1)	2,180	88,323
Capital repayment by subsidiaries	(d)(ii)	(7,500)	(26,590)
At the end of the year		753,438	758,758
Accumulated impairment losses			
At the beginning of the year		(134,424)	(75,171)
Allowance made	32	-	(59,253)
Write back of allowance	30	5,015	-
At the end of the year		(129,409)	(134,424)
		624,029	624,334
Unquoted shares outside Malaysia			
Cost			
At the beginning of the year		71,308	199,620
Charge out upon dissolution	(c)(i)	-	(128,312)
At the end of the year		71,308	71,308
Accumulated impairment losses			
At the beginning of the year		-	(128,312)
Reversal upon dissolution	(c)(i)	-	128,312
At the end of the year		-	-
		71,308	71,308
Equity loan to a subsidiary^			
At the beginning of the year		214,736	217,624
Foreign currency translation gain/(loss)		10,865	(2,888)
At the end of the year		225,601	214,736
Accumulated impairment losses			
At the beginning of the year		(38,259)	(38,773)
Foreign currency translation gain		-	514
At the end of the year		(38,259)	(38,259)
		187,342	176,477
		882,679	872,119

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(d) Other information (Cont'd)

(i) Movement of investments in subsidiaries (Cont'd)

^ The equity loan to a subsidiary is unsecured and has no fixed term of repayment. The loan is considered to be part of the investments of the Company for the purposes of providing the subsidiary with a long-term source of additional capital.

(ii) Capital repayment by subsidiaries

The Group carried out capital allocation exercise and effected capital repayment in certain subsidiaries to maximise the efficiency of capital management as follows:

2023

On 22 June 2023, PJD Realty Sdn. Bhd. ("PJD Realty"), a wholly-owned subsidiary, had repaid RM4,999,999 cash as capital repayment to the Company.

On 22 September 2023, PJD Pravest Sdn. Bhd. ("PJD Pravest"), a wholly-owned subsidiary, had repaid RM2,000,000 cash as capital repayment to the Company.

On 19 October 2023, Bindev Sdn. Bhd. ("Bindev"), a wholly-owned subsidiary, had repaid RM499,999 cash as capital repayment to the Company.

2022

On 13 January 2022, PJD Pravest, a wholly-owned subsidiary, had repaid RM1,300,000 cash as capital repayment to the Company.

On 13 January 2022, PJD Central Sdn. Bhd. ("PJD Central"), a wholly-owned subsidiary, had repaid RM24,999,999 cash as capital repayment to the Company.

On 25 March 2022, PJD Land Sdn. Bhd. ("PJD Land"), a wholly-owned subsidiary, had repaid RM289,999 cash as capital repayment to the Company.

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(e) Subsidiary with non-controlling interests

DLGR that has non-controlling interests to the Group. The proportion of ownership interest held by non-controlling interests is 0.36% (2022: 0.36%) and related information is as follows:

	Group	
	2023 RM'000	2022 RM'000
Accumulated non-controlling interests	(35)	(28)
Loss attributable to non-controlling interests	(14)	(49)
Dividend paid to non-controlling interests of DLGR	-	-

Summarised financial information of the subsidiary, DLGR, which has non-controlling interests in the Group is set out below:

	2023 RM'000	2022 RM'000
Aggregated assets and liabilities (100%)		
Current assets	9,964	11,285
Non-current assets	131,312	127,122
Total assets	141,276	138,407
Current liabilities/Total liabilities	(34,225)	(29,162)
Net assets	107,051	109,245
Aggregated results (100%)		
Revenue	37,584	9,249
Loss for the year	(4,194)	(13,575)
Aggregated cash flows (100%)		
Net cash from/(used in):		
- operating activities	2,225	(2,082)
- investing activities	(11,679)	(26,970)
- financing activities	6,629	37,839
Net (decrease)/increase in cash and cash equivalents	(2,825)	8,787

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(f) List of subsidiaries

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries are in Malaysia and/or incorporated in Malaysia unless indicated otherwise.

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest 2023 %	2022 %
Aco Built System Sdn. Bhd.	Installation of concrete wall panels	100.00	100.00
Acotec Sdn. Bhd.	Manufacturing and sale of concrete wall panels and trading of building materials	100.00	100.00
Subsidiaries of Acotec Sdn. Bhd.			
Acotec-Concrete Products Sdn. Bhd.	Property investment and rental services	100.00	100.00
Malayan AECA Sdn. Bhd.	Manufacturing	100.00	100.00
PJD Concrete Land (JB) Sdn. Bhd.	Property investment	100.00	100.00
PJD Concrete Land (South) Sdn. Bhd.	Property investment	100.00	100.00
Ancient Capital Sdn. Bhd.	Retail management and operations	100.00	100.00
Bindev Sdn. Bhd.	Property development	100.00 (d)(ii)	100.00
Bunga Development Sdn. Bhd.	Property development	100.00	100.00
Subsidiary of Bunga Development Sdn. Bhd.			
Kulai Management Services Sdn. Bhd.	Provision of property management services	100.00	100.00

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(f) List of subsidiaries (Cont'd)

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries are in Malaysia and/or incorporated in Malaysia unless indicated otherwise. (Cont'd)

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest 2023 %	2022 %
DLHA Management Services Sdn. Bhd.	Investment holding	100.00	100.00 (c)(ii)(1)
Harbour Place Management Services Sdn. Bhd.	Provision of property management services	100.00	100.00
HTR Management Services Sdn. Bhd.	Provision of property management services	100.00	100.00
Kota Mulia Sdn. Bhd.	Property development and investment	100.00	100.00
Subsidiaries of Kota Mulia Sdn. Bhd.			
PJD Highland Resort Sdn. Bhd.	Property development	100.00	100.00
PTC Management Services Sdn. Bhd.	Provision of property management services	100.00	100.00
OCC Cables Berhad	Investment holding	100.00	100.00
Subsidiary of OCC Cables Berhad			
PJ Exim Sdn. Bhd.	Trading of cable products	100.00	100.00
OSK Construction Sdn. Bhd.	Construction	100.00	100.00
Olympic Cable Company Sdn. Bhd.	Manufacturing and sale of cables and wires	100.00	100.00
Olympic Properties Sdn. Bhd.	Property investment	100.00	100.00

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(f) List of subsidiaries (Cont'd)

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries are in Malaysia and/or incorporated in Malaysia unless indicated otherwise. (Cont'd)

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest 2023 %	2022 %
* Pengerang Jaya Pte. Ltd.	Investment holding - Singapore	100.00	100.00
Subsidiary of Pengerang Jaya Pte. Ltd.			
P.J. (A) Pty. Limited	Investment holding and hotel business - Australia	100.00	100.00
PJD Central Sdn. Bhd.	Property development and investment	100.00	100.00 (d)(ii)
PJD Eastern Land Sdn. Bhd.	Property development and investment	100.00	100.00
PJD Hartamas Sdn. Bhd.	Property development and investment	100.00	100.00
PJD Hotels Sdn. Bhd.	Investment holding and hotel and restaurant business and oil palm plantation business	100.00 (b)(i)	100.00 (c)(ii)(1)
Subsidiaries of PJD Hotels Sdn. Bhd.			
Damai Laut Golf Resort Sdn. Bhd.	Development and investment in resort property, hotel and restaurant business and operation of golf course and coconut plantation business	99.64 (b)(ii)	99.64 (c)(ii)(2)
MM Hotels Sdn. Bhd.	Hotel and restaurant business	100.00	100.00

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(f) List of subsidiaries (Cont'd)

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries are in Malaysia and/or incorporated in Malaysia unless indicated otherwise. (Cont'd)

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest 2023 %	2022 %
Subsidiaries of PJD Hotels Sdn. Bhd. (Cont'd)			
Swiss-Garden Management Services Sdn. Bhd.	Hotel and restaurant business	100.00	100.00
PJD Land Sdn. Bhd.	Leasing of office cum commercial building	100.00	100.00 (d)(ii)
PJD Landmarks Sdn. Bhd.	Property development	100.00	100.00
PJD Management Services Sdn. Bhd.	Provision of property management and facilities services and all aspect of the hotel and restaurant business	100.00	100.00 (c)(ii)(1)
PJD Pravest Sdn. Bhd.	Cultivation of oil palm	100.00 (d)(ii)	100.00 (d)(ii)
PJD Properties Management Sdn. Bhd.	Provision of project management services	100.00	100.00
PJD Realty Sdn. Bhd.	Property development	100.00 (d)(ii)	100.00
PJD Regency Sdn. Bhd.	Property development	100.00	100.00
PJD Sejahtera Sdn. Bhd.	Property development	100.00	100.00
PKM Management Services Sdn. Bhd.	Provision of property management services	100.00	100.00
Putri Kulai Sdn. Bhd.	Property investment	100.00	100.00

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(f) List of subsidiaries (Cont'd)

Listed below are the subsidiaries with their principal activities. The principal places of business of the subsidiaries are in Malaysia and/or incorporated in Malaysia unless indicated otherwise. (Cont'd)

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest 2023 %	2022 %
SGI Vacation Club Berhad	Operation and management of timeshare membership scheme	100.00	100.00
Superville Sdn. Bhd.	Property investment	100.00	100.00
Swiss-Garden Hotel Management Sdn. Bhd.	Hotel management and consultancy services	100.00	100.00
Swiss-Garden International Sdn. Bhd.	Hotel management and consultancy services	100.00	100.00
Swiss-Garden Rewards Sdn. Bhd.	Marketing of timeshare memberships	100.00	100.00 (c)(ii)(1)
Swiss-Inn JB Sdn. Bhd.	Hotel and restaurant business	100.00	100.00 (c)(ii)(1)
Vibrant Practice Sdn. Bhd.	Car park management and operations	100.00 (b)(i)	100.00 (c)(ii)(1)

* Audited by firms of auditors other than BDO PLT in Malaysia and BDO member firms.

The financial statements of all subsidiaries used in consolidation are prepared as of 31 December.

9. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE

This note provides information for investments accounted for using the equity method of accounting and these investments generate dividend income and account for the share of results at the Group.

	Note	Group 2023 RM'000	Group 2022 RM'000
Investments in associates			
Unquoted shares in Malaysia *	(b)	-	-
Unquoted shares outside Malaysia		469,544	469,544
Foreign currency translation differences		(20,121)	(45,262)
		449,423	424,282
Share of reserves, net of dividends received		109,365	105,433
	(c)	558,788	529,715
Investment in a joint venture			
Unquoted shares in Malaysia		18,321	18,321
Share of reserves		(18,321)	(18,321)
	(d)	-	-
Total		558,788	529,715

The carrying amount is classified under the Property segment.

* negligible

(a) Recognition, measurement and significant judgement

The Group has significant influence on Agile PJD Development Sdn. Bhd. ("Agile"), Equity & Property Investment Corporation Pty. Limited ("EPIC"), Yarra Park City Pty. Ltd. ("YPC") and Scotia Acres Sdn. Bhd. because of board representations in the associates/joint venture and the effective proportion of ownership in interests of 30.00%, 27.40%, 41.74% and 50.00% respectively.

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.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

9. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. These investments in associates and a joint venture are accounted for using the equity method. The financial statements of the associate and a joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Following the equity method, the investment in an associate or a joint venture is initially recognised at cost which is measured at the fair value of the consideration paid. After initial recognition, the carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date less accumulated impairment loss, if any. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment which is not separately recognised in the statement of financial position and such embedded goodwill is not tested for impairment separately. The entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 'Impairment of Assets' as a single asset, by comparing its recoverable amount (higher of value-in-use and fair value less costs of disposal) with its carrying amount. Impairments and reversal of the impairments are presented within 'Share of results of associate and a joint venture' in the statement of profit or loss.

A dividend received as a return from an associate or a joint venture is recognised as a reduction in the carrying amount of the investment and correspondingly reflected as a cash inflow at the Company's level. Such dividend income is eliminated in the consolidated financial statements.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in the other comprehensive income of an associate or a joint venture is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any such changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture. The aggregate of the Group's share of profit or loss of associates and a joint venture is disclosed on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

9. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

At the end of the year, the Group determines whether there is any objective evidence that the investments in the associates and a joint venture are impaired. The carrying amount of each investment is tested for impairment in accordance with MFRS 136 'Impairment of Assets' as a CGU by comparing it with its recoverable amount and then recognises any loss as a component of the share of results of an associate and a joint venture in the statement of profit or loss. Based on the impairment tests on the carrying amounts in investments in associates and a joint venture carried out by using the discounted cash flow projections, all the value-in-use derived from the discounted cash flow projections of the associates is more than the carrying amounts of such investments. The Group discontinued sharing further losses of the joint venture, Scotia Acres Sdn. Bhd., principally involved in property investment, as the losses previously shared exceeded the Group's interest (cost of investment) in the joint venture. After the Group's interest is reduced to zero, no additional losses are provided for nor any liability is recognised, as the Group has not incurred any legal or constructive obligations. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. As at 31 December 2023, the cumulative unrecognised share of losses of a joint venture, Scotia Acres Sdn. Bhd., stood at RM1.5 million.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on investment in associates and a joint venture are discussed in Note 43(c)(ii)(5).

When there is a loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the statement of profit or loss.

(b) The Group's dealing with its associates

(i) For the year ended 31 December 2023

On 13 April 2023, 24 July 2023 and 8 December 2023, the Group received dividends from Agile of RM4.5 million, RM4.5 million and RM2.1 million respectively.

(ii) For the year ended 31 December 2022

On 9 June 2022 and 15 December 2022, the Group received dividends from Agile of RM15.0 million each.

9. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)

(c) Information on investments in associates

There were no contingent liabilities relating to the interests in the associates.

Reconciliation of net assets to the carrying amounts of investments in associates is as follows:

	YPC RM'000	Agile RM'000	EPIC RM'000	Total RM'000
2023				
Effective proportion of ownership interests in associates	41.74%	30.00%	27.40%	
Share of net assets	430,787	603	80,369	511,759
Goodwill	69,378	-	-	69,378
Effect of indirect interests in an associate	-	-	(22,349)	(22,349)
Carrying amounts	500,165	603	58,020	558,788
2022				
Effective proportion of ownership interests in associates	41.74%	30.00%	27.40%	
Share of net assets	411,480	3,828	67,378	482,686
Goodwill	69,378	-	-	69,378
Effect of indirect interests in an associate	-	-	(22,349)	(22,349)
Carrying amounts	480,858	3,828	45,029	529,715

9. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)

(c) Information on investments in associates (Cont'd)

Summarised financial information of the associates is as follows:

	YPC RM'000	Agile RM'000	EPIC RM'000
2023			
Aggregated assets and liabilities of the associates (100%)			
Current assets	459,027	28,163	145,083
Non-current assets	771,518	3,377	178,523
Total assets	1,230,545	31,540	323,606
Current liabilities	(141,860)	(29,530)	(1,803)
Non-current liabilities	(25,829)	-	(28,486)
Total liabilities	(167,689)	(29,530)	(30,289)
Net assets	1,062,856	2,010	293,317
Aggregated results (100%)			
Revenue	128,274	-	16,149
(Loss)/Profit for the year attributable to owners of the associates	(4,996)	26,250	34,347
Other comprehensive income attributable to owners of the associates	51,247	-	13,068
Total comprehensive income	46,251	26,250	47,415
Net assets attributable to the owners of the associates			
At the beginning of the year	1,016,605	12,760	245,902
(Loss)/Profit for the year	(4,996)	26,250	34,347
Other comprehensive income	51,247	-	13,068
Dividend paid	-	(37,000)	-
At the end of the year	1,062,856	2,010	293,317

9. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)

(c) Information on investments in associates (Cont'd)

Summarised financial information of the associates is as follows: (Cont'd)

	YPC RM'000	Agile RM'000	EPIC RM'000
2022			
Aggregated assets and liabilities of the associates (100%)			
Current assets	436,464	73,139	44,045
Non-current assets	790,616	3,386	223,756
Total assets	1,227,080	76,525	267,801
Current liabilities	(206,841)	(63,765)	(1,631)
Non-current liabilities	(3,634)	-	(20,268)
Total liabilities	(210,475)	(63,765)	(21,899)
Net assets	1,016,605	12,760	245,902
Aggregated results (100%)			
Revenue	233,530	-	4,805
Profit for the year attributable to owners of the associates	14,549	37,541	192
Other comprehensive expenses attributable to owners of the associates	(13,784)	-	(3,309)
Total comprehensive income/(expenses)	765	37,541	(3,117)
Net assets attributable to the owners of the associates			
At the beginning of the year	1,015,840	75,219	249,019
Profit for the year	14,549	37,541	192
Other comprehensive expenses	(13,784)	-	(3,309)
Dividend paid	-	(100,000)	-
At the end of the year	1,016,605	12,760	245,902

The above information is presented based on the financial statements of the associates after accounting for fair value adjustments made upon acquisitions.

9. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)

(d) Information on investment in a joint venture, Scotia Acres Sdn. Bhd. ("SA")

There were no contingent liabilities relating to the Group's interests in the joint venture.

The reconciliation of net assets to the carrying amount of the joint venture is as follows:

	2023	2022
Proportion of ownership interest in a joint venture (%)	50.00	50.00
Share of net assets/Carrying amount (RM'000)	- **	- **

Summarised financial information of the joint venture is as follows:

	2023 RM'000	2022 RM'000
Aggregated assets and liabilities of the joint venture (100%)		
Current assets	770	1,196
Non-current assets	69,377	75,231
Total assets	70,147	76,427
Current liabilities	(24,346)	(20,610)
Non-current liabilities	(48,706)	(56,522)
Total liabilities	(73,052)	(77,132)
Net liabilities	(2,905)	(705)
Aggregated results (100%)		
Revenue	14,626	13,908
Loss for the year/Other comprehensive expenses attributable to owners of the joint venture	(2,200)	(2,208)
Total comprehensive expenses	(2,200)	(2,208)
Net assets attributable to the owners of the joint venture		
At the beginning of the year	(705)	1,503
Loss for the year	(2,200)	(2,208)
At the end of the year	(2,905)	(705)

** During the previous year, the Group had ceased sharing losses of SA pursuant to MFRS 128 'Investments in Associates and Joint Ventures' where the share of losses exceeds its interest in the joint venture.

The above information presented is based on the financial statements of the joint venture with adjustments for differences in accounting policies between the Group and the joint venture.

9. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D)

(e) List of associates and a joint venture

Listed below are the associates and a joint venture with their principal activities. The principal place of business of the associates and a joint venture are in Malaysia and/or incorporated in Malaysia unless indicated otherwise.

Name of companies	Principal activities/ Place of incorporation	Effective proportion of ownership interest 2023 %	2022 %
Associates			
Agile PJD Development Sdn. Bhd.	Property development and investment	30.00	30.00
Equity & Property Investment Corporation Pty. Limited	Property investment and development - Australia	27.40	27.40
* Yarra Park City Pty. Ltd.	Property development and investment - Australia	41.74	41.74
Joint venture			
Scotia Acres Sdn. Bhd.	Property development and investment	50.00	50.00
Subsidiary of Scotia Acres Sdn. Bhd.			
Canggih Pesaka Sdn. Bhd.	Property investment	50.00	50.00

* Audited by firms of auditors other than BDO PLT in Malaysia and BDO member firms.

The financial statements of the associates and a joint venture used in applying the equity method are prepared as of 31 December.

10. INTANGIBLE ASSETS

This note provides information about the goodwill arising from business combinations.

	Group	
	2023	**2022**
	RM'000	**RM'000**
Goodwill		
Cost		
At the beginning/end of the year	5,909	5,909
Accumulated impairment loss		
At the beginning/end of the year	(2,050)	(2,050)
	3,859	3,859

The carrying amount is classified under the Investment Holding and Others segment.

(a) Recognition and measurement

Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the interest of the Group in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in the statement of profit or loss as a bargain purchase gain.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. Goodwill is not amortised but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount could be impaired. Objective events that would trigger a more frequent impairment review include adverse industry or economic trends, significant restructuring actions, significantly lowered projections of profitability, or a sustained decline in the acquiree's market capitalisation. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on intangible assets are discussed in Notes 43(c)(ii)(4) and 43(c)(ii)(5).

(b) Other information

Impairment testing for cash-generating units ("CGU") containing goodwill

Goodwill arising from business combinations has been allocated to two individual CGUs for impairment testing as follows:

	Industries	**Hospitality**	**Total**
	RM'000	**RM'000**	**RM'000**
Goodwill, at the beginning/end of the year	2,183	1,676	3,859

10. INTANGIBLE ASSETS (CONT'D)

(b) Other information (Cont'd)

For the purpose of impairment assessment, goodwill is allocated to the Group's CGU which represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

Recoverable amounts of the CGU are determined based on value-in-use calculations. Value-in-use of CGU is determined by discounting the future cash flows generated from the continuing use of the unit based on actual operating results and management's assessment of future trends in the respective industries derived from both external sources and internal sources (internal data). The key assumptions used in the value-in-use calculations were as follows:

(i) Average annual revenue growth rates used in the cash flow projections of the CGU ranged from 9% to 20% (2022: 11% to 59%) per annum;

(ii) Average gross profit margin used in the cash flow projections of the CGU ranged from 13% to 56% (2022: 11% to 58%) per annum; and

(iii) A pre-tax discount rate of 6.0% (2022: 6.0%) was applied to the cash flow projections. The discount rate was estimated based on the weighted average cost of capital.

With regards to the assessment of value-in-use, the management is of the view that no reasonably possible change in any of the above key assumptions would cause the carrying amount of the goodwill to further exceed its recoverable amount.

11. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

This note provides information about leases where the Group is a lessee and these lease contracts include space for sales gallery, offices, factory etc. based on business requirements. Lease contracts are typically made for fixed periods. The leases where the Group is a lessor are disclosed under lease receivables and operating lease commitments in Note 38(a).

		Group	
	Note	**2023**	**2022**
		RM'000	**RM'000**
Right-of-use assets			
Non-current			
Leasehold land	(b)(i)	40,391	37,754
Lease of premises and office space	(b)(ii)	3,453	4,542
Lease of equipment	(b)(iii)	-	-
		43,844	42,296

11. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

	Note	Group 2023 RM'000	Group 2022 RM'000
Lease liabilities			
Non-current		1,727	870
Current		1,783	3,836
	(c),4, 5(b)(ii), 21(e)(ii)	3,510	4,706

Carrying amount analysed by business segments:

	2023 RM'000	2022 RM'000
Right-of-use assets		
Property	2,556	2,269
Construction	1,241	1,742
Industries	5,030	5,695
Hospitality	6,157	4,924
Investment Holding and Others	28,860	27,666
	43,844	42,296
Lease liabilities		
Property	2,584	2,390
Construction	171	671
Industries	755	1,342
Hospitality	-	303
	3,510	4,706

(a) Recognition, measurement and significant judgement

Leases are recognised in the statement of financial position as right-of-use assets together with a corresponding lease liability at the date on which the leased asset is available for use ("the lease commencement date") by the Group.

Lease contracts contain both lease and non-lease components. The consideration is allocated in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate, the Group has elected the practical expedient provided in MFRS 16 'Leases' not to separate lease and non-lease components and instead account for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

11. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

In determining the lease term, it is required to consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated). The lease terms are being assessed upon the occurrence of a significant event or change in circumstances that are within the control of the Group and affect whether the Group is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in the lease term results in remeasurement of the lease liabilities.

The Group adopts the "short-term leases" and "lease of low-value assets" exemptions. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in the statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are office equipment with a value of RM20,000 and below.

(i) Right-of-use assets

Right-of-use assets are recognised in the statement of financial position when it is probable that future economic benefits will flow to the Group. These assets are initially measured at cost at the lease commencement date which comprises the initial measurement of the lease liability, any advance lease payments made, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or restore the underlying asset to the condition required.

Subsequent to the initial recognition, the right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is calculated on a straight-line basis to write off the cost of each asset from the commencement date to the earlier of the estimated useful life or the end of the lease term. The estimated useful life is described in Note 6(a) and the lease terms are as follows:

	Years	**Percentage (%)**
Leasehold land	43 - 98	1 - 2
Lease of premises and office space	1.5 - 3	33 - 67
Lease of equipment	3	33

For impairment assessment, the recoverable amount of the right-of-use assets is determined based on a "value-in-use" of CGU.

11. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(i) Right-of-use assets (Cont'd)

The value-in-use of the CGU is determined by discounting the cash flow projections for the remaining useful life of the right-of-use assets. Significant judgement is used in making these estimates on future results and key assumptions applied to cash flow projections of the CGU. The key assumptions include forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rates, which are, among others, dependent on forecasted economic conditions.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on right-of-use assets are discussed in Notes 43(c)(ii)(4) and 43(c)(ii)(5).

As at 31 December 2023, the recoverable amounts of right-of-use assets were higher than their carrying amounts and therefore no impairment loss was required.

Similar to Note 6(a) relating to property, plant and equipment, the gain or loss arising from the derecognition of an item of right-of-use shall be included in the statement of profit or loss when the item is derecognised (unless MFRS 16 requires otherwise on a sale and leaseback). Gains shall not be classified as revenue.

(ii) Lease liabilities

Lease liabilities are financial liabilities which are classified as amortised cost liabilities. Lease liabilities are recognised in the statement of financial position when the financial obligation of the lease contract arises. Lease liabilities are initially measured at fair value representing the present value of the lease payments that are not paid at the lease commencement date, discounted using the interest rate implicit in the lease. The Group's incremental borrowing rates will be used if that rate cannot be readily determined.

The lease payments included in the measurement of the lease liability comprise the followings, if applicable:

- fixed payments less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option, if the option is reasonably certain to be exercised; and
- penalty for early termination.

Subsequent to the initial recognition, lease liabilities are measured at amortised cost as described in Note 21(a)(ii).

11. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(ii) Lease liabilities (Cont'd)

Lease payments are allocated between principal and finance costs. The finance cost is charged to the statement of profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The lease liabilities are presented as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within the finance cost in the statement of profit or loss.

The carrying amount of lease liabilities is remeasured and adjusted against the right-of-use assets if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(b) Movement of right-of-use assets

	Note	Group 2023 RM'000	Group 2022 RM'000
(i) Leasehold land			
Cost			
At the beginning of the year		46,847	46,847
Additions	3(a),3(b)	1,592	-
Reclassified from inventories	12(b)(i)	1,310	-
At the end of the year		49,749	46,847
Accumulated depreciation			
At the beginning of the year		9,093	8,829
Charge for the year		265	264
At the end of the year		9,358	9,093
Net carrying amount		40,391	37,754

During the year, the Group purchased new leasehold land for RM1.6 million measuring approximately 7.0 acres for oil palm plantation purposes; and a few pieces of leasehold land measuring approximately 40.6 acres costing RM1.3 million have been transferred from the land held for property development due to a change in use of the land to a coconut plantation.

Leasehold land of certain subsidiaries with a total carrying amount of RM0.4 million (2022: RM0.4 million) are pledged as security for credit facilities granted to a subsidiary as disclosed in Note 21(c).

11. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

(b) Movement of right-of-use assets (Cont'd)

(ii) Lease of premises and office space

	Note	Group 2023 RM'000	Group 2022 RM'000
Cost			
At the beginning of the year		23,377	51,658
Additions		3,197	3,278
Reassessments and modifications of leases		(19,966)	(31,559)
At the end of the year		6,608	23,377
Accumulated depreciation			
At the beginning of the year		18,835	33,442
Charge for the year		4,286	16,079
Reassessments and modifications of leases		(19,966)	(30,686)
At the end of the year		3,155	18,835
Net carrying amount		3,453	4,542

(iii) Lease of equipment

	Note	Group 2023 RM'000	Group 2022 RM'000
Cost			
At the beginning of the year		-	33
Reclassified to property, plant and equipment	6(b)(i)	-	(33)
At the end of the year		-	-
Accumulated depreciation			
At the beginning of the year		-	10
Reclassified to property, plant and equipment	6(b)(i)	-	(10)
At the end of the year		-	-
Net carrying amount		-	-

11. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

(b) Movement of right-of-use assets (Cont'd)

	Note	Group 2023 RM'000	Group 2022 RM'000
Recognised in profit or loss and classified under:			
Depreciation of right-of-use assets			
- Cost of sales	29(b)	482	371
- Administrative expenses	31	4,069	15,972
		4,551	16,343

(c) Movement of lease liabilities

	Note	Group 2023 RM'000	Group 2022 RM'000
At the beginning of the year		4,706	19,090
Additions		3,197	3,278
Interest charged	33	161	659
Reassessments and modifications of leases		-	(892)
Payment of:			
- principal		(4,393)	(16,770)
- interest		(161)	(659)
	21(e)(ii)	(4,554)	(17,429)
At the end of the year	21(e)(ii)	3,510	4,706
Recognised in profit or loss and classified under:			
Interest expense on lease liabilities			
- Finance costs	33	161	659

(d) Other information

	Note	Group 2023 RM'000	Group 2022 RM'000
(i) Recognised in profit or loss and classified under:			
Rental expenses for short-term leases			
- Administrative expenses	31	485	562
Rental expenses for lease of low-value assets			
- Administrative expenses	31	28	24

(ii) The liquidity risk of the lease liabilities is disclosed in Note 5(a).

(iii) The weighted average incremental borrowing rates of the lease liabilities of the Group ranging from 2.85% to 4.63% (2022: 2.85% to 5.26%).

12. INVENTORIES

This note provides information about the inventories held by the Group which consist of land bank, stocks for on-going and completed projects under the Property Development Division, manufacturing stocks under the Industries Segment (Olympic Cables and Acotec-IBS), and consumables under the Hospitality Segment.

		Group	
	Note	**2023**	**2022**
		RM'000	**RM'000**
Non-current			
Land held for property development	(b)(i)	67,211	67,209
Current			
Property development expenditure	(b)(ii)	32,307	31,567
Completed properties held for sale	(b)(iii)	6,022	6,073
Manufacturing stocks	(b)(iv)	55,346	67,604
Hotels and resorts consumables	(b)(v)	773	580
Total current		94,448	105,824
Total		161,659	173,033

Carrying amount analysed by business segments:

Property	105,540	104,849
Industries	55,346	67,604
Hospitality	773	580
	161,659	173,033

(a) Recognition, measurement and significant judgement

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is recognised in the statement of financial position when expenditure is incurred and is measured at the lower of cost and net realisable value. Costs associated with the acquisition of land include the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is reclassified as property development expenditure at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

12. INVENTORIES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(ii) Property development expenditure

Property development expenditures incurred and not recognised in the statement of profit or loss as an expense are recognised as an asset measured at the lower of cost and net realisable value.

Property development expenditure comprises all costs that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities. Such development expenditure comprises the cost of land under development, construction costs and other related development costs common to the whole project including professional fees, stamp duties, commissions, conversion fees and other relevant levies as well as borrowing costs.

Property development revenue and costs, as disclosed in Notes 28(a)(i)(1) and 29(a)(i) respectively, are recognised in the statement of profit or loss by reference to the progress towards complete satisfaction of that performance obligation at the reporting period, generally known as the percentage of completion method. It is measured based on direct measurements of the value transferred to the purchasers and the inputs to the satisfaction of the performance obligation. Significant judgement is required in determining the completeness and accuracy of the budgets; and the extent of the costs incurred.

Substantial changes in cost estimates can have a significant effect on profitability in future periods. In making the above judgement, it relies on experience and work of specialists.

(iii) Completed properties held for sale

Completed properties held for sale are recognised in the statement of financial position when such properties are completed with certificates of completion and compliance. It is measured at the lower of cost and net realisable value. Cost consists of costs associated with the acquisition of land, direct costs and appropriate proportions of common costs attributable to developing the properties until completion.

12. INVENTORIES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(iv) Manufacturing stocks; and hotels and resorts consumables

Raw materials under manufacturing stocks are recognised in the statement of financial position once goods are received while other manufacturing stocks are recognised when such goods are ready for delivery to customers. Consumables are recognised upon costs incurred. Manufacturing stocks and consumables used a weighted average cost basis and measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Estimates of net realisable value will be based on the most reliable evidence available of the amount which the inventories are expected to realise.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on inventories are discussed in Note 43(c)(ii)(2).

(b) Other information

	Note	Group 2023 RM'000	Group 2022 RM'000
(i) Land held for property development			
Freehold and leasehold land			
At the beginning of the year		52,887	52,683
Costs incurred		323	204
Purchase of lands		1,820	-
Reclassified to:			
- property, plant and equipment	6(b)(i)	(2,081)	-
- right-of-use assets	11(b)(i)	(1,310)	-
At the end of the year		51,639	52,887
Development expenditure			
At the beginning of the year		14,322	14,168
Costs incurred		1,250	154
At the end of the year		15,572	14,322
Total non-current		67,211	67,209

During the previous year, interest of RM0.1 million was capitalised which was calculated based on interest rates ranging from 1.45% to 3.51%, as disclosed in Note 33.

Included in land held for property development of a subsidiary is an amount of RM5.4 million (2022: RM26.4 million) that are pledged to financial institutions for term loans of the subsidiary as disclosed in Note 21(c).

12. INVENTORIES (CONT'D)

(b) Other information (Cont'd)

	Note	Group 2023 RM'000	Group 2022 RM'000
(ii) Property development expenditure			
Freehold and leasehold land			
At the beginning of the year		34,368	43,703
Costs incurred		-	255
Reversal of development expenditure for completed projects		-	(9,590)
At the end of the year		34,368	34,368
Development expenditure			
At the beginning of the year		96,257	186,873
Costs incurred		56,609	127,812
Reversal of development expenditure for completed projects		-	(218,428)
At the end of the year		152,866	96,257
Total property development expenditure incurred		187,234	130,625
Costs recognised in profit or loss			
At the beginning of the year		(99,058)	(196,009)
Recognised in profit or loss	29	(55,869)	(131,067)
Reversal of development expenditure for completed projects		-	228,018
At the end of the year		(154,927)	(99,058)
Net carrying amount of property development expenditure		32,307	31,567

During the previous year, interest of RM0.7 million was capitalised which was calculated based on interest rates ranging from 1.45% to 4.59%, as disclosed in Note 33.

During the previous year, included in the property development land of a subsidiary is an amount of RM0.5 million that was pledged to financial institutions for term loans of the subsidiary, as disclosed in Note 21(c).

12. INVENTORIES (CONT'D)

(b) Other information (Cont'd)

	Group 2023 RM'000	Group 2022 RM'000
(iii) Completed properties held for sale		
At cost	5,382	5,433
At net realisable value	640	640
	6,022	6,073
(iv) Manufacturing stocks		
At cost		
- Consumables	256	1,536
- Finished goods	32,291	25,186
- Raw materials	7,031	14,694
- Work-in-progress	9,974	16,442
	49,552	57,858
At net realisable value		
- Finished goods	4,963	7,516
- Raw materials	831	629
- Work-in-progress	-	1,601
	5,794	9,746
Net carrying amount of manufacturing stocks	55,346	67,604
(v) Hotels and resorts consumables, at cost	773	580

13. DEFERRED TAX ASSETS/(LIABILITIES)

This note provides information on the recognition of deferred tax assets and liabilities accounted.

	Note	Group 2023 RM'000	Group 2022 RM'000
Deferred tax assets ("DTA")	(b)(i)	28,090	31,971
Deferred tax liabilities ("DTL")	(b)(ii)	(7,411)	(7,872)

Carrying amount analysed by business segments:

	Group			
	Deferred tax assets		Deferred tax liabilities	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Property	11,113	12,208	(37)	(35)
Construction	137	137	(34)	(31)
Industries	-	-	(2,579)	(2,921)
Hospitality	16,840	19,626	-	-
Investment Holding and Others	-	-	(4,761)	(4,885)
	28,090	31,971	(7,411)	(7,872)

(a) Recognition and measurement

Deferred tax is accounted for using the liability method on temporary differences at the reporting period between the tax-based value and carrying amount. Deferred tax is not accounted for if it arises from the initial recognition of goodwill or of an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the year and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

Deferred tax assets are recognised in the statement of financial position to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Significant judgement is required to determine the amount of deferred tax assets that could be recognised based on the likely timing and extent of future taxable profits together with future tax planning.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off tax assets and liabilities and when those income taxes are levied by the same tax authority on the same taxable company.

13. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

(b) The components and movements of deferred tax assets and liabilities:

(i) Deferred tax assets

	As at 1.1.2022	Deferred tax recognised in profit or loss for 2022 (Note 34)	As at 31.12.2022 /1.1.2023	Deferred tax recognised in profit or loss for 2023 (Note 34)	As at 31.12.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
Excess of depreciation over capital allowances	490	13	503	27	530
Interest capitalised in inventories	10,983	(2,259)	8,724	(1,267)	7,457
Unused tax losses and unabsorbed capital allowances	3,199	1,142	4,341	147	4,488
Deferred income	22,478	-	22,478	(5,559)	16,919
Provisions	1,175	161	1,336	1,171	2,507
Total deferred tax assets	38,325	(943)	37,382	(5,481)	31,901
Offset in DTL [Note b(ii)]	(3,003)	(2,408)	(5,411)	1,600	(3,811)
Net deferred tax assets	35,322	(3,351)	31,971	(3,881)	28,090

(ii) Deferred tax liabilities

Group					
Excess of capital allowances over depreciation	(11,227)	(2,056)	(13,283)	2,061	(11,222)
Offset in DTA [Note b(i)]	3,003	2,408	5,411	(1,600)	3,811
Net deferred tax liabilities	(8,224)	352	(7,872)	461	(7,411)

13. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

(c) Other information

The temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group	
	2023 RM'000	2022 RM'000
Deductible temporary differences	11,297	19,055
Taxable temporary differences	(96,245)	(87,682)
Unused tax losses	127,942	125,691
Unutilised capital allowances	191,405	181,036
	234,399	238,100

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the subsidiaries would be available against which the deductible temporary differences could be utilised. The amount and the availability of these items to be carried forward are subject to the agreement of the relevant tax authorities.

The unused tax losses analysed by expiry year of assessment:

	Group	
	2023 RM'000	2022 RM'000
Year of assessment 2028	52,574	53,127
Year of assessment 2029	11,365	11,365
Year of assessment 2030	20,437	20,437
Year of assessment 2031	13,677	13,677
Year of assessment 2032	25,189	27,085
Year of assessment 2033	4,700	-
	127,942	125,691

In Malaysia, effective from 1 January 2022, any unused tax losses shall be deductible for a maximum period of ten consecutive years of assessment immediately following that year of assessment. Any amount which is not deducted at the end of the period of ten years of assessment shall be disregarded.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on income taxes are discussed in Note 43(c)(ii)(3).

14. TRADE RECEIVABLES

This note provides information about the outstanding balances of the trade receivables and the related impairment assessment.

	Note	Group 2023 RM'000	Group 2022 RM'000
Non-current			
Property progress billings receivables		941	-
Membership fee receivables		-	7
Total non-current		941	7
Current			
Property progress billings receivables		11,183	24,891
Construction billings receivables		5	289
Manufacturing receivables		98,248	80,460
Hotels receivables		3,723	2,551
Membership fee receivables		2,176	3,261
Other trade receivables		961	1,877
		116,296	113,329
Allowances for impairment losses:			
- Collective assessment	(b)(i)	(3,254)	(3,009)
- Individual assessment	(b)(i)	(3,545)	(3,180)
Total current		109,497	107,140
Total	5(b)(ii)	110,438	107,147

Carrying amount analysed by business segments:

	Group 2023 RM'000	Group 2022 RM'000
Property	12,015	24,781
Construction	5	289
Industries	91,594	74,467
Hospitality	5,863	5,732
Investment Holding and Others	961	1,878
	110,438	107,147

14. TRADE RECEIVABLES (CONT'D)

(a) Recognition, measurement and significant judgement

The Group's business mainly involves developing and selling properties, leasing commercial space, manufacturing and selling cables and IBS wall panels, letting hotel rooms and managing hotels and holdings investment. The related revenue recognition is disclosed in Note 28.

Trade receivables are financial assets with fixed or determinable collections (repayments) by receivables and are classified as amortised cost assets. These trade receivables are recognised in the statement of financial position upon issuance of billing to customers. Trade receivables are recognised initially at their fair value of goods and services provided based on invoice amounts. They are subsequently measured at amortised cost as described in Note (a)(v) below. Revenue (Note 28), allowance for impairment losses [Note 32(i)] and any gain or loss arising from derecognition of trade receivables are recognised in the statement of profit or loss.

(i) Credit risk management practices

Assessment is carried out to determine whether the credit risk of a customer has increased significantly since initial recognition via observation of certain criteria including ageing of days past due, collateral values where applicable, latest customer financial standing and compare the risk of a default occurring in the portfolio as at the end of the year with the risk of a default occurring in the portfolio as at the date when such customer was initially recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and observable forward-looking information without undue cost or effort.

In relation to the rebuttable presumption, the credit risk on a financial asset has increased significantly since initial recognition in each of their businesses when contractual payments are more than 30 days past due. The clients' repayment behaviour is reviewed and compared it with the industry's normal credit period and supply chain cycle and determined that payments take longer than 30 days.

Receivable is considered as default when such a customer did not perform its obligation to make payment within the period granted.

The expected credit loss is recognised from the date of initial recognition of a receivable using a single-stage lifetime expected credit loss. This is the 'simplified approach' under MFRS 9. In this approach, no requirement to monitor changes in the credit risk of financial assets as described in the 'general approach' in Note 15(a)(iii). The simplified approach is mandatory for trade receivables or contract assets resulting from transactions that fall within the scope of MFRS 15 'Revenue from Contracts with Customers' and do not contain a significant financing component. This simplified approach may also apply to trade receivables or contract assets with a significant financing component under MFRS 15; and lease receivables accounted for under MFRS 16, when the accounting policy to measure the loss allowance at an amount equal to lifetime expected credit losses. Receivables are assessed individually for impairment loss at each reporting period end.

14. TRADE RECEIVABLES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(i) Credit risk management practices (Cont'd)

Assessment is carried out on expected credit losses on a collective basis of receivables, that are not being impaired individually, and such receivables are grouped on the following factors for monitoring:

- Business activities: Property Development, Construction, Olympic Cables, Acotec-IBS, Hotels and Resorts; and SGI Vacation Club businesses are each assessed in separate groups;
- Products or services: different types of products or services are each assessed in separate groups;
- Receivables ageing status;
- Nature, size and industry of receivables;
- Collaterals provided by the receivables; and
- External/Internal credit ratings where applicable.

Trade receivables are credit-impaired when one or more events have a detrimental impact on the future cash flows of the receivable that can be reliably estimated. Receivable is written off from its books only when all avenues of recovery have been exhausted and there is no recoverable expectation of such receivable in the foreseeable future. For the receivables that are written off, the Group's internal legal unit will follow up on enforcement activities.

To determine that there is objective evidence of credit-impaired trade receivables, the following inputs and assumptions are being used to assess whether there has been a significant increase in credit risk since initial recognition:

- Significant financial difficulty of the customer;
- A breach of contract, such as a default of payment; or
- Observation of current and forward-looking data indicating that there is a measurable decrease in the estimated future cash flows from the customer since initial recognition, including:
  (i) adverse changes in the payment status of the customer; and
  (ii) national or local economic conditions that correlate with the customer.

Reviews are carried out on expected credit losses at each reporting period to assess the reasonableness of the assumptions in relation to the risk of default and expected loss rates. In assessing the impairment of a receivable, the assumption of the possibility of default is adopted based on historical behaviour including the past five years' monthly data of each customer from the end of the reporting date. In addition, business units observe current market conditions concerning each customer's exposure and related collateral risk exposure.

14. TRADE RECEIVABLES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(i) Credit risk management practices (Cont'd)

For incorporating forward-looking information into the determination of expected credit losses, general macroeconomics is used such as projected gross domestic product, lending interest rate, unemployment rate, manufacturing production, industrial production, housing price index and inflation rate as a broad guidance of credit and applying experienced credit judgement. In addition, observation of the industry-specific factors is carried out in determining expected credit loss such as information about collateral nature, property market and its marketability etc.

Based on the historical data and the forward-looking information stated above, business units use the probability of default and loss given default methodology to assess lifetime expected credit loss.

There were no significant changes in the estimation techniques or assumptions made during the year.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on trade receivables are discussed in Note 43(c)(ii)(8).

(ii) Quantitative and qualitative information about amounts arising from expected credit losses

Gross carrying amount being allocated for impairment

	Group			
	2023		2022	
	Collectively assessed RM'000	Individually assessed RM'000	Collectively assessed RM'000	Individually assessed RM'000
At the beginning of the year	110,156	3,180	161,296	3,160
Originate	771,623	982	644,115	742
Derecognise	(768,087)	(617)	(695,255)	(722)
At the end of the year	113,692	3,545	110,156	3,180

There were no modifications of contractual cash flows on trade receivables during the year.

No contractual amounts were written off during the year which are still subject to enforcement activities.

14. TRADE RECEIVABLES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(iii) Credit risk exposure

The Group assesses the credit quality of trade receivables using ageing of past due days for the lifetime impairment of the trade receivables as follows:

Group

2023	Expected loss rate %	Gross carrying amount/ Maximum exposure RM'000	Collateral value held RM'000	Expected loss provision RM'000
Current	1.4	74,546	8,503	1,018
Past due:				
1 to 30 days	2.4	30,798	254	724
31 to 60 days	6.0	6,067	24	367
61 to 90 days	27.8	1,070	108	297
More than 90 days	92.4	4,756	121	4,393
		117,237	9,010	6,799
2022				
Current	1.2	81,231	4,758	999
Past due:				
1 to 30 days	2.8	20,128	109	554
31 to 60 days	8.1	4,129	26	335
61 to 90 days	16.4	1,952	40	321
More than 90 days	67.5	5,896	19	3,980
		113,336	4,952	6,189

(iv) Significant estimates and judgements

Impairment allowances for trade receivables are based on assumptions about the risk of default and expected credit loss rates. Significant judgement is used in making these assumptions and selecting inputs for computing such impairment loss, broadly based on the available customers' historical data and the existing market conditions including forward-looking estimates at the end of the reporting period.

(v) Financial assets measured at amortised cost and effective interest method

The amortised cost of a financial asset is the amount measured at initial recognition and adjusted for subsequent recognition of interest income using the effective interest method of any difference between that initial amount and the maturity amount, minus repayments and any impairment/credit losses.

14. TRADE RECEIVABLES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(v) Financial assets measured at amortised cost and effective interest method (Cont'd)

Effective interest rate is the rate that discounts estimated future cash inflows through the expected life of the financial asset to the gross carrying amount of a financial asset. The gross carrying amount is the amortised cost of a financial asset before adjusting for any loss allowance. The effective interest method is the method that is used in the calculation of the amortised cost of a financial asset and the allocation and recognition of the interest income in profit or loss over the relevant period.

Therefore, the carrying amount of the financial asset is a reasonable approximation of its fair value.

The above amortised costs measurement is also adopted in amounts due from related companies, amounts due from subsidiaries and other assets excluding prepayments, cash and bank balances, as disclosed in Notes 15(a)(i), 16(a), 17(a) and 20(a) respectively.

(b) Other information

(i) Movement of allowances for impairment losses:

		Group	
	Note	**2023**	**2022**
		RM'000	**RM'000**
Collective assessment			
At the beginning of the year		3,009	2,107
Allowance made	32	254	922
Write back of allowance	30	(9)	(20)
At the end of the year		3,254	3,009
Individual assessment			
At the beginning of the year		3,180	3,160
Allowance made	32	982	742
Write back of allowance	30	(617)	(722)
At the end of the year		3,545	3,180
Total collective and individual impairment losses		6,799	6,189

There was no significant concentration of credit risks at the end of the year.

(ii) Trade receivables are non-interest bearing unless overdue and generally on terms of 30 to 90 days (2022: 30 to 90 days).

(iii) The currency exposure profile of the trade receivables is disclosed in Note 5(b)(ii).

15. AMOUNTS DUE FROM/(DUE TO) RELATED COMPANIES

		Group	
		2023	2022
	Note	RM'000	RM'000
Amounts due from related companies			
Non-current			
Construction receivables	(c)(i)	-	513
Current			
Construction receivables	(c)(i)	19,052	12,729
Advance to related companies	4,(b)	35,110	45,210
Others		-	605
Total current		54,162	58,544
Total		54,162	59,057
Amounts due to related companies			
Current			
Advances from related companies	4,(b)	(78,589)	(33,021)
Others		(15,765)	(12,180)
		(94,354)	(45,201)

(a) Recognition, measurement and significant judgement

(i) Amounts due from related companies

Amounts due from related companies are financial assets with fixed or determinable collections (repayments) and are classified as amortised cost assets. Amounts due from related companies are recognised in the statement of financial position when the amounts are advanced/billings issued to the related companies. It is recognised initially at fair value based on amounts advanced/invoiced amounts and subsequently measured at amortised cost as described in Note 14(a)(v).

The Company adopts the 'general approach' under MFRS 9 in providing the expected credit loss. The 'general approach' is described in Note (a)(iii) below. Based on the assessment, the amounts due from related companies have low credit risk, hence no expected credit loss is recognised thereof.

(ii) Amounts due to related companies

Amounts due to related companies are financial liabilities with fixed or determinable payments and are classified as amortised cost liabilities. Amounts due to related companies are recognised in the statement of financial position when the respective financial obligation arises and are recognised initially at the fair value of the advances received. After the initial recognition, such amounts due to related companies are measured at amortised cost as described in Note 21(a)(ii).

15. AMOUNTS DUE FROM/(DUE TO) RELATED COMPANIES (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

(iii) Impairment assessment - 'General Approach' under MFRS 9

The 'general approach' under MFRS 9 uses the forward-looking expected credit loss model which includes a three-stage impairment model based on changes in credit quality since initial recognition. Assets move through the three stages as quality changes and the stages dictate how to measure impairment losses at each reporting date. Impairment losses will be reversed if the credit quality improves. In respect of the receivables where credit risk has not increased significantly since the initial recognition of the financial assets, the 12 month expected credit losses are recognised. Otherwise, lifetime expected credit losses are recognised. For credit-impaired receivables, lifetime expected credit losses are recognised on a net basis.

In making this assessment, both quantitative and qualitative information that is reasonable and supportable have been considered, including historical experience and observable forward-looking information without undue cost or effort. The probability of default and loss given default methodology have been used to assess the expected credit loss and significant judgement is exercised in determining the probability of default of the receivables, appropriate forward-looking information and significant increase in credit risk since the inception of such receivable.

(b) Interest rates

Non-trade amounts due from/(to) related companies are unsecured and interest-free except for the advance to/(from) related companies which bear an interest rate ranging from 4.55% to 5.17% (2022: 3.61% to 4.71%) per annum. At the end of the year, such amounts including interest therein are due and to be received/paid.

(c) Other information

(i) Construction receivables are construction progress work performed for related companies and these trade amounts due from related companies are non-interest bearing and generally on terms of 30 to 90 days (2022: 30 to 90 days).

(ii) The liquidity risk of the amounts due to related companies are disclosed in Note 5(a).

(iii) Amounts due from/(to) related companies are denominated in RM.

16. AMOUNTS DUE FROM SUBSIDIARIES

This note provides information relating to the advances made between the Company and its subsidiaries.

	Note	Company 2023 RM'000	Company 2022 RM'000
Non-current			
Amounts due from subsidiaries		16,057	16,754
Current			
Amounts due from subsidiaries		11,491	4,651
Allowance for impairment losses	(c)(i)	(1,623)	(495)
Total current		9,868	4,156
Total		25,925	20,910

(a) Recognition, measurement and significant judgement

Amounts due from subsidiaries are financial assets with fixed or determinable collections (repayments) and are classified as amortised cost assets. Amounts due from subsidiaries are recognised in the statement of financial position when the amounts are advanced to the subsidiaries. It is recognised initially at fair value based on amounts advanced and subsequently measured at amortised cost as described in Note 14(a)(v).

The Company adopts the 'general approach' under MFRS 9 in providing the expected credit loss. The 'general approach' is described in Note 15(a)(iii).

(b) Interest rates

Amounts due from subsidiaries are unsecured and bear an interest rate ranging from 2.37% to 5.17% (2022: 1.45% to 4.72%) per annum. At the end of the year, such amounts including interest therein are due and to be received.

(c) Other information

(i) Movement of allowance for impairment losses:

		Company 2023 RM'000	Company 2022 RM'000
Individual assessment			
At the beginning of the year		495	3,612
Allowance made	32	1,128	181
Write back of allowance	30	-	(3,298)
At the end of the year		1,623	495

(ii) Amounts due from subsidiaries are denominated in RM.

17. OTHER ASSETS

This note provides information on other receivables, deposits paid and prepayment of expenses.

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Non-current					
Deposits		39	-	-	-
Current					
Other receivables		16,674	6,157	38	39
Deposits		8,233	7,693	7	7
Allowance for impairment	(b)(i)	(1,258)	(1,258)	-	-
	5(b)(ii)	23,649	12,592	45	46
Prepayments		1,837	2,319	11	19
Total current		25,486	14,911	56	65
Total		25,525	14,911	56	65
Carrying amount analysed by business segments:					
Property		6,598	5,138		
Construction		839	937		
Industries		15,406	6,211		
Hospitality		2,609	2,476		
Investment Holding and Others		73	149		
		25,525	14,911		

(a) Recognition, measurement and significant judgement

Other assets excluding prepayments are financial assets with fixed or determinable payments and are classified as amortised cost assets. Other assets are recognised in the statement of financial position when goods and/or services are provided to the Group and the Company. Such goods and/or services are measured initially at fair value equivalent to the transaction amounts. Subsequent to the initial recognition, such assets are measured at amortised cost as described in Note 14(a)(v). Gains or losses including impairment are recognised in the statement of profit or loss.

The 'general approach' under MFRS 9 as described in Note 15(a)(iii) is adopted to provide for the expected credit loss of the above receivables.

17. OTHER ASSETS (CONT'D)

(a) Recognition, measurement and significant judgement (Cont'd)

The Group and the Company assess whether the credit risk of a receivable has increased significantly since initial recognition via observation of certain criteria including ageing of 90 days past due, nature of the transaction and compares the risk of a default occurring on the receivable as at the end of the year with the risk of a default occurring on the receivable as at the date when such receivable is initially recognised. In making this assessment, the Group and the Company consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and observable forward-looking information without undue cost or effort.

(b) Other information

(i) Movement of allowance for impairment losses:

	Group	
	2023	**2022**
	RM'000	**RM'000**
Individual assessment		
At the beginning of the year	1,258	1,328
Write off of allowance	-	(70)
At the end of the year	1,258	1,258

(ii) Other receivables were non-interest bearing and generally on terms of 30 to 90 days (2022: 30 to 90 days).

(iii) The currency exposure profile of the other assets excluding prepayments is disclosed in Note 5(b)(ii).

18. CONTRACT ASSETS

This note provides information about the contract assets that represent the Group's rights to consideration for goods sold and services rendered to the customers before recognition as trade receivables.

		Group	
	Note	**2023**	**2022**
		RM'000	**RM'000**
Contract assets arising from the excess of revenue recognised over progress billings to property purchasers	(b)(i)	126,008	120,721

The carrying amount is classified under the Property Segment.

Contract assets relate to revenue earned but yet to be billed on the ongoing development projects.

18. CONTRACT ASSETS (CONT'D)

(a) Recognition, measurement and significant judgement

A contract asset is a right to consideration, the fair values at initial recognition, in exchange for goods or services that the Group has transferred to a customer before the customer pays consideration or before payment is due.

Contract assets (accrued billings to be billed to purchasers) are recognised in the statement of financial position as an excess of cumulative revenue recognised over the progress billings to purchasers. Revenue is measured at the transaction price based on a contract with a purchaser/customer.

Contract assets will be reclassified to trade receivables when the rights to economic benefits become unconditional. This usually occurs when billings are issued to the purchaser/customer. For determining the transaction price of the contract, the Group assumed that the goods or services would be transferred to the purchaser/customer as promised following the existing contract and that the contract would not be amended, renewed or modified.

Contract assets are subject to impairment assessment under MFRS 9. The expected credit loss is recognised from the date of initial recognition of a contract asset using a single-stage lifetime expected credit loss, the 'simplified approach' as described under Note 14(a)(i). No expected credit loss is recognised arising from contract assets as it was negligible.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on contract assets are discussed in Note 43(c)(ii)(8).

(b) Other information

(i) Contract assets and liabilities in respect of property development activities:

		Group	
	Note	**2023**	**2022**
		RM'000	**RM'000**
At the beginning of the year		118,956	77,625
Net progress revenue recognised in profit or loss	28	80,241	194,498
Sale of completed properties recognised in profit or loss		-	5,850
Progress billings issued		(75,700)	(159,017)
At the end of the year		123,497	118,956
Carrying amount at the end of the year are analysed as follows:			
- Contract assets		126,008	120,721
- Contract liabilities	23	(2,510)	(1,765)
		123,498	118,956

18. CONTRACT ASSETS (CONT'D)

(b) Other information (Cont'd)

(i) Contract assets and liabilities in respect of property development activities: (Cont'd)

	Note	Group 2023 RM'000	Group 2022 RM'000
The amounts included in contract liabilities at the beginning of the financial year has been recognised as revenue are as follows:			
Contract liabilities recognised as revenue		75	12,762

(ii) Contract assets and liabilities in relation to construction contracts:

	Note	Group 2023 RM'000	Group 2022 RM'000
At the beginning of the year		-	-
Cost incurred and profit accrued		172,367	61,334
Progress billings issued and recognised as revenue	28	(172,367)	(61,334)
At the end of the year		-	-

Included in the above are depreciation of property, plant and equipment of RM1.3 million (2022: RM0.6 million) [Note 6(b)(iii)].

(iii) Transaction price allocated to the remaining performance obligations

The aggregate amount of the transaction price allocated to the property development contracts that are fully or partially to be fulfilled (unsatisfied) and expected to be recognised as revenue in the future are as follows:

	Group 2023 RM'000	2023 %	Group 2022 RM'000	2022 %
Within 1 year	30,035	56%	79,114	96%
1 to 4 years	23,516	44%	3,685	4%
	53,551		82,799	

Contract assets and liabilities under property development activities contracts are denominated in RM. The above contract assets and liabilities are not impacted by any significant changes in the contract terms.

19. BIOLOGICAL ASSETS

	Note	Group 2023 RM'000	Group 2022 RM'000
Unharvested oil palm fresh fruit bunches ("FFB"), at fair value	(d)	444	519

19. BIOLOGICAL ASSETS (CONT'D)

The carrying amount is classified under the Investment Holding and Others Segment which includes other insignificant business divisions.

(a) Recognition, measurement and significant judgement

Biological assets comprise oil palm FFB before harvesting. Biological assets are recognised in the statement of financial position and measured at their fair values. For the valuation of biological assets, where the present value of the net cash flows is forecast to be generated from the sale of oil palm FFB less costs to sell which include harvesting costs and transport expenses.

(b) Fair value measurement

Pursuant to MFRS 13 'Fair Value Measurement', a fair value hierarchy has been established that is categorised into three levels of inputs for valuation techniques which are used to measure fair value.

The carrying amount of the assets can be categorised into the fair value hierarchy as follows:

(1) Level 1, using the unadjusted active market price of identified assets.

(2) Level 2, valuation techniques which all inputs that have a significant effect on the recorded fair values are observable for the asset, using the market approach (comparison method) which uses observable inputs (including prices and other relevant information generated by market transactions involving identical or comparable/similar assets).

(3) Level 3, valuation techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data for the asset, using investment, residual, income capitalisation, cost and comparison methods based on inputs which are not observable market data.

The unharvested oil palm FFB measured at Level 3 uses the following significant unobservable inputs in the valuation model:

		Group	
Valuation technique	**Significant unobservable inputs**	**2023**	**2022**
Income capitalisation	Estimated selling price per tonne (RM)	764	819

During the year, there were no transfers between all three levels of the fair values hierarchy for the biological assets.

(c) Climate-related risks

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on biological assets are discussed in Notes 43(c)(ii)(9) and 43(c)(ii)(10). Despite that, the oil palm plantations are exposed to the risk of damage from extreme weather including floods, storms, high winds and drought. Periods of flooding may increase the risk of oil palm yielding. In addition, extreme weather may also increase the cost of operations. Processes via proactive management and early detection are in place to monitor and mitigate these risks.

19. BIOLOGICAL ASSETS (CONT'D)

(d) Other information

The movement of the unharvested oil palm FFB is as follows:

	Note	Group 2023 RM'000	Group 2022 RM'000
At the beginning of the year		519	524
Loss on fair value	32	(75)	(5)
At the end of the year		444	519

20. CASH, BANK BALANCES AND SHORT-TERM FUNDS

This note outlines the liquidity position.

Cash, bank balances and short-term funds comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of one year or less, that are held to meet short-term cash commitments and are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Cash and bank balances		47,159	36,381	5,257	2,384
Deposits with licensed financial institutions	(d)	95,551	45,176	87,655	27,501
Short-term funds	(d)	109,360	275,807	2,318	155,097
		252,070	357,364	95,230	184,982
Housing development accounts	(b)	77,450	65,207	-	-
	4,5(b)(ii)	329,520	422,571	95,230	184,982

Carrying amount analysed by business segments:

	Group 2023 RM'000	Group 2022 RM'000
Property	153,905	157,626
Construction	32,838	29,379
Industries	23,006	16,790
Hospitality	17,738	24,966
Investment Holding and Others	102,033	193,810
	329,520	422,571

20. CASH, BANK BALANCES AND SHORT-TERM FUNDS (CONT'D)

(a) Recognition and measurement

Cash and bank balances, deposits with licensed financial institutions and housing development accounts are financial assets with fixed and determinable sums that are classified as amortised cost assets. Such sums are recognised initially at fair value in the statement of financial position and subsequently measured at amortised cost as described in Note 14(a)(v).

Short-term funds are financial assets. Such short-term funds are recognised initially at fair value based on contracts entered in the statement of financial position. Subsequent to initial recognition, such funds are measured at fair value through profit or loss.

(b) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand and at banks, deposits with licensed financial institutions and short-term funds with short-term maturities and highly liquid investments which have an insignificant risk of changes in value net of bank overdrafts, if any. Statements of cash flows are prepared using an indirect method and changes in cash and cash equivalents are classified into operating, investing and financing activities.

Bank accounts held under housing development accounts, forming part of bank balances, are maintained pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 in Malaysia. The utilisation of this balance is restricted to property development activities under the said section.

(c) Interest rates

The interest rates at the end of the year of:

(i) bank balances under housing development accounts ranging from 1.35% to 2.50% (2022: 0.45% to 1.45%) per annum.

(ii) bank balances under current accounts ranging from 0.75% to 2.90% (2022: 0.50% to 2.25%) per annum.

(d) Bank balances and short-term funds pledged as security

Deposits with licensed financial institutions and short-term funds amounting to RM27.6 million (2022: RM121.0 million) of the Group and the Company have been pledged to licensed financial institutions for credit facilities granted to the treasury management centre.

(e) Fair value measurement

The fair value measurement of the short-term funds is categorised within Level 1 of the fair value hierarchy, using the unadjusted active market price of the identified assets, according to MFRS 13 'Fair Value Measurement', as disclosed in Note 19(b).

20. CASH, BANK BALANCES AND SHORT-TERM FUNDS (CONT'D)

(f) Other information

As at 31 December 2023, the Group had available RM29.7 million (2022: RM29.7 million) of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments. As at 31 December 2023, the deposits with the licensed financial institutions will mature within 365 days (2022: 365 days).

Short-term funds aim to invest in highly liquid instruments which are investing its assets in Ringgit Malaysia deposits with licensed financial institutions in Malaysia and are redeemable with one to five days' notice. These funds are subject to an insignificant risk of changes in value and form part of cash and cash equivalents. Fund distribution income is calculated daily and distributed every month. No expected credit loss is recognised arising from the bank balances as the probability of default by these licensed financial institutions was negligible.

The currency exposure profile of the cash, bank balances and short-term funds is disclosed in Note 5(b)(ii).

21. BORROWINGS

This note outlines details of the borrowings utilised to fund the business operations and corporate requirements.

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current					
Secured					
Term loans		32,909	33,374	-	-
Current					
Secured					
Bankers' acceptances		12,690	9,700	-	-
Revolving credits		92,950	92,950	5,000	5,000
Term loans		5,713	5,300	-	-
Total current		111,353	107,950	5,000	5,000
Total	4,5(b)(ii)	144,262	141,324	5,000	5,000
Total					
Bankers' acceptances		12,690	9,700	-	-
Revolving credits		92,950	92,950	5,000	5,000
Term loans		38,622	38,674	-	-
		144,262	141,324	5,000	5,000

21. BORROWINGS (CONT'D)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
The carrying amount analysed by maturity:				
On demand or within 1 year	111,353	107,950	5,000	5,000
More than 1 year but less than 2 years	7,415	5,727	-	-
More than 2 years but less than 5 years	24,949	25,889	-	-
More than 5 years	545	1,758	-	-
	144,262	141,324	5,000	5,000
Carrying amount analysed by business segments:				
Property	83,849	78,603		
Industries	17,922	17,444		
Hospitality	37,491	40,277		
Investment Holding and Others	5,000	5,000		
	144,262	141,324		

(a) Recognition and measurement

(i) Borrowings

Borrowings are financial liabilities which are classified as amortised cost liabilities.

Borrowings are recognised in the statement of financial position when the financial obligation of liabilities from the borrowings arises and are recognised initially at fair values of borrowed sums, net of any transaction cost. Subsequent to the initial recognition, such borrowings are measured at amortised cost as described in Note (a)(ii) below.

Borrowings are derecognised upon extinguishment of the financial obligations. Gains or losses including interest and fee expenses, discount and rebates as well as amortisation of transaction costs are recognised in the statement of profit or loss.

When the existing borrowings are replaced by another lender on substantially different terms, or the terms of an existing liability are substantially modified, such 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 the statement of profit or loss.

21. BORROWINGS (CONT'D)

(a) Recognition and measurement (Cont'd)

(ii) Financial liabilities measured at amortised cost and effective interest method

The amortised cost of a financial liability is the amount measured at initial recognition and adjusted for subsequent recognition of interest expense payment using the effective interest method of any difference between that initial amount and the maturity amount minus repayments.

Effective interest rate is the rate that discounts estimated future cash outflows through the expected life of the financial liability to the amortised cost of a financial liability. The effective interest method is the method that is used in the calculation of the amortised cost of a financial liability and in the allocation and recognition of the interest expense payment in the statement of profit or loss over the relevant period.

Therefore, the carrying amount of the financial liability is a reasonable approximation of its fair value.

The amortised costs measurement is also adopted in lease liabilities, amounts due to related companies, trade payables and other liabilities excluding provisions as disclosed in Notes 11(a)(ii), 15(a)(ii), 22(a) and 24(a) respectively.

(b) Interest rates

	Group		Company	
	2023	**2022**	**2023**	**2022**
	%	**%**	**%**	**%**
Borrowings	3.50 - 5.33	3.14 - 4.87	4.63 - 5.08	3.61 - 4.63

(c) Secured financing

The Group has pledged the following assets as security for the secured borrowings.

		Group	
	Note	**2023**	**2022**
		RM'000	**RM'000**
Carrying amounts of the assets pledged for credit facilities:			
Property, plant and equipment	6(b)(ii)	102,180	153,429
Investment properties	7(b)(iv)	60,071	52,247
Right-of-use assets	11(b)(i)	391	403
Inventories:			
- Land held for property development	12(b)(i)	5,424	26,356
- Property development expenditure	12(b)(ii)	-	469
		168,066	232,904

21. BORROWINGS (CONT'D)

(d) Other information

(i) All covenants of the borrowings are met at all times during the year.

(ii) The liquidity risk of the borrowings is disclosed in Note 5(a).

(iii) The currency exposure profile of the borrowings is disclosed in Note 5(b)(ii).

(e) Reconciliation of liabilities arising from financing activities

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
(i) Borrowings					
At the beginning of the year		141,324	148,265	5,000	5,000
Cash inflows/(outflows)		2,938	(6,941)	-	-
At the end of the year		144,262	141,324	5,000	5,000
(ii) Lease liabilities					
At the beginning of the year		4,706	19,090	-	-
Cash outflows	11(c)	(4,554)	(17,429)	-	-
Non-cash:					
- New leases		3,197	3,278	-	-
- Reassessments and modifications of leases		-	(892)	-	-
- Interest charged		161	659	-	-
		3,358	3,045	-	-
At the end of the year	11(c)	3,510	4,706	-	-
Total liabilities from financing activities		147,772	146,030	5,000	5,000

22. TRADE PAYABLES

This note provides information about the amounts payable to contractors and suppliers that support the business operations.

	Note	Group 2023 RM'000	Group 2022 RM'000
Non-current			
Construction payables		14,901	9,732
Current			
Property development payables		1,113	2,526
Construction payables		15,447	17,545
Industries payables		27,660	25,254
Hotels payables		2,411	2,197
Other trade payables		-	3
Total current		46,631	47,525
Total	5(b)(ii)	61,532	57,257

Carrying amount analysed by business segments:

	2023 RM'000	2022 RM'000
Property	1,113	2,526
Construction	30,348	27,277
Industries	27,660	25,254
Hospitality	2,411	2,197
Investment Holding and Others	-	3
	61,532	57,257

(a) Recognition and measurement

Trade payables are financial liabilities which are classified as amortised cost liabilities. Trade payables are recognised in the statement of financial position when the financial obligation arises and are recognised initially at their fair values of goods and services received. Subsequent to the initial recognition, such trade payables are measured at amortised cost as described in Note 21(a)(ii). Trade payables are derecognised upon extinguishment of their financial obligations.

(b) Other information

(i) Trade payables are non-interest bearing and generally on terms of 30 to 90 days (2022: 30 to 90 days).

(ii) The liquidity risk of the trade payables is disclosed in Note 5(a).

(iii) The currency exposure profile of the trade payables is disclosed in Note 5(b)(ii).

23. CONTRACT LIABILITIES

This note provides information about the outstanding contract liabilities. The contract liabilities of properties development activities should be read in conjunction with Note 18 which relates to contract assets.

	Note	Group 2023 RM'000	Group 2022 RM'000
Non-current			
Contract liabilities - vacation club membership fee received		62,888	75,184
Current			
Contract liabilities:			
- excess of progress billings to property purchasers over revenue recognised	18(b)(i)	2,510	1,765
- vacation club maintenance and membership fee received		4,799	6,087
Total current		7,309	7,852
Total		70,197	83,036

Carrying amount analysed by business segments:

	2023 RM'000	2022 RM'000
Property	2,510	1,765
Hospitality	67,687	81,271
	70,197	83,036

Contact liabilities include: (a) fee income received for services to be delivered under vacation club; and (b) excess of progress billings to property purchasers to be recognised as revenue over construction progress.

Recognition and measurement

A contract liability is the obligation to transfer goods or services to a customer for which the consideration received, or an amount of consideration is due from the customer. Such consideration is the fair value at initial recognition. A contract liability is recognised when payment is received or a payment is due (whichever is earlier) from a customer before transferring the related goods or services to the customer.

For the property development business, contract liabilities are recognised in the statement of financial position as the excess of progress billings to purchasers over the cumulative revenue recognised. Contract liabilities also include the down payments of vacation club membership and maintenance fees received from customers under the Hospitality Segment where the service is billed or the payment is collected before the services are provided to the customers.

Contract liabilities are recognised as revenue in the statement of profit or loss when the performance obligations are satisfied (i.e., transfer control of the related goods or services to the customer).

24. OTHER LIABILITIES

This note provides information about the other liabilities including provisions and accruals for expenses where probable outflows of economic resources are expected and deposits received from tenants and other arrangements.

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Other payables		28,259	34,828	28	5
Accruals	(b)(i)	122,614	135,075	337	335
Deposits received		1,710	1,468	-	-
	5(b)(ii)	152,583	171,371	365	340
Provisions	(b)(ii)	35,817	33,892	1,284	1,238
		188,400	205,263	1,649	1,578

Carrying amount analysed by business segments:

	Group 2023 RM'000	Group 2022 RM'000
Property	134,001	156,793
Construction	20,165	8,739
Industries	17,883	21,647
Hospitality	14,321	16,198
Investment Holding and Others	2,030	1,886
	188,400	205,263

(a) Recognition, measurement and significant judgement

Other payables, accruals and deposits received are financial liabilities classified as amortised cost liabilities. These liabilities are recognised in the statement of financial position when the financial obligation of liabilities from the transactions arises and are recognised initially at fair values of goods and services received. Subsequent to the initial recognition, such liabilities are measured at amortised cost as described in Note 21(a)(ii). Other payables, accruals and deposits received are derecognised upon extinguishment of their financial obligations.

Provisions are recognised when the obligation arises (legal or constructive) as a result of a past event, an outflow of economic resources will probably be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of the year and adjusted to reflect the current best estimate. The provision is reversed if it is no longer probable that an outflow of economic resources will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using the 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 finance cost.

24. OTHER LIABILITIES (CONT'D)

(b) Other information

(i) Accruals mainly consist of accrued property development costs.

(ii) Included in provisions is an amount of RM22.5 million (2022: RM23.9 million) representing provision for low-cost housing projects.

(iii) The liquidity risk of the other liabilities excluding provisions is disclosed in Note 5(a).

(iv) The currency exposure profile of the other liabilities excluding provisions is disclosed in Note 5(b)(ii).

25. SHARE CAPITAL

This note provides information about the issued and fully-paid share capital of the Group and of the Company.

		Group and Company			
		2023		2022	
	Note	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Issued and fully-paid ordinary shares					
At the beginning/end of the year	26	529,485	570,726	529,485	570,726

(a) Recognition and measurement

Ordinary shares of the Company are recognised in the statement of financial position upon issuance of new ordinary shares to holders. The ordinary shares are classified as equity and recorded at fair value of consideration received.

(b) Share capital information

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

26. TREASURY SHARES

This note provides information about the share buybacks of the Company.

	Note	Group and Company 2023 Number of shares '000	Group and Company 2023 Amount RM'000	Group and Company 2022 Number of shares '000	Group and Company 2022 Amount RM'000
At cost					
At the beginning/end of the year		4,778	5,133	4,778	5,133
Total number of outstanding ordinary shares in issue		524,707		524,707	
Total number of issued and fully-paid ordinary shares	25	529,485		529,485	

(a) Recognition and measurement

The Company repurchases its own equity share capital which is measured at cost being the consideration paid including any directly attributable incremental external costs. These costs are recognised in the statement of financial position deducted from the equity attributable to the Owner of the Company and classified as treasury shares until they are cancelled, reissued or disposed of.

Shares repurchased are being held as treasury shares under Section 127 of CA2016. The Company may distribute the treasury shares as dividends to the Shareholders or re-sell the treasury shares in the market under the Rules of Bursa Securities or cancel the shares under Section 127 of CA2016.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the own equity instruments. When treasury shares are distributed as dividends, the cost of the treasury shares distributed is applied to the reduction of the distributable retained profits. When repurchased shares are subsequently reissued by resale in the open market, any difference between the resale price and the carrying amount of the repurchased shares is accounted as a movement in reserves in the statement of changes in equity, as appropriate.

(b) Summary of the share buybacks

	Number of shares '000	Highest price RM	Lowest price RM	Average cost including transaction costs RM	Total amount paid RM'000
2023 and 2022					
At the beginning/end of the year	4,778	1.60	0.39	1.07	5,133

26. TREASURY SHARES (CONT'D)

(b) Summary of the share buybacks (Cont'd)

There were no share re-issuance, cancellations, resale and buybacks for the current and previous year.

27. RESERVES

This note outlines the nature of each item in reserves.

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Foreign currency translation reserves	(a)	(35,532)	(60,826)	-	-
Other reserves	(b)	(558)	(390)	-	-
		(36,090)	(61,216)	-	-
Retained profits		816,722	888,270	432,242	505,867
		780,632	827,054	432,242	505,867

Each component of equity is disclosed in the statement of changes in equity, including the movement analysis of items under the statement of other comprehensive income. The nature, purpose and other relevant information of each reserve are described in the following notes:

(a) Foreign currency translation reserves

Foreign currency translation reserves are used to record foreign currency translation differences arising from the translations of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency. It is also used to record the foreign currency translation differences arising from monetary items which form part of the net investment in foreign operations, where the monetary item is denominated in either the functional currency of the Company or the foreign operation.

The movement of foreign currency translation reserves for the year is disclosed in the statement of changes in equity.

(b) Other reserves

Other reserves represent a share of reserves of an associate and comprise fair value through other comprehensive income ("FVTOCI").

FVTOCI reserves represent the cumulative gains and losses arising from the revaluation of (i) investment in equity instruments designated as FVTOCI, net of cumulative gain/loss transferred to retained earnings upon disposal; and (ii) investments in debt instruments classified as FVTOCI, net of cumulative loss allowance recognised on these investments and cumulative gain or loss reclassified to the statement of profit or loss upon disposal or reclassification out from FVTOCI investments.

(c) Retained profits

The Company's retained profits are available for future distribution.

28. REVENUE

This note provides information on revenue streams that are generated by the Group. The Group's revenue is generated from the five core reportable business segments as disclosed in Note 3(a). The Group's business mainly involves developing and selling properties, leasing commercial space, manufacturing and selling cables and IBS wall panels, letting hotel rooms and managing hotels, and holdings investment. The Company's revenue comprises dividend income from its subsidiaries, and these dividends are eliminated at the Group following the consolidation accounting requirements.

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue from contracts with customers:					
Progress revenue:					
- Construction contracts	18(b)(ii)	172,367	61,334	-	-
- Property development (net)	18(b)(i)	80,241	194,498	-	-
		252,608	255,832	-	-
Service fee income		113,937	98,891	4,011	4,548
Sale of goods and completed properties		408,320	317,576	-	-
		774,865	672,299	4,011	4,548
Other revenue:					
Dividend income from subsidiaries		-	-	64,745	115,800
Rental income		2,045	2,074	-	-
		2,045	2,074	64,745	115,800
		776,910	674,373	68,756	120,348
Revenue from contracts with customers analysed by timing of revenue recognition where products and services transferred:					
Over time		266,380	269,804	-	-
At a point in time		508,485	402,495	4,011	4,548
		774,865	672,299	4,011	4,548

28. REVENUE (CONT'D)

Recognition, measurement and significant judgements

(a) Revenue recognition in relation to performance obligation

Revenue which represents income arising from the course of the ordinary activities is recognised by reference to each distinct performance obligation promised in the contract with a customer as and when the Group transfers the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with a customer, the control of the promised goods or services may transfer over time or at a point in time.

A consideration that is allocated to each performance obligation is recognised as revenue when the customer obtains control of the goods or services. Consideration payable to customers is recognised as a reduction of revenue. At the inception of each contract with a customer, the Group determines whether control of the goods or services for each performance obligation is transferred over time or at a point in time. Control over the goods or services is transferred over time and revenue is recognised over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

- the Group's performance creates or enhances a customer-controlled asset; or

- the Group's performance does not create an asset with alternative use and the Group has legal enforceable rights to payment for performance completed to date.

(i) Progress revenue from property development and construction contracts

Progress revenue from property development and construction contracts is recognised upon transferring control of the asset to a purchaser/customer. Based on the terms of the contract and the laws that apply to the contracts in Malaysia, control of the asset is transferred over time to the purchasers/customers. In determining the timing of satisfaction of performance obligation for revenue recognition:

(1) the property development subsidiaries recognise revenue over the period of the contracts using the input method based on a percentage of completion as disclosed in Note 12(a)(ii). The percentage of completion is computed by reference to the property development cost incurred to date as a percentage of the estimated total costs of development of the contract.

(2) the construction subsidiary recognises revenue over the periods of the contracts using the output method by reference to the survey of contract work completed to date which is certified by professional consultants.

28. REVENUE (CONT'D)

Recognition, measurement and significant judgements (Cont'd)

(a) Revenue recognition in relation to performance obligation (Cont'd)

(i) Progress revenue from property development and construction contracts (Cont'd)

(3) the promised properties are specifically identified in the sale and purchase agreements with its layout plan. The purchaser could enforce its rights to the properties if the property development subsidiaries seek not to sell such properties to the purchaser. The contractual restriction on the property development subsidiaries' ability to direct the properties for another use is substantive and the properties sold to the purchaser do not have an alternative use to the property development subsidiaries. The property development subsidiaries have the legally enforceable right to payment for performance completed to date. The property development subsidiaries are obligated to complete the construction, transfer to the purchaser the developed properties and enforce their rights to full payment from the purchaser.

In certain circumstances, contracts with customers may include multiple promises to customers and are therefore accounted for as separate performance obligations. The transaction price, which includes estimating variable consideration and adjusting the consideration for the effects of the time value of money where applicable, shall be allocated to each performance obligation based on the stand-alone selling prices of the properties involved. Stand-alone selling prices are estimated based on expected cost-plus margin where the observable selling price data are not available.

(ii) Service fee income

Hotel room rental, food and beverages revenue and golf course revenue

Room rental revenue is recognised daily based on customer-occupied rooms. Revenue from the sale of food and beverage is recognised when a customer receives the food and beverage. Such revenue is recorded based on the published rates, net of discounts.

Green fees and buggy rentals are recognised when services are being rendered to a customer and such customer receives and consumes the benefits. The Group has a present right to payment for the goods and services sold and rendered respectively.

Property management fee

Property management fee is recognised when the Group renders services to a customer and such customer can receive and consume such services. The Group has a present right to the payment of the services rendered.

28. REVENUE (CONT'D)

Recognition, measurement and significant judgements (Cont'd)

(a) Revenue recognition in relation to performance obligation (Cont'd)

(ii) Service fee income (Cont'd)

Management and operation of timeshare membership fees

Membership and maintenance fees are recognised over the membership periods based on fees chargeable to members in accordance with the contract terms.

Management fees

Management fees are recognised when the Company renders services.

(iii) Sale of goods

Revenue from the sale of goods is recognised when the Group satisfies a performance obligation by transferring a promised good (i.e. an asset) to a customer. An asset is transferred as and when a customer obtains control of that asset which coincides with the delivery of goods and acceptance by the customer.

(iv) Sale of completed properties

Proceeds from the sale of completed properties are recognised when the Group satisfies a performance obligation by transferring a promised asset to a purchaser. An asset is transferred when the purchaser obtains control of that asset.

(b) Revenue recognition not in relation to performance obligation

(i) Dividend income of the Company

Dividend income is recognised when the rights to receive dividend payments have been established.

(ii) Rental income

As a lessor, the Group recognised lease payments as rental income from operating lease over the lease term evenly (straight-line basis) based on the rental chargeable to tenants.

29. COST OF SALES

This note provides a breakdown of the cost of sales which are directly incurred to generate revenue as disclosed in Note 28.

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Property development costs	12(b)(ii)	55,869	131,067	-	-
Construction costs		166,021	56,999	-	-
Cost of services rendered		50,550	42,825	3,744	4,548
Cost of goods sold		288,400	234,605	-	-
Property maintenance expenses		814	806	-	-
		561,654	466,302	3,744	4,548

(a) Recognition and measurement

(i) Property development costs

Recognition and measurement of the property development costs are disclosed in Note 12(a)(ii).

(ii) Construction costs

Cost of construction contracts are recognised upon construction work carried out and certified based on actual value work done.

(iii) Cost of services rendered and property maintenance expenses

Cost of services rendered and property maintenance expenses are recognised upon services rendered to the Group. These expenses are measured at their fair value of services received.

(iv) Cost of goods sold

The cost of goods sold is recognised upon delivery of goods to customers and measured at fair value of goods received.

29. COST OF SALES (CONT'D)

(b) Other information

Included in cost of sales:

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Depreciation of:					
- investment properties	7(b)(iii)	177	178	-	-
- property, plant and equipment	6(b)(iii)	5,033	4,913	-	-
- right-of-use assets	11(b)	482	371	-	-
Write down/(back) of inventories:					
- finished goods		3,382	(668)	-	-
- raw materials		264	3	-	-
- work-in-progress		(2,401)	596	-	-
Write off of plant and equipment	6(b)(iv)	130	-	-	-
Staff costs		39,126	33,581	3,716	4,535

30. OTHER INCOME

This note outlines other income including gains, write backs and reversals.

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Other income:					
Financial assets measured at fair value through profit or loss:					
- Funds distribution income		3,527	3,024	1,605	1,704
Financial assets measured at amortised cost:					
- Interest income on deposits and placements with licensed financial institutions		4,267	3,082	1,440	492
Forfeiture of deposits		83	48	-	-
Interest income from:					
- subsidiaries		-	-	706	550
- related companies		1,813	1,545	-	-
Rental income		781	767	-	-
		10,471	8,466	3,751	2,746

30. OTHER INCOME (CONT'D)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Gains, write backs and reversals:					
Fair valuation gain of:					
- retention sums		244	319	-	-
- short-term funds		669	2,706	-	1,748
Foreign currency transactions gains		27	249	-	-
Foreign currency translations gains		933	56	10,985	-
Gain of financial assets measured at amortised cost:					
- Recovery of bad debts of trade receivables		2	-	-	-
- Write back of impairment losses on:					
- amount due from subsidiaries					
- Individual assessment	16(c)(i)	-	-	-	3,298
- investment in subsidiaries	8(d)(i)	-	-	5,015	-
- trade receivables:					
- Collective assessment	14(b)(i)	9	20	-	-
- Individual assessment	14(b)(i)	617	722	-	-
Gain on disposal of property, plant and equipment		191	1,458	-	-
Gain on redemption of short-term funds		1,379	196	717	-
Modifications of leases		-	19	-	-
Waiver of debt		-	-	-	184
		4,071	5,745	16,717	5,230
Others		2,867	3,470	-	2
		17,409	17,681	20,468	7,978

30. OTHER INCOME (CONT'D)

Recognition and measurement

Other income is recognised as and when a performance obligation is satisfied by transferring an asset. An asset is transferred when the customer obtains control of that asset, which coincides with the delivery of goods and services and acceptance by the customer. Certain income with the same nature is recognised on the same principles as disclosed in Note 28, while others are described below:

(i) Fund distribution income is recognised and measured using the effective interest method over the tenures of the short-term funds.

(ii) Interest income on deposits and placements with licensed financial institutions is recognised and measured using the effective interest method over the tenure of placement.

(iii) Gain on the disposals of property, plant and equipment is recognised upon the customer obtaining control of the asset or completion of the sale and purchase agreement.

(iv) All other income is recognised on an accrual basis based on its fair value transacted.

31. ADMINISTRATIVE EXPENSES

This note outlines administrative expenses by nature.

		Group		Company	
	Note	**2023**	**2022**	**2023**	**2022**
		RM'000	**RM'000**	**RM'000**	**RM'000**
Establishment related expenses					
Depreciation of:					
- investment properties	7(b)(iii)	195	195	-	-
- property, plant and equipment	6(b)(iii)	17,899	15,163	156	84
- right-of-use assets	11(b)	4,069	15,972	-	-
Insurance		1,555	1,277	-	-
Quit rent and assessment		1,517	1,603	-	-
Rental expenses for:					
- lease of low-value assets	11(d)(i)	28	24	-	-
- short-term leases	11(d)(i)	485	562	-	-
Repair and maintenance		7,855	7,392	3	14
Utility expenses		7,850	6,411	-	-
Others		504	915	-	-
		41,957	49,514	159	98

31. ADMINISTRATIVE EXPENSES (CONT'D)

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
General administrative expenses				
Auditors' remuneration:				
Statutory audit - current year				
- auditors of the Company	319	314	46	44
- other auditor	29	27	-	-
Other audit-related services				
- current year				
- auditors of the Company	47	57	5	7
	395	398	51	51
Bank charges	1,716	820	1	1
Communication expenses	716	713	-	5
Donations	906	1,537	500	800
Legal and professional fees	1,503	1,420	26	32
Hotel management fee	1,302	348	-	-
Management fee	9,113	9,837	143	122
Printing and stationery	572	792	19	25
Repair and maintenance	2,002	1,633	34	33
Sales and service tax expenses	400	457	12	15
Service and registration expenses	84	161	12	1
Subscription fees	159	283	3	4
Transport and travelling	1,151	1,278	17	20
Others	2,989	2,267	37	97
	23,008	21,944	855	1,206
Personnel expenses				
Salaries, allowances, bonuses and other emoluments (net of over provision in prior year)	29,389	29,809	-	-
Pension costs - defined contribution plan	3,566	3,751	-	-
Others	4,095	4,183	-	-
	37,050	37,743	-	-
Selling and marketing expenses				
Advertisement and promotion	778	3,421	-	-
Commission	1,129	525	-	-
Marketing cost	8,250	5,554	-	-
Others	213	395	-	-
	10,370	9,895	-	-
Total administrative expenses	112,385	119,096	1,014	1,304

31. ADMINISTRATIVE EXPENSES (CONT'D)

(a) Recognition and measurement

Administrative expenses are recognised on an accrual basis based on their fair values of services rendered and goods received.

(b) Other information

Key management personnel's compensation and staff costs recognised in cost of sales and administrative expenses are summarised below:

(i) Key management personnel's compensation

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Directors:				
- fees				
- Current year	20	20	20	20
- Under provision in prior year	2	-	2	-
- salaries, bonuses and other emoluments	6,777	6,180	3,161	2,970
- defined contribution plan	634	620	381	358
- estimated money value of benefits-in-kind	69	64	49	44
Total compensation for Directors	7,502	6,884	3,613	3,392
Other key management personnel:				
- salaries, bonuses and other emoluments	4,485	3,297	-	-
- defined contribution plan	549	395	-	-
- estimated money value of benefits-in-kind	58	54	-	-
Total compensation for other key management	5,092	3,746	-	-
Total compensation for key management	12,594	10,630	3,613	3,392

(ii) Staff costs (excluding key management personnel's compensation)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
- salaries, allowances, bonuses and other emoluments				
- Current year	53,979	49,717	-	-
- (Over)/Under provision for bonus in prior year	(1,580)	235	103	1,143
- defined contribution plan	5,430	5,464	-	-
- social security costs	502	502	-	-
- other staff related expenses	5,251	4,776	-	-
	63,582	60,694	103	1,143

32. OTHER EXPENSES

This note outlines other expenses including impairment loss, write off and reversal.

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Expenses:					
Research and development expenses		466	1,193	-	-
Losses, write offs and allowance for impairment:					
Fair valuation loss of:					
- biological assets	19(d)	75	5	-	-
- short-term funds		129	240	81	191
Foreign currency transactions loss		365	-	-	-
Foreign currency translations loss		-	257	-	2,395
Impairment losses on investment in subsidiaries	8(d)(i)	-	-	-	59,253
Loss on disposal of plant and equipment		119	167	-	-
Loss on redemption of short-term funds		-	1,021	-	641
Loss of financial assets measured at amortised cost:					
- Allowance for impairment losses on:					
- trade receivables					
- Collective assessment	14(b)(i)	254	922	-	-
- Individual assessment	14(b)(i)	982	742	-	-
- amounts due from subsidiaries					
- Individual assessment	16(c)(i)	-	-	1,128	181
Loss on strike off of subsidiaries	8(d)(i)	-	-	-	20
Write off of financial assets measured at amortised cost:					
- trade receivables		7	50	-	-
- other receivables		3	-	-	-
Write off of plant and equipment	6(b)(iv)	214	283	-	-
		2,148	3,687	1,209	62,681
Others		40	112	-	-
		2,654	4,992	1,209	62,681

32. OTHER EXPENSES (CONT'D)

Recognition and measurement

(i) Impairment losses are recognised and measured in accordance with the impairment policies of the assets including property, plant and equipment, investment properties, investments in subsidiaries, trade receivables, amounts due from subsidiaries and other assets as disclosed in Notes 6, 7, 8, 14, 16 and 17 respectively.

(ii) Loss on the disposal of plant and equipment is recognised in accordance with the disposal policy of the property, plant and equipment as disclosed in Note 6(a).

(iii) All other expenses are recognised when the financial obligations of liabilities arise based on the fair values of the transactions.

33. FINANCE COSTS

This note outlines the interest expenses incurred, fees or expenses related to financing and interest capitalised.

		Group		Company	
	Note	**2023 RM'000**	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Interest expense of financial liabilities that are measured at amortised cost:					
- amounts due to related companies		1,928	1,357	-	-
- lease liabilities	11(c)	161	659	-	-
- revolving credits		2,487	1,933	242	198
- term loans		4,319	3,980	-	-
- bankers' acceptances		614	179	-	-
		9,509	8,108	242	198
Other finance costs of financial liabilities that are measured at amortised cost:					
- facilities fee		211	93	-	-
- retention sums		-	198	-	-
		211	291	-	-
Interest capitalised under:					
- investment property under construction	7(b)(i)	(1,627)	(1,030)	-	-
- land held for property development	12(b)(i)	-	(98)	-	-
- property development expenditure	12(b)(ii)	-	(654)	-	-
		8,093	6,617	242	198

33. FINANCE COSTS (CONT'D)

Recognition and measurement

Finance costs are recognised and measured using the effective interest method over the tenure of the respective amortised cost instruments.

34. TAX EXPENSE

This note provides an analysis of the income tax provision that shows how the tax expense is affected by non-taxable and non-deductible items; and deferred tax that recognised during the year.

		Group		Company	
	Note	**2023 RM'000**	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Income tax					
- Current year provision		35,323	22,302	984	927
- Under/(Over) provision in respect of prior years		1,708	2,380	(182)	(21)
Deferred income tax:					
Deferred tax assets	13(b)(i)	3,881	3,351	-	-
Deferred tax liabilities	13(b)(ii)	(461)	(352)	-	-
		3,420	2,999	-	-
		40,451	27,681	802	906
Deferred income tax is analysed as follows:					
Origination and reversal of temporary differences		3,511	1,613	-	-
(Over)/Under provision in prior years		(91)	1,386	-	-
		3,420	2,999	-	-

Tax expense analysed by business segments of the Group is disclosed in Note 3(a).

(a) Recognition and measurement

Current income tax expense is recognised in the statement of profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Tax rates and tax laws used to measure the tax amount are those enacted or substantively enacted by the end of the year.

34. TAX EXPENSE (CONT'D)

(b) Tax rates

Income tax expense is calculated based on the respective jurisdictions' statutory income tax rates on the estimated taxable profits for the year as follows:

Country	2023 Tax rate	2022 Tax rate
Malaysia	24%	24%
Australia	30%	30%
Singapore	17%	17%

(c) Reconciliation between tax expense and accounting profit before tax

The reconciliation between Malaysian tax expense and the product of accounting profit before tax multiplied by the statutory corporate tax rate of 24% (2022: 24%) is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit before tax ("PBT")	124,734	111,712	83,015	59,595
Share of results of associates and a joint venture	(15,201)	(16,665)	-	-
PBT before share of results	109,533	95,047	83,015	59,595
Tax at Malaysian statutory rate on PBT @ 24%	26,288	22,811	19,924	14,303
Tax effects of:				
- different tax rates in foreign jurisdictions/other authorities	4	(9)	-	-
- non-taxable income	(5,902)	(4,599)	(19,551)	(31,593)
- non-deductible expenses	19,332	8,548	611	18,217
Utilisation of previously unrecognised deferred tax assets	(2,912)	(5,476)	-	-
Deferred tax assets not recognised during the year	2,024	2,640	-	-
(Over)/Under provision of deferred tax in respect of prior years	(91)	1,386	-	-
Under/(Over) provision of income tax in respect of prior years	1,708	2,380	(182)	(21)
Tax expense	40,451	27,681	802	906

(d) Other information

The deferred tax assets/liabilities are disclosed in Note 13.

35. EARNINGS PER SHARE ("EPS")

This note provides how EPS is computed.

	Group	
	2023	**2022**
Basic		
Profit attributable to Owners of the Company (RM'000)	84,297	84,080
Weighted average number of ordinary shares outstanding ('000)	524,707	524,707
Basic/Diluted EPS (sen)	16.07	16.02

Measurement

Basic EPS is calculated by dividing the profit attributable to Owners (ordinary equity holders) of the Company for the year by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to Owners (ordinary equity holders) of the Company for the year, with no dilutive adjustments as required, by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on the conversion of all the dilutive potential ordinary shares.

The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year. There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

36. DIVIDENDS

This note provides information on dividend distributions paid and proposed by the Company.

	Group and Company		
	Date of payment	Dividend declared and paid for the year ended 31 December	
		2023 RM'000	2022 RM'000
Dividend for the year ended 31 December 2022			
13.0 sen single-tier interim dividend	29 April 2022	-	68,212
10.0 sen single-tier interim dividend	30 September 2022	-	52,471
Dividend for the year ended 31 December 2023			
29.7 sen single-tier interim dividend	31 March 2023	155,838	-
		155,838	120,683

The Board of Directors do not recommend any final dividend for the year ended 31 December 2023.

Recognition and measurement

The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Dividend distribution to the Owners of the Company is recognised directly in retained profits under equity in the period in which the dividend is declared and paid.

37. RELATED PARTY DISCLOSURES

This note provides information for related party disclosures which outlines how the related parties are identified and the amount of transactions that have been entered into with related parties during the year.

(a) Identification of related parties

For these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly 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 party are subject to common control. Related parties may be individuals or other entities.

The related parties include subsidiaries (Note 8), associates and a joint venture (Note 9), the immediate and ultimate holding companies (Note 1) and companies related to Directors and major Shareholders of the Company. Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities either directly or indirectly and an entity that provides key management personnel services to the Group. The key management personnel include all Directors and senior personnel of the Group.

(b) Key management personnel's compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities, directly or indirectly, including Directors of the Company. The Directors' remuneration has been disclosed in Note 31(b)(i).

(c) Significant transactions and balances with the immediate holding company, subsidiaries, associates and a joint venture; and related companies

Relationships between the Company and its subsidiaries, associates and a joint venture are disclosed in Notes 8 and 9 respectively. The following table provides the transactions and outstanding balances that have been entered into between the Company, immediate holding company, subsidiaries, associates and a joint venture; and related companies.

	Group			
Transactions and balances with	**Expenses**		**Amount due from/(to)**	
OSK Holdings Berhad group of companies	**2023 RM'000**	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
OSK Holdings Berhad				
Dividend paid	(151,641)	(117,372)	-	-
Management fee expense	(3,702)	(4,222)	-	-

37. RELATED PARTY DISCLOSURES (CONT'D)

(c) Significant transactions and balances with the immediate holding company, subsidiaries, associates and a joint venture; and related companies (Cont'd)

Relationships between the Company and its subsidiaries, associates and a joint venture are disclosed in Notes 8 and 9 respectively. The following table provides the transactions and outstanding balances that have been entered into between the Company, immediate holding company, subsidiaries, associates and a joint venture; and related companies. (Cont'd)

	Group			
Transactions and balances with OSK Holdings Berhad group of companies (Cont'd)	**Income/(Expenses)**		**Amount due from/(to)**	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
OSK Capital Management Sdn. Bhd.				
Interest income	1,813	1,545	-	-
Interest expense	(1,928)	(1,357)	-	-
Amount due from a related company	-	-	35,110	45,210
Amount due to a related company	-	-	(78,589)	(33,021)
OSK Design Sdn. Bhd.				
Renovation expense	(30,916)	(8,725)	-	-
Amount due to a related company	-	-	(4,784)	(497)
OSK Management Services Sdn. Bhd.				
Management fee expense	(5,410)	(5,615)	-	-
OSK Realty Sdn. Bhd.				
Office rental expense	(2,889)	(2,628)	-	-
OSK Supplies Sdn. Bhd.				
Purchase of building materials	(67,514)	(35,357)	-	-
Amount due to a related company	-	-	(10,942)	(10,401)
Transactions and balances with an associate				
Agile PJD Development Sdn. Bhd.				
Dividend income	11,100	30,000	-	-

37. RELATED PARTY DISCLOSURES (CONT'D)

(c) Significant transactions and balances with the immediate holding company, subsidiaries, associates and a joint venture; and related companies (Cont'd)

Relationships between the Company and its subsidiaries, associates and a joint venture are disclosed in Notes 8 and 9 respectively. The following table provides the transactions and outstanding balances that have been entered into between the Company, immediate holding company, subsidiaries, associates and a joint venture; and related companies. (Cont'd)

	Group			
Transactions and balances with	**Income**		**Amount due from**	
OSK Property Holdings Berhad group of companies	**2023 RM'000**	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Aspect Potential Sdn. Bhd.				
Construction revenue	116,376	51,288	-	-
Management fee income	3,885	2,470	-	-
Amount due from a related company	-	-	13,392	9,192
Aspect Synergy Sdn. Bhd.				
Construction revenue	43,338	9,470	-	-
Management fee income	3,624	3,685	-	-
Amount due from a related company	-	-	4,498	4,443
OSK Properties Sdn. Bhd.				
Management fee income	4,294	3,045	-	-
Amount due from a related company	-	-	1	213
Perspektif Vista Sdn. Bhd.				
Management fee income	365	345	-	-
Mori Park Sdn. Bhd.				
Management fee income	365	345	-	-
Jelang Vista Sdn. Bhd.				
Construction revenue	12,653	577	-	-
Management fee income	1,417	759	-	-
Amount due from a related company	-	-	1,161	-

	Company			
Transactions and balances with	**Dividends**		**Amount due from/(to)**	
OSK Holdings Berhad	**2023 RM'000**	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
OSK Holdings Berhad				
Dividends paid	(151,641)	(117,372)	-	-

37. RELATED PARTY DISCLOSURES (CONT'D)

(c) Significant transactions and balances with the immediate holding company, subsidiaries, associates and a joint venture; and related companies (Cont'd)

Relationships between the Company and its subsidiaries, associates and a joint venture are disclosed in Notes 8 and 9 respectively. The following table provides the transactions and outstanding balances that have been entered into between the Company, immediate holding company, subsidiaries, associates and a joint venture; and related companies. (Cont'd)

	Company			
Transactions and balances with subsidiaries	**Income**		**Amount due from**	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Dividend income	64,745	115,800	-	-
Interest income	706	551	-	-
Management fee income	4,011	4,548	-	-
Amounts due from subsidiaries	-	-	25,925	20,910
Equity loan to a subsidiary	-	-	187,342	176,477

(d) Significant transactions and balances with other related parties

Other related parties are the companies related to a Director or a major Shareholder of the Company:

(i) Dindings Consolidated Sdn. Bhd. ("DCSB")

The spouse and daughter of Tan Sri Ong Leong Huat @ Wong Joo Hwa are directors of DCSB. Tan Sri Ong Leong Huat @ Wong Joo Hwa, his spouse and children collectively owned 100% of DCSB.

	Group			
Dindings Consolidated Sdn. Bhd. group of companies	**Expenses**		**Amount due from/(to)**	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
DC Services Sdn. Bhd.				
Insurance premium expense	(258)	(266)	-	-
Dindings Life Agency Sdn. Bhd.				
Insurance premium expense	(657)	(667)	-	-
Sincere Source Sdn. Bhd.				
Insurance premium expense	(1,022)	(1,008)	-	-

37. RELATED PARTY DISCLOSURES (CONT'D)

(d) Significant transactions and balances with other related parties (Cont'd)

Other related parties are the companies related to a Director or a major Shareholder of the Company: (Cont'd)

(ii) Wong Enterprise

The brother of Tan Sri Ong Leong Huat @ Wong Joo Hwa is a partner of Wong Enterprise.

	Group			
	Income		Amount due from	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Sales of fresh fruit bunch	896	1,511	228	155

(iii) RHB Bank Berhad

An associate of the immediate holding company, OSK Holdings Berhad.

RHB Bank Berhad group of companies	Group			
	Income		Amount due from	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
RHB Bank Berhad				
Bank balances and short-term funds	-	-	21,973	22,922
RHB Asset Management Sdn. Bhd.				
Funds distribution income	3,429	3,053	-	-
Short-term funds	-	-	53,644	239,161

RHB Bank Berhad group of companies	Company			
	Income		Amount due from	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
RHB Asset Management Sdn. Bhd.				
Fund distribution income	1,578	1,677	-	-
Short-term funds	-	-	2,318	155,097

(e) Ultimate holding company

The Group and the Company do not have any related party transactions or outstanding balances with Yellow Rock (L) Foundation, the Company's ultimate holding company.

38. COMMITMENTS

This note outlines the financial commitment of the Group.

(a) Operating leases commitments

This note provides information on operating lease commitments for leases where the Group is a lessor. The information for leases where the Group is a lessee are disclosed in Note 11.

For the non-cancellable lease arrangements on certain properties classified under investment properties. The aggregated future minimum lease receivables (undiscounted lease payment to be received) are as follows:

	Group	
	2023	**2022**
	RM'000	**RM'000**
Up to 1 year	2,757	3,120
Later than 1 year and not later than 5 years	7,842	8,400
More than 5 years	15,386	17,453
	25,985	28,973

Operating leases commitments analysed by business segments:

Property	25,473	28,235
Hospitality	512	738
	25,985	28,973

(b) Capital commitments

	Group	
	2023	**2022**
	RM'000	**RM'000**
Contracted but not provided for:		
- Acquisition of office equipment, factory equipment and software licences	24,392	42,947
- Factory expansion	3,998	15,000
- Renovation costs	5,507	9,051
	33,897	66,998

Capital commitments analysed by business segments:

Industries	28,092	56,216
Hospitality	5,805	10,782
	33,897	66,998

39. CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets and liabilities at the end of the year.

Recognition and measurement

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and of the Company. The Group and the Company do not recognise contingent assets/liabilities but disclose their existence in the financial statements, if any, where inflows/outflows of economic benefits are probable, but not certain. Commitment is measured at the transacted price less the amount provided for in the financial statements.

The Group is currently not required to adopt IFRS S2 'Climate-related Disclosures', and the relevant requirements on contingent liability are discussed in Note 43(c)(ii)(6).

40. SIGNIFICANT EVENTS DURING THE YEAR

Significant events consist of the changes in the composition of the Group during the year as disclosed in Note 8(b).

41. MATERIAL EVENTS AFTER THE REPORTING PERIOD

There were no material subsequent events from the end of the year and ending on the date of this report.

Recognition and measurement

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, the Group will assess if the information affects the amounts that it recognises in the Group's consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in the light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

42. MATERIAL LITIGATIONS

Since the date of the last audited financial statements, the Group and the Company were not engaged in any material litigation, claims or arbitration either as plaintiff or defendant and the Directors are not aware of any proceedings pending or threatened against the Group and the Company or of any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations.

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS

This section provides a summary of other material accounting policies including the adoption of the amendments to published standards and interpretation to the existing MFRS and standards issued by MASB that are applicable during the year; standards that have been issued but not yet adopted by the Group; and newly issued sustainability disclosure standards issued by ISSB. The accounting policies and significant judgments as shown in the respective notes form an overall basis of preparation that the Directors consider is relevant in understanding these financial statements.

(a) The following amendments to published standards and interpretation to the existing MFRS and standard issued by MASB that are applicable and effective for the Group's financial year beginning on 1 January 2023:

(i) Amendments to MFRS 101 'Presentation of Financial Statements' (Classification of Liabilities as Current or Non-current)

These amendments clarify the requirements for the classification of liabilities as current or non-current. Liability is to be classified as a current liability when an entity does not have the right at the end of the reporting period to defer its settlement of the liability for at least twelve months after the reporting period.

(ii) Amendments to MFRS 101 'Presentation of Financial Statements' and MFRS Practice Statement 2 (Disclosure of Accounting Policies)

These amendments replace "significant accounting policies" with "material accounting policy information" under the definition of a complete set of financial statements; and clarify that accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make based on those financial statements.

(iii) Amendments to MFRS 108 'Accounting Policies, Changes in Accounting Estimates and Errors' (Definition of Accounting Estimates)

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

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(a) The following amendments to published standards and interpretation to the existing MFRS and standard issued by MASB that are applicable and effective for the Group's financial year beginning on 1 January 2023: (Cont'd)

(iv) Amendments to MFRS 112 'Income Taxes' (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

These amendments specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations.

In specified circumstances, MFRS 112 exempts companies from recognising deferred tax when they recognise assets or liabilities for the first time. There had been some uncertainties about whether the exemption from recognising deferred tax applied to transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability.

These amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. Such clarification is expected to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

(v) Amendments to MFRS 112 'Income Taxes' (International Tax Reform - Pillar Two Model Rules)

These amendments give entities temporary relief from recognising and disclosing accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's ("OECD") international tax reform and introduce targeted disclosure requirements on the income taxes arising from the reform, particularly before legislation implementing the rules is in effect.

Applying for the temporary relief, entities neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The relief will help to ensure consistency in the financial statements while easing into the implementation of the rules.

The adoption of these amendments does not have any significant financial impact on the Group.

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(b) The following are standards, amendments to published standards and interpretations to existing MFRS issued by MASB that apply to the Group but are not yet effective for the current financial year:

(i) For the financial year beginning on/after 1 January 2024

(1) Amendments to MFRS 101 'Presentation of Financial Statements' (Non-current Liabilities with Covenants)

These amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

(2) Amendments to MFRS 16 'Leases' (lease liability in a sale and leaseback transactions)

These amendments add subsequent measurement requirements for the lease liability arising from a sale and leaseback transaction by clarifying that a seller-lessee in a sale and leaseback transaction shall subsequently measure the leaseback liability by applying the measurement requirements of the lease liabilities stated in this standard. The amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction.

(3) Amendments to MFRS 107 'Statement of Cash Flows' and Amendments to MFRS 7 'Financial Instruments: Disclosures' (Supplier Finance Arrangements)

These amendments clarify the additional requirements for disclosure of supplier finance arrangements to achieve greater transparency on the supplier finance arrangements. The disclosure requirements require disclosure of information that would enable users of financial statements to assess how supplier finance arrangements affect an entity's operations; including the effects supplier finance arrangements have on an entity's liability, cash flows and exposures to liquidity risk. It also required to inform users of financial statements on how an entity might be affected if the arrangements were no longer available to it.

The adoption of these amendments is not expected to have a material financial impact on the Group.

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(b) The following are standards, amendments to published standards and interpretations to existing MFRS issued by MASB that apply to the Group but are not yet effective for the current financial year: (Cont'd)

(ii) For the financial year beginning on/after 1 January 2025

Amendments to MFRS 121 'The Effects of Changes in Foreign Exchange Rates' (Lack Of Exchangeability)

These amendments provide guidance on the spot exchange rate to use when a currency is not exchangeable into another currency and the disclosures entities need to provide to enable users of financial statements to understand the impact on the entities' financial performance, financial position and cash flows as a result of a currency being not exchangeable into another currency.

The adoption of these amendments is not expected to have a material financial impact on the Group.

(iii) Standard deferred to a date to be determined by MASB

Amendments to MFRS 10 'Consolidated Financial Statements' and MFRS 128 'Investments in Associates and Joint Venture' (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

These amendments address an acknowledged inconsistency between the requirements in MFRS 10 and those in MFRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

If a parent loses control of a subsidiary that does not contain a business, as defined in MFRS 3 Business Combinations, as a result of a transaction involving an associate or a joint venture that is accounted for using the equity method, the gain or loss resulting from the transaction (including the amounts previously recognised in statement of comprehensive income that would be reclassified to the statement of profit or loss) is recognised in the parent's statement of profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment in that associate or joint venture.

In addition, if the parent retains an investment in the former subsidiary and the former subsidiary is now an associate or a joint venture that is accounted for using the equity method, the parent recognises the part of the gain or loss resulting from the remeasurement at the fair value of the investment retained in that former subsidiary in its statement of profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture. The remaining part of that gain is eliminated against the carrying amount of the investment retained in the former subsidiary.

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(b) The following are standards, amendments to published standards and interpretations to existing MFRS issued by MASB that apply to the Group but are not yet effective for the current financial year: (Cont'd)

(iii) Standard deferred to a date to be determined by MASB (Cont'd)

Amendments to MFRS 10 'Consolidated Financial Statements' and MFRS 128 'Investments in Associates and Joint Venture' (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture) (Cont'd)

If the parent retains an investment in the former subsidiary that is now accounted for under MFRS 9 as investment, the part of the gain or loss resulting from the remeasurement at the fair value of the investment retained in the former subsidiary is recognised in full in the parent's statement of profit or loss.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not), as defined in MFRS 3. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The amendments apply prospectively and are effective for annual periods beginning on or after 1 January 2016, however, the effective date is being deferred.

The adoption of these amendments is not expected to have a material financial impact on the Group.

(c) The following are published sustainability disclosure standards issued by ISSB that may apply to the Group but are not yet effective for the current financial year:

ISSB issued the following first two new Sustainability Disclosure Standards on 26 June 2023 for guidance on disclosures of sustainability-related financial information.

(i) IFRS S1 General Requirements for 'Disclosure of Sustainability-related Financial Information'
(ii) IFRS S2 'Climate-related Disclosures'

At present, disclosures of sustainability information in Malaysia are only mandatory for companies which are listed on Bursa Malaysia. An entity shall not describe sustainability-related financial disclosures as complying with IFRS Sustainability Disclosure Standards unless they comply with all the requirements of IFRS Sustainability Disclosure Standards.

The standards shall apply for annual reporting periods beginning on or after 1 January 2024. However, the regulators in Malaysia have yet to decide on whether to adopt IFRS S1 and S2 and when they shall be applicable.

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(c) The following are published sustainability disclosure standards issued by ISSB that may apply to the Group but are not yet effective for the current financial year: (Cont'd)

(i) IFRS S1 General Requirements for 'Disclosure of Sustainability-related Financial Information'

IFRS S1 provides a set of disclosure requirements designed to communicate to investors about the sustainability-related risks and opportunities they face over the short, medium and long term. IFRS S2 sets out specific climate-related disclosures and is designed to be used with IFRS S1. Both fully incorporate the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The objective of IFRS S1 is to disclose information about its sustainability-related risks and opportunities that are useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S1 requires disclosure of information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or the cost of capital over the short, medium or long term (collectively referred to as 'sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects').

IFRS S1 prescribes how to prepare and report its sustainability-related financial disclosures. It sets out general requirements for the content and presentation of those disclosures so that the information disclosed is useful to users in making decisions relating to providing resources.

IFRS S1 sets out the requirements for disclosing information about sustainability-related risks and opportunities, such as disclosures about:

(1) Governance - the governance processes, controls and procedures the entity uses to monitor, manage and oversee sustainability-related risks and opportunities;

(2) Strategy - the entity's strategy for managing sustainability-related risks and opportunities;

(3) Risk Management - the processes the entity uses to identify, assess, prioritise and monitor sustainability-related risks and opportunities; and

(4) Metrics and Targets - the entity's performance in relation to sustainability-related risks and opportunities, including progress towards any targets the entity has set or is required to meet by law or regulation.

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(c) The following are published sustainability disclosure standards issued by ISSB that may apply to the Group but are not yet effective for the current financial year: (Cont'd)

(ii) IFRS S2 'Climate-related Disclosures'

The objective of IFRS S2 is to require disclosure of information about its climate-related risks and opportunities that are useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 requires disclosure of information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or the cost of capital over the short, medium or long term. Such risks and opportunities are collectively referred to as 'climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects'.

The core content follows that in IFRS S1 which are Governance, Strategy, Risk Management and Metrics & Targets. Climate information that has to be disclosed is divided into:

(1) climate-related "Physical Risks"; and
(2) climate-related "Transition Risks".

Climate-related Physical Risks are those resulting from climate change such as storms, floods, drought or heatwaves or from longer-term shifts in climatic patterns of extreme weather events, whilst Transition Risks are the risks that arise when an entity transitions to a lower-carbon economy.

In addition, an entity should report on its climate-related opportunities. As for IFRS S1, the information will be qualitative and quantitative. The unique qualitative information would include information on climate resilience, greenhouse gas emissions, industry metrics, internal carbon prices, climate-related considerations for determining executive remuneration, etc. Greenhouse gas emissions may be further analysed into:

(1) Scope 1 direct emissions from the use of own equipment or facilities such as company cars.

(2) Scope 2 indirect emissions from purchased electricity, steam, heating and cooling for own use.

(3) Scope 3 indirect emissions from 15 upstream and downstream sources in the entity's supply chain such as purchased goods and services.

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(c) The following are published sustainability disclosure standards issued by ISSB that may apply to the Group but are not yet effective for the current financial year: (Cont'd)

(ii) IFRS S2 'Climate-related Disclosures' (Cont'd)

Below are some key points on the effects of climate-related matters on financial statements:

(1) MFRS 101 'Presentation of financial statements': Information on climate-related matters will be relevant if investors can reasonably expect that it will have a significant impact on the entity and, therefore, influence their investment decisions. Certain judgements may be impacted by climate-related matters, so entities may need to consider disclosing these judgements, where applicable. Climate-related matters may create material uncertainties related to events or conditions that cast significant doubt upon an entity's ability to continue as a going concern. In assessing whether the going concern basis of preparation is appropriate, information regarding climate-related matters should be considered in conjunction with other uncertainties where applicable [Note 2(a)].

(2) MFRS 102 'Inventories': Entities may find that climate-related matters may cause the inventories to become obsolete, or the selling price to decline or the costs of completion to increase. Estimates of net realisable value will be based on the most reliable evidence available of the amount which the inventories are expected to realise. Climate-related matters may give rise to an indication that assets are impaired. A decline in demand for products that are not environmentally friendly could indicate impairment of that product. An adverse change in the business environment of an entity is an indication of impairment. It will need to consider whether climate-related matters affect those assumptions, if applicable [Note 12(a)].

(3) MFRS 112 'Income Taxes': Climate-related matters may affect an entity's estimate of future taxable profits and may result in the entity being unable to recognise deferred tax assets and/or being required to derecognise deferred tax assets that were previously recognised. An entity may find that climate-related matters affect its future taxable profits and, therefore, may result in it not being able to recognise deferred tax assets for any deductible temporary differences or unused tax losses [Note 13(c)].

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(c) The following are published sustainability disclosure standards issued by ISSB that may apply to the Group but are not yet effective for the current financial year: (Cont'd)

(ii) IFRS S2 'Climate-related Disclosures' (Cont'd)

Below are some key points on the effects of climate-related matters on financial statements: (Cont'd)

(4) MFRS 116 'Property, Plant and Equipment', MFRS 138 'Intangible Assets' and MFRS 16 'Leases': These standards require entities to review the estimated residual values and expected useful lives of assets at least annually. Climate-related matters may impact both of these estimates due to, for example, obsolescence, legal restrictions or inaccessibility of the assets. Estimated residual values and expected useful lives, and changes to them, will also require disclosure. Climate-related matters may give rise to an indication that assets are impaired. An adverse change in the business operating environment of a business is an indication of impairment. It will need to consider whether climate-related matters affect those assumptions, if applicable. The Group is required to consider the impact of health, safety and environmental legislation, including climate-related matters (including physical risks such as recurring floods, rising sea levels, etc. and transition risks including legal or regulatory restrictions on the future use of assets and the potential obsolescence of assets due to changes in consumer demand), in its assessment of expected useful lives and estimated residual values where applicable [Note 6(a), 10(a) and 11(a)(i)].

(5) MFRS 136 'Impairment of Assets: The carrying value of an entity's assets or cash-generating units (CGUs) (including goodwill) may be overstated if the impairment calculations do not take into account the impact of climate-related matters. MFRS 136 requires the recoverable amount, if estimated using value in use, to be based on reasonable and supportable assumptions that represent management's best estimate of the range of future economic conditions. This requires the Group to consider whether climate-related matters affect those assumptions such as climate-related legislation and regulations as well as changes in demand for products and services [Notes 6(a), 7(a), 8(a), 9(a), 10(a) and 11(a)(i)].

(6) MFRS 137 'Provisions, Contingent Liabilities and Contingent Assets and IFRIC 21 'Levies': MFRS 137 requires disclosure of the nature of a provision or contingent liability and an indication of the uncertainties about the amount or timing of any related outflows of economic benefits. Climate-related matters may impact provisions recognised under MFRS 137 due to levies imposed for failing to meet climate-related targets, remediation of environment damage, contracts that may lose revenue or increase costs due to climate-related legislation becoming onerous, or restructurings required to achieve climate-related targets. Thus, disclosure of climate-related matters may be required [Note 39].

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(c) The following are published sustainability disclosure standards issued by ISSB that may apply to the Group but are not yet effective for the current financial year: (Cont'd)

(ii) IFRS S2 'Climate-related Disclosures' (Cont'd)

Below are some key points on the effects of climate-related matters on financial statements: (Cont'd)

(7) MFRS 7 'Financial Instruments: Disclosures': Climate risks, both physical and transitional, may have implications for the credit risk of financial assets that the Group holds. Such risks could potentially impact the ability of the debtor or borrower to repay the receivable or loan, or for the organisation to recover the receivable. Climate-related matters may expose an entity to risks concerning financial instruments. For Capital Financing, the Group may be necessary to provide information about the effect of climate-related matters on the measurement of expected credit losses or on concentrations of credit risk. For equity investments, the Group may be necessary to disclose exposure to climate-related risks when disclosing concentrations of market risk, where applicable.

(8) MFRS 9 'Financial Instruments': MFRS 9 establishes principles for the financial reporting of financial assets and financial liabilities. This includes both primary financial instruments (e.g. cash, receivables, debt and shares in another entity) and derivative financial instruments (e.g. options, forwards, futures, interest rate swaps and currency swaps). The Group may need to consider implications on the recognition and measurement of financial assets and liabilities as well as any potentially relevant climate-related implications on hedging accounting, if applicable.

The Group may assess the estimation of expected credit losses on receivables and contract assets to appropriately reflect the climate-related risks or uncertainties to which specific customers are exposed [Notes 14(a)(i) and 18(a)].

43. FINANCIAL REPORTING AND SUSTAINABILITY DISCLOSURE STANDARDS (CONT'D)

(c) The following are published sustainability disclosure standards issued by ISSB that may apply to the Group but are not yet effective for the current financial year: (Cont'd)

(ii) IFRS S2 'Climate-related Disclosures' (Cont'd)

Below are some key points on the effects of climate-related matters on financial statements: (Cont'd)

(9) MFRS 13 'Fair Value Measurement': Market participants' views of potential climate-related matters, including legislation, may affect the fair value measurement of assets and liabilities in the financial statements. Climate-related matters may also affect the disclosure of fair value measurements, particularly those categorised within Level 3 of the fair value hierarchy. MFRS 13 requires disclosure of unobservable inputs used in fair value measurements. Those inputs should reflect the assumptions that market participants would use, including assumptions about climate-related risk.

For securities at fair value through profit or loss which represent biological assets, the Group is required to consider the effect of the physical and transition risks in arriving at fair values [Note 19(c)].

(10) MFRS 141 'Agriculture': A biological asset shall be measured on initial recognition and at the end of each reporting period at its fair value less costs to sell, except for the case where the fair value cannot be measured reliably. For biological assets which represent unharvested oil palm fresh fruit bunches, the Group is required to consider the effect of the physical and transition risks in arriving the fair values. The Group may also need to consider the impacts of transition risks in their valuation, such as increasing requirements for replanting due to climate-related legislation and regulations. Nevertheless, the Group continues to monitor physical risks (such as higher temperatures, weather variability such as fluctuations in rainfall, and more frequent extreme weather events leading to flooding and forest fires) may be more evident in the agricultural sector, affecting crops or products that are especially climate sensitive. Climate change may also reduce crop yields at the farm level. Climate-related matters may also affect the disclosure of fair value measurements, particularly those categorised within Level 3 of the fair value hierarchy including market participants' views of potential climate-related matters [Note 19(c)].

Upon adoption of these two new sustainability disclosure standards, the financial effects will be assessed by the Group.