



MAJUPERAK
HOLDINGS
BERHAD
200201017726 (585389-X)



ANNUAL REPORT 2022

STRENGTHENING FOUNDATION, CAPTURING GROWTH & VALUES

ABOUT THIS REPORT



AR FY22 Cover Page Rationale:

Majuperak Holdings Berhad, FY2022 Annual Report cover page is designed with the theme "**Strengthening Foundation, Capturing Growth & Values**" to convey the company's commitment and strategic approach to laying a solid groundwork for its operations, capturing opportunities for growth, and maintaining its unwavering focus on its core values.

The design elements of the cover page are carefully chosen to visually represent the theme. The use of bold typography for the title "Strengthening Foundation, Capturing Growth & Values" signifies the company's confidence and determination in pursuing its goals, and the white-colored fonts indicate the company's purity of intention in delivering its performance.

The visual elements on the cover page also convey the concept of growth, progress, and sustainability. The imagery of a solid foundation, such as buildings, represents the company's efforts to fortify its core operations and establish a strong base for future growth. This is collated with with imagery that symbolizes growth and expansion, such as the tree

emerging from the soil in the palm of a hand. The solar panel represents not only the company's other business but also our commitment to sustainability via renewable energy. While the landscape of hills and lakes represents the company's aspiration to capture new opportunities and achieve sustainable growth.

Additionally, the cover page emphasizes the company's commitment to its core values. This is reflected through the use of visual cues, such as a hand holding a tree growing on soil, that represents the company's values, including care and mindfulness. These visual elements communicate the company's belief that its values are the guiding principles that underpin its growth strategies and are integral to its long-term success.

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth (20th) Annual General Meeting (“AGM”) of Majuperak Holdings Berhad (“MHB” or “the Company”) will be conducted on a fully virtual basis for the following purposes of considering and if thought fit, passing with or without modifications the resolutions set out in this notice:

Date	:	Thursday, 1 June 2023
Time	:	10.30 a.m.
Venue	:	Online Meeting Platform at https://meeting.boardroomlimited.my (Domain Registration No. with MYNIC – D6A357657 provided by Boardroom Share Registrars Sdn. Bhd. Malaysia)
Mode of Communication	:	(1) Pose questions to the Board via real time submission of typed texts at meeting platform during live streaming of the AGM (2) Submit questions by logging into the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com prior to the Meeting no later than 5.00 p.m. on Thursday, 25 May 2023 (3) Email questions to azam@majuperak.com.my no later than 5.00 p.m. on Thursday, 25 May 2023

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2022, together with Directors’ Reports and Auditors’ Report thereon. **(Please refer to Note 2)**
2. To approve the payment of Directors’ Fees of RM431,000 for the financial year ended 31 December 2022. **(Ordinary Resolution 1)**
3. To approve the payment of Directors’ Benefits (excluding Directors’ Fee) to Directors up to an amount of RM450,000 from 20th AGM until the next AGM of the Company. **(Ordinary Resolution 2)**
4. To re-elect the following Directors retiring by rotation pursuant to Clause 15.2 of the Company’s Constitution:
 - 4.1 Datuk Redza Rafiq bin Abdul Razak **(Ordinary Resolution 3)**
 - 4.2 Datuk Abu Bakar bin Hassan **(Ordinary Resolution 4)**
 - 4.3 Dato’ Aminuddin bin Md Hanafiah **(Ordinary Resolution 5)**
5. To re-elect the following Directors who were appointed during the year pursuant to Clause 15.9 of the Company’s Constitution:
 - 5.1 Datuk Dr. Wan Norashikin binti Wan Noordin **(Ordinary Resolution 6)**
 - 5.2 Encik Khairuddin bin Mohamed Azahari **(Ordinary Resolution 7)**
6. To re-appoint Messrs Al Jafree Salihin Kuzaimi PLT as Auditors of the Company for the financial year ending 31 December 2023 to hold office until the next AGM and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 8)**

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

AS SPECIAL BUSINESS, to consider and, if thought fit, with or without any modification, to pass the following Resolutions:

7. PROPOSED AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 (Ordinary Resolution 9)

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016, the Directors be and are hereby empowered to allot and issue shares in the Company at any time and from time to time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the Constitution of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issuance.

THAT pursuant to Section 85 of the Companies Act, 2016, read together with Clause 3.2 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of new shares pursuant to this Mandate.

AND THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND FURTHER THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company.”

8. PROPOSED NEW SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED NEW SHAREHOLDERS’ MANDATE”) (Ordinary Resolution 10)

“THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiaries and/or joint ventures (“Group”) be and is/are hereby authorised to enter into new recurrent related party transactions with related parties who may be a Director, a major shareholder of the Group or a person connected with such a Director and major shareholder, as specified in Section 2.1 of the Company’s Circular dated 21 April 2023 which are necessary for the day to day operations and are in the ordinary course of business and are carried out at arms’ length basis on normal commercial terms of the Group on terms not more favourable to the related parties than those generally available to the public and are not, in the Company’s opinion, detrimental to minority shareholders of the Company.

THAT the mandate given by the shareholders of the Company shall only continue to be in force until:

- i. the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- ii. the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

iii. revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the Proposed New Shareholders' Mandate."

9. To transact any other businesses of which due notice shall have been given in accordance with the Companies Act, 2016.

FURTHER NOTICE IS HEREBY GIVEN THAT only members whose names appear on the Record of Depositors as at 24 May 2023 shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.

By Order of the Board

CHAN EOI LENG
(SSM PC No. 202008003055)
(MAICSA 7030866)

CHONG KWAI YOONG
(SSM PC No. 202308000244)
(MAICSA 7075434)

Chartered Secretaries

Ipoh, Perak Darul Ridzuan
21 April 2023

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

NOTES:**1. PROXY**

- 1.1 A member of the Company may appoint more than one (1) proxy who need not be a member of the Company to attend, speak and vote at the same meeting. The appointed proxy/proxies must be at least 18 years and above and may but need not be member/members of the Company.
- 1.2 Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- 1.3 Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an Omnibus Account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds but the proportion of holdings to be represented by each proxy must be specified.
- 1.4 The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. Any alteration to the instrument appointing a proxy must be initialled.
- 1.5 The instrument appointing a proxy must be deposited at the office of the Share Registrar of the Company, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the Meeting, either by hand, post, courier, electronic mail to (bsr.helpdesk@boardroomlimited.com) or fax (603)78904670, otherwise the instrument of proxy should not be treated as valid.
- 1.6 Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements ("MMLR"), all resolutions set out in the Notice of Twentieth (20th) Annual General Meeting will be put to vote on a poll.
- 1.7 The registration for the above Meeting will commence on Tuesday, 25 April 2023.

2. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Agenda 1 is meant for discussion only as Section 340(1)(a) of the Companies Act, 2016 only requires the Audited Financial Statements to be laid before the Company at the Annual General Meeting and does not require shareholders' approval. Hence, Agenda 1 will not be put forward for voting.

3. DIRECTORS' FEES AND BENEFITS

Section 230(1) of the Companies Act, 2016 provides amongst others, that "fee" of the directors and "any benefits" payable to directors of a listed company shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for these payments in two separate resolutions.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

Based on the Remuneration Committee's recommendation, the Board decided that the Directors' Fee and Benefits shall remain unchanged taking into consideration of the current financial status of the Group. The proposed remuneration structure is set out below:

Payment of Directors' Fee to Directors

The Directors' Fee includes fee payable to the Chairman and members of the Board.

Payment of Directors' Benefit (excluding Directors' Fee) to Directors from 20th AGM until the next AGM in year 2024.

	Directors' Fees (RM)	Meeting Allowances
Chairman	55,000/- per annum	1) Board & AGM - RM1,500 (Chairman : RM2,000) 2) Audit Committee - RM1,200 (Chairman : RM1,500) 3) Remuneration Committee - RM1,000 (Chairman : RM1,200) 4) Nomination Committee - RM1,000 (Chairman : RM1,200)
Other Board Members	48,000/- per annum	5) Risk Management Committee - RM1,000 (Chairman : RM1,200) 6) Any other Committees (Board or Management) etc. - RM1,000 (Chairman : RM1,200)

The Directors' Benefits (excluding Directors' Fee) comprise the allowance payable to the Chairman and members of the Board and are calculated based on the current composition of the Board and Board Committees, the number of meetings scheduled for the Board and Board Committees and also the anticipation of additional meetings.

4. RE-ELECTION OF DIRECTORS

Datuk Redza Rafiq bin Abdul Razak, Datuk Abu Bakar bin Hassan, Dato' Aminuddin bin Md Hanafiah, Datuk Dr. Wan Norashikin binti Wan Noordin and Encik Khairuddin bin Mohamed Azahari are standing for re-election as Directors of the Company and being eligible have offered themselves for reelection at this AGM.

The Board has via the Nomination Committee had conducted an assessment on their effectiveness and contributions of the said retiring Directors including their skills, experience and strength in qualities and time commitment, has recommended for them to be re-elected to the Board. The profile of the retiring Directors is set out in the Profile of Directors of the Annual Report 2022.

5. RE-APPOINTMENT OF EXTERNAL AUDITORS ("EA")

The Audit Committee ("AC") had on 28 February 2023 deliberated the outcome of the annual assessment of the EA, which included an assessment of the engagement teams' qualifications, credentials and experience, particularly in the financial services sector, their audit work approach, and their ability to provide value added advice and services, as well as to perform the work within MHB Group's timeline by completing an assessment questionnaire. The AC in its assessment found Messrs Al Jafree Salihin Kuzaimi PLT to be sufficiently objective and independent and was satisfied with the suitability based on the quality of audit, performance, resources in terms of their audit team provided to the Group.

The Board therefore approved the AC's recommendation that the re-appointment of Messrs Al Jafree Salihin Kuzaimi PLT as External Auditors of the Company for the financial year ending 31 December 2023 be put forward for shareholders' approval at the AGM.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

6. AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

The proposed Ordinary Resolution 9 is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Companies Act, 2016. The mandate, if passed, will empower the Directors from the date of the above AGM until the next AGM, to allot and issue up to a maximum of 10% of the total number of issued shares of the Company at the time of issue (other than bonus or rights issue) for such purposes as they consider would be in the best interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority will unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

At the Annual General Meeting held on 28 June 2022, the Directors of the Company has been granted a general mandate by the members of the Company to issue and allot shares in the Company up to and not exceeding 20% of the total number of issued shares of the Company ("20% General Mandate) until 31 December 2022. Up to the date of Notice, the Company did not issue any new shares pursuant to this mandate obtained and accordingly no proceeds were raised.

This General Mandate if passed will also provide flexibility to the Company for any possible fund-raising activities quickly and efficiently, including but not limited to further placing of shares, for the purpose of funding future investment projects, working capital and/or acquisitions, or strategic opportunities involving equity deals, which may require the allotment and issuance of new shares without making a pre-emptive offer to existing shareholders.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

7. PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' MANDATE")

The proposed Ordinary Resolution 10, if passed, will allow the Group to enter into New Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") under the Proposed New Shareholders' Mandate pursuant to the provisions of the MMLR of Bursa Securities and the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPT occur would not arise. This will reduce substantially the expenses associated with the convening of general meetings on ad hoc basis, improve administrative efficiency considerably and allow manpower resources and time to be focused on attaining the Group's corporate objectives and business opportunities.

The Proposed New Shareholders' Mandate is subject to renewal on an annual basis.

Please refer to the Circular to Shareholders dated 21 April 2023 which is available on the Company's website at <https://www.majuperak.com.my> for further information.

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATUK REDZA RAFIQ BIN ABDUL RAZAK
Executive Chairman

LIM TIAN HUAT
Senior Independent Non-Executive Director

AHMAD NAJMI BIN KAMARUZAMAN
Independent Non-Executive Director

DATO' TUN HISAN BIN DATO' TUN HAMZAH
Independent Non-Executive Director

DATUK ABU BAKAR BIN HASSAN
Independent Non-Executive Director

DATO' MOHD AZMI BIN OTHMAN
Non-Independent Non-Executive Director

DATO' AMINUDDIN BIN MD HANAFIAH
Independent Non-Executive Director

NORAZALI BIN NORDIN
Independent Non-Executive Director

DATUK DR. WAN NORASHIKIN BINTI WAN NOORDIN
Independent Non-Executive Director

KHAIRUDDIN BIN MOHAMED AZAHARI
Independent Non-Executive Director

AUDIT COMMITTEE

Chairman
LIM TIAN HUAT
Senior Independent Non-Executive Director

AHMAD NAJMI BIN KAMARUZAMAN
Independent Non-Executive Director

DATO' TUN HISAN BIN DATO' TUN HAMZAH
Independent Non-Executive Director

DATUK ABU BAKAR BIN HASSAN
Independent Non-Executive Director

DATO' MOHD AZMI BIN OTHMAN
Non-Independent Non-Executive Director

NOMINATION COMMITTEE

Chairman
AHMAD NAJMI BIN KAMARUZAMAN
Independent Non-Executive Director

DATUK ABU BAKAR BIN HASSAN
Independent Non-Executive Director

NORAZALI BIN NORDIN
Independent Non-Executive Director

REMUNERATION COMMITTEE

Chairman
DATUK ABU BAKAR BIN HASSAN
Independent Non-Executive Director

LIM TIAN HUAT
Senior Independent Non-Executive Director

DATO' TUN HISAN BIN DATO' TUN HAMZAH
Independent Non-Executive Director

RISK MANAGEMENT COMMITTEE

Chairman
DATO' TUN HISAN BIN DATO' TUN HAMZAH
Independent Non-Executive Director

AHMAD NAJMI BIN KAMARUZAMAN
Independent Non-Executive Director

DATO' AMINUDDIN BIN MD HANAFIAH
Independent Non-Executive Director

ESOS COMMITTEE

Chairman
NORAZALI BIN NORDIN
Independent Non-Executive Director

SYED AGIL BIN SYED HASHIM
Group Chief Executive Officer

AHMAD IZRAL BIN ABDUL KARIM
Chief Financial Officer

HARYANNI BINTI HARUN
Head, People Management & Shared Services

COMMITTEE TO REVIEW PRESS OR PUBLIC ANNOUNCEMENT

DATUK REDZA RAFIQ BIN ABDUL RAZAK
Executive Chairman

SYED AGIL BIN SYED HASHIM
Group Chief Executive Officer

CORPORATE INFORMATION (CONTINUED)

AHMAD IZRAL BIN ABDUL KARIM

Chief Financial Officer

MANAGEMENT TEAM**DATUK REDZA RAFIQ BIN ABDUL RAZAK**

Executive Chairman

SYED AGIL BIN SYED HASHIM

Group Chief Executive Officer

AHMAD IZRAL BIN ABDUL KARIM

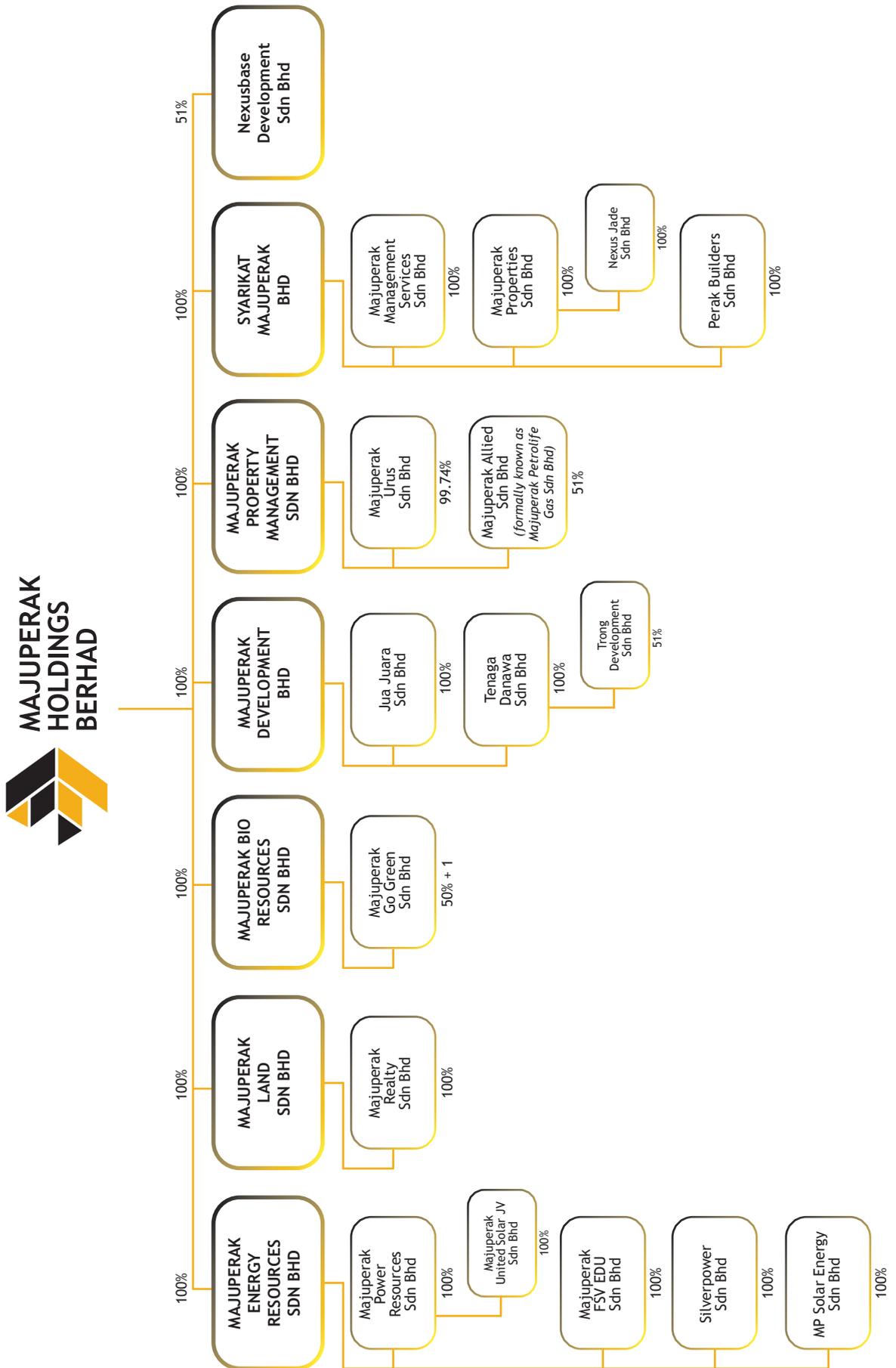
Chief Financial Officer

NOORYUSAZLI BIN YUSOFF

Chief Strategy Officer

MD SHAIZATUL AZAM BIN CHE SODAGeneral Manager,
Corporate Services**HELMY ISKANDAR BIN NOFAN**General Manager,
Property Development & Infrastructure**REGISTERED OFFICE**55A, Medan Ipoh 1A
Medan Ipoh Bistari
31400 Ipoh
Perak Darul Ridzuan
Tel: (+605) 5474 833
Fax: (+605) 5474 363**PRINCIPAL PLACE OF BUSINESS**Aras 1, Bazar Ipoh
Jalan Sultan Nazrin Shah
31350 Ipoh
Perak Darul Ridzuan
Tel: (+605) 2262 888
Fax: (+605) 2262 889
Email: info@majuperak.com.my
Website: www.majuperak.com.my**COMPANY SECRETARIES**Chan Eoi Leng
(SSM PC No. 202008003055) (MAICSA 7030866)Chong Kwai Yoong
(SSM PC No. 202308000244) (MAICSA 7075434)**AUDITORS**Al Jafree Salihin Kuzaimi PLT (SALIHIN) (AF 1522)
Chartered Accountants
555, Jalan Samudra Utara 1 Taman Samudra
68100 Batu Caves, Selangor Darul Ehsan**PRINCIPAL BANKERS**RHB Bank Berhad
Malayan Banking Berhad
Bank Islam Malaysia Berhad
Affin Bank Berhad
Bank Kerjasama Rakyat Malaysia**SHARE REGISTRAR**Boardroom Share Registrars Sdn Bhd
[Registration No. 199601006647 (378993-D)]
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13
46200 Petaling Jaya Selangor Darul Ehsan
Tel: (+603) 7890 4700 (Helpdesk)
Fax: (+603) 7890 4670
Website: www.boardroomlimited.com
Email: BSR.Helpdesk@boardroomlimited.com**SOLICITORS**Messrs. Awi & Co.
Messrs. Hasanuddin, Syazwani & Ghazali
(fka. Messrs Hasanuddin, Shafarin & Ghazali)**STOCK EXCHANGE LISTING**Main Board of Bursa Malaysia Securities Berhad
Stock Code: 8141
Stock Short Name: MJPERAK

CORPORATE STRUCTURE (MHB & ITS SUBSIDIARIES)



BOARD OF DIRECTORS



DATUK REDZA RAFIQ BIN ABDUL RAZAK

EXECUTIVE CHAIRMAN

MALAYSIAN | AGE 54

DATE OF APPOINTMENT

24 February 2021 as Non-Independent Non-Executive Director

3 March 2021 redesignated as Executive Chairman

LENGTH OF SERVICES AS DIRECTOR

(as at 21 April 2023)

2 years 2 months

LENGTH OF SERVICES AS EXECUTIVE CHAIRMAN

(as at 21 April 2023)

2 years 1 month

DATE OF THE LAST RE-APPOINTMENT

29 June 2021

BOARD MEETINGS ATTENDED:

15/15

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Honorary Doctorate (Economics), Universiti Malaysia Perlis
- BSc.(Hons.) Economics & Business, University of Hull, United Kingdom

PRESENT DIRECTORSHIP(S)

- Executive Chairman, Majuperak Holdings Berhad (listed in Bursa Malaysia)
- Chairman, Non-Independent and Non-Executive Director, Perak Corporation Berhad (listed in Bursa Malaysia)

PRESENT APPOINTMENT(S)

- Chief Executive, Perbadanan Kemajuan Negeri Perak

PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)

- Chief Executive Officer, Sime Darby Property, Malaysian Vision Valley 2.0
- Director Investment, Sime Darby Property
- Chief Executive, Northern Corridor Implementation Authority
- Managing Director, Cyberview Sdn. Bhd.
- Chief Executive Officer, Cyberview Sdn. Bhd.
- Chief Operations Officer, Cyberview Sdn. Bhd.

FAMILY RELATIONSHIP

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any personal interest, in any business arrangement involving the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

BOARD OF DIRECTORS (CONTINUED)



LIM TIAN HUAT

SENIOR INDEPENDENT, NON-EXECUTIVE DIRECTOR

MALAYSIAN | AGE 68

DATE OF APPOINTMENT

11 August 2020

LENGTH OF SERVICES

(as at 21 April 2023)

2 years 8 months

DATE OF THE LAST RE-APPOINTMENT

28 June 2022

BOARD MEETINGS ATTENDED:



ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- BA in Economics (Hons.), Manchester Metropolitan University, United Kingdom.
- Founding President & Member, Insolvency Practitioners’ Association of Malaysia (IPAM)
- Member, Malaysian Institute of Accountants (MIA)
- Member, Malaysian Institute of Certified Public Accountants (MICPA)
- Fellow, Association of Chartered Certified Accountants (ACCA)

PRESENT DIRECTORSHIP(S)

- Majuperak Holdings Berhad (listed in Bursa Malaysia)
- Anglo-Eastern Plantations PLC (listed in London Stock Exchange)
- DUET Acquisition Corp (listed in Nasdaq)
- PLUS Malaysia Berhad
- Pacific & Orient Insurance Co. Berhad

PRESENT APPOINTMENT(S)

- Managing Partner, Lim Tian Huat & Co
- Managing Partner, Rodgers Reidy & Co
- Managing Director, Andersen Group of Companies

PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)

- Partner, Ernst & Young Malaysia
- Partner, Arthur Andersen Malaysia
- Commissioner, United Nations Compensation Commission
- Director, Perbadanan Insurans Deposit Malaysia (PIDM)
- Director, UEM Sunrise Berhad (listed in Bursa Malaysia)
- Director, Bank of Yingkou, China
- Director, Malaysia Building Society Berhad (listed in Bursa Malaysia)

FAMILY RELATIONSHIP

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any personal interest, in any business arrangement involving the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

BOARD OF DIRECTORS (CONTINUED)



**AHMAD NAJMI BIN
KAMARUZAMAN**

INDEPENDENT, NON-EXECUTIVE DIRECTOR

MALAYSIAN | AGE 41

DATE OF APPOINTMENT

10 August 2018

LENGTH OF SERVICES

(as at 21 April 2023)

4 years 8 months

DATE OF THE LAST RE-APPOINTMENT

28 June 2022

BOARD MEETINGS ATTENDED:



ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Master of Business Administration (AMBA Accredited), University of Portsmouth
- Bachelor of Business Administration, International Islamic University of Malaysia

PRESENT DIRECTORSHIP(S)

- Majuperak Holdings Berhad (listed in Bursa Malaysia)
- Managing Director, Prima Orions Sdn Bhd

PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)

- Executive (Credit Monitoring Department), Export-Import Bank of Malaysia Berhad (Exim Bank)
- Executive (Corporate Communications Department), Export-Import Bank of Malaysia Berhad (Exim Bank)
- Document Analyst (PLB Trade Department), Scope International (Standard Chartered)

FAMILY RELATIONSHIP

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any personal interest, in any business arrangement involving the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

BOARD OF DIRECTORS (CONTINUED)



DATO' TUN HISAN BIN DATO' TUN HAMZAH

DPMS, DIMP, DSPN, PSPP, PJPJN, AMN

INDEPENDENT, NON-EXECUTIVE DIRECTOR

MALAYSIAN | AGE 64

DATE OF APPOINTMENT

11 August 2020

LENGTH OF SERVICES

(as at 21 April 2023)

2 years 8 months

DATE OF THE LAST RE-APPOINTMENT

28 June 2022

BOARD MEETINGS ATTENDED:

15/15

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Master Degree in Social Sciences, Universiti Kebangsaan Malaysia

PRESENT DIRECTORSHIP(S)

- Majuperak Holdings Berhad (listed in Bursa Malaysia)

PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)

- Chief Police Officer of Selangor, Royal Malaysia Police
- Executive Chairman, TUN Security Services Sdn. Bhd.
- Director, TUN Security Services Sdn. Bhd.
- Director, Kontan Emas (M) Sdn. Bhd.
- Director, Tun Poultry Farm Sdn. Bhd.
- Director, SMOBILE (M). Sdn. Bhd.
- Director, Westrank Equity Sdn. Bhd.
- Chairman, Convep Mobilogy Sdn. Bhd.
- Director, Totalrenewables Sdn. Bhd.

FAMILY RELATIONSHIP

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any personal interest, in any business arrangement involving the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

BOARD OF DIRECTORS (CONTINUED)



DATUK ABU BAKAR BIN HASSAN

INDEPENDENT, NON-EXECUTIVE DIRECTOR

MALAYSIAN | AGE 68

DATE OF APPOINTMENT

11 August 2020

LENGTH OF SERVICES

(as at 21 April 2023)

2 years 8 months

DATE OF THE LAST RE-APPOINTMENT

29 June 2021

BOARD MEETINGS ATTENDED:

15/15

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Bachelor Degree in Art (Hons), University of Malaya
- Diploma in Public Management, Institut Tadbiran Awam Negara (INTAN)

PRESENT DIRECTORSHIP(S)

- Majuperak Holdings Berhad (listed in Bursa Malaysia)
- Director, Zhongtian ARDC Sdn. Bhd
- Ivory Properties Group Berhad (listed in Bursa Malaysia)

PRESENT APPOINTMENT(S)

- Nil

PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)

- Federal Secretary of Sabah, Sabah Federal Secretary's Office
- Director General, National Housing Department Yang Dipertua, Penang Municipal Council
- Director, Department of Land and Mine, Negeri Sembilan

FAMILY RELATIONSHIP

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any personal interest, in any business arrangement involving the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

BOARD OF DIRECTORS (CONTINUED)



DATO' MOHD AZMI BIN OTHMAN

NON-INDEPENDENT, NON-EXECUTIVE DIRECTOR

MALAYSIAN | AGE 55

DATE OF APPOINTMENT

24 May 2021

LENGTH OF SERVICES

(as at 21 April 2023)

1 year 11 months

DATE OF THE LAST RE-APPOINTMENT

29 June 2021

BOARD MEETINGS ATTENDED:



ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Bachelor's in Law (Hons.), Universiti Teknologi MARA (UiTM)

PRESENT DIRECTORSHIP(S)

- Director, Perbadanan Kemajuan Negeri Perak
- Majuperak Holdings Berhad (listed in Bursa Malaysia)

PRESENT APPOINTMENT(S)

- Advocates & Solicitors, Messrs. Azmi Hisham & Co.
- Director, USAS Berhad
- Ahli Lembaga Pemegang Amanah, Yayasan Nur Ikhlas

PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)

- Director, Utusan Melayu (M) Berhad
- Director, Majuperak Holdings Berhad (2014-2018)
- Director, KYM Holdings Berhad (listed in Bursa Malaysia)
- Director, Royal Perak Golf Club Berhad
- Member of Investment and Development Committee, Majlis Agama Islam Dan Adat Melayu Perak (MAIPk)
- Member of Committee, Dewan Perniagaan Melayu Malaysia Negeri Perak
- Secretary General, Majlis Kebajikan Masyarakat Negeri Perak
- Member of Committee, Majlis Gagasan Badan Ekonomi Melayu (GABEM)
- Member of Disciplinary Committee, Badan Peguam Malaysia Perak

FAMILY RELATIONSHIP

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any personal interest, in any business arrangement involving the Company.

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years.

BOARD OF DIRECTORS (CONTINUED)



DATO' AMINUDDIN BIN MD HANAFIAH

INDEPENDENT, NON-EXECUTIVE DIRECTOR

MALAYSIAN | AGE 59

DATE OF APPOINTMENT

24 May 2021

LENGTH OF SERVICES

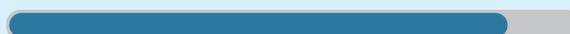
(as at 21 April 2023)

1 year 11 months

DATE OF THE LAST RE-APPOINTMENT

29 June 2021

BOARD MEETINGS ATTENDED:

 12/15

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Master's Degree in Science (Politics and Government), Universiti Putra Malaysia
- Bsc. in Business Administration (Finance), University of Tulsa, Oklahoma, U.S.A
- Diploma in Business Studies (Marketing), Universiti Teknologi Mara (UiTM)

PRESENT DIRECTORSHIP(S)

- Director, Majuperak Holdings Berhad (listed in Bursa Malaysia)

PRESENT APPOINTMENT(S)

- Board of Trustee Yayasan Bina Upaya
- Chairman, FELCRA Plantation Services Sdn. Bhd.

PAST DIRECTORSHIP(S) AND/ OR APPOINTMENT(S)

- Board of Trustees, Lembaga Biasiswa Anak-Anak Perak
- Board Member, Datasonic Technologies
- Board Member, Perak State Economic Development Corporation
- Board Member, Syarikat Perumahan Negara Berhad
- Board Member, Universiti Teknikal Malaysia Melaka (UTeM)
- Director, Rapid Rail Sdn. Bhd. (subsidiary of Prasarana Malaysia Berhad)
- Perak State Assemblyman (State Legislature) for N24, Hulu Kinta
- Political Secretary to Minister of Finance II, Ministry of Finance, Malaysia
- Executive Director, M.S.B. Development Sdn. Bhd.
- Director/General Manager, Seri Rapat Sdn. Bhd.
- Senior Manager, Finance and Administration, Meru Valley Resort Berhad
- Manager of Finance and Administration, Darul Ridzuan Golf Club, Meru
- Officer, Industrial Promotion, Perak State Economic Development Corporation

FAMILY RELATIONSHIP

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any conflict of interest with the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

BOARD OF DIRECTORS (CONTINUED)



NORAZALI BIN NORDIN

INDEPENDENT, NON-EXECUTIVE DIRECTOR

MALAYSIAN | AGE 49

DATE OF APPOINTMENT

24 May 2021

LENGTH OF SERVICES

(as at 21 April 2023)

1 year 11 months

DATE OF THE LAST RE-APPOINTMENT

29 June 2021

BOARD MEETINGS ATTENDED:



ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Bachelor of Arts (B.A) (Hons.), University of Nottingham, United Kingdom
- Admitted to English Bar – Michaelmas 1997

PRESENT DIRECTORSHIP(S)

- Majuperak Holdings Berhad (listed in Bursa Malaysia)

PRESENT APPOINTMENT(S)

- Advocates & Solicitors, Messrs. Maxwell Kenion Cowdy & Jones .
- Member of Disciplinary Committee, Advocates Complaints Board

PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)

- Nil

FAMILY RELATIONSHIP

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any conflict of interest with the Company

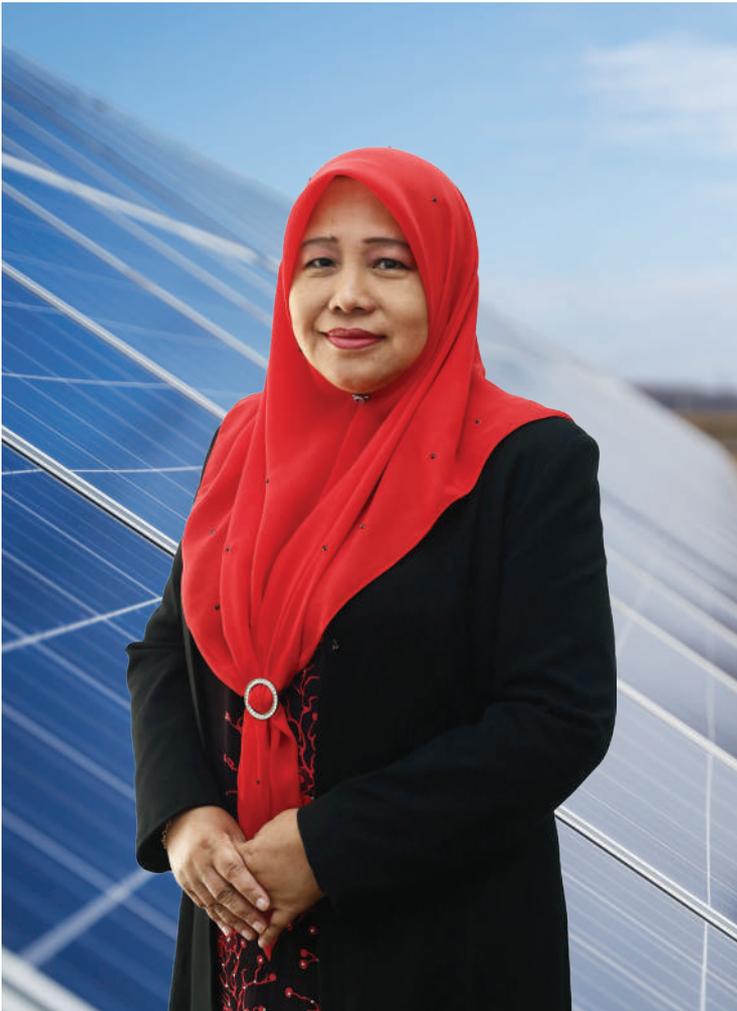
SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

BOARD OF DIRECTORS (CONTINUED)



**DATUK DR. WAN NORASHIKIN
BINTI WAN NOORDIN** D.P.S.M, P.M.P
INDEPENDENT, NON-EXECUTIVE DIRECTOR
 MALAYSIAN | AGE 50

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Bachelor of Dental Surgery (BDS), Universiti Malaya

PRESENT DIRECTORSHIP(S)

- Majuperak Holdings Berhad (listed in Bursa Malaysia)

PRESENT APPOINTMENT(S)

- Nil

PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)

- Perak State Executive Council (2020 – 2022)
- Perak State Assemblywoman (2018 – 2022)
- Director, Perak Corporation Berhad (2009 – 2018) (listed in Bursa Malaysia)
- Perak State Assemblywoman (2008 – 2013)
- Government/Private Dental Officer (1997 – 2008)

FAMILY RELATIONSHIP

- She does not have any family relationship with other Directors and/or major shareholders of the Company or any conflict of interest with the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- She has not been convicted for any offence within the past 5 years

DATE OF APPOINTMENT

13 March 2023

LENGTH OF SERVICES

(as at 21 April 2023)

1 month and 8 days

DATE OF THE LAST RE-APPOINTMENT

Nil

BOARD MEETINGS ATTENDED:

Nil

BOARD OF DIRECTORS (CONTINUED)



KHAIRUDDIN BIN MOHAMED AZAHARI

INDEPENDENT, NON-EXECUTIVE DIRECTOR

MALAYSIAN | AGE 58

DATE OF APPOINTMENT

13 March 2023

LENGTH OF SERVICES

(as at 21 April 2023)

1 month and 8 days

DATE OF THE LAST RE-APPOINTMENT

Nil

BOARD MEETINGS ATTENDED:

Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Master's Degree in Management, Universiti Sultan Azlan Shah, Kuala Kangsar, Perak
- Certificate of Adolescent Care/Coronary Care, University of Hertfordshire, United Kingdom
- Bachelor Degree (Hons.) in Health Science, Universiti Industri Selangor
- Diploma in Education, Universiti Industri Selangor

PRESENT DIRECTORSHIP(S)

- Majuperak Holdings Berhad (listed in Bursa Malaysia)

PRESENT APPOINTMENT(S)

- Nil

PAST DIRECTORSHIP(S) AND/ OR APPOINTMENT(S)

- Medical Assistant Tutor, Institusi Latihan Kementerian Kesihatan Malaysia, Sultan Azlan Shah Ulu Kinta, Perak (2011 – 2021)
- Medical Assistant Tutor, Kolej Pembantu Perubatan Ulu Kinta, Perak (2003 – 2010)
- Medical Assistant Officer, Klinik Kesihatan Lenggong (1996 – 2003)
- Junior Hospital Assistant, Hospital Bahagian Ulu Kinta, Perak (1990 – 1993)

FAMILY RELATIONSHIP

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any conflict of interest with the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

KEY SENIOR MANAGEMENT



SYED AGIL BIN SYED HASHIM

GROUP CHIEF EXECUTIVE OFFICER

MALAYSIAN | AGE 50

DATE OF APPOINTMENT

- 1 November 2022

LENGTH OF SERVICES (AS AT 21 APRIL 2023)

- 6 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Masters of Business Administration (Finance), International Islamic University Malaysia
- Bachelor's in Accounting (Hons.), International Islamic University Malaysia
- Member, Malaysian Institute of Accountants (MIA)

WORKING EXPERIENCES

- Chief Financial Officer, Majuperak Holdings Berhad (08/2022 – 10/2022)
- General Manager, Corporate Finance, Majuperak Holdings Berhad (07/2022 – 08/2022)
- Deputy Chief Executive (Corporate Relations), Perbadanan Kemajuan Negeri Perak (2021)
- Chief Financial Officer, Malaysian Biotechnology Corporation Sdn. Bhd. (2006 – 2020)
- Finance Manager, Multimedia Development Corporation Sdn. Bhd. (2000 – 2006)
- Audit Senior, KPMG (1995-1999)

OTHER DIRECTORSHIP(S) IN PUBLIC LISTED COMPANIES AND LISTED ISSUERS

- Nil

FAMILY RELATIONSHIP/CONFLICT OF INTEREST

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any conflict of interest with the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years



AHMAD IZRAL BIN ABDUL KARIM

CHIEF FINANCIAL OFFICER

MALAYSIAN | AGE 46

DATE OF APPOINTMENT

- 1 November 2022

LENGTH OF SERVICES (AS AT 21 APRIL 2023)

- 6 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Bachelor in Accountancy (Hons.), Universiti Teknologi MARA (UiTM)
- Member, Malaysian Institute of Accountants (MIA)

WORKING EXPERIENCES

- Director, Finance & Accounts Majuperak Holdings Berhad (07/2022 – 10/2022)
- Vice President of Finance & Facilities Management, Malaysian Bioeconomy Development Corporation (2006 – 2020)
- Group Finance Manager, Redtone International Berhad (2005 – 2006)
- Group Accountant, AWC Berhad (2003 – 2005)
- Senior Associates (Audit & Assurance), Ernst & Young (2002 – 2003)
- Audit Senior, Authur Andersen (1999-2002)

OTHER DIRECTORSHIP(S) IN PUBLIC LISTED COMPANIES AND LISTED ISSUERS

- Nil

FAMILY RELATIONSHIP/CONFLICT OF INTEREST

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any conflict of interest with the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

KEY SENIOR MANAGEMENT (CONTINUED)



NOORYUSAZLI BIN YUSOFF

CHIEF STRATEGY OFFICER

MALAYSIAN | AGE 46

DATE OF APPOINTMENT

- 7 February 2022

LENGTH OF SERVICES (AS AT 21 APRIL 2023)

- 1 year 2 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Master of Business Administration, Cranfield School of Management, United Kingdom (10/2007 – 09/2008)
- Master of Science in International Securities, Investment and Banking, United Kingdom, University of Reading, ICMA Centre (10/2006 – 06/2007)
- Bachelor of Science Degree in Chemical Engineering, Minor in Economics, Washington University, St. Louis, Missouri U.S.A. (09/1995 – 05/1999)

WORKING EXPERIENCES

- Chief Strategy and Sustainability Officer – NEPS Capital Group, Cyberjaya (10/2018 – 01/2022)
- Chief Transformation Officer – Sapura Secured Technology, Kuala Lumpur (03/2019 – 12/2020)
- Vice President, Strategic Planning – Mubadala Investment Company, Abu Dhabi, United Arab Emirates (04/2018 – 10/2018)
- Advisor, Finance, Strategy and Risk – Saudi Arabian Oil Company (Aramco), Dhahran, Saudi Arabia (11/2012 – 03/2018)
- Head, Corporate Portfolio, Group Strategic Planning Petroleum Nasional Berhad (PETRONAS), Kuala Lumpur, Malaysia (09/1999 – 11/2012)

OTHER DIRECTORSHIP(S) IN PUBLIC COMPANIES AND LISTED ISSUERS

- Nil

FAMILY RELATIONSHIP/CONFLICT OF INTEREST

- He has no family relationship with other Directors and/or major shareholders of the Company or any conflict of interest with the Company.

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years



MD SHAIZATUL AZAM BIN CHE SODA

GENERAL MANAGER, CORPORATE SERVICES

MALAYSIAN | AGE 56

DATE OF APPOINTMENT

- 1 April 2021

LENGTH OF SERVICES (AS AT 21 APRIL 2023)

- 2 years 20 days

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Master Degree in Business Administration (MBA), Universiti Teknologi MARA (UiTM)
- Professional Qualification of Institute of Chartered Secretaries and Administration (ICSA), United Kingdom
- Fellow Member of Malaysia Institute of Chartered Secretaries and Administration (MAICSA) and Chartered Governance Institute (UK)
- Member of the Malaysian Institute of Corporate Governance (MICG)
- Associate Member of the Institute of Business Administration (UK)
- Chartered Company Secretary (CS)
- Chartered Corporate Governance Professional (CGP)
- Certified Human Resource Development Fund (HRDF) Trainer

WORKING EXPERIENCES

- General Manager, Corporate Services of Perbadanan Kemajuan Negeri Perak Group (2017 – 2021)
- Vice President (Group Corporate) of Alliance Bank Berhad (2015 – 2017)
- General Manager, Legal & Secretarial of Eversendai Corporation Berhad (2014 – 2015)
- Group Company Secretary / Compliance of Batu Kawan Berhad (KLK Group) (1998 – 2014)
- Executive Director of Whitmore Holdings Sdn. Bhd (2005 – 2014)
- Group Company Secretary & Head of Corporate Services of TF Corporation Sdn. Bhd. (1994 – 1998)
- Senior Officer (Corporate) of Malaysia Airlines System Berhad (1992 – 1994)
- Officer of Public Bank Berhad (1991 – 1992)

OTHER DIRECTORSHIP(S) IN PUBLIC COMPANIES AND LISTED ISSUERS

- Nil

FAMILY RELATIONSHIP/CONFLICT OF INTEREST

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any conflict of interest with the Company

SECURITIES HOLDINGS IN THE COMPANY

- 3,000 ordinary shares

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

KEY SENIOR MANAGEMENT (CONTINUED)



HELMY ISKANDAR BIN NOFAN

GENERAL MANAGER, PROPERTY DEVELOPMENT & INFRASTRUCTURE
MALAYSIAN | AGE 43

DATE OF APPOINTMENT

- 4 October 2021

LENGTH OF SERVICES (AS AT 21 APRIL 2023)

- 1 year 6 months

ACADEMIC/PROFESSIONAL QUALIFICATIONS

- Bachelor Degree in Civil & Environmental Engineering (Hons.) Universiti Kebangsaan Malaysia (UKM) (1999-2003)
- UKM Matriculation Certificate in Science (1997-1998)
- Certified ISO 9001:2015 Lead Auditor (2017)
Certified Construction Industry Development Board Quality Assessment System for Building Construction (CIDB QLASSIC) Assessor (2016)

WORKING EXPERIENCES

- Head, QHSE Management, Perbadanan PR1MA Malaysia (2019)
- Manager, QAQC (Head of Unit) SP Setia Berhad (2014-2015)
- Manager, Quality Assurance/TQM (Assistant Head of Department), Sunway Berhad (2013-2014)
- Assistant Manager, Quality Assurance (Regional Head)/Sunway Construction Sdn.Bhd (2012-2013)
- Assistant Manager, Quality Assurance, Silver Coast – Sunway Innopave Jv, (2008-2012)
- Engineer, Quality Assurance, Sunway Construction Sdn. Bhd. (2008)
- Senior Engineer, Pristine Hub Sdn.Bhd. (2007-2008)
- Engineer/Coordinator, Tenaga Nirwana Sdn. Bhd. (2003-2007)

OTHER DIRECTORSHIP(S) IN PUBLIC COMPANIES AND LISTED ISSUERS

- Nil

FAMILY RELATIONSHIP/CONFLICT OF INTEREST

- He does not have any family relationship with other Directors and/or major shareholders of the Company or any conflict of interest with the Company

SECURITIES HOLDINGS IN THE COMPANY

- Nil

CONVICTION OF OFFENCES

- He has not been convicted for any offence within the past 5 years

CHAIRMAN'S STATEMENT



DEAR SHAREHOLDERS,

**IN THE NAME OF ALLAH, THE MOST COMPASSIONATE,
THE MOST MERCIFUL.**

**ASSALAMUALAIKUM WARAHMATULLAHI WABARAKATUH AND
SELAMAT SEJAHTERA.**

**ON BEHALF OF THE BOARD OF DIRECTORS, I AM PLEASED TO PRESENT THE
2022 ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS OF THE GROUP
AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022.**

FINANCIAL REVIEW

The Company reported a post-tax loss of RM12.99 million for the fiscal year that ended on 31 December 2022, while generating RM26.31 million in revenue. The loss was due to lower sales of land and property during the year, as the Group consolidates and plans the timing of new launches amidst the uncertainty in construction material prices and labour shortages.

The RM26.31 million in revenue earned by the Group during the year was attributable to land and property sales that were completed, as well as income from the facilities management, renewable energy, and rentals from the Company's investment properties. The Group's financial situation remained satisfactory at the conclusion of the fiscal year 2022,

with total assets of RM304.27 million against total liabilities of RM103.43 million, resulting in a positive net asset value of RM200.84 million.

The Group's cash and bank balances stood at RM4.71 million as of 31 December 2022 and the net asset per share was RM0.71 as compared to RM0.75 in the previous year.

In 2022, apart from the global pandemic issue, the Ukraine-Russia war and the Malaysian political uncertainties caused inflation rate to rise resulting in reduced demand for products and services, including those in the property market, which had affected the Group's financial performance. To mitigate this, the Group implemented several cost-cutting measures and explored opportunities to diversify its business and improve revenue streams.

CHAIRMAN'S STATEMENT (CONTINUED)

AFFECTED LISTED ISSUER

From 13 April 2020, the Group has been classified as an Affected Listed Issuer; and we have been working closely with our Principal Adviser to submit the required Regularisation Plan. The Group requested an extension of time ("EOT") from Bursa Securities on 7 October 2022, and approval was obtained on 1 November 2022, which extended the Group's submission deadline by six months to 12 April 2023.

On 11 April 2023, the Group sought for a further EOT from Bursa Securities in order to finalise several negotiations and approvals for certain projects and initiatives that have been identified under its proposed Regularisation Plan. Our application is currently being reviewed by Bursa Securities.

Nevertheless, during the financial year under review, there have been many significant progress made by the group toward realizing its self-regularisation plan. These include the acquisition of two new subsidiary companies in the property development sector and facilities management sector. Both acquisition processes were fully completed during the year.

Besides the acquisition of new subsidiaries, the group geared up for several pipeline projects that are scheduled to be rolled out in 2023. Among them, the condominium development project known as Nexusbase Residences @ USJ Subang West which is the Group's first development project outside Perak.

The Group has also executed a Memorandum of Understanding ("MoU") with Perbadanan Kemajuan Negeri Perak ("PKNPk") to establish various synergistic collaborative initiatives between the parties such as the development of residential projects and investment property assets, in addition to intensifying the Group's renewable energy businesses.

Under the renewable energy sector, The Group and PKNPk are currently working together to initiate the development of floating solar farms in several water bodies located in Perak. The initiative is in line with Perak Sejahtera 2030 initiatives which aim to position Perak as the main contributor to the renewable energy and water source in Malaysia. Perak State Government has mandated the Group and PKNPk to spearhead the initiative.

OPERATIONAL REVIEW

Property Development Segment

The property development segment has generated RM18.49 million of revenue in the fiscal year under review (2021: RM15.29 million), primarily from land and property sales. The main contributor would be the RM17.35 million in land sales of Tapah Road in the Batang Padang district. In addition, the Group earned a total of RM1.14 million in revenue from property sales completed during the year. With the completion of the acquisition of a 51% equity interest in Nexusbase Development Sdn. Bhd. by the Group from Sloane Infinity Asia Pacific Sdn. Bhd. in October 2022, the focus right now is on launching its first property development project outside of Perak, Nexus Residences @ USJ Subang West which comprises 156 units of apartments with a Gross Development Value of RM121.68 million.

Facilities Management Segment

In the current year, this segment generates the majority of its revenue from facilities management services, which totalled RM3.21 million in 2022, compared to RM3.76 million in 2021. The lower revenue in 2022 is primarily due to fewer corrective maintenance works secured, as well as the expiration of a facilities management contract during the year.

The Group anticipates that the contribution from this segment will grow after the completion of the acquisition of 49% equity interest in Allied Group Property Services Sdn. Bhd. ("AGPS") and Allied Group Property Services (Penang) Sdn. Bhd. ("AGPSP") on 3 November 2022.

Renewable Energy

Majuperak Holdings Berhad ("MHB")'s wholly-owned subsidiary, Majuperak Energy Resources Sdn. Bhd. ("MERSB") owns and operates a solar farm in Keramat Pulai, Simpang Pulai, Perak. For the year 2022, the solar segment generated approximately 1,712 megawatts ("MW") (2021:1,128 MW), accounting for 5.94% of the Group's total revenue, amounting to RM1.56 million (2021:RM1.75 million).

Several significant renewable energy projects have

CHAIRMAN'S STATEMENT (CONTINUED)

been initiated by the Group in the last year, including the Solar Photovoltaic ("PV") installation under the Net Energy Metering ("NEM") Scheme, which will contribute to our revenue growth in 2023. Furthermore, during the same year of 2022, the Group acquired a 100% equity stake in a new subsidiary operating a solar farm. The Group is planning to expand its renewable energy portfolio to pursue new opportunities in emerging markets.

Trading, Rental, Investment Holding, and Others

This segment earned RM8.87 million in revenue for the Group in FYE 2021, but only RM3.04 million in FYE 2022. The segment is mainly driven by the trading business through Nexus Jade Sdn. Bhd. ("NJSB") as one of the MHB subsidiaries which generated RM1.06 million in revenue, while rentals and dividends received generated RM1.55 million and RM0.43 million respectively.

The main contributor to rental income is Bazar Ipoh rental of shop lots. Other rental revenue sources include Wisma Majuperak (office rentals), Bazar Ipoh (cafeteria rentals), Jelapang (shop lot rentals), and land rentals.

The difference in revenue for 2022 compared to 2021 is primarily due to the RM3.51 million royalty from Kaolin extraction in 2021 and a lower rental recorded in Wisma Majuperak during the year 2022, as the anchor tenant had moved into its own premises.

Other Income

The Group's other income for the year of RM13.02 million mainly comprised an RM11.72 million gain in fair value of Investment Properties.

Operational Excellence

Despite the challenges in our financial position, MHB is committed to complying with statutory and regulatory requirements relevant to our businesses. We embarked on the journey to obtain internationally recognized management system standards certification to improve the company's operational efficiency. We strived to ensure the company was certified under ISO9001:2015 for Quality Management Systems. In September 2022, MHB and its subsidiaries, Syarikat Majuperak

Berhad ("SMB") and Jua Juara Sdn. Bhd. ("JJSB") officially received the ISO9001:2015 certification after an audit conducted by SIRIM QAS International Sdn. Bhd., an established and recognized certification body.

Talent Management

Managing talent in this post-pandemic period requires organizations to adopt a flexible approach that accounts for the changed circumstances brought about by the pandemic. Adapting to these changes, organizations can build a more resilient workforce and remain competitive in a rapidly changing business environment.

Beginning in April 2022, MHB launched a transformation roadmap in order to move forward and boost performance. The Corporate Transformation Roadmap ("CTR") was unveiled - and culture change, primarily concentrating on attitude and behavior change - was a crucial initiative. Together with the Change Management Unit, the Human Resource Division ("HRA") planned and developed a range of initiatives and strategies to drive the transformation agenda. To boost performance, important initiatives, notably Talent Management ("TM") and High-Performance Culture ("HPC") were included in the Corporate Scorecard (Tier-1 KPI). The completion of the Talent Management Strategy ("TMS") and the Digitalized Performance Management System ("PMS") were the KPIs' objectives.

Throughout FY2022, we continuously engaged with the staff through town hall sessions. Four group town halls were held, the 1st town hall session with Group CEO (former), En. Nizran Nordin was held on 28 January 2022 to relay the outcomes of the Board Retreat held on 26-27 January 2022. The newly inducted Chief Strategy Officer, En. Nooryusazli Yusoff held his town hall on 14th February 2022. On 1 November 2022, the newly appointed Group CEO, Tn. Syed Agil Syed Hashim held a town hall with all staff. And the final town hall was held on 8 November 2022 by the Executive Chairman, Datuk Redza Rafiq Abdul Razak. To provide employees with a stronger insight into the company's direction, a variety of topics and aspects of MHB's goals and plans were addressed. These sessions provided an excellent opportunity for all MHB staff to connect with the senior leaders and voice their thoughts and concerns.

CHAIRMAN’S STATEMENT (CONTINUED)

In line with the transformation efforts, MHB provided and supported various opportunities for learning and development (“L&D”). We believe that L&D activities play an integral part in staff performance for MHB’s growth and development. These activities enabled staff to improve their knowledge, skills, and abilities while engaging and creating networking with others. Staff had the chance to attend thirty-two (32) programs and courses held in-house and externally. Overall, a total of 360 training hours were captured and approximately 90% of staff participated in the programs and courses in FY2022.

As part of our commitment to fostering a positive workplace culture that promotes employees' physical, mental, and emotional well-being, MHB has made staff well-being a priority too. Various events were planned and executed, and the staff were permitted to take part in initiatives such as sports competitions, mental health discussions, and monthly Yassin recital sessions whether internally or at Perbadanan Kemajuan Negeri Perak (PKNPk) group-level. These actions are taken to ensure that MHB staff members feel appreciated, encouraged, and empowered to succeed at work.

Dividend

The Board does not recommend the payment of dividends in respect of the financial year ended 31 December 2022.

OUTLOOK & PROSPECTS

The current trajectory of the global economy is unprecedented. Just as things were beginning to open and return to usual, we are now facing yet another difficult chapter worldwide. Among these are the sky-high and persistent inflation, exacerbated by the prolonged Russia-Ukraine military conflict which began in February 2022, subsequently leading to worsening geopolitical tensions as well as loss of business, investors, and consumer confidence.

The IMF predicts that the global growth rate would fall to 2.7% in 2023 from 3.2% in 2022, the worst rate since 2001. However, the Malaysian economy is expected to grow at 4% according to the Bank's latest Global Economic Prospects report, which was issued on 10 January 2023.

Figure 1 : Malaysia’s GDP growth (%)

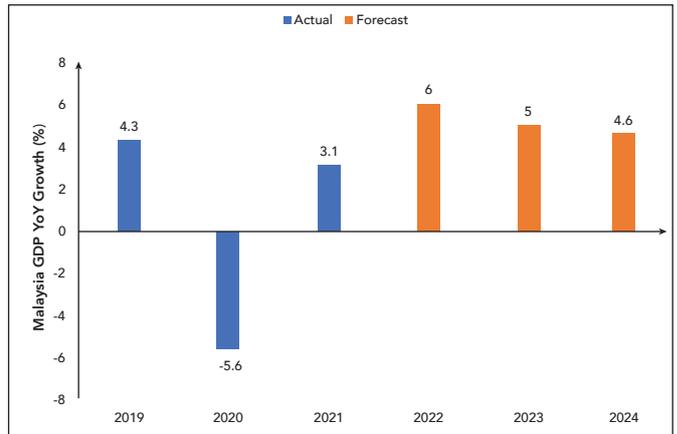
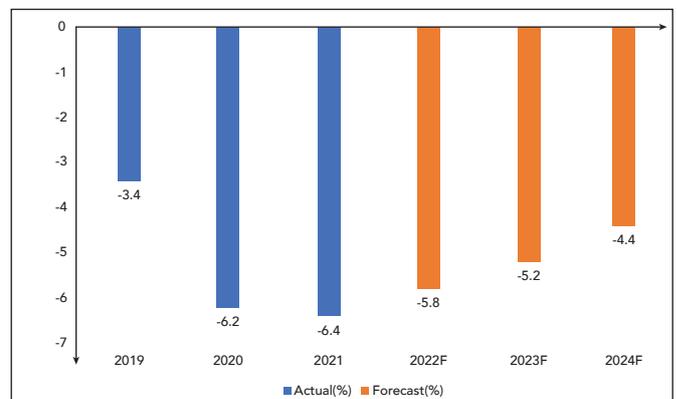


Figure 2 : Malaysia’s budget deficit (RM mil)



Source: Bloomberg Finance L.P., iFAST compilations. Data as of December 2022

The low-interest era has ended, as Bank Negara Malaysia (“BNM”) raised the Overnight Policy Rate (“OPR”) four times in a row in 2022, in response to the five-year high inflation rate.

According to Henry Butcher Malaysia's annual property market report titled "HB Perspective: Malaysia Property Outlook 2023," which was released on 9 January 2023, the residential property market is expected to face some headwinds and challenging conditions in 2023; and will likely register a slight slowdown in its rate of growth. However, it is unlikely to dampen the recovery path, which has been on track. The retail property sector, on the other hand, saw a significant comeback in 2022, where retail sales performance achieved a double-digit increase, with the highest expansion seen in Q3. Nevertheless, it is predicted to face new challenges in 2023, with the significant increase in the prices of goods and services.

With this development, the Group plans to focus on several pipeline projects that are expected to be rolled out in 2023 and will contribute to the growth of the property development segment. This

CHAIRMAN'S STATEMENT (CONTINUED)

includes launching its first property development project outside Perak, Nexus Residences @ USJ Subang West, which comprises 156 units of apartments with a Gross Development Value of RM121.68 million through the acquisition of 51% equity interest in Nexusbase Development Sdn. Bhd. which has been completed in October 2022.

In addition, the Group has also signed a Memorandum of Understanding ("MoU") with PKNPk, its immediate holding corporation, to establish synergistic collaborative initiatives involving the utilization of MHB's expertise to jointly develop PKNPk's assets and the proposed appointment of MHB as the master developer for projects in Perak.

In 2021, the Ministry of Natural Resources, Environment & Climate Change of Malaysia ("NRECC") had set a target to reach 31% of Renewable Energy ("RE") share in the national installed capacity mix by 2025. This target supports Malaysia's global climate commitment to reduce its economy-wide carbon intensity (against GDP) of 45% in 2030 compared to the 2005 level. Realization of the Government's vision is crucial in supporting the nation to achieve its Nationally Determined Contributions ("NDC") targets.

In line with this new phase of growth, the Group is determined to develop and explore any potential opportunities in the renewable energy sector in the coming years. During the year, the Group has ventured into Solar Photovoltaic (PV) installation under the Net Energy Metering (NEM) Scheme, which is expected to partly contribute to the revenue growth in 2023. In addition to the above, PKNPk has agreed to jointly spearhead the development of floating solar projects in Perak which will intensify and expand the Group's existing renewable energy business.

The facilities management environment in Malaysia is evolving alongside the renewable energy sector. The emerging trend of Industry Revolution (IR 4.0) and digitalization, along with the increasing adoption of the Internet of Things ("IoT") and cloud-based software, currently represent the key factors driving the growth of this sector. The utilization of advanced technologies, such as cloud computing and Augmented Reality ("AR") for managing buildings have enabled managers to reduce their dependency on human resources and improve their operational efficiencies (Research and Markets, 2022).

Taking advantage of the current facilities management scenario in Malaysia, the Group acquired a 49% equity interest in Allied Group Property Services Sdn. Bhd. ("AGPS") and Allied Group Property Services (Penang) Sdn. Bhd. ("AGPSP") on 3 November 2022. AGPS and AGPSP are currently involved in the property management business such as managing the full and comprehensive range of facilities as required by the properties under its care. Through the acquisition, the Group will utilize AGPS and AGPSPs' expertise in asset and facilities management services efficiently to ensure future growth and be a significant contributor towards the Group's growth and profitability. Given the positive outlook, the Group is optimistic about the long-term prospects and is confident in seizing the opportunities.

BOARD COMPOSITION

The Board is pleased to welcome Datuk Dr. Wan Norashikin binti Wan Noordin and En. Khairuddin bin Mohamed Azahari as Independent Non-Executive Directors. The appointment of Datuk Dr. Wan Norashikin as a female director would enhance the Board's composition in terms of diversity, while Encik Khairuddin's appointment would add breadth to the Board's skill sets.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to extend our gratitude and appreciation to my fellow Board members, the management, and the staff for their continued commitment and hard work for the Group. We would also like to thank all our valued stakeholders, including our valued customers, business partners, vendors, and shareholders, for your steadfast support, confidence, patronage, and friendship throughout the years.

Therefore, I conclude this year's review and we look forward to 2023, to drive the Group results to the next level. Thank you and our warmest regards.

DATUK REDZA RAFIQ BIN ABDUL RAZAK

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW

During the fiscal year under review, Majuperak Holdings Berhad Group ("MHB") recorded a loss after tax of RM12.99 million on total revenue of RM26.31 million. The Group's main source of revenue is land sale, which accounts for 66.98% of total revenue, followed by the facilities management segment at 12.22%, trading, rentals, investment holding and others at 11.56%, renewable energy segment and sale of property inventories at 5.94% and 3.30%, respectively.

Despite a net loss of RM12.99 million in the financial year under review, the Group is still optimistic about its ability to turn a profit in the coming years once the Regularisation Plan is approved and implemented. Several development projects have been identified for implementation beginning in 2023 that will contribute positively to the Group's earnings.

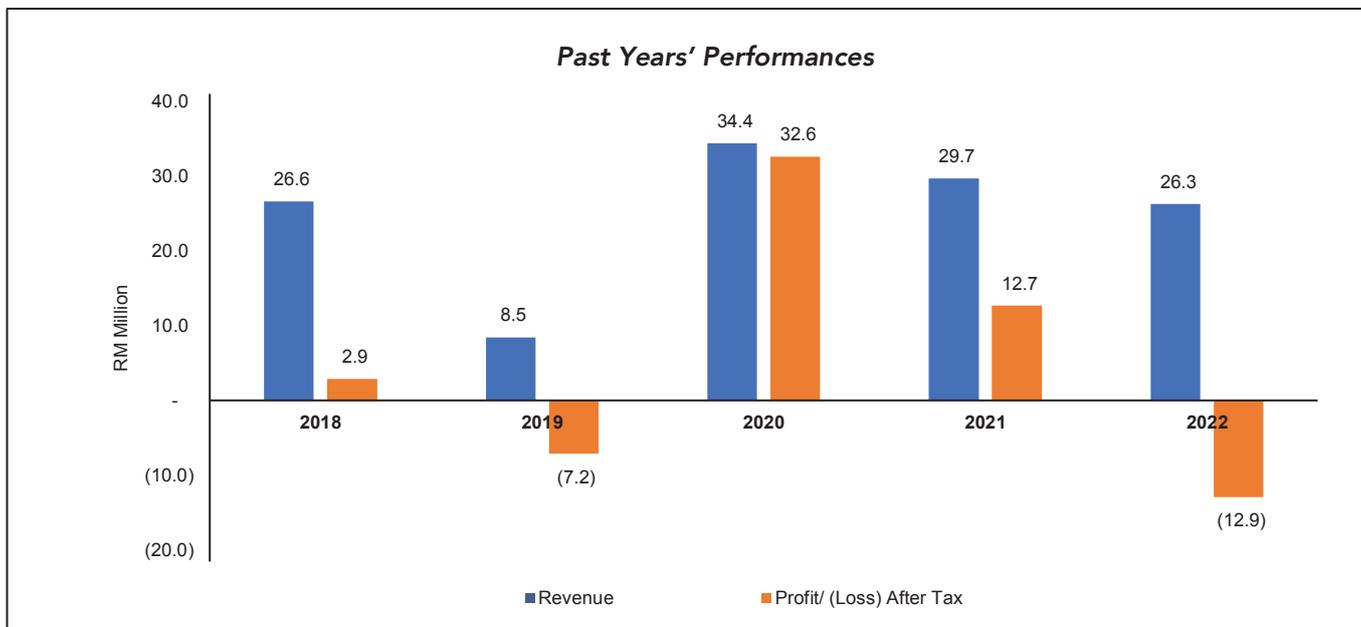
The Group's net loss in 2022 is registered after recognition of gain in fair value from the Investment Properties amounting to RM11.72 million.

FINANCIAL REVIEW

The Group's revenue in 2022 was RM26.31 million, an 11.33% decrease from RM29.67 million in the previous year. Land and property sales continue to be the largest contributor, accounting for RM18.49 million in the fiscal year under review.

The Group registered a post-tax loss of RM12.99 million in 2022 compared to a profit of RM12.71 million in 2021, a substantial decrease of 202.20% as a result of lower revenue and other income to cover the operating expenses.

The Company recorded a basic loss per share attributable to ordinary equity holders of the Company of 4.57 sen for the year 2022, which is lower than the previous year of 4.85 sen. Meanwhile, the net assets per share as of 31 December 2022 stood at RM0.71 (2021: RM0.75).



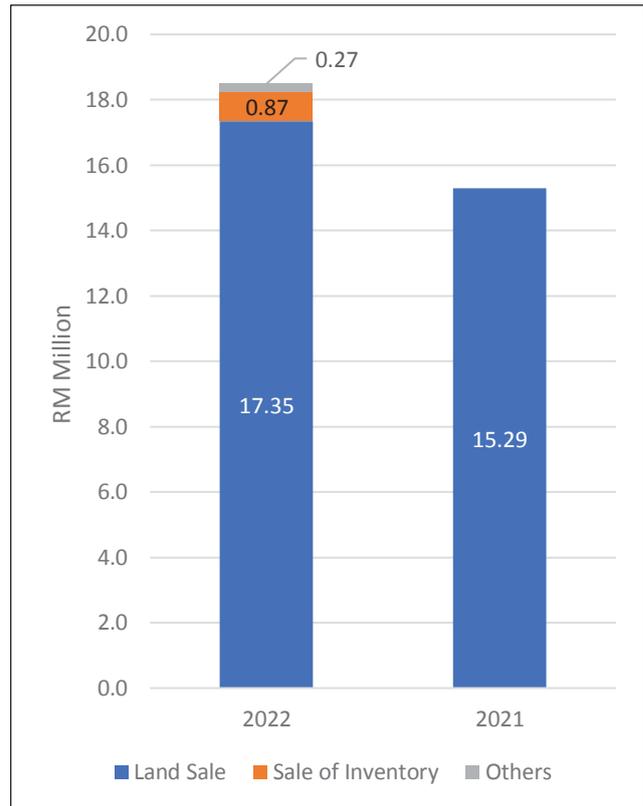
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

OPERATIONAL REVIEW

Property Development

Property development segment generated a total revenue of RM18.49 million in the fiscal year under review (2021: RM15.29 million), primarily from land and property sales.

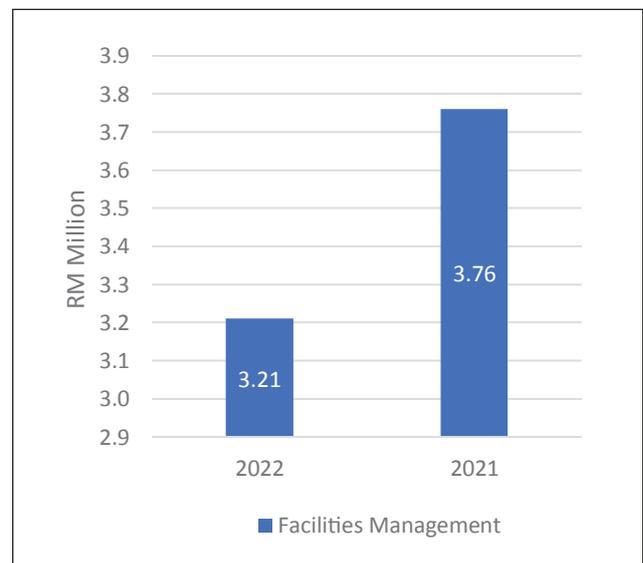
The revenue was mainly derived from the sale of land and property on Tapah Road in the Batang Padang district for RM17.35 million, the sale of inventories for RM0.87 million, and other sources for RM0.27 million.



Facilities Management

The revenue of Facilities Management segment was primarily contributed by the facilities management services delivered during the year totaling RM3.21 million which is a decrease of 14.60% compared to the previous year’s revenue of RM3.76 million. The decrease was mainly due to lesser corrective maintenance work requested in 2022 and the completion of a facilities management contract during the year.

The Group expects the contribution from this segment will expand beginning 2023, following the completion of the acquisition of associate companies specializing in building management services during the year.



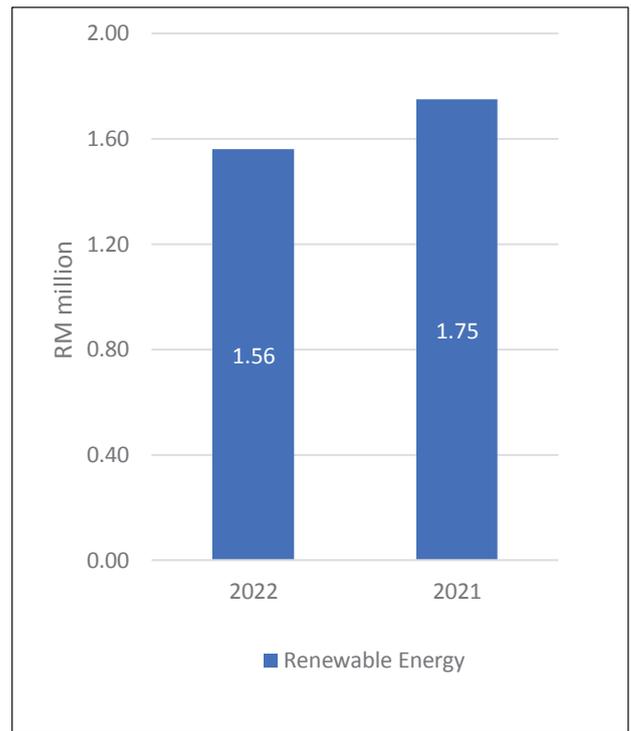
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Renewable Energy

Majuperak Energy Resources Sdn. Bhd. ("MERSB"), a wholly-owned subsidiary of Majuperak Holdings Berhad ("MHB"), owns and operates several plots of solar farms in Keramat Pulai, Simpang Pulai, Perak.

The solar segment generated approximately 1,712 megawatts ("MW") (2021: 1,128 MW) for the year 2022, translating into a total revenue of RM1.56 million (2021:RM1.75 million) that represent 5.94% of the Group's total revenue.

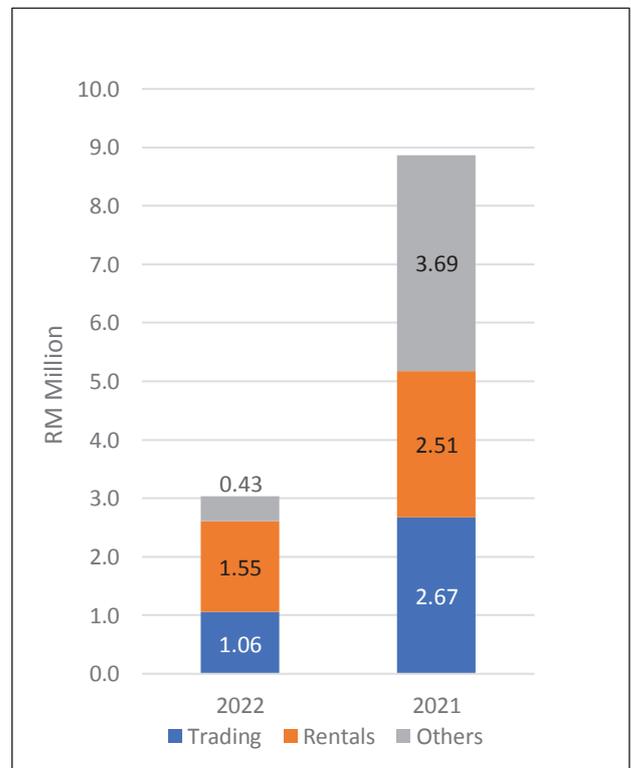
The Group has launched several renewable energy projects this year, including the Solar Photovoltaic ("PV") installation under the Net Energy Metering ("NEM") Scheme, which is expected to contribute positively to the revenue growth in 2023. The Group will expand its renewable energy portfolio and look for new opportunities in emerging markets.



Trading, Rentals, Investment Holding and Others

This segment recorded a total revenue of RM3.04 million (2021: RM8.87 million), a 65.73% decrease from the previous year. Nexus Jade Sdn Bhd ("NJSB") contributed RM1.06 million to the Group in comparison to RM2.67 million the previous year, representing a 60.30% decreased.

In the current fiscal year, rentals from the Group's properties, consisting buildings, commercial units and land contributed a total of RM1.55 million in revenue. The primary rental contributor derives from one of the Group's signature properties i.e. Bazar Ipoh, as well as from its other investment properties.



MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Other Income

The Group's other income for the year, RM13.02 million (2021: RM52.41 million), is primarily comprised RM11.72 million total gain in fair value from Investment Properties.

Bursa Securities Listing Requirements (LR) – Rule 8.03A(2b) – “Affected Listed Issuer”

On 13 April 2020, the Group has been classified as an Affected Listed Issuer pursuant to Bursa Securities Listing Requirements. Since then, the Group has been working closely with its Principal Adviser to submit the required Regularisation Plan.

The Group requested an extension of time (“EOT”) from Bursa Securities on 7 October 2022, and approval was obtained on 1 November 2022, which extended the submission deadline by six months to 12 April 2023.

On 11 April 2023, the Group sought a further EOT from Bursa Securities in order to finalise several negotiations and approvals for certain projects and initiatives that have been identified under its proposed Regularisation Plan. Our application is currently under review by Bursa Securities.

As such, MHB believes that the EOT, if given by Bursa Securities will provide ample time for MHB to submit its Regularisation Plan.

FUTURE PROSPECTS

The Group acknowledges that FY2022 was a challenging year. The slow recovery after the grand opening of Malaysia's border in April 2022 along with the effect of the prolonged wars and crises in certain other countries, have affected our country's property development sector.

The scarce supply of foreign construction workers and the skyrocketing of raw material prices and increased in interest rate are among the common plights of many property players in Malaysia. However, we remain optimistic about our ability to recover and overcome the challenges as we draw up our strategic plan.

The Group's strategy is to focus on a number of pipeline projects that are scheduled to be rolled out in 2023. Among others, the condominium development project, Nexusbase Residences @ USJ Subang West, is set to be the Group's first development project outside Perak, comprising

156 apartment units with a total Gross Development Value of RM121.68 million. There are also a few other development projects in the pipeline within Perak that are set to roll out within 1-2 years that will further contribute positively to the Group's earnings.

The Group has also signed a Memorandum of Understanding (“MOU”) with Perbadanan Kemajuan Negeri Perak (“PKNPK”), its immediate holding corporation, to establish synergistic collaborative initiatives involving utilisation of MHB's expertise to jointly develop PKNPK assets and the appointment of MHB as the master developer for several PKNPK's development projects in Perak.

To diversify its revenue stream through long-term business opportunities, the Group has completed the acquisition of equity interest in Allied Group Property Services Sdn. Bhd. (“AGPS”) and Allied Group Property Services (Penang) Sdn. Bhd. (“AGPSP”) on 3 November 2022. AGPS and AGPSP are currently involved in property management services, currently managing over 100 buildings in Kuala Lumpur, Penang, and Pahang.

The acquisition of the equity interest in the above companies represents a strategic investment for the Group to generate a wider income stream arising from the property management services.

Apart from that, the Group is still looking for more collaborative opportunities to expand its sustainable revenue base by unlocking more value from its existing assets and prospects.

Looking ahead, the Group's future prospects are promising although fairly challenging. Overall, Malaysia's Economic Outlook for 2023 presents numerous opportunities for businesses to expand and grow. Companies can take advantage of these prospects by leveraging technology, attracting the best talent, adopting sustainable practices, and exploring new markets.

The Group believes that it is well-positioned for long-term success and will remain agile to adapt to the changing market conditions. The Group is confident that with the relentless support from the stakeholders and from the internal dynamic talents that the Group has, we shall be able to regularise our status and continue to enrich values for our shareholders in the years to come.

SUSTAINABILITY REPORT

INTRODUCTION

Scope of Reporting

The financial year 2022 saw intensified effort being put into the Group’s sustainability drive with a heightened focus on delivering significant impact for our various stakeholders. This report covers sustainability efforts from Environment, Social, and Governance (“ESG”), what it means to our business, and how it impacts our stakeholders.

Reporting Period & Boundary

This report covers deliverables for the financial year 2022 for Majuperak Holdings Berhad and its subsidiaries. This report will also address the actions taken toward the 14 material sustainability matters that significantly impact the business and our stakeholders.



14 of 17 SDGs (Coloured) represent MHB’s priority SDG

Point of Contact

We value your feedback and suggestions on improving our sustainability journey. Please get in touch with our sustainability team at sustainability@majuperak.com.my.

SUSTAINABILITY REPORT (CONTINUED)

Sustainability Governance

The governance structure ensures that all sustainability matters in MHB are adequately governed. From thorough material topics assessment, safeguarding the organisation through risks and impact identification, compliance monitoring, and exercising controls over sustainability reporting.



MHB's Sustainability Governance Structure

For the Financial year 2022, the management has proposed a refreshed sustainability governance framework to provide improved governance of sustainability efforts and to strengthen the existing sustainability structure. It was deliberated and approved by the Board of Directors for implementation in the following year.

Stakeholder Engagements

The Group believes in proactively engaging with our diverse stakeholders to ensure that our business decisions are aligned with the interest of the Group and the stakeholders.

As such, the Group finds many ways to constantly communicate and engage with our stakeholders to ensure that the Group is being as transparent as possible in driving the business to value-adding growth.

SUSTAINABILITY REPORT (CONTINUED)

MHB’s Stakeholders and Engagement Approaches

SHAREHOLDERS

WHY WE ENGAGE

Shareholders are business partners confident in our performance and help the group grow

ENGAGEMENT PLATFORM

Annual General Meeting

Annual Report

KEY CONCERNS

- Economic Performance & Business Expansion
- Sustainability
- Quality Management
- Stakeholders Engagement

CUSTOMERS

WHY WE ENGAGE

There will be no business without customers. By understanding our customers, we will be able to understand their needs and in the long run, build customer loyalty

ENGAGEMENT PLATFORM

Hari Bertemu Pelanggan

Convention/Exhibition

KEY CONCERNS

- Customer Satisfaction
- Technological Innovation & Development
- Environmental Impact from Business Operation
- Sustainability
- Quality Management

SUSTAINABILITY REPORT (CONTINUED)

REGULATORS

WHY WE ENGAGE

Having a strong relationship with regulators helps to ensure the Group operate within legal regulations and are updated with the latest change in regulation

ENGAGEMENT PLATFORM

Report Submission

Engagement Visits

KEY CONCERNS

- Economic Performance & Business Expansion
- Environmental Impact from Business Operation
- Sustainability
- Regulatory Compliance
- Ethical Business Conduct

EMPLOYEES

WHY WE ENGAGE

Our employees are our biggest asset. Ensuring good engagement is key to driving business targets and smooth operations

ENGAGEMENT PLATFORM

Townhall

Performance Management

KEY CONCERNS

- Economic Performance & Business Expansion
- Occupational Health & Safety Management
- Good Employer / Employee Relations
- Human Resource Development
- Human Rights

SUSTAINABILITY REPORT (CONTINUED)

GOVERNMENT

WHY WE ENGAGE

Strong engagement with the government ensure that the Group is aligned with the State Government's ambition

ENGAGEMENT PLATFORM

Engagement Visits

KEY CONCERNS

- Economic Performance & Business Expansion
- Environmental Impact from Business Operation
- Sustainability
- Regulatory Compliance
- Ethical Business Conduct

COMMUNITY

WHY WE ENGAGE

Our operations may directly or indirectly impact communities. Therefore, as a responsible entity, it is our responsibility to address and understand their concerns

ENGAGEMENT PLATFORM

Corporate Social Responsibility (CSR) programs

KEY CONCERNS

- Environmental Impact from Business Operation
- Occupational Health and Safety Management
- Community Outreach
- Ethical Business Conducts
- Stakeholders Engagement

SUSTAINABILITY REPORT (CONTINUED)

FINANCIERS

WHY WE ENGAGE

Financial capabilities ensure that we can explore new opportunities and generate sustainable growth

ENGAGEMENT PLATFORM

Investor Away Day

KEY CONCERNS

- Economic Performance & Business Expansion
- Environmental Impact from Business Operation
- Sustainability
- Ethical Business Conduct
- Quality Management

SUPPLIERS

WHY WE ENGAGE

Procuring high-quality products and services is translated into providing the best for our customers

ENGAGEMENT PLATFORM

Tender Opportunities

Direct Engagements

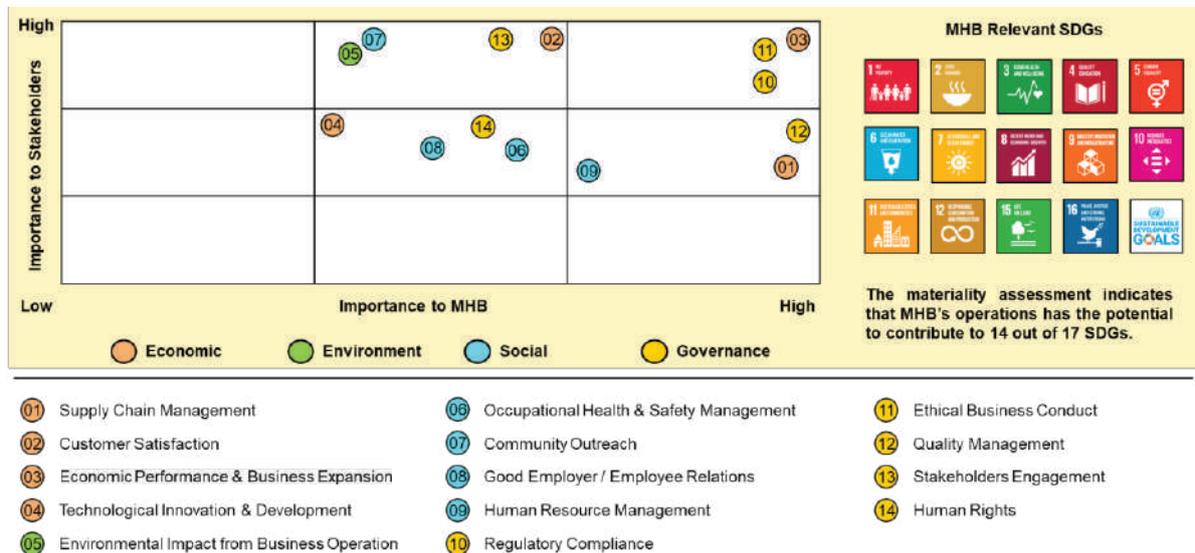
KEY CONCERNS

- Supply Chain Management
- Environmental Impact from Business Operation
- Sustainability
- Ethical Business Conduct
- Quality Management

SUSTAINABILITY REPORT (CONTINUED)

Materiality Assessment

Governed by the Board of Directors, the Group puts balance on what matters the most to the business and the stakeholders, thus focusing its effort on catering to the needs of both via a materiality assessment matrix.



MHB's Materiality Assessment Matrix

Through mapping the sustainability material matters, the Group understands that the organisation can contribute to 14 out of 17 SDGs.

Priority Area	Material Sustainability Matters	Relevant SDGs	Event
Environment	Environmental Impact from Business Operation	6, 7, 11, 12, 15	<ul style="list-style-type: none"> Solarized Rooftop (Net Energy Metering)
Social	Occupational Health & Safety Management Community Outreach Good Employer / Employee Relations Human Resource Development	1, 2, 3, 4, 6, 7, 8, 11	<ul style="list-style-type: none"> MHB Say-Heart (CSR Program) Festival Hamper Organizational Culture Survey Food box donation (Yayasan Bina Upaya) Training Program – "Making sense of Data Analytics" Inter-department Badminton Competition
Governance	Regulatory Compliance Ethical Business Conduct Quality Management Stakeholders Engagement Human Rights Supply Chain Management Customer Satisfaction Economic Performance & Business Expansion Technological Innovation & Development	5, 8, 9, 10, 16	<ul style="list-style-type: none"> ISO 9001 & ISO 31000 ERM Courses ERM policy Change Management Courses / Briefing Code of Conduct & Business Ethics (COBE) Whistleblowing Policy Anti-Bribery & Corruption Policy Integrity Pledge Investors Away Day Half-Yearly GCEO Townhall CSO Townhall Introduction of Stage-Gate Process for corporate transactions (JV, M&A, Divestitures & Business Development) United Nations Global Compact (UNGC) Membership

SUSTAINABILITY REPORT (CONTINUED)

ENVIRONMENT

As an organisation that is committed to green and eco-development, the Group has made significant progress in the year 2022 with multiple initiatives executed and planned in the business pipeline.

Keramat Pulai Solar Farm – 1,500 kW

The Group, through its wholly-owned subsidiary, Majuperak Energy Resources Sdn Bhd (MERSB) owns and operates a solar power farm which is located at Keramat Pulai, Simpang Pulai, Perak. The plant can generate around 1,900 MWh of electricity per annum for the national grid. For year 2022, the plant has generated a total of 1,712 MWh of electricity.



MHB Assets – 309 kW

Besides generating clean energy for the national grid, the Group has also installed and utilized solar panels in MHB assets namely the Bazar Ipoh complex.

In 2022, the rooftop solar installation generated a sizeable amount 362 MWh. This has helped the organisation to reduce its dependency from utilizing electricity from the national grid.



Net Energy Metering – 2,702 kW

The financial year 2021 saw MHB venturing into rooftop solar installations via the Net Energy Metering (NEM) scheme with the installation of solar panels at Majlis Daerah Perak Tengah.

In 2022, further installations were made at Majlis Daerah Pengkalan Hulu, Majlis Daerah Selama, and Majlis Bandaraya Ipoh to make up a total generation of approximately 265 MWh. For 2023, the Group is targeting to secure 2,000 kW additional installations.



SUSTAINABILITY REPORT (CONTINUED)

RESOURCE MANAGEMENT

In our efforts to strengthen our sustainability efforts, we have established a recording of the Group's energy and water consumption throughout its assets. This is done as a way to measure yearly resource consumption and to strategize how the Group can efficiently utilize its resources.

Electricity

 Electricity			
No.	Month	kWh	Total kWh
1	January 2022	34,590	348,470
2	February 2022	38,710	
3	March 2022	38,630	
4	April 2022	27,120	
5	May 2022	23,570	
6	June 2022	27,820	
7	July 2022	27,910	
8	August 2022	28,000	
9	September 2022	26,870	
10	October 2022	25,050	
11	November 2022	23,820	
12	December 2022	26,370	

Electricity Consumption for Financial Year 2022

Water

 Water			
No.	Month	M ³	Total M ³
1	January 2022	1,444	30,955
2	February 2022	1,422	
3	March 2022	2,197	
4	April 2022	1,239	
5	May 2022	1,712	
6	June 2022	1,906	
7	July 2022	4,221	
8	August 2022	1,642	
9	September 2022	1,831	
10	October 2022	3,202	
11	November 2022	5,651	
12	December 2022	4,488	

Water Consumption for Financial Year 2022

With the data collected, the Group can start coming up with an efficient resource management strategy for year 2023 onwards such as incorporating energy-saving practices and rainwater harvesting.

SUSTAINABILITY REPORT (CONTINUED)

SOCIAL

The Covid-19 Pandemic has surely left a significant impact on the social aspect of the Group's shareholders, especially in health, economics, and personal development. Therefore, MHB has taken proactive measures to address it through various programs.

Human Capital Development

The management had designed and organised several workshops to accelerate its employee's knowledge and capabilities. Among them are the topics such as change management, enterprise risk management, joint ventures, data analytics, and stress handling. To further strengthen human capital development, the management also has conducted an Organizational Culture Survey to better understand the needs of internal talents and design suitable intervention programs.



Corporate Social Responsibilities

Besides internal programs, the Group was also involved with external programs in the form of Corporate Social Responsibilities (CSR). Recognizing the prolonged effects of Covid-19 on mental and physical health, the management has organized "MHB Say-heart" (read as MHB Sihat), a health-related carnival was organized at MHB's corporate office at Bazar Ipoh that attracts participation from various private and public health agencies ranging from optometry, cardiology, psychology, physiology, and takaful service provider. The free admission carnival targeted MHB employees, Bazar Ipoh's Tenants & Visitors, and also surrounding communities.



The Group was also involved in providing support to needy families with the donation of food boxes through Yayasan Bina Upaya and festivities hamper for surrounding communities with the objective that it would help lessen the recipients' burdens.

SUSTAINABILITY REPORT (CONTINUED)

GOVERNANCE

Guided by the Malaysian Code on Corporate Governance 2017, MHB is committed to applying the principles and best practices of good corporate governance throughout the Group.

We have established effective standard operating policies and procedures, defined levels of authority, and guidelines to ensure compliance with internal controls, laws, and regulations. These policies, procedures, and guidelines are subjected to regular reviews and improvements; and have been communicated to all employees.

Group CEO Townhall

With the vision of becoming the Best GLC in Perak & Beyond, the management organised two sessions of Group CEO Townhall at the start of the business year 2022 to share lessons learned from the previous business year and to share business targets to ensure continuous improvement for the Group and a mid-year session to measure the overall performance and assign actions to meet targets.



Chief Strategy Officer Townhall

Year 2022 saw the introduction of the Corporate Strategy & Transformation department, a new function in the Group led by the Chief Strategy Officer (CSO) to better guide and spearhead the Group's business planning and strategic initiatives.

A CSO town hall was conducted in early February 2022 to familiarise all employees with the function of the new department and how business portfolio grows in the future.



SUSTAINABILITY REPORT (CONTINUED)

Introduction of Stage-Gate Process for Corporate Transactions

One of the targets for the Group in 2022 is to introduce and implement Stage-Gate Frameworks for corporate transactions to properly govern business processes and corporate decision-making.

Some of the frameworks introduced are Joint Ventures, Mergers & Acquisitions, and Divestiture processes. The introduction of these Stage-Gate processes that govern all business proposals considers Strategic, Organization, Governance, and Economic objectives.

This helps to protect value creation and, at the same time, promotes future growth for the Group.

Investor Away Day

The Investor Away Day was designed to share MHB's key business pipelines with prospective investors with a deep interest in MHB including policymakers, local government, financial institutions, and private investors.

This activity ensures that pipeline businesses can receive adequate support to ensure the smooth execution of projects.

ISO 9001:2015

It is with great pleasure for the management to announce that Majuperak Holdings Berhad, Syarikat Majuperak Berhad, and Jua Juara Sdn. Bhd. Are now officially ISO 9001:2015 certified.

This certification is a testament to how the management is serious about ensuring that the processes in the organization follow the best practices available in the market.

The certification was produced by SIRIM QAS International Sdn. Bhd.



SUSTAINABILITY REPORT (CONTINUED)

Code of Conduct and Business Ethics (COBE)

The Group is committed to conducting its business fairly, impartially, and ethically and complying with all laws and regulations. To this end, the Group has a Code of Conduct and Business Ethics (COBE) which sets standards for the employees within the Group.

COBE primarily promotes honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships at the workplace and for employees to observe applicable rules, regulations, and local laws.

In the performance of duties, the employees are expected to carry out their mandate and responsibility to the best of their ability and judgment and maintain the highest standard of integrity and conduct.

Anti-Corruption and Integrity Pledge

We are committed to creating a corporate culture to operate our businesses ethically while upholding the highest standards of professional practice at all levels of the organization. As part of our continuous commitment to create a business environment built on transparency, integrity, and corruption free.

This Integrity Pledge is a voluntary pledge to ensure the organization and its leadership as well as each of its members accountable and responsible for carrying out their duties and to deter them from engaging in any corrupt misconduct throughout their tenure.

Whistle-blowing Policy

The Group has also established the Whistle-blowing Policy. The policy encourages employees or a person or entity making a protected disclosure to raise concerns, be they internally and/or at a high level, and to disclose information where the whistle-blower believes that a form of malpractice or misconduct is being committed. This also covers concerns that are in the public interest and may be investigated at least initially, so that appropriate remedial action can be taken.

United Nations Global Compact

The Group is proud to announce the successful enrolment as a member in United Nations Global Compact (UNGC).

This enrolment is done to fully strengthen the Group's governance in Sustainability related matters.

With the membership, the Group would have access to multiple resources on sustainability and networking opportunities with other members to learn best practices and share knowledge on the latest sustainability trends and updates.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("Board") of Majuperak Holdings Berhad ("MHB" or the "Company") is committed to maintaining a sound risk management and internal control system in the Company and its subsidiaries (collectively referred to as the "Group"). The Board is pleased to present the Group's Statement on Risk Management and Internal Control for the financial year ending 31 December 2022.

This Statement is prepared pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR"), which calls for the annual report to incorporate a "statement about the state of risk management and internal control of the listed issuer as a group" and Practice 9.2 of the Malaysian Code on Corporate Governance ("MCGG") which stipulates that "the board should disclose the feature of its risk management and internal control framework, and the adequacy and effectiveness of this framework". In preparing for this Statement, the Board has taken into consideration the enumerations encapsulated in the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" (the "Guidelines"), a publication endorsed by Bursa Securities.

The scope of this Statement however does not cover associated companies and joint ventures that are not under the control of the Group.

BOARD'S RESPONSIBILITY

The Board continues to be committed to and accountable for the Group's risk management and internal control systems, which include not just financial controls but also strategic, operational, and regulatory compliance, as well as assuring the sufficiency and efficacy of these systems.

The Management is responsible for implementing these control systems. It provides regular and periodic reporting on the significant risks identified and the steps taken to reduce and/or mitigate them. The Risk Management Committee ("RMC") and the Audit Committee ("AC") are the board committees responsible for the oversight of these critical areas.

The risk management and internal control systems are created to manage risks effectively and efficiently to an acceptable level per the corporate risk appetite, to provide information for accurate reporting and decision-making, and to ensure compliance with statutory and regulatory requirements.

The Board ensures that a robust framework of continuing risk management procedures is in place for identifying, assessing, and managing key risks faced by the Group to support sustainable long-term performance for the business. These systems are primarily designed to manage and mitigate rather than eliminate the risks that have been recognized and periodically reviewed by Management.

ENTERPRISE RISK MANAGEMENT

The Enterprise Risk Management (ERM) Unit created the Enterprise Risk Management (ERM) framework to proactively identify, assess, and mitigate significant risks to an acceptable level based on a set of criteria. This framework strives to offer a coordinated and integrated strategy throughout the business, keeping with the Group's commitment to producing sustainable value. It provides an overview of the ERM approach in accordance with the Principles and Guidelines of ISO 31000:2018 Risk Management, focusing primarily on encouraging risk ownership and ongoing monitoring of significant risks identified.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

The Group’s ERM Framework is summarised below:

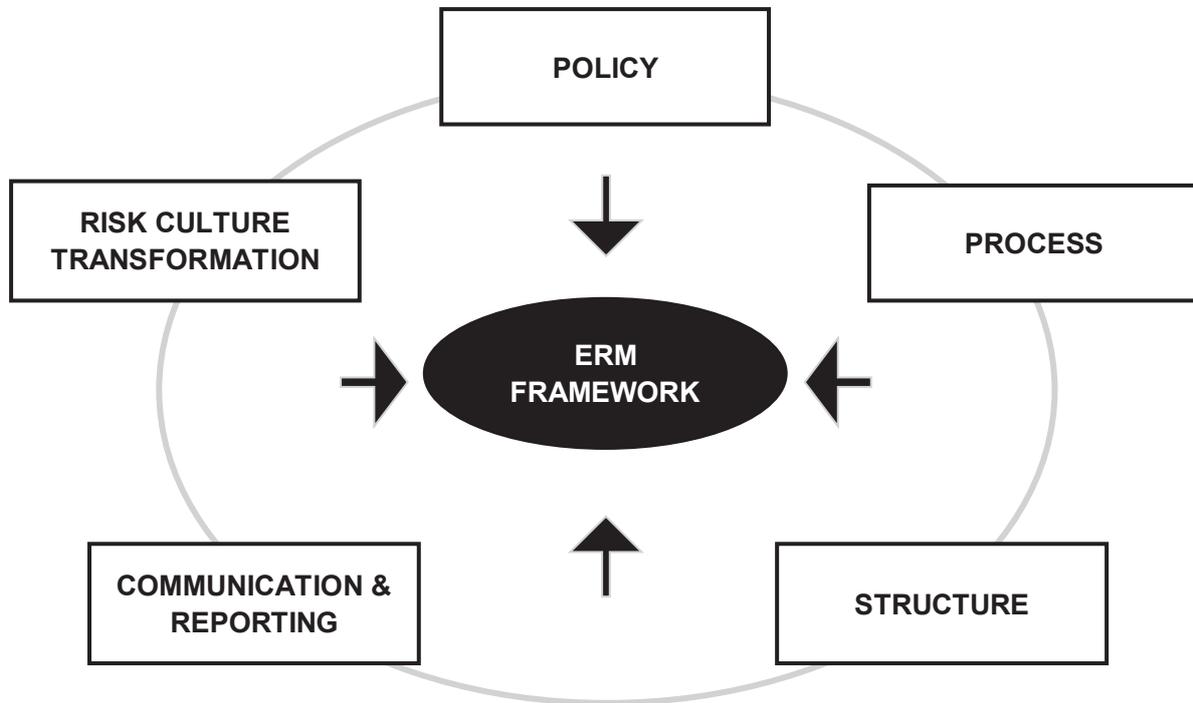


Figure 1: MHB Enterprise Risk Management Framework

RISK RESILIENCY MODEL

The Group Risk Resiliency Model is a framework that integrates three key areas of risk management: Enterprise Risk Management (ERM), Crisis Management (CM), and Business Continuity Management (BCM). The model is designed to provide organizations with a comprehensive approach to managing risks and building resilience to adverse events.

The Risk Resiliency Model emphasizes the importance of integrating ERM, CM, and BCM to build resilience to risks and adverse events. By taking a holistic approach to risk management, The Group can better understand risks, develop effective strategies to mitigate and respond to risks, and build resilience to adverse risk events. The model provides a framework to build and maintain a risk-aware culture and to continuously improve risk management practices over time.



Figure 2: Risk Resiliency Model

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

ENTERPRISE RISK MANAGEMENT OVERSIGHT

The Risk Management Committee ("RMC") and the Board are in charge of overseeing risk management. The main success factors in implementing the ERM programmes are the mandate and commitment from RMC and the Board. The strategic direction for risk policies, roles, duties, and risk reporting structure is established by the RMC and the Board. The Risk Management Working Group ("RMWG"), which keeps the RMC and the Board informed about the Group's key risk areas, the implementation of risk action plans, and the identification of emerging risks and trends are used by Management to provide monthly reports to the RMC and the Board on risk management activities.

The Chief Strategy Officer ("CSO") serves as Chair of the RMWG, which is made up of important Senior Management figures. As stated in the approved ERM Framework, the RMWG continues to oversee risks at the management level within the Group.

The following ERM Reporting Structure demonstrates the role of the Board and Management in maintaining efficient ERM communication and implementation:



Figure 3: Risk Management reporting structure

The ERM supports the RMWG by playing a significant role in ensuring that the ERM and BCM framework, programmes, continuous education, and awareness across the Group are implemented effectively. It also provides independent and objective assessments of critical risks and timely reports to the RMWG, RMC, and Board.

ENTERPRISE RISK MANAGEMENT POLICY

MHB recognizes that commitment to risk management contributes to sound management practice and increases stakeholders' confidence in the organization's performance. MHB shall apply a structured Enterprise Risk Management framework in identifying, evaluating, treating, monitoring and controlling of risk to ensure that risks are managed, eliminated, reduced, or transferred to an acceptable level.

BOARD'S RESPONSIBILITIES

1. Review management practices, policies, processes, responsibilities and actions on risk management.
2. Review and ensure that risk disclosure in the annual report is made in compliance with the provisions of Bursa's Listing Requirement.
3. Obtain annual feedback on the adequacy and effectiveness of risk management and internal control from Senior Management, internal auditors, and external auditors.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

MANAGEMENT RESPONSIBILITIES AND RISK ASSURANCE

1. Promote a culture of risk awareness among the Group's employees.
2. Educate the heads of departments and line managers on their collective assurance responsibilities to the Board.
3. Monitor and manage risk in accordance with the Group's risk appetite.
4. Reassure the Board of Directors that the Group's risk management and internal control systems are adequate and effective.
5. Provide the Board with an update on the status of risk and management actions.

The Group CEO and the senior Management are responsible for Management, Strategy, Sustainability and Financial matters, respectively, they must ensure that the above responsibilities are met while also assuring the Board as to whether the Group's risk management and internal control systems are operating adequately and effectively.

ENTERPRISE RISK MANAGEMENT INITIATIVES

The ERM Unit conducted a series of Enterprise Risk Management (ERM) In-House Training with about 150 participants, including Perbadanan Kemajuan Negeri Perak ("PKNPK"), as part of the endeavour to upscale the risk maturity in the organization. The ERM Unit also developed an ERM Syllabus as part of the training delivery process, which was used by the participants as course material and a guide to assist in the Enterprise Risk Management Process.



Figure 4: Enterprise Risk Management Level 1 In-House Training



Figure 5: Enterprise Risk Management Syllabus

The ERM team also conducted several engagements with ERM professionals at Government-Linked Corporations, Financial Institutions, and attended a Risk Management Conference to further shore up knowledge in risk management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)



Figure 6: SP Setia Visit



Figure 7: Risk Management Conference 2022

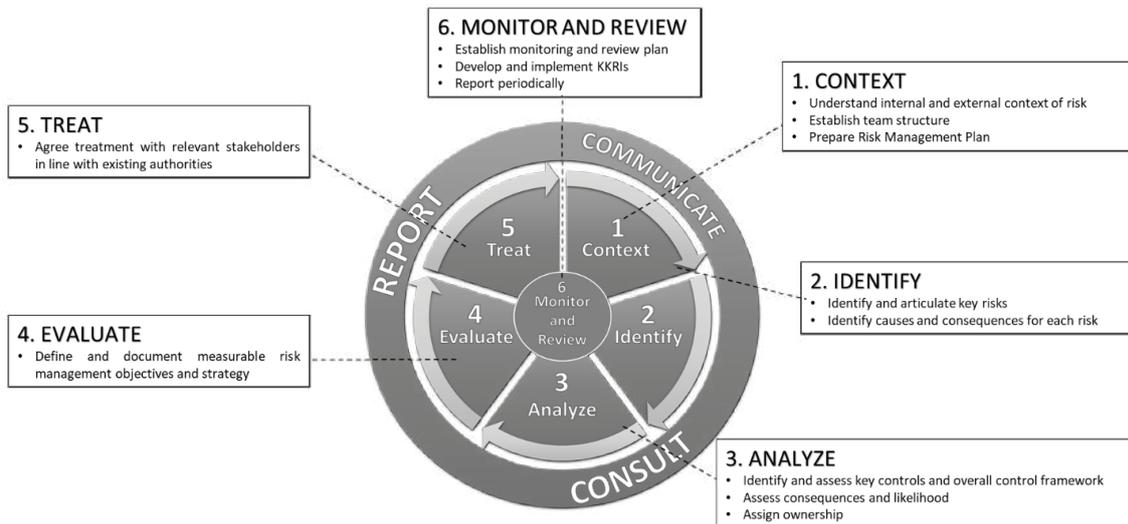


Figure 8: Enterprise Risk Management (ERM) Methodology based on ISO 31000:2018 and Committee of Sponsoring Organizations of the Treadway Commission (COSO) the UK.

INTERNAL CONTROL FRAMEWORK

The Audit Committee (“AC”) and the Board regularly review the adequacy and operating effectiveness of the Group’s internal controls, being mindful that a sound system of internal controls minimizes the risks that could hamper the Group from achieving its goals and strategic objectives.

The key elements of the Group’s internal control framework are listed below:

a) Board Meetings

The Board meets at least quarterly and has a structured agenda for discussing issues. The CEO oversees presenting board documents and providing explanations on pertinent issues. A comprehensive deliberation and discussion by the Board are required when making decisions based on Management’s recommendations. The Board is also kept up to date on the Group’s activities and operations on a regular basis.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

b) Organization Structure

To provide a quick response to changes in the evolving business environment, effective supervision of day-to-day operations, and accountability for operations performance, the Group has in place an appropriate organizational structure with clearly defined lines of responsibility and delegated authority established for directors and Management within the group. Implementation of Enterprise Risk Management (ERM) further enhances the structure to provide a better internal control for the Group.

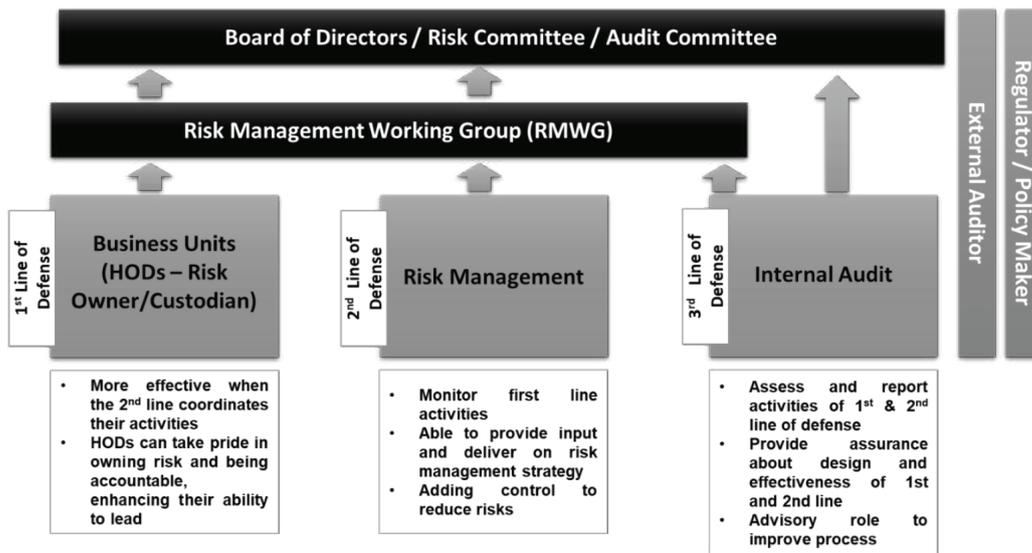


Figure 9: Structure of risk and internal control within MHB

c) Board Charter

A Board Charter is established to ensure that all Board members acting collectively on behalf of the Company are aware of their duties and responsibilities as Board members, with a focus on implementing high standards of corporate governance throughout the Group in safeguarding the interest of all stakeholders as well as enhancing shareholders' value and financial performance of the Group. Further details on the Board Charter are outlined on MHB's website.

d) Board Committees

The Board has four (4) Board Committees:

- **Audit Committee ("AC")**

The primary function of the AC is to review quarterly and annual financial statements before submission to the Board, external and internal audit plans, systems of internal controls and related party transactions as well as other responsibilities as may be agreed to by the AC and the Board.

The AC is accountable for ensuring the adequacy and integrity of the internal control system within the group, whereas the Internal Auditors provide support to the AC in carrying out its duties.

Internal Auditors follow the Internal Audit Plan approved by the AC when conducting audits for the Group. In the AC meeting, members of the AC as well as Management will then review the findings from the audit report. Further details of the AC are outlined in the Terms of Reference available on MHB's website.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

- **Nomination Committee ("NC")**

The NC is established to review the structure, size and composition of the Board and to recommend any adjustment deemed necessary to the Board. The NC are also responsible to identify and nominate suitable candidates to fill Board vacancies as and when they arise. The NC is required to conduct an assessment of the effectiveness of the Board and the contribution of each Director. Further details of the NC are outlined in the Terms of Reference available on MHB's website.

- **Remuneration Committee ("RC")**

The Remuneration Committee's primary duties include setting, reviewing and recommending to the Board for approval, the company's overall remuneration policy and strategy including for the top Management of the Company. The RC is also responsible for the top management performance review. Further details of the RC are outlined in the Terms of Reference available on MHB's website.

- **Risk Management Committee ("RMC")**

The RMC is established to assist the Board in identifying, assessing, and monitoring key business risks and recommending the risk management policies, strategies and mitigations to address risks for the Company. Further details of the RMC are outlined in the Terms of Reference available on MHB's website.

e) Integrity and Ethical Values

The Board recognizes that setting a positive tone at the top is essential to foster an ethical corporate culture that moulds the Company's values and serves as the foundation for the sustainable growth of the business. The Board recognizes that ethical leadership has become even more critical with the implementation of corporate liability provisions [vide the Malaysian Anti-Corruption Commission (Amendment) Act 2018] on June 1, 2020, which places the onus on Directors and Management to proactively avert corrupt practices through the establishment of adequate procedures and due diligence.

The Group will continue to strengthen its ethical framework, considering the reform measure introduced by the corporate liability provision and the accompanying Guidelines on Adequate Procedures released by the National Centre for Governance, Integrity and Anti-Corruption, which is currently comprised of the following key components.

- **Code of Business Conducts and Ethics (the "COBE")**

The Group is dedicated to conducting business in a fair, impartial, and ethical manner while adhering to all applicable laws and regulations. To that purpose, the Group maintains a Code of Business Conducts and Ethics (the "COBE") that establishes standards for its personnel. The COBE encourages employees to operate honestly and ethically in the workplace, including the ethical treatment of actual or apparent conflicts of interest between personal and professional relationships, as well as adherence to applicable rules, regulations, and local laws. Employees are expected to carry out their mandate and obligation to the best of their abilities and judgement while maintaining the highest level of integrity and conduct while doing their tasks. The COBE document is made available on MHB's website.

- **Whistleblowing Policy and Procedures**

The Whistleblowing Policy has also been created by the Group. Employees or a person or entity making a protected disclosure ("Whistle-blower") are encouraged to voice concerns, whether

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

internally or at a high level, and to reveal information if the Whistle-blower feels malpractice or misconduct is occurring. This includes public-interest concerns that may be investigated, at least in the beginning, so that appropriate corrective actions can be implemented.

The Whistle-blower Policy also includes provisions that protect the whistle-blower's confidentiality and ensure that the whistle-blower will not face reprisal if he or she acted in good faith.

Complaints or reports should be submitted to the Group CEO. Furthermore, if the whistleblower believes that the Group would be better served if the report was directed to higher levels of Management, the complaint or report might be directed directly to the Chairman of the AC. The Whistleblowing Policy and Procedures document is made available on MHB's website.

- **Anti-Bribery and Corruption Policy**

Through the adoption of the Anti-Bribery and Corruption Policy ("the Policy"), the Board has taken steps to direct the establishment of adequate procedures to prevent the commission of corrupt acts by anyone associated with the Group. The Policy, amongst others, covers areas pertaining to gifts, donations and sponsorships; support letters; facilitation payments; conflict of interest; and sanctions for non-compliance.

The Policy is based on a supply-chain-wide perspective, which includes third parties such as agents, suppliers, and vendors, as well as contractors, subcontractors, and distributors. The Anti-Bribery and Corruption Policy document is made available on MHB's website.

f) Stage-Gate Processes

The Group had also set in place the Stage-Gate processes, as a means for Governance Enhancement. With a proper governance framework for corporate transactions (joint ventures, mergers and acquisitions and divestitures) in place, the organization can better mitigate many risks, e.g., finance and economics, governance, strategy, organization, and reputation.

The Group has developed three different frameworks to safeguard MHB from potential risks:

- Joint Venture Stage-Gate Process
- Mergers and Acquisitions Stage-Gate Process
- Divestiture Stage-Gate Process

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

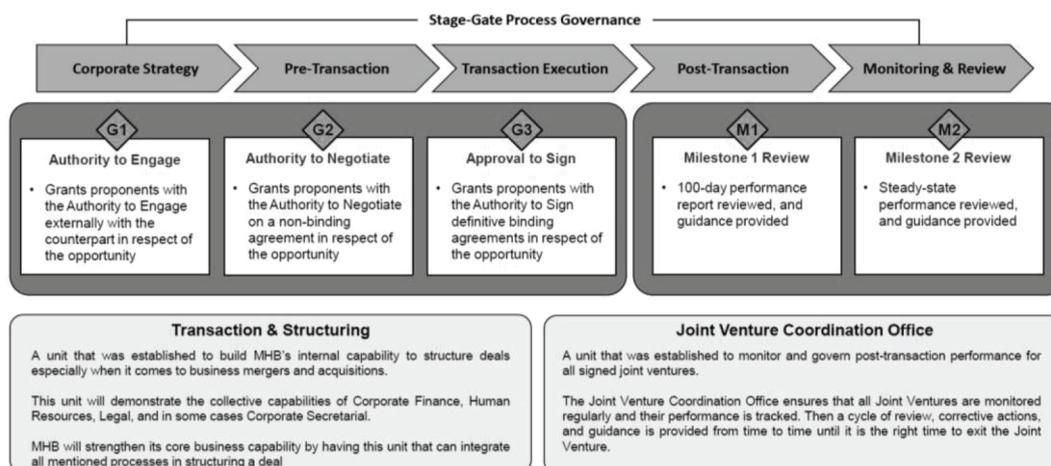


Figure 6 :Stage -Gate Process Governance

Two new units were established to assist the proponents for any given projects: the Transaction & Structuring Unit and the Joint Venture Coordination Office to ensure the effectiveness of the frameworks.

g) Limits of Authority ("LOA")

Through relevant terms of reference, organizational structures, and appropriate authority limits, including matters requiring the Board's approval, clearly defined and documented lines and limits of authority, responsibility, and accountability have been established in the Company. The LOA outlines and empowers individuals or groups of persons in making decisions on behalf of the companies under MHB and will not change, compromise, or diminish any powers to individual directors or principal officers as stipulated by the prevailing laws, enactments and regulations.

h) Planning, Monitoring and Reporting

The following internal control processes have been deployed by the Group:

- **Documented Policies and Procedures**

Internal policies and procedures, which are laid out in a series of clearly documented standard operating manuals that cover the majority of the Group's operations, are kept up to date and reviewed as needed.

- **Management Financial Report**

Quarterly financial and performance reports are submitted to the Board for review, which include explanations and management actions taken for improvement of results. Regular visits to the subsidiaries by the members of the Management are conducted as and when necessary to monitor and assess the Group's performance and control.

- **Strategic Business Planning and Budget Exercise**

Annual business planning and budgeting along with Key Performance Indicators setting are carried out to establish plans and targets where performance can be continuously monitored. The exercise is undertaken annually to establish plans and targets for which performance is monitored on an ongoing basis to allow for appropriate responses and actions to be taken. The annual business plan and budget are presented to the Board for approval.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

- **Quality Control**

The Group takes continuous efforts in maintaining the quality of its products and services. Appointment of a Quality Management Representative and a team of Certified Internal Quality Auditors ("IQA") among employees from different segments of operation. The IQA has been trained and certified to conduct an internal quality audit by looking into different segmentations available in the Company and is projected to maintain a high standard of quality.

- **ISO 9001:2015 Quality Management System Accreditation**

The Group has obtained ISO 9001:2015 accreditation, i.e., an international standard that specifies requirements for a quality management system by Standard and Industrial Research Institute of Malaysia (SIRIM) under the three (3) different scopes, namely:

1. Majuperak Holdings Berhad (MHB): Provision of Corporate Management Services for Property Development under Syarikat Majuperak Berhad and Jua Juara Sdn. Bhd.
2. Syarikat Majuperak Berhad (SMPB): Development of Residential Property
3. Jua Juara Sdn. Bhd. (JJSB) : Residential Property Development for Joint Venture Project

Accreditation plays a vital role in securing higher-income projects and high-quality partnerships for the company.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with the Audit and Assurance Practice Guides ("AAPG") 3, Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. Based on the review, the external auditors have reported to the Board that nothing has come to the attention that causes them to believe that this Statement is inconsistent with their understanding of the process that the Board has adopted in the review of the adequacy and integrity of the internal controls of the Group. AAPG 3 does not require the external auditors to, and they did not consider whether this Statement covers all risks and controls, or to form an opinion on the effectiveness of the Group's risk and control procedure.

This Statement on Risk Management and Internal Control was reviewed and approved by the Board of Directors on 6 April 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) recognizes the importance of good corporate governance and is committed to upholding the value of good corporate governance practiced throughout the Company and its subsidiaries (“the Group”) by continuously advocating transparency, accountability, integrity, and responsibility with the ultimate objective to protect and enhance long term shareholders’ values and the financial performance of the Group.

As required under the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), this Corporate Governance Overview Statement reports on how the Company has applied the Principles and Practices to the extent of compliance with the recommendations of good corporate governance as set out in the Malaysian Code on Corporate Governance (“MCCG”) throughout the financial year ended 31 December 2022 (“the Year” or “2022”). This statement is to be read together with Corporate Governance Report 2022 based on a prescribed format as outlined in Paragraph 15.25(2) of the Listing Requirements, which can be downloaded from MHB’s website at www.majuperak.com.my or from Bursa Securities’ website.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Charter

The Company has formalised a Board Charter which clearly set out the composition, roles, and responsibilities of the Board and Board committees and the processes and procedures for convening their meetings. The Board Charter serves as a reference providing prospective and existing members of the Board and management insight into the fiduciary duties of directors.

In promoting good governance practices and to enhance transparency and accountability, the Board has established and put in place the following policies and procedures, full details of which will be made available on the Company’s website:

- Code of Conduct and Ethics
- Whistleblowing Policy and Procedures
- Anti-Bribery and Corruption Policy
- Fit and Proper Policy (approved on 28 June 2022)
- Gender Diversity Policy (approved on 30 December 2022)

The Board reviews the Board Charter on a regular basis to ensure it is up to date with the changes in Bursa Securities Berhad Listing Requirements, other relevant regulations and best practices and ensure its effectiveness and relevance to Board’s objectives. The Board Charter is available at the Company’s website at www.majuperak.com.my.

Principal Roles

The Company is led by an experienced and dynamic Board. The Directors together as a team set values and standards of the Company and ensure that the Group’s business is properly managed to safeguard the Group’s assets and shareholders’ interests. The Board assumes full responsibility for the oversight and overall management of the Company.

Roles and Responsibilities

The Board’s principal focus is the overall strategic direction, development, and control of the Group. In support of this focus, the Board maps out and reviews the Group’s medium and long-term strategic plans on a basis, so as to align the Group’s business directions and goals with the prevailing economic and market conditions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

The Board considers all aspects of the operations of the Group and particularly in the following areas:

- Reviewing the management's performance and ensuring that necessary financial and human resources are available to meet the Group's objectives;
- Overseeing the conduct of the business of the Group;
- Reviewing the yearly and quarterly financial results;
- Succession planning for senior management;
- Identifying and putting in place systems to manage any principal risk; and
- Reviewing the adequacy and integrity of the management information and internal control system.

Management manages the day-to-day operations in accordance with a Limit of Authority with clearly defined authority limits for capital expenditure, operating expenditure, contract awards, safeguarding of assets, business decision activities, segregation of duties, and other significant transactions, among others. Defined authority limits continue to be closely monitored in response to prevailing market conditions.

Separation of Chairman and Group Chief Executive Officer

The role of the Executive Chairman, Datuk Redza Rafiq bin Abdul Razak and the Group Chief Executive Officer, Encik Nizran bin Noordin which was then succeeded by Encik Syed Agil bin Syed Hashim are separated with clear distinctions of responsibility between them. The role of the Chairman is to focus on governance and compliance and ensure the smooth and effective functioning of the Board. His duties include providing leadership for the Board, ensuring the Board carries out its responsibilities in the best interest of the Company and that all the key issues are discussed in a timely manner. The Chairman is also tasked with facilitating active discussion and participation by all Directors and ensuring that sufficient time is allocated to discuss all relevant issues at the Board meetings. Whereas the Group Chief Executive Officer serves as the conduit between the Board and the Management in ensuring the success of the Group's governance and management function. The Group Chief Executive Officer has the responsibility for the day-to-day running of the business and implementation of Board's policies, strategies, and decisions adopted by the Board.

Board Meetings

The Board meets on a quarterly basis and additional meetings were convened and held when specific urgent or important matters are required to be considered and decided between the scheduled meetings. During the financial year, the Board met fifteen (15) times including 3 adjourned meetings i.e. 14 January 2022, 27 January 2022, 28 February 2022, 14 March 2022, 22 March 2022, 26 April 2022, 28 April 2022 (adjourned meeting), 20 May 2022, 28 May 2022, 01 June 2022, 03 June 2022, 28 June 2022 (adjourned meeting), 23 August 2022, 29 November 2022, and 08 December 2022 (adjourned meeting) where the Board deliberated and considered a variety of matters including the Group's financial results, budget and strategy, the Group's regularization plan, corporate proposals and strategic issues that affect the Group's business operations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

All the Directors have complied with the minimum attendance at Board Meetings as stipulated by Bursa Securities during the financial year and details as below:

Name of Directors	No. of Meetings Attended
Datuk Redza Rafiq bin Abdul Razak	15/15
Nizran bin Noordin (Resigned on 31 October 2022)	13/13
Lim Tian Huat	12/15
Ahmad Najmi bin Kamaruzaman	15/15
Dato' Tun Hisan bin Dato' Tun Hamzah	15/15
Datuk Abu Bakar bin Hassan	15/15
Dato' Mohd Azmi bin Othman	14/15
Dato' Aminuddin bin Md Hanafiah	12/15
Norazali bin Nordin	14/15

Access to Information and Advice

The Board had unrestricted access to timely and accurate information, necessary in the furtherance of their duties. In carrying out their duties, the Directors have complete access to all staff for information pertaining to the Group's affairs. The Directors have full access and dedicated support services of the Company Secretaries, Independent Professional Advisers, and Internal/External Auditors in appropriate circumstances at the Company's expense, if required to ensure effective functioning of the Board. The Directors may also interact directly with, or request further explanation, information, and updates on any aspect of the Company's operations or business concerns from the Management.

The Board and Board Committees meetings are planned in advance prior to the commencement of a new calendar year and the schedule is circulated to the Directors and Committee members well in advance to enable them to plan ahead. Board members are given at least seven (7) days notice before any Board meeting is held. The agenda for each Board meeting and papers relating to the matters to be deliberated at the meeting are forwarded to all Directors at least five (5) days before the Board meeting. The Board papers are comprehensive covering agenda items to facilitate informed decision-making. In between Board meetings, approvals on matters requiring the sanction of the Board are sought by way of circular resolutions enclosing all relevant information to enable the Board to make informed decisions. All circular resolutions approved by the Board will be tabled for notation at the next Board meeting.

The Board also peruses the decisions deliberated by Board Committees through minutes of these Committees. The Chairman of the respective Board Committees is responsible to inform the Directors at Board meetings of any salient matters noted by the Committees and which require the Board's notice or direction. All proceedings of Board meetings are minuted and signed by the Chairman of the meeting in accordance with the provisions of the Companies Act, 2016.

The Directors are notified of any corporate announcements released to Bursa Securities. They are also notified of the impending restriction in dealing with the securities of the Company at least thirty (30) days prior to the targeted released date of the quarterly financial results announcement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

Board Composition

The Group is helmed by an effective and experienced Board comprising individuals of caliber and credibility from diverse professional backgrounds with a wealth of experience, skills, and expertise which are crucial for the Board to function effectively.

The Board has nine (9) members, two (2) Executive Directors, one (1) Non-Independent Non-Executive Director, and a strong presence of six (6) Independent Non-Executive Directors. The presence of a majority of Independent Non-Executive Directors provides an effective check and balance in the functioning of the Board which is in compliance with paragraph 15.02 of Bursa Securities Listing Requirements. The Independent Directors which make up more than half of the Board play a crucial role in the exercise of independent assessment and objective participation in Board deliberations and decision-making process.

During the Year, there was a change to the composition of the Board where Encik Nizran bin Noordin ceased to be the Executive Director cum Group Chief Executive Director as his service of contract expired on 31 October 2022. However, after the Year, there were also changes to the composition of the Board where Datuk Dr. Wan Norashikin binti Wan Noordin and Encik Khairuddin bin Mohamed Azahari have been appointed as Independent Non-Executive Directors on 13 March 2023. Accordingly, the composition of the Board consists of ten (10) members.

The Company has also complied with Practice 1.4 of the MCCG 2021 where the Chairman of the Board shall not be a member of the Board Committees. Bearing this in mind, the Board would ensure that the Executive Chairman will not be invited to the Board Committees' meetings.

The Board is of the view that the composition is well balanced, representing both the majority and minority shareholders' interests and complies with the Listing Requirements whereby the majority of the Board comprises of Independent Directors. The Independent Directors provide the Board with professional judgement, experience, and objectivity without being subordinated to operational considerations. In addition, they also ensure that the interests of all shareholders, and not only the interest of a particular fraction or group, are taken into account by the Board in its decision-making process.

The Board Charter provides that the Board should consist of qualified individuals with diverse experiences, backgrounds, and perspectives. The Constitution of the Company provides a minimum of two (2) and a maximum of eleven (11) Directors. The composition and size of the Board should be such that it facilitates the making of informed and critical decisions without limiting the level of individual participation, involvement, and effectiveness.

The Board believes that the Board composition provides the appropriate balance in terms of skills, knowledge, and experience in the fields of developer operations, finance and accounting, business management, risk management, and general experience in management. This combination of different professions and skills working together enables the Board to promote the interests of all shareholders and to govern our Group effectively.

With regard to gender diversity in the Board's composition, during the Year none of the directors is a woman. However, the Board has taken initiatives to formalize targets and measures on the aspect of gender diversity in the Board's composition. Subsequently, with the recommendation of the Nomination Committee, the Board has approved the appointment of Datuk Wan Norashikin binti Wan Nordin as a director with effect from 13 March 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

Appointment to the Board and Re-election of Directors

In accordance with the Company's Constitution, all directors who were appointed by the Board are subject to re-election at the first opportunity after their appointment and at least one-third of the remaining directors are subject to re-election by rotation at each Annual General Meeting. The Constitution also provides that all directors shall retire at least once every three (3) years.

During the Year, the Board has adopted the Fit and Proper Policy for the appointment and re-election of Directors as required by the Main Market Listing Requirements of Bursa Securities, with the aim of strengthening board independence, quality, and diversity.

The proposed appointment of new Board members as well as the proposed re-election/re-appointment of existing Directors who are seeking re-election/re-appointment at the Annual General Meeting are first considered and evaluated by the Nomination Committee with the new criteria specified in the Fit and Proper Policy. For the purpose of determining the eligibility of the Directors to stand for re-election at the Annual General Meeting, the Nomination Committee also conducted an annual review of the performance of the Board to ensure that it is continuously effective.

The review conducted via a set of questionnaires to assist the reviewer in his assessment is spread over the following three (3) key areas:

- The performance and contribution of each of the Directors based on their self and peer assessment results of the Board Effective Evaluation;
- The assessment of the individual Director's level of contribution to the Board through each of their skills, experience, and strength in qualities; and
- The level of independence demonstrated by each of the Non-Executive Directors and his ability to act in the best interest of the Company in decision making, to ensure that the Non-Executive Directors were independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interest of the Company.

Upon its evaluation, the Nomination Committee will make recommendations on the proposal(s) to the Board for approval, taking into account the Director's attendance at meetings, participation, contribution, and time commitment. The Board makes the final decision on the proposed appointment or re-election/re-appointment to be presented to shareholders for approval.

Tenure of Independent Directors

The Board does not have term limits for Independent Directors. However, in line with the recommendation of the Code, the Company follows the guidelines which provide a limit of a cumulative term of nine (9) years on the tenure of the independent directors unless extended by shareholders. None of the existing Independent Directors has exceeded the cumulative term of nine (9) years tenure.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

Directors' Training and Development

The Board acknowledges the importance of continuous education and training broaden one's perspective and to keep abreast with the current and future developments in the industry and global markets, regulatory updates as well as management strategies to enhance the Board's skills and knowledge in discharging their duties. An orientation program is initiated for newly appointed Directors who have attended the Mandatory Accreditation Programs prescribed by Bursa Securities.

All Directors attended at least one training/seminar during the financial year ended 31 December 2022. The details are as follows:

Directors	Programs	Date
Datuk Redza Rafiq bin Abdul Razak	Bengkel Pemurnian Dokumen Pelan Perak Sejahtera 2030 Siri 2	20 - 22 February 2022
	Bengkel Hala Tuju Industri Mineral Negeri Perak	12 & 14 August 2022
	Perak Sejahtera 2030 Convention – State Leadership Summit with Industry Player	24 August 2022
	Panel Penilai Geran Penerbitan Ilmiah Perak Sejahtera 2030	30 November 2022
Nizran bin Noordin (Resigned on 31 October 2022)	Enterprise Risk Management	30 June 2022
	Assessment of the Board, Board Committees & Individual Directors by Malaysian Institute of Corporate Governance	29 March 2022
	Related Party Transactions & Conflict of Interest: Implications to the Board, Audit Committee, Management & Auditors	25 July 2022
Lim Tian Huat	Pathway for Tax Agent License – A Comprehensive Guidance	10 February 2022
	MIA Conference 2022	8 - 9 June 2022
	Environment, Social and Governance (“ESG”) and Climate Risk Impacts on the Insurance Industry	23 August 2022
	Khazanah Megatrend Forum	3 - 4 October 2022
Ahmad Najmi bin Kamaruzaman	Directors's Behaviour and Boardroom Dynamics by MAICSA	14 November 2022

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

Dato' Tun Hisan bin Dato' Tun Hamzah	The True & Lasting Path to Political Change in Malaysia	22 May 2022
	An Overview of Malaysia Employment (Amendment) Act 2022	24 May 2022
	Enterprise Risk Management	15 June 2022
	Accessing Organizational Culture	22 June 2022
	Mergers & Acquisitions: Getting it Right & Making it Work	21 July 2022
	Action2Profits Investment	10 December 2022
Datuk Abu Bakar bin Hassan	Directors's Behaviour and Boardroom Dynamics by MAICSA	14 November 2022
Dato' Mohd Azmi bin Othman	Directors's Behaviour and Boardroom Dynamics by MAICSA	14 November 2022
Dato' Aminuddin bin Md Hanafiah	Strategic Onboarding for Board of Directors	4 July 2022
Norazali bin Nordin	Corporate Governance & Remuneration Practises for the ESG World	14 September 2022

BOARD COMMITTEES

Audit Committee

The Audit Committee of the Company comprises of majority Independent Non-Executive Directors as follows:

1. Lim Tian Huat – Chairman
Senior Independent, Non-Executive Director
2. Ahmad Najmi bin Kamaruzaman
Independent, Non-Executive Director
3. Datuk Abu Bakar bin Hassan
Independent, Non-Executive Director
4. Dato' Tun Hisan bin Dato' Tun Hamzah
Independent, Non-Executive Director
5. Dato' Mohd Azmi bin Othman
Non-Independent, Non-Executive Director

A full report of the Audit Committee with details of its membership and a summary of work performed during the financial year are set out in the Audit Committee Report of this annual report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

Nomination Committee

The Nomination Committee of the Company comprises entirely of Non-Executive Directors, as follows:-

1. Ahmad Najmi bin Kamaruzaman – Chairman
Independent, Non-Executive Director
2. Datuk Abu Bakar bin Hassan
Independent, Non-Executive Director
3. Norazali bin Nordin
Independent, Non-Executive Director

The role of the Nomination Committee is set out in its terms of reference and available for reference on the Company's website at www.majuperak.com.my.

The Nomination Committee meets at least once in a financial year and wherever required. The Nomination Committee met five (5) times during the financial year i.e., 27 January 2022, 04 April 2022, 26 May 2022, 28 June 2022, and 22 August 2022 to undertake the following activities:

- nominated the appointment of C-Suite Management Officer;
- reviewed the annual assessment of the effectiveness, composition, and balance of the Board as well as the effectiveness of the Committees and contribution of each individual director using the following criteria:
 - a. Audit Committee, Remuneration Committee & Risk Management Committee
 - i. Quality and Composition;
 - ii. Skills and Competencies; and
 - iii. Meeting Administration and Conduct
 - b. Board of Directors
 - i. Board Structure;
 - ii. Board Operations; and
 - iii. Board Roles and Responsibilities
- reviewed the retirement of directors by rotation for re-election, and assess and recommend to the Board their eligibility for re-election and re-appointment;
- reviewed the terms of office and performance of the Audit Committee and each of its members annually;
- assessed the independence of the Independent Directors by completing a form of declaration of independence to facilitate the assessment process as to ensure the Independent Directors were independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or ability to act in the best interest of the Company. The Nomination Committee concluded that all the Independent Directors satisfied the independence test and met all requirements to be Independent Directors under the Main Market Listing Requirement of Bursa Securities and were able to discharge their responsibilities as Independent Directors;
- reviewed the trainings and seminars attended by the directors and evaluate the continuing education programmes and training needs for individual directors;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

- discussed and proposed to the Board the successor planning of the Chief Financial Officer and Group Chief Executive Officer upon the expiry of their respective service contract on 26 August 2022 and 31 October 2022 respectively and to plan a smooth transition arrangement for the Chief Financial Officer and Group Chief Executive Officer;
- Reviewed the draft Fit and Proper Policy and Gender Diversity Policy for Board's approval; and
- Recommended the appointment of Dato' Aminuddin bin Md Hanafiah as a member of the Risk Management Committee in place of Encik Nizran bin Noordin who has ceased to be a member of the RMC upon his expiry of his contract as Executive Director.

The Director who is subject to re-election and/or re-appointment at the next Annual General Meeting is assessed by the Nomination Committee before a recommendation is made to the Board and shareholders for the re-election and/or re-appointment. Appropriate assessment and recommendation by the Nomination Committee are based on the yearly assessment conducted.

The Nomination Committee, having conducted an annual assessment of the Board and its individual members, the Audit Committee and its members, and the Nomination Committee was satisfied with the current board size and the effectiveness of the Board/Board Committees in discharging their roles and responsibilities through attendance at their respective meetings, performance and contribution, attributes, capabilities and qualifications considered necessary or desirable for service and demonstration of independence, integrity and impartiality in decision-making. Thus, no recommendation on the change of composition of the Board is made. The Board is also of the opinion that the Nomination Committee has effectively and efficiently discharged its roles and responsibilities with respect to its nomination and remuneration functions as listed in the Terms of Reference of the Nomination Committee. The assessment and evaluation were properly documented.

Remuneration Committee

The Remuneration Committee comprises entirely of Non-Executive Directors as follows: -

1. Datuk Abu Bakar bin Hassan – Chairman
Independent, Non-Executive Director
2. Lim Tian Huat
Senior Independent, Non-Executive Director
3. Dato' Tun Hisan bin Dato' Tun Hamzah
Independent, Non-Executive Director

The Remuneration Committee is responsible for recommending the remuneration package for all Directors. The individual Directors play no part in deciding their own remuneration. The Remuneration Committee reviews the remuneration package, terms of employment, benefits, and reward structure of the Executive Directors, the Managing Director and/or Group Chief Executive Officer and other Senior Management, reviewed the fees and benefits payable to Non-Executive Directors and makes the necessary recommendations for the decision of the Board. Meetings of the Remuneration Committee are held as and when necessary, at least once a year. The Remuneration Committee met four (4) times during the year i.e. 04 April 2022, 26 May 2022, 28 June 2022, and 22 August 2022.

Directors' Remuneration

The Company rewards its employees and the Directors both Executive and Non-Executive with options under ESOS. All Directors are paid Directors' fees as approved by the shareholders at the Annual General Meeting based on the recommendation of the Board. The determination of the level of fees of the Non-Executive Directors is a matter decided by the Board as a whole to ensure that it is sufficient to attract and retain the services of the Non-Executive Directors which are vital to the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

The Remuneration Committee also recommends to the Board the remuneration packages of Executive Chairman, Group Managing Director (if any) and/or Group Chief Executive Officer and it is the responsibility of the Board to approve the remuneration packages of Executive Director. In evaluating the Group Chief Executive Officer's remuneration, the Remuneration Committee takes into account the Group's financial performance and performance on a range of non-financial factors which reflects the level of risk, responsibility as well as the performance of the Company and the industry norm.

The remuneration of the Directors of the Company served during the financial year ended 31 December 2022 is as follows:

Group/Company Name of Directors	Fees (RM)	@ Salary (RM)	Other Emoluments (RM)	Benefit-in- kind (RM)	Total (RM)
Datuk Redza Rafiq bin Abdul Razak (Executive Chairman)	55,000*	501,948.60	-	-	556,948.60
Nizran bin Noordin (Resigned as Director/Group Chief Executive Officer on 31 October 2022)	40,000*	418,290.50	-	-	458,290.50
Lim Tian Huat	48,000	-	-	-	48,000
Ahmad Najmi bin Kamaruzaman	48,000	-	-	-	48,000
Dato' Tun Hisan bin Dato' Tun Hamzah	48,000	-	-	-	48,000
Datuk Abu Bakar bin Hassan	48,000	-	-	-	48,000
Dato' Mohd Azmi bin Othman	48,000	-	-	-	48,000
Dato' Aminuddin bin Md Hanafiah	48,000	-	-	-	48,000
Norazali bin Nordin	48,000	-	-	-	48,000

* If approved by the shareholders at the forthcoming AGM, this amount is payable to the holding company, Perbadanan Kemajuan Negeri Perak (PKNPk) in view that the individual is a nominee director of PKNPk.

@ Basic salary plus EPF/SOCSSO employer's contribution.

The disclosure of Directors' remuneration is made in accordance with the MCCG.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

Key Senior Management's Remuneration

The Board took cognizance of the disclosure requirements under MCCG on the Key Senior Management's remuneration. The remuneration component includes salary, bonus, benefits-in-kind, and other emoluments of the current key senior management of the Company within the bands of RM50,000 for the financial year ended 31 December 2022.

The profiles of the Key Senior Management are disclosed in this Annual Report. Key Senior Management are those primarily responsible for managing the business operations and corporate divisions of the Group. The Board, after consideration, decided not to disclose on a named basis the top six Key Senior Management's remuneration in bands of RM50,000 in order to allay valid concerns of intrusion on staff confidentiality as well as maintaining the Company's ability to retain talented senior management in view of the competitive employment environment, in particular of the Group's property development business. The non-disclosure on the named basis of the remuneration of the top senior management will not significantly affect the understanding and evaluation of the Group's governance and will ensure the confidentiality of the remuneration of the top senior management.

Employees' Share Option Scheme ("ESOS") Committee

An ESOS was duly implemented with effect from 6 March 2020 pursuant to Paragraph 6.43 of the Bursa Securities Listing Requirement. The ESOS Committee was established and appointed by the Board to oversee the administration as well as to ensure proper implementation of ESOS according to the By-Laws of ESOS. The Company's Employees' Share Option Scheme ("the Scheme") would be in force for a period of five (5) years from the date of implementation with an option to extend for another period of up to a total of five years unless being terminated by the Board.

The ESOS Committee had made the offer and the details of the vesting of options under the ESOS are set out in this Annual Report.

The Committee Members comprise the following:

1. Norazali bin Nordin
Chairman, Independent Non-Executive Director
2. Syed Agil bin Syed Hashim
Member, Group Chief Executive Officer
3. Ahmad Izral bin Abdul Karim
Member, Chief Financial Officer
4. Haryanni binti Harun
Member, Head of People Management and Shared Services

Corporate Integrity

The Board has formalised and adopted the Code of Ethics of Directors ("the Code"), which is based on the core principles of integrity, transparency, accountability, and corporate social responsibility. The Code enables the Board and each Director to focus on areas of ethical risk, provides guidance to Directors to help them recognise and deal with ethical issues, provides mechanisms to report unethical conduct, and helps foster a culture of honesty and accountability. It also serves as an avenue for any Director to channel any suspected violations of the Code to the Chairman of the Audit Committee. Investigation will be carried out by the Board and appropriate action will be taken in the event of any violations of the Code.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

Besides, the Group also adopted a Code of Conduct which sets standards for the employees within the Group to promote honest and ethical conduct, including the ethical handling of actual or apparent conflict of interest between personal and professional relationships in the workplace and to observe applicable rules, regulations and local laws.

The Board and all employees are committed to observing the highest standards of personal and corporate integrity when dealing within the Group and with external parties.

In addition to the above, the Company's Whistle Blower Policy ("the Policy") aims to maintain the highest level of corporate ethics within the Group. All employees of the Group have a professional responsibility to disclose any known malpractices or wrongdoings. The Board has the overall responsibility for overseeing the implementation of the Policy, and all whistleblowing reports are addressed to the Chairman of the Audit Committee (for matters relating to financial reporting, unethical or illegal conduct), and the Group Chief Executive Officer or Head of People Management & Shared Services Department (for employment-related concerns).

The Code of Ethics of Directors, Code of Conduct and Whistle Blower Policy can be found on the Company's website at www.majupera.com.my

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

The Group has delegated certain responsibilities to the Board Committees which operate within defined terms of reference approved by the Board to assist the Board in discharging its fiduciary duties and responsibilities. The Board Committees include the Audit Committee, Risk Management Committee, Nomination Committee, and Remuneration Committee.

The Board Committees exercise transparency and full disclosure in their proceedings. Where necessary, issues deliberated by the Board Committees are presented to the Board with the appropriate recommendations. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

Audit Committee

The Audit Committee assists the Board in its oversight of the Company's financial statements and reporting in fulfilling its fiduciary responsibilities relating to internal controls, financial and accounting records and policies as well as financial reporting practices of the Group. The Chairman of the Audit Committee is not the Chairman of the Board. The Audit Committee conducts a review of the Internal Audit Function in terms of its authority, resources, and scope as defined in the Internal Audit Charter adopted by the Group.

Relationship with Auditors

The Company, through its Audit Committee, has established a transparent and appropriate relationship with the Company's auditors, both internal and external. It is the policy of the Audit Committee to meet the external auditors to discuss their audit plan, audit findings, and financial statements.

The Group has an in-house Internal Audit Unit that assists the Audit Committee in the discharge of its duties and responsibilities. The Internal Audit Unit function includes evaluation of the processes by which significant risks are identified, assessed and managed. The audits are carried out to ensure instituted controls are appropriate, effectively applied and within acceptable risk exposures and consistent with the Group's risk management policy. The Internal Audit Unit reports directly to the Audit Committee and audit findings and recommendations are communicated to the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

Risk Management Committee

The members are as follows:

1. Dato' Tun Hisan bin Dato' Tun Hamzah (Chairman)
Independent Non-Executive Director
2. Ahmad Najmi bin Kamaruzaman
Independent Non-Executive Director
3. Dato' Aminuddin bin Md Hanafiah
Independent Non-Executive Director
(Appointed as Risk Management Committee member on 8 December 2022)

The ultimate responsibility for ensuring a sound and effective internal control framework lies with the Board. The Board sets policies and procedures for internal control and oversees that the implementation of the internal control system is properly carried out by the Management to safeguard shareholders' investments and the Company's assets. The oversight of the Group and Company's risk management framework and policies is also embedded in the AC Charter.

The Board acknowledges that while the internal control system is devised to cater to the particular needs of the Group and risk management, such controls by their nature can only provide reasonable assurance against material misstatements or loss.

During the Year, the Risk Management Committee: -

- reviewed risk management's resource requirements, scope, adequacy, and activities;
- reviewed the Group's strategic risks and provide feedback to Management on risks mitigation strategies and improvement on a quarterly basis; and
- reviewed the Group's divisional risk report and provision of feedback on the mitigation strategies and improvement on a quarterly basis.

The Board also acknowledges its overall responsibility in maintaining an internal control system that provides reasonable assurance of effective and efficient operations, compliance with laws and regulations, as well as internal procedures and guidelines. However, the Group's system of internal control is designed to manage and not eliminate the risk of failure to achieve the Group's objectives, hence the internal control system can only provide reasonable and not absolute assurance against the risk of material errors, fraud or loss.

Further details of the Group and Company risk management and internal controls framework are as set out in the Statement on Risk Management and Internal Control in this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANING FULL RELATIONSHIP WITH STAKEHOLDER

Communication with Shareholders

The Board is committed to providing shareholders and investors with accurate, useful, and timely information about the Company, its business, and its activities. The Company has regularly communicated with shareholders and investors in conformity with the disclosure requirements.

The Company's Annual General Meeting remains the principal forum for dialogue and interaction with shareholders and provides an opportunity for the shareholders to seek and clarify any issues and to have a better understanding of the Group's business and corporate development.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

Notice of the Annual General Meeting together with the Annual Report is sent out to shareholders at least twenty-eight (28) days before the date of the meeting.

The Board encourages participation from shareholders by having a question-and-answer session during the Annual General Meeting. The Directors and the Group Chief Executive Officer are available to provide responses to questions from shareholders during the meeting.

All resolutions set out in the notice of general meetings of the Company are to be conducted by poll and an independent scrutineer is appointed to monitor the conduct of polling for each general meeting.

At the Annual General Meeting held on 28 June 2022, poll voting was conducted in respect of all resolutions by way of the e-polling process and Boardroom Corporate Services Sdn. Bhd. was appointed as Scrutineers to verify the poll results. The outcome of the poll against the resolutions was announced at the same meeting and detailed results stating the votes cast were announced on Bursa Securities's website on the same day of the Annual General Meeting. A summary of the key matters discussed at the 2022 Annual General Meeting was published on the Company's website at www.majuperak.com.my

The Group ensures that timely disclosures are made to the public with regard to the Group's corporate proposals, financial results, and other required announcements.

Corporate and financial information of the Group as well as the Company's announcements to Bursa Securities are also made available to the public through the Company's website at www.majuperak.com.my

Compliance with the Code

The Group has complied with the Principles of Corporate Governance as contained in the Code except for the following exception that, in the opinion of the Directors, adequately suit the circumstances:

- **Practice 4.4** - Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities;
- **Practice 4.5** - The Board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the Company;
- **Practice 5.9** - The Board comprises at least 30% women directors;
- **Practice 7.1** - The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website;
- **Practice 8.2** - The Board discloses on a named basis the top six (6) senior management's remuneration component including salary, bonus, benefit-in-kind, and other emoluments in bands of RM50,000; and
- **Practice 9.4** - The Audit Committee should comprise solely of Independent Directors

The explanation for departure is further disclosed in the Corporate Governance Report.

This Corporate Governance Overview Statement was approved by the Board of Directors of MHB on 6 April 2023.

AUDIT COMMITTEE REPORT

The Board of Directors of Majuperak Holdings Berhad (“MHB”) is pleased to present the report of the Audit Committee (“AC”) for the financial year ended 31 December 2022 in compliance with Paragraph 15.15 of the Main Market Listing Requirement (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

AUDIT COMMITTEE MEMBERS AND MEETING ATTENDANCE

The AC composition meets the requirement of Paragraphs 15.09 and 15.10 of the MMLR of Bursa Securities, which set out that the AC must be comprised of not fewer than three (3) members, all of whom must be non-executive directors, with the Chairman and a majority of the members being independent directors. At least one (1) AC member must be a Malaysian Institute of Accountants member.

Mr Lim Tian Huat, as the Chairman of MHB AC, is a Council Member and Founding President of the Insolvency Practitioners Association of Malaysia, a fellow member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountant. He has over 40 years of experience in assurance, corporate advisory, restructuring and insolvency. Accordingly, MHB complies with the requirements of Paragraphs 15.09(1)(c)(i) of the MMLR of Bursa Securities.

During the FYE 2022, the Board performed the annual assessment on the term of office and performance of the AC members under Paragraph 15.20 of the MMLR of Bursa Securities. The Board is satisfied that the AC and its members have discharged their responsibilities and duties per the AC’s Terms of Reference (“TOR”) and supporting the Board in ensuring the Group upholds appropriate corporate governance standards.

Eight (8) AC meetings were held during the FYE 2022. The composition of MHB AC members and the attendance of each member at the committee meetings held during the financial year are as follows: -

Members	Directorate	Appointment	Attendances
Mr Lim Tian Huat (Chairman)	Senior Independent and Non-Executive	18/08/2020	8/8
Encik Ahmad Najmi Bin Kamaruzaman (Member)	Independent and Non-Executive	10/08/2018	8/8
Datuk Abu Bakar Bin Hassan (Member)	Independent and Non-Executive	18/08/2020	8/8
Dato’ Tun Hisan Bin Dato’ Tun Hamzah (Member)	Independent and Non-Executive	18/08/2020	8/8
Dato Mohd Azmi Bin Othman (Member)	Non-Independent and Non-Executive	16/07/2021	8/8

AUDIT COMMITTEE REPORT (CONTINUED)

The Company Secretary attended all the meetings held during the financial year. The Group Chief Executive Officer (“GCEO”) and Group Chief Financial Officer (“GCFO”) were invited to the Meetings to facilitate direct communication and also to provide clarification on financial/audit issues and the Group’s operations matters. Minutes of each AC Meeting was recorded and tabled for confirmation at the next AC meeting and subsequently presented to the Board for notation. In FYE 2022, the AC Chairman presented to the Board the Committee’s recommendation to approve the annual and quarterly financial statements and any significant concern as and when raised by the External Auditors or Internal Auditors. The AC Chairman also conveyed matters of significant concern to the Board as and when raised by the External or Internal Auditor in the quarterly presentations.

AUTHORITY AND DUTIES

The AC’s TOR has been revised on 30 December 2022 and are available for reference at www.majuperak.com.my.

SUMMARY OF ACTIVITIES

During the FYE 2022, the AC carried out the following main activities as set out in its TOR:-

1. Financial Reporting

Reviewed the quarterly financial statements, including the draft announcements and made recommendations to the Board for approval of the same as follows: -

Date of Meetings	Review of Quarterly Financial Statement
28 February 2022	Interim financial statements for the fourth quarter ended 31 December 2021
25 April 2022 and 28 April 2022	Draft audited financial statements for the FYE 2021 ended 31 December 2021
28 May 2022	Interim financial statements for the first quarter results for the FYE 2022 ended 31 March 2022
22 August 2022	Interim financial statement for the second quarter results for the FYE 2022 ended 30 June 2022
29 November 2022	Interim financial statements for the third quarter results for the FYE 2022 ended 30 September 2022

AUDIT COMMITTEE REPORT (CONTINUED)

The above review was to ensure that the Company's quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and performance and are in compliance with Malaysian Financial Reporting Standard ("MFRS") 134 – Interim Financial Reporting Standards, provisions of the Companies Act 2016, provisions of the MMLR of Bursa Securities and other legal and regulatory requirements.

To safeguard the integrity of information, the GCFO had also given assurance to the AC that:

- a) appropriate accounting policies had been adopted and applied consistently;
- b) the going concern basis applied in the Annual Financial Statements was appropriate;
- c) prudent judgements and reasonable estimates had been made in accordance with the requirements set out in the MFRS;
- d) the Audited Financial Statements and Quarterly consolidated financial statements did not contain material misstatement and gave a true and fair view of the financial positions of the Group and its subsidiaries for the financial year ended 2022.

2. External Audit

Reviewed the quarterly financial statements, including the draft announcements and made recommendations to the Board for approval of the same as follows: -

- i. In January 2022, deliberated and recommended to the Board of Directors on the change of External Auditors in view of the resignation of Messrs Afrizan Tarmili Khairul Azhar ("Aftaas").
- ii. In February 2022, reviewed the external auditors' findings arising from audits, particularly comments and responses in management letters, to ensure the Management took appropriate action. Approved the Audit Finding Memorandum for the financial year ended 31 December 2021.
- iii. In April 2022, the AC held private session with the external auditor without the presence of the Executive Director and Management.
- iv. Deliberated on the external auditors' report at its meeting on 28 April 2022 regarding relevant disclosures in the annual audited financial statements for the FYE 2021 ended 31 December 2021.
- v. Evaluated the external auditors' independence and objectivity, as well as their ability to serve the Group in terms of technical competencies and manpower resources adequacy and reviewed the reasonableness of the proposed audit fee against the size and complexity of the Group.
- vi. Reviewed and evaluated the performance and effectiveness of the external auditors. The AC assessed the external auditors' integrity, capability, professionalism and work ethics.
- vii. On 8 December 2022, the AC discussed and reviewed the external auditors' Audit Planning Memorandum for the FYE 2022 ended 31 December 2022, outlining the auditors' responsibilities, engagement teams, significant risks and areas of audit focus, the proposed scope of work, independence policies and procedures and audit fees.

AUDIT COMMITTEE REPORT (CONTINUED)

3. Internal Audit

- i. The Group's in-house internal audit function assists the AC in discharging its responsibilities and duties. The role of the internal audit function is to undertake independent, regular and systematic reviews of the system of internal controls to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.
- ii. Reviewed and approved the annual internal audit plan as proposed by the internal auditors to ensure the adequacy of the scope and coverage of work;
- iii. Reviewed the internal audit budget, resources, initiatives, skills and competencies;
- iv. Reviewed the internal audit reports tabled during the year, which outlined the audit issues, recommendations and management response. Discussed with the Management to rectify and improve the system of internal controls and workflow processes based on the internal auditors' recommendations for improvement to ensure control lapses are addressed;
- v. Monitored the corrective actions taken on the outstanding audit issues to ensure that all key risks and control lapses have been addressed and implemented by the Management; and
- vi. Carried out an annual review of performance of the Internal Auditors including assessment of their suitability and independence in performing their obligations by completing a formal evaluation form.
- vii. Reviewed the AC Meeting minutes and matters arising from the previous meetings.

4. Related Party Transactions

The AC also reviewed related party transactions and conflict of interest situations that may arise within the Company and the Group, including any transaction, procedure or course of conduct that raises questions on management integrity.

During FY2022, the AC having considered all aspects of the proposed related party transactions, including salient terms, rationale and the effect therefor, opined that the following Proposals were in the best interest of the Company, fair and reasonable and on normal commercial terms and not detrimental to the interest of the minority shareholders, hence recommended to the Board for approval:

- a. Proposed Debt Settlement and Proposed Subscription by Perak Agro Corporation Sdn. Bhd. for Boards' approval as per announced in Bursa Securities on 16 March 2022;
- b. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as announced on 21 April 2022;
- c. Proposed Execution of Memorandum of Understand between the Company and Kumpulan Perbadanan Kemajuan Negeri Perak on 4 October 2022.

5. Annual Report

Reviewed the AC Report, Statement on Risk Management and Internal Control, Corporate Governance Overview Statement and additional compliance information before submitting for the Board's approval and inclusion in the Company's Annual Report.

AUDIT COMMITTEE REPORT (CONTINUED)

6. Whistle Blowing/Anti-Corruption and Bribery cases

Ensured that the Group's Whistle Blowing and Anti-Bribery & Corruption Policies were in place and effective. During FYE 2022, Internal Audit received one (1) ethics and integrity-related disclosure reported by an employee. The allegation has been investigated, with appropriate improvements to prevent a recurrence.

7. Revised the TOR of AC for Board's approval

The AC's TOR has been revised and adopted on 30 December 2022.

GROUP INTERNAL AUDIT FUNCTION

The internal audit function of the Company is performed by the in-house internal audit department ("IAD"). IAD reports directly to the AC and maintains its impartiality, proficiency and due professional care. The internal audit charter defines the authority, duties and responsibilities of IAD.

The principal roles of IAD are to evaluate and improve the effectiveness of internal control, governance and risk management processes. Furthermore, IAD provides independent and objective assurance to the Board and Management of the adequacy and integrity of the Company's control system.

IAD adopts a risk-based audit approach when preparing its annual audit plan. The annual audit plan covers the business unit of the Group and is approved by the AC. The main factors to be considered are Risk Assessment, Budget and Business Plan, Senior Management's input and the result of previous audits.

IAD is guided by the internal audit policies and procedures, the Institute of Internal Auditors' International Professional Practices Framework, and the Committee of Sponsoring Organisation of the Treadway Commission's internal control framework in performing its activities.

IAD activities during the financial year are summarised below: -

- i. Prepared annual audit plan for deliberation and approval by the AC;
- ii. Performed operational audits on business units and supported the function of the Group to ascertain the adequacy and integrity of their system of controls, governance and risk management;
- iii. Made recommendations for improvement where weaknesses and/or non-compliance were found; and
- iv. Conducted follow-up reviews to determine the adequacy, effectiveness and timeliness of actions the Management took on audit recommendations and provide updates on their status to the AC.

The cost incurred for the Group's Internal Audit function in respect of the financial year ended 31 December 2022 was approximately RM352,120.

ADDITIONAL COMPLIANCE INFORMATION

Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad for the year ended 31 December 2022

1. Details of the Recurrent Related Party Transactions

The details of the RRPTs entered into by the Company and its subsidiaries during the financial year are disclosed in Note 37 to the financial statements on page 167.

2. Utilisation of Proceeds Raised from Corporate Proposals

There were no proceeds raised from corporate proposals during the financial year.

3. Auditors' Remuneration

The auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2022 is as follows:

	Group RM	Company RM
Audit Fees	280,000	60,000
Non-Audit Fees	-	-
	280,000	60,000

4. Material Contracts and Contract Relating to Loans awarded to Directors, Chief Executive and Substantial Shareholders

There were no material contracts and contracts relating to loans entered into by the Company and its subsidiaries which involve the Directors, Chief Executive who is not a Director and substantial shareholders entered into since the previous financial year.

5. Employees Share Option Scheme (ESOS)

The ESOS was approved by the Company's shareholder at Annual General Meeting held on 2 March 2020 on the establishment of an ESOS of up to 5% of the total number of issued shares of MHB (Excluding Treasury Shares) for eligible Directors and employees of MHB and its non-dormant subsidiaries. The ESOS shall be in force for a period of 5 years. The effective date of the implementation of the ESOS was on 6 March 2020 and would expire on 6 March 2025.

ADDITIONAL COMPLIANCE INFORMATION (CONTINUED)

- a) The number of schemes currently in existence during the financial year 2022

Total number of options granted in 2022	Total number of options exercised in the financial year 2022	Total number of options outstanding
Nil	Nil	8,540,800

(All figures are as at Financial Year ended 31 December 2022).

- b) In regard to options or shares granted to the Directors and Chief Executives (Chief Executive Officer (CEO) & Chief Financial Officer (CFO):

Director / CEO/CFO	Total number of options granted	Total number of options exercised in the financial year 2022	Total number of options outstanding
Directors	2,600,000	Nil	2,600,000
CEO (also Director) <i>*Resigned on 31 October 2022</i>	1,000,000	Nil	Nil
CFO <i>*Resigned on 28 August 2022</i>	600,000	Nil	Nil

- c) In regard to options or shares granted to the Directors and Senior Management –
- aggregate maximum allocation applicable to Directors and Senior Management in percentage is 50%
 - the actual percentage granted to them:

No. of Options Directors	No. of Options Senior Management	Total Options
2,600,000	400,000	3,000,000 (21.10%)

ADDITIONAL COMPLIANCE INFORMATION (CONTINUED)

- d) A breakdown of the options offered to and exercised by, or shares granted to and vested in (if any) non-executive Directors pursuant to an ESOS in respect of the financial year in tabular form as follows:

As at 31 December 2022

Name of Executive Directors	Number of options offered	Number of options exercised
Datuk Redza Rafiq bin Abdul Razak	1,400,000	Nil
Nizran bin Noordin <i>Resigned on 31 October 2022</i>	1,000,000	400,000
Total	2,400,000	400,000

Name of Non-Executive Directors	Number of options offered	Number of options exercised
Lim Tian Huat	300,000	Nil
Ahmad Najmi bin Kamaruzaman	300,000	Nil
Datuk Abu Bakar bin Hassan	300,000	Nil
Dato' Tun Hisan bin Dato' Tun Hamzah	300,000	Nil
Total	1,200,000	

LIST OF PROPERTIES AS AT 31 DECEMBER 2022 (ABOVE RM1 MILLION)

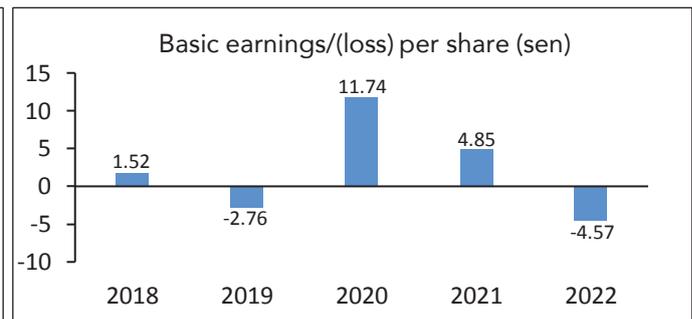
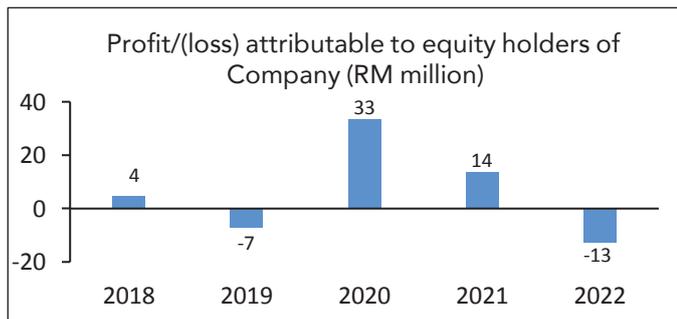
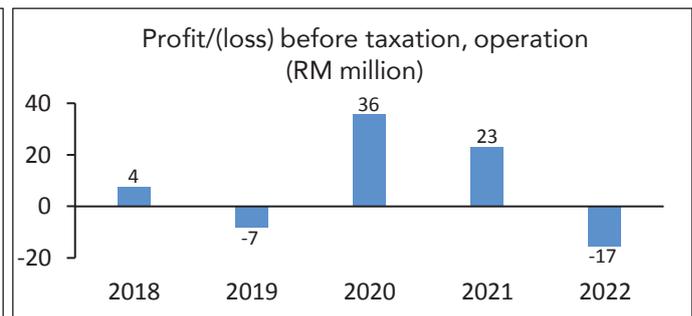
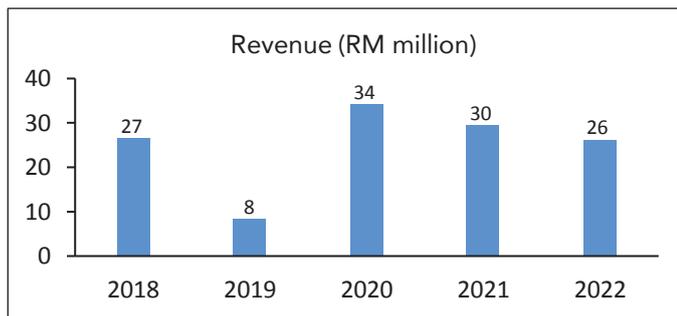
No.	Name of Owner	Title/Location	Tenure/ Age of Building	Land Use	Land Area/ Built up Area	Net Book Value as at 31.12.2022 (RM)	Valuation Date
A. INVESTMENT PROPERTIES							
1.	Syarikat Majuperak Berhad	PN 31150, Lot 008051N, Bandar Ipoh, Daerah Kinta, Negeri Perak. Wisma Maju Perak, Jalan Sultan Idris Shah, 30000 Ipoh, Perak.	Leasehold of 99 years expiring on 16/06/2086	Building	24,089 sq. ft/ 67,414 sq. ft	11,550,000	20/12/2022
2.	Syarikat Majuperak Berhad	PN 213729, Lot 9225N, Bandar Ipoh (U), Daerah Kinta, Negeri Perak. Lot No. 9225N, Jalan Sultan Idris Shah, 30000 Ipoh, Perak.	Leasehold of 99 years expiring on 17/08/2095	Building	71,581 sq. ft/ 8,085 sq. ft	15,988,500	28/12/2022
3.	Syarikat Majuperak Berhad	GRN 59907, Lot 28801, Bandar Ipoh (S), Daerah Kinta, Negeri Perak. Lot No. 28801, Jalan Sultan Idris Shah, 30000 Ipoh, Perak.	Freehold	Building	16,226 sq. ft	2,821,500	28/12/2022
4.	Syarikat Majuperak Berhad	HSM22021, PT231697, Tempat RPT Meru Tin, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak. 4A & 4B Jalan Jelapang 1, Pusat Komersial Jelapang, 30020 Ipoh, Perak.	Leasehold of 99 years expiring on 31/03/2114	Building	4,229 sqf/ 10,098 sqf	2,500,000	28/12/2022
5.	Syarikat Majuperak Berhad	HSM 22020, PT231698, Tempat RPT Meru Tin, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak. 6A & 6B Jalan Jelapang 1, Pusat Komersial Jelapang, 30020 Ipoh, Perak.	Leasehold of 99 years expiring on 31/03/2114	Building	2,971 sqf/ 5,430 sqf	1,400,000	28/12/2022
6.	Syarikat Majuperak Berhad	PN398749, Lot 521086, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak. Starbucks Jelapang, Pusat Komersial Jelapang, 30020 Ipoh, Perak.	Leasehold of 99 years expiring on 01/09/2109	Building	32.551.sq. ft/ 5,035 sq.ft	4,450,000	28/12/2022
7.	Majuperak Land Sdn Bhd	PN293621, Lot312489 Mukim Hulu Kinta, Daerah Kinta Silveritage Complex, Jalan Raja Dr Nazrin Shah, Medan Gopeng, 31350 Ipoh, Perak.	Leasehold of 99 years expiring on 06/02/2097	Building	303,105 sq.ft / 38.105 sq.ft	35,050,000	22/12/2022
8.	Majuperak Energy Resources Sdn Bhd	PT26997, Mukim Sg Raya, Daerah Kinta, Negeri Perak. Solar Power Plant	Leasehold of 99 years expiring on 08/06/2121	Building	917,623 sq.ft	3,670,000	22/12/2022

LIST OF PROPERTIES AS AT 31 DECEMBER 2022 (CONTINUED)

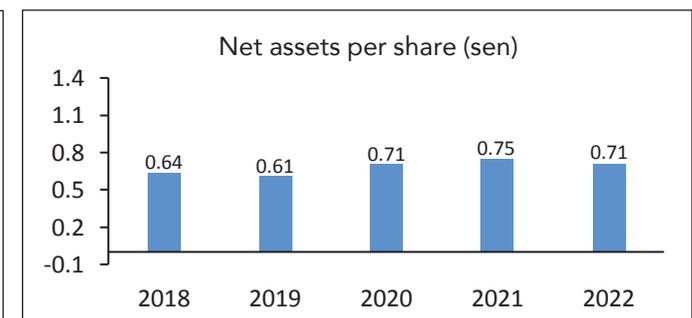
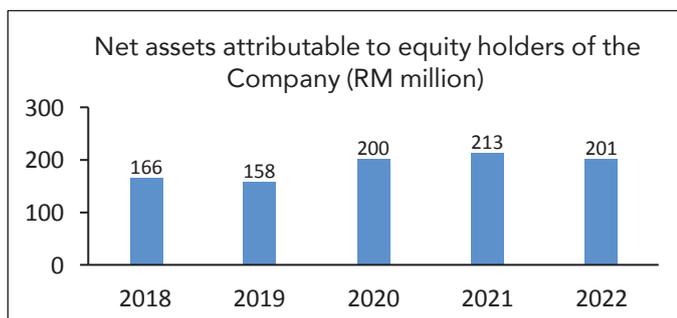
No.	Name of Owner	Title/Location	Tenure/ Age of Building	Land Use	Land Area/ Built up Area	Net Book Value as at 31.12.2022 (RM)	Acquisition Date
B. DEVELOPMENT PROPERTIES							
1.	Jua Juara Sdn Bhd (a subsidiary of Majuperak Development Berhad)	PT 18643 - 54.93 acre, PT 18644 - 88.18 acre. Mukim of Ulu Bernam, District of Batang Padang,	Leasehold of 99 years expiring on Jun 2111	Residential/ Commercial	143.11 acres	1,402,894	2002
2.	Jua Juara Sdn Bhd (a subsidiary of Majuperak Development Berhad)	Mukim of Ulu Bernam, District of Batang Padang, Perak, located off the 2½ M.S. Jalan Slim Lama and lies adjoining the Bernam Industrial Park, Proton City, Tanjung Malim, Perak	Leasehold of 99 years expiring on 30/01/2116	Residential	203.36 acres	2,403,140	2002
3.	Jua Juara Sdn Bhd (a subsidiary of Majuperak Development Berhad)	PT 6722- PT 6768 [HS(D) 15284] Mukim of Pasir Salak, District of Perak Tengah, Perak. Located Jalan Lebu Paduka, Seberang Perak. (41 units shop lot)	Leasehold of 99 years expiring in year 2114	Commercial	14.44 acres	1,001,103	2015
4.	Tenaga Danawa Sdn Bhd (a subsidiary of Majuperak Development Berhad)	PT 1779 [HS(D) 25344] PT 1984 [HS(D) 33224] Mukim Trong, District of Larut Matang, Perak	Leasehold of 99 years expiring in year 2107	Residential/ Commercial	121.37 acres	2,988,085	2001
5.	Tenaga Danawa Sdn Bhd (a subsidiary of Majuperak Development Berhad)	PT 1312 - 1319, PT 1321 - 1552, PT 1680 - 1716, (HS(D) LM 14102 - 14109), (HS(D) LM 14111 - 14342), (HS(D) LM 14470 - 14506), Taman Trong Bakti, Trong, District of Larut Matang, Perak. (Trong Phase 2: 277 lot)	Leasehold of 99 years expiring in year 2099	Commercial/ Residential	7.73 acres	3,257,196	2000
6.	Tenaga Danawa Sdn Bhd (a subsidiary of Majuperak Development Berhad)	PT 6607 - 6720 [HS(D) 15047] Proposed Housing Scheme & RPT Lot at Changkat Lada, Mukim of Pasir Salak, District of Perak Tengah, Perak (25 units Shop lot and 89 units Semi-D House)	Leasehold of 99 years expiring in year 2113	Commercial/ Residential	14.74 acres	1,541,266	2014

GROUP FIVE-YEAR FINANCIAL HIGHLIGHTS

Financial Results	2018	2019 (restated)	2020	2021	2022
Revenue (RM'000)	26,580	8,451	34,365	29,669	26,308
Profit/(loss) before taxation, operation (RM'000)	4,331	(6,791)	35,614	22,956	(16,978)
Profit/(loss) attributable to equity holders of the Company (RM'000)	3,632	(7,095)	32,980	13,621	(12,999)
Basic earnings/(loss) per share (sen)	1.52	(2.76)	11.74	4.85	(4.57)



Financial Positions	2018 (restated)	2019 (restated)	2020	2021	2022
Total assets (RM'000)	244,583	234,731	277,471	308,806	304,269
Total liabilities (RM'000)	79,120	76,710	77,472	95,312	103,429
Net assets attributable to equity holders of the Company (RM'000)	165,710	157,977	200,437	213,494	200,639
Number of ordinary shares issued and fully paid ('000 shares)	257,052	257,052	283,243	284,422	284,422
Net assets per share (RM)	0.64	0.61	0.71	0.75	0.71



STATISTICS ON SHAREHOLDINGS AS AT 31 MARCH 2023

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders		No. of Shares		% of Issued	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
Less than 100	704	6	22,378	184	0.01	0.00
100 - 1,000	1,088	12	641,504	6,826	0.23	0.00
1,001 - 10,000	1,165	24	4,406,970	96,334	1.55	0.03
10,001 - 100,000	512	11	17,346,369	431,330	6.10	0.15
100,001 to less than 5% of issued shares	99	7	94,090,918	2,460,000	33.08	0.86
5% and above of issued shares	3	0	164,919,052	0	57.98	0.00
Total	3,571	60	281,427,191	2,994,674	98.95	1.05
Grand Total		3,631		284,421,865		100.00

DIRECTORS' SHAREHOLDINGS

No.	Name of Directors	No. of Shares	
		Direct Interest	%
1	Datuk Redza Rafiq bin Abdul Razak	-	-
2	Ahmad Najmi bin Kamaruzaman	-	-
3	Norazali bin Nordin	-	-
4	Khairuddin bin Mohamed Azahari	-	-
5	Dato' Hj Tun Hisan bin Dato' Hj Tun Hamzah	-	-
6	Lim Tian Huat	-	-
7	Dato' Aminuddin bin Md Hanafiah	-	-
8	Dato' Mohd Azmi bin Othman	-	-
9	Datuk Dr Wan Norashikin binti Wan Noordin	-	-
10	Datuk Abu Bakar bin Hassan	-	-

SUBSTANTIAL SHAREHOLDERS

According to the Register of Substantial Shareholders required to be kept under Section 144 of the Companies Act, 2016, the following are the substantial shareholders of the Company:

No.	Name of Substantial Shareholders	No. of Shares					
		Direct Interest (A)	%	Deemed Interest (B)	%	Total Interest (A+B)	%
1	Perbadanan Kemajuan Negeri Perak	141,682,309	49.81	4,538,773*	1.60	146,221,082	51.41
2	KUB Malaysia Bhd	14,429,143	5.07	-	-	14,429,143	5.07
3	Gunung Resources Sdn Bhd	21,807,600	7.67	-	-	21,807,600	7.67
4	G Capital Berhad	-	-	21,807,600**	7.67	21,807,600	7.67

Note:

* Deemed interest by virtue of its shareholdings in Cherry Blossom Sdn. Bhd. and Fast Continent Sdn. Bhd. pursuant to Section 8(4) of the Companies Act, 2016.

** Deemed interest by virtue of its shareholdings in Gunung Resources Sdn Bhd pursuant to Section 8(4) of the Companies Act, 2016.

STATISTICS ON SHAREHOLDINGS (CONTINUED)

TOP 30 SHAREHOLDERS AS AT 31 MARCH 2023

NO.	ACCOUNT NO.	NAME	HOLDINGS	%
1	087-023-044356988	PERBADANAN KEMAJUAN NEGERI PERAK	128,682,309	45.24
2	086-001-075091785	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GUNUNG RESOURCES SDN BHD	21,807,600	7.67
3	064-002-026603571	KUB MALAYSIA BERHAD	14,429,143	5.07
4	098-002-053020517	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SYED ABU HUSSIN BIN HAFIZ SYED ABDUL FASAL	13,843,600	4.87
5	053-001-051690436	PERBADANAN KEMAJUAN NEGERI PERAK	13,000,000	4.57
6	098-002-065261737	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOH YING FATT	7,161,842	2.52
7	051-001-040725392	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR HAN FOOK FONG (E-PPG)	6,768,900	2.38
8	086-001-065846172	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP YEE PING	5,667,000	1.99
9	066-003-015414386	CHERRY BLOSSOM SDN BHD	4,038,686	1.42
10	087-033-000535476	JENNY WONG	3,737,400	1.31
11	066-003-065043333	BAN-SENG PACKAGING SDN BHD	3,400,000	1.20
12	066-001-016956492	LIM HAN KONG	2,444,010	0.86
13	051-001-055815955	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHAN WENG SANG (E-TMI)	1,849,000	0.65
14	087-001-064345127	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR 'CHAN WENG SANG, DATO'	1,821,200	0.64
15	076-001-009622507	CHAN WAN MOI	1,322,429	0.46
16	066-003-065037699	PERCETAKAN SANWA INDUSTRIES SDN. BHD.	1,260,000	0.44
17	066-001-011982105	TAN ENG HAI	1,224,000	0.43
18	098-001-065886558	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR 'DATO' CHAN WENG SANG	1,148,200	0.40
19	087-001-066877762	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAM SEX TIAN	1,131,900	0.40
20	066-001-045936176	ADAM LEE BIN ABDULLAH	1,046,000	0.37
21	066-002-051572543	SU-AZIAN @ MUZAFFAR SYAH BIN ABD RAHMAN	1,000,000	0.35
22	073-001-044503357	KENANGA NOMINEES (ASING) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENT ACCOUNT)	990,000	0.35
23	066-003-015799588	MOHD ARIFF BIN YEOP ISHAK	980,000	0.34
24	065-001-067473686	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE YOON SING (MY3586)	823,500	0.29
25	098-002-063081996	MUHAMMAD FADHLI BIN ISMAIL	720,100	0.25
26	054-001-022035893	YAP KOK WAI	717,010	0.25
27	073-001-056639594	MOHD FAIZ BIN MOKHTAR	699,400	0.25
28	051-001-057402612	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHONG KUCK MENG (E-TMI)	692,500	0.24
29	087-023-044356517	SIKAP UTAMA SDN BHD	644,850	0.23
30	051-001-066189739	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG GUAT CHU (E-TAI)	600,000	0.21

DIRECTORS' STATEMENT OF RESPONSIBILITY

The Directors are required by the Companies Act, 2016 to prepare financial statements for each financial year which give a true and fair view of the financial position of the Group and of the Company as at the financial year end and of the results and the cash flows of the Group and of the Company for that financial year.

In preparing these financial statements, the Directors have: -

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are prudent and reasonable;
- ensured applicable Financial Reporting Standards in Malaysia have been complied; and
- prepared the financial statements on a going-concern basis.

The Directors are responsible for ensuring the Group and the Company keep proper accounting records that disclose with reasonable accuracy the financial position of the Group and of the Company at any time and which enable them to ensure that the financial statements comply with the provisions of the Companies Act, 2016.

The Directors are also responsible for taking such steps that are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.



FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

CORPORATE INFORMATION

DIRECTORS	:	DATUK REDZA RAFIQ BIN ABDUL RAZAK LIM TIAN HUAT AHMAD NAJMI BIN KAMARUZAMAN DATO' TUN HISAN BIN DATO' TUN HAMZAH DATUK ABU BAKAR BIN HASSAN DATO' MOHD AZMI BIN OTHMAN DATO' AMINUDDIN BIN MD HANAFIAH NORAZALI BIN NORDIN DATUK DR. WAN NORASHIKIN BINTI WAN NOORDIN KHAIRUDDIN BIN MOHAMED AZAHARI
COMPANY SECRETARY	:	CHAN EOI LENG (SSM PC No. 202008003055) (MAICSA 7030866) CHONG KWAI YOONG (SSM PC No. 202008001332) (MAICSA 7075434)
REGISTERED OFFICE	:	55A, MEDAN IPOH 1A MEDAN IPOH BISTARI 31400 IPOH PERAK DARUL RIDZUAN
PRINCIPAL PLACE OF BUSINESS	:	ARAS 1, BAZAR IPOH JALAN SULTAN NAZRIN SHAH 31350 IPOH PERAK DARUL RIDZUAN
AUDITORS	:	AL JAFREE SALIHIN KUZAIMI PLT 201506002872 (LLP0006652-LCA) & AF 1522 CHARTERED ACCOUNTANTS NO. 555, JALAN SAMUDRA UTARA 1 TAMAN SAMUDRA 68100 BATU CAVES SELANGOR DARUL EHSAN
PRINCIPAL BANKERS	:	MALAYAN BANKING BERHAD BANK ISLAM MALAYSIA BERHAD RHB BANK BERHAD AFFIN BANK BERHAD BANK KERJASAMA RAKYAT MALAYSIA

FINANCIAL STATEMENTS (CONTINUED)

DIRECTORS' REPORT

The directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The Company's principal activities are investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiary and associate companies are stated in Note 11 of the financial statements.

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

FINANCIAL RESULTS

	Group RM	Company RM
Loss for the year attributable to:		
Equity holders of the Company	(13,006,817)	(8,496,264)
Non-controlling interest	7,346	-
	<u>(12,999,471)</u>	<u>(8,496,264)</u>

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

RESERVES AND PROVISIONS

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

DIVIDENDS

No dividend is paid or declared by the Company since the date of the last reports. The directors do not recommend payment of any dividend in respect of the current financial year.

FINANCIAL STATEMENTS (CONTINUED)

DIRECTORS' REPORT

ISSUED SHARE CAPITAL

There is no new shares issued during the financial year.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

At an Extraordinary General Meeting held on 2 March 2020, shareholders approved on the establishment of an ESOS of up to 5% of the total number of issued shares of the company (Excluding Treasury Shares) for eligible Directors and employees of the Company and its non-dormant subsidiaries.

The effective date of the ESOS was on 6 March 2020. These options are for 5 years and shall expire on 6 March 2025. The options are exercisable provided the employee has not served a notice of resignation or receive a notice of termination from the date of grant and certain conditions as detailed in Note 27 to the financial statements are met.

The salient features and other terms of the ESOS are disclosed in Note 27 to the financial statements.

Details of the options exercised of ordinary shares of the Company pursuant to the ESOS as at 31 December 2022 are as follows:

Expiry date	Exercise Price RM	No. of Option
5 March 2025	0.285	1,664,200
		<u>1,664,200</u>

Details of share options granted to the directors are disclosed in the section on Directors' Interests in this report.

FINANCIAL STATEMENTS (CONTINUED)

DIRECTORS' REPORT

DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year and at the date of this report are:

Datuk Redza Rafiq bin Abdul Razak	
Lim Tian Huat	
Ahmad Najmi bin Kamaruzaman	
Dato' Tun Hisan bin Dato' Tun Hamzah	
Datuk Abu Bakar bin Hassan	
Dato' Mohd Azmi bin Othman	
Dato' Aminuddin bin Md Hanafiah*	
Norazali bin Nordin	
Datuk Dr. Wan Norashikin binti Wan Noordin	(Appointed on 13/03/2023)
Khairuddin bin Mohamed Azahari	(Appointed on 13/03/2023)
Nizran bin Noordin *	(Resigned on 31/10/2022)

*Directors of the Company and its subsidiaries

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

Aidee Radzwan bin Rosidi	
Helmy Iskandar bin Nofan	
Nor Azman bin Zulkifli	
Kamarul Bahrin bin Baharudin	
Dato' Lee Seng Khoon	
Saharizal bin Abdul Wahid	
Tan Leiong Hoo	
Dato' Abdul Manaf bin Hashim	
Hamidon bin Othman	
Syed Agil bin Syed Hashim	(Appointed on 27/07/2022)
Ahmad Izral bin Abdul Karim	(Appointed on 01/12/2022)
Syed Azman bin Syed Khalid	(Appointed on 13/12/2022)
Cheong Mee Yoke	(Appointed on 02/12/2022)
Ahmad Al-Hadi bin Abdul Khalid	(Resigned on 27/07/2022)

DIRECTORS' INTEREST

According to the Registers of Director's shareholdings required to be kept under Section 59 of the Companies Act 2016, none of the directors in office at the end of the financial year has interest in shares of the Company or its related corporation during the financial year ended 31 December 2022.

FINANCIAL STATEMENTS (CONTINUED)

DIRECTORS' REPORT

DIRECTORS' INTEREST (CONTD.)

Name of Directors of this Company	As at 1.1.2022	Option Over Ordinary Shares		As at 31.12.2022
		Granted	Exercised	
Datuk Redza Rafiq bin Abdul Razak	1,400,000	-	-	1,400,000
Ahmad Najmi bin Kamaruzaman	300,000	-	-	300,000
Datuk Abu Bakar bin Hassan	300,000	-	-	300,000
Dato' Tun Hisan bin Dato' Tun Hamzah	300,000	-	-	300,000
Lim Tian Huat	300,000	-	-	300,000

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsists any arrangements, to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Since the end of the previous financial 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 as shown in the financial statements or fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' REMUNERATION

The aggregate amounts of remunerations received/receivable by the directors of the Group and of the Company for the financial year are disclosed in Note 6 to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains the directors' and officers' liability insurance for purposes of Section 289 of the Companies Act, 2016 throughout the year, which provides appropriate insurance cover for the directors and officers of the Company. The amount of insurance premium paid during the year amounted to RM34,990.

FINANCIAL STATEMENTS (CONTINUED)

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and making of provision for expected credit losses and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for expected credit losses; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances, which would render:
- (i) the amount written off for bad debts or the amount of the provision for expected credit losses in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company are misleading.
- (c) 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.
- (d) 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.
- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

REPORT & FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023 (CONTINUED)

DIRECTORS' REPORT

ULTIMATE HOLDING CORPORATION

The directors regard Perbadanan Kemajuan Negeri Perak, a statutory body established under the Perak State Economic Development Corporation Enactment, 1967 as the ultimate holding corporation.

AUDITORS AND AUDITORS' REMUNERATION

The auditors, Al Jafree Salihin Kuzaimi PLT, have expressed their willingness to continue in office.

Auditors' remuneration as disclosed in Note 6 to the financial statements.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated 06 April 2023.

DATUK REDZA RAFIQ BIN ABDUL RAZAK

Director

LIM TIAN HUAT

Director

Ipoh, Perak Darul Ridzuan

FINANCIAL STATEMENTS (CONTINUED)

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

We, **DATUK REDZA RAFIQ BIN ABDUL RAZAK** and **LIM TIAN HUAT**, being two of the directors of **MAJUPERAK HOLDINGS BERHAD**, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financing Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated 06 April 2023.

DATUK REDZA RAFIQ BIN ABDUL RAZAK
Director

LIM TIAN HUAT
Director

Ipoh, Perak Darul Ridzuan

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

I, **AHMAD IZRAL BIN ABDUL KARIM**, being the Officer primarily responsible for the financial management of **MAJUPERAK HOLDINGS BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the above named at *Ipoh*)
in the state of *Perak Darul Ridzuan*)
on)

Before me,

AHMAD IZRAL BIN ABDUL KARIM
MIA NO. 20463

KONG WAI NGEE
NO: A 213
BC/K/591
1.1.2021 - 31.12.2023
Commissioner of Oaths
Ipoh, Perak Darul Ridzuan

FINANCIAL STATEMENTS (CONTINUED)

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Majuperak Holdings Berhad**, which comprise the statements of financial position as at 31 December 2022 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes, as set out on accompanying pages.

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 2022, and of their financial performance and its cash flows for the year then ended in accordance with the Malaysian Financial Reporting Standards, International Financing Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key audit matters

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

We have determined the matters described below to the key audit matters to be communicated in our report.

FINANCIAL STATEMENTS (CONTINUED)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MAJUPERAK HOLDINGS BERHAD (CONTD.)

(Incorporated in Malaysia)

Key audit matters (Contd.)

Key Audit Matters	How our audit addressed the key audit matters
Impairment on goodwill on consolidation	
<p>The Group's carrying value of goodwill on consolidation amounting to RM24,383,879 (2021 : RM9,681,081) is disclosed in Note 18 to the financial statements.</p> <p>We focused on this area due to the significance of the goodwill balance with indefinite useful life which is subject to annual impairment assessment pursuant to the requirement of MFRS 136.</p> <p>The impairment assessment performed by the Directors involved significant degree of judgements in estimating the assumptions on growth rate and discount rate used. The key assumptions are disclosed in Note 3.8 to the financial statements and kindly refer to Note 4.1(c) for the Significant Accounting Judgement, Estimates and Assumptions.</p>	<p>In respect to assessment of impairment of goodwill, we have obtained the Group's impairment assessment and assessed the methodology used by the directors to estimate the recoverable value of the cash-generating unit (CGU) to ensure that this is consistent with the accounting standards.</p> <p>In performing the impairment assessment, our procedures included amongst others, the following:</p> <ul style="list-style-type: none"> ● Challenged the key assumptions used by the directors in the discounted cash flows projections in determining the recoverable amounts which include the annual revenue growth rate and discount rate; ● Assessed the reliability of the forecast through the review of past trends of actual financial performances against previous forecasted results; ● Reviewed management's assessment on goodwill in accordance with MFRS 136 by obtaining and compared the recoverable amounts of goodwill as at the reporting date; and ● Evaluated the adequacy of the Group's disclosures of key assumptions used in estimations.

FINANCIAL STATEMENTS (CONTINUED)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MAJUPERAK HOLDINGS BERHAD (CONTD.)

(Incorporated in Malaysia)

Key audit matters (Contd.)

Key Audit Matters	How our audit addressed the key audit matters
Valuation of investment properties	
<p>As at 31 December 2022, the carrying value of the Group's investment properties amounted to RM79,245,000 (2021 : RM54,357,053) which represents 26% (2021 : 18%) of the Group's total assets.</p> <p>The Group adopts the fair value model for its investment properties. The Group had engaged an external valuer to determine the fair value of the investment properties at the reporting date.</p> <p>We focused on this area because the determination of the fair values via external valuation by the independent valuer involved significant judgements and estimations that could result in material misstatement.</p> <p>Refer to Note 4.2(a) on significant accounting judgements, estimates and assumptions, Note 3.9 on Summary of Significant Accounting Policies and Note 13 to the financial statements.</p>	<p>Our audit procedures included, amongst others: -</p> <ul style="list-style-type: none"> • We evaluated the competency, independence and integrity of the professional valuers engaged by the Group; • We obtained an understanding of the techniques used by the external valuers in determining the valuations of investment properties; • We have discussed the critical assumptions made by the external valuers for the key input used in the valuation techniques; and <p>We have tested the integrity of information, including underlying lease and financial information provided by the independent valuers.</p>

FINANCIAL STATEMENTS (CONTINUED)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MAJUPERAK HOLDINGS BERHAD (CONTD.)
(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 Annual Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the Annual Report 2022, which is expected to be made available to us after the date of this auditors' report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

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.

FINANCIAL STATEMENTS (CONTINUED)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MAJUPERAK HOLDINGS BERHAD (CONTD.)****(Incorporated in Malaysia)****Auditors' Responsibilities for the Audit of the Financial Statements (Contd.)**

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

FINANCIAL STATEMENTS (CONTINUED)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MAJUPERAK HOLDINGS BERHAD (CONTD.)****(Incorporated in Malaysia)****Auditors' Responsibilities for the Audit of the Financial Statements (Contd.)**

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

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

Report on Other Legal and Regulatory Requirements

In accordance with requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 11 respectively to the financial statements.

Other matters

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

AL JAFREE SALIHIN KUZAIMI PLT
201506002872 (LLP0006652-LCA) & AF 1522
CHARTERED ACCOUNTANTS

AHMAD SYHAZAN BIN YAACOB
NO. 03696/10/2024 J
CHARTERED ACCOUNTANT

Dated: 06 April 2023

Selangor, Malaysia

FINANCIAL STATEMENTS (CONTINUED)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Revenue	5	26,308,016	29,669,569	1,691,021	3,022,038
Cost of sales		(24,852,428)	(19,216,275)	-	-
Gross profit		1,455,588	10,453,294	1,691,021	3,022,038
Other income		13,020,896	52,416,828	775,670	683,694
Administrative expenses and operating expenses		(28,778,269)	(39,493,555)	(9,522,813)	(9,226,207)
(Loss)/Profit from operations	6	(14,301,785)	23,376,567	(7,056,122)	(5,520,475)
Finance costs	7	(2,752,678)	(420,541)	(1,440,142)	(30,700)
(Loss)/Profit before share of associate results		(17,054,463)	22,956,026	(8,496,264)	(5,551,175)
Share of associates results		75,870	-	-	-
(Loss)/Profit before tax from continuing operations		(16,978,593)	22,956,026	(8,496,264)	(5,551,175)
Income tax credit/(expense)	8	3,979,122	(10,245,482)	-	12,212
Net (loss)/profit for the year		(12,999,471)	12,710,544	(8,496,264)	(5,538,963)
Other comprehensive income					
Item that may be subsequently reclassified to profit or loss:					
Financial assets at fair value through other comprehensive income		142,680	146,330	-	-
Net other comprehensive income for the financial year		142,680	146,330	-	-
Total comprehensive (loss)/income for the year		(12,856,791)	12,856,874	(8,496,264)	(5,538,963)

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

FINANCIAL STATEMENTS (CONTINUED)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTD.)

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
(Loss)/Profit attributable to:					
Equity holders of the company		(13,006,817)	13,620,519	(8,496,264)	(5,538,963)
Non-controlling interest		7,346	(909,975)	-	-
		<u>(12,999,471)</u>	<u>12,710,544</u>	<u>(8,496,264)</u>	<u>(5,538,963)</u>
Comprehensive (loss)/ income attributable to:					
Equity holders of the Company		(12,864,137)	13,766,849	(8,496,264)	(5,538,963)
Non-controlling interest		7,346	(909,975)	-	-
		<u>(12,856,791)</u>	<u>12,856,874</u>	<u>(8,496,264)</u>	<u>(5,538,963)</u>
Earnings per share					
Basic	9	(4.57) sen	4.85 sen		
Diluted	9	<u>(4.38) sen</u>	<u>4.78 sen</u>		

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

FINANCIAL STATEMENTS (CONTINUED)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Assets					
Non-current Assets					
Property, plant and equipment	10	14,850,543	24,311,804	5,737,684	2,365,807
Investment in subsidiary companies	11	-	-	183,053,737	173,517,535
Inventories	12	38,865,462	55,749,322	-	-
Investment properties	13	79,245,000	54,357,053	-	-
Investment in associates	14	9,875,870	-	-	-
Investment in jointly control entity	15	-	120,487	-	-
Other investment	16	9,354,198	9,211,516	-	-
Development expenditure	17	1,526,379	1,593,069	-	-
Goodwill on consolidation	18	24,383,879	9,681,081	-	-
		<u>178,101,331</u>	<u>155,024,332</u>	<u>188,791,421</u>	<u>175,883,342</u>
Current Assets					
Inventories	12	19,400,891	20,068,367	-	-
Trade receivables	19	1,803,889	5,336,505	-	-
Other receivables, deposits and prepayment	20	2,354,180	9,834,175	393,327	354,828
Amount due from ultimate holding corporation	21	90,907,566	104,277,726	-	8,359,359
Amount due from subsidiary companies	22	-	-	43,582,926	30,298,358
Amount due from related companies	23	6,301,706	8,812,742	1,049,819	1,442,569
Tax recoverable		691,734	977,862	999,823	979,565
Cash and cash equivalents	24	4,708,016	4,474,528	2,676,400	231,561
		<u>126,167,982</u>	<u>153,781,905</u>	<u>48,702,295</u>	<u>41,666,240</u>
Total Assets		<u><u>304,269,313</u></u>	<u><u>308,806,237</u></u>	<u><u>237,493,716</u></u>	<u><u>217,549,582</u></u>

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

FINANCIAL STATEMENTS (CONTINUED)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022 (CONTD.)

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Equity and Liabilities					
Equity Attributable to Equity Holders of the Company					
Share capital	25	188,421,342	188,421,342	188,421,342	188,421,342
Investment revaluation reserves	26	890,964	748,284	-	-
Employee share option reserves	27	1,227,524	1,227,524	1,227,524	1,227,524
Accumulated profits/(losses)		10,089,761	23,096,578	(28,337,820)	(19,841,556)
Shareholders' equity		<u>200,629,591</u>	<u>213,493,728</u>	<u>161,311,046</u>	<u>169,807,310</u>
Non-controlling interest	28	209,733	-	-	-
Total equity		<u>200,839,324</u>	<u>213,493,728</u>	<u>161,311,046</u>	<u>169,807,310</u>
Non-current Liabilities					
Bank borrowings	29	8,657,225	8,097,580	5,963,308	6,026,424
Hire purchase payables	30	186,729	278,822	-	-
Lease liability	31	2,691,905	3,294,196	3,061,203	-
Deferred taxation	32	11,419,213	15,240,682	16,429	16,429
		<u>22,955,072</u>	<u>26,911,280</u>	<u>9,040,940</u>	<u>6,042,853</u>
Current Liabilities					
Bank borrowings	29	3,996,392	2,945,666	958,039	958,039
Hire purchase payables	30	35,139	16,924	-	-
Lease liability	31	198,095	1,668	631,571	-
Trade payables	33	928,236	984,900	-	-
Other payables and accruals	34	46,940,168	38,995,127	18,631,524	4,720,709
Amount due to holding corporation	35	-	-	4,912,560	-
Amount due to subsidiary companies	35	-	-	32,183,116	26,091,638
Amount due to related companies	35	28,375,011	25,456,944	9,824,920	9,929,033
Provision for taxation		1,876	-	-	-
		<u>80,474,917</u>	<u>68,401,229</u>	<u>67,141,730</u>	<u>41,699,419</u>
Total Liabilities		<u>103,429,989</u>	<u>95,312,509</u>	<u>76,182,670</u>	<u>47,742,272</u>
Total Equity and Liabilities		<u>304,269,313</u>	<u>308,806,237</u>	<u>237,493,716</u>	<u>217,549,582</u>

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

FINANCIAL STATEMENTS (CONTINUED)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Group	Note	Share capital RM	Investment revaluation reserves RM	Employee share option reserves RM	Accumulated profits RM	Total RM	Non controlling interest RM	Total equity RM
31 December 2022								
At 1 January 2022		188,421,342	748,284	1,227,524	23,096,578	213,493,728	-	213,493,728
Acquisition of non-controlling interest		-	-	-	-	-	202,387	202,387
Total comprehensive income for the year		-	142,680	-	(13,006,817)	(12,864,137)	7,346	(12,856,791)
At 31 December 2022		<u>188,421,342</u>	<u>890,964</u>	<u>1,227,524</u>	<u>10,089,761</u>	<u>200,629,591</u>	<u>209,733</u>	<u>200,839,324</u>

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

FINANCIAL STATEMENTS (CONTINUED)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTD.)

Group	Note	Share capital RM	Investment revaluation reserves RM	Employee share option reserves RM	Accumulated profits RM	Total RM	Non controlling interest RM	Total equity RM
31 December 2021								
At 1 January 2021		188,085,327	601,954	905,597	10,843,692	200,436,570	(437,448)	199,999,122
Changes in ownership interest in a subsidiary	11	-	-	-	-	-	(147,001)	(147,001)
Acquisition of non-controlling interest		-	-	-	(1,494,424)	(1,494,424)	1,494,424	-
Total comprehensive income for the year		-	146,330	-	13,620,519	13,766,849	(909,975)	12,856,874
Transaction with owners:								
Issuance of ordinary share pursuant to Employee Share Option Scheme ("ESOS")		336,015	-	-	-	336,015	-	336,015
Share option granted under ESOS		-	-	321,927	-	321,927	-	321,927
Disposal of subsidiary company		-	-	-	126,791	126,791	-	126,791
Total transaction with the owner		336,015	-	321,927	126,791	784,733	-	784,733
At 31 December 2021		<u>188,421,342</u>	<u>748,284</u>	<u>1,227,524</u>	<u>23,096,578</u>	<u>213,493,728</u>	<u>-</u>	<u>213,493,728</u>

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

FINANCIAL STATEMENTS (CONTINUED)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Company	Share capital RM	Employee share option reserves RM	Accumulated losses RM	Total RM
31 December 2022				
At 1 January 2022	188,421,342	1,227,524	(19,841,556)	169,807,310
Total comprehensive income for the year	-	-	(8,496,264)	(8,496,264)
At 31 December 2022	<u>188,421,342</u>	<u>1,227,524</u>	<u>(28,337,820)</u>	<u>161,311,046</u>
31 December 2021				
At 1 January 2021	188,085,327	905,597	(14,302,593)	174,688,331
Total comprehensive income for the year	-	-	(5,538,963)	(5,538,963)
Transaction with owners:				
Issuance of ordinary share pursuant to private placement	336,015	-	-	336,015
Share option granted under ESOS	-	321,927	-	321,927
Total transaction with the owner	336,015	321,927	-	657,942
At 31 December 2021	<u>188,421,342</u>	<u>1,227,524</u>	<u>(19,841,556)</u>	<u>169,807,310</u>

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

FINANCIAL STATEMENTS (CONTINUED)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
CASH FLOW FROM OPERATING ACTIVITIES				
(Loss)/Profit before taxation	(16,978,593)	22,956,026	(8,496,264)	(5,551,177)
Adjustments for :				
Finance cost	2,752,678	420,541	1,440,142	30,700
Interest income	(32,951)	(151,029)	(854,117)	(403,155)
Depreciation of property, plant and equipments	1,341,269	1,151,204	1,334,636	588,385
Gain on disposal of investment property	-	(43,123,689)	-	-
Loss on disposal of property, plant and equipment	29,551	28,440	-	-
Share of associates result	(75,870)	-	-	-
Impairment on investment in subsidiary companies	-	-	2,963,798	-
Expected credit losses on :				
- Trade receivables	437,744	703,314	-	-
- Other receivables	22,500	-	-	-
- Related parties	3,879,919	2,076,468	507,286	1,879,058
Reversal of impairment in jointly controlled entity	(4,513)	-	-	-
Fair value gain on investment properties	(11,721,779)	(2,271,695)	-	-
Operating loss before changes in working capital	(20,350,045)	(18,210,420)	(3,104,519)	(3,456,189)
Changes in working capital:				
Decrease/(Increase) in trade and other receivables	10,581,918	4,442,776	(38,499)	(34,056)
(Decrease)/Increase in trade and other payable	(3,939,900)	16,553,949	12,895,760	2,925,005
Decrease/(Increase) in amount due from related companies	1,549,184	5,422,137	(900,034)	960,010
Decrease/(Increase) amount due from subsidiary companies	-	-	(7,193,091)	26,977,165
Decrease/(Increase) amount due from ultimate holding corporation	13,370,160	(15,335,466)	13,271,920	528,099
Decrease in inventories	22,100,430	14,972,622	-	-

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

FINANCIAL STATEMENTS (CONTINUED)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTD.)

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
CASH FLOW FROM OPERATING ACTIVITIES (CONTD.)				
Changes in working capital: (contd.)				
(Increase)/Decrease in development expenditure	(4,482,404)	437,118	-	-
Cash generated from operations	18,829,343	8,282,716	14,931,537	27,900,034
Tax paid	(445,657)	(435,160)	(20,258)	(16,022)
Net cash generated from operating activities	18,383,686	7,847,556	14,911,279	27,884,012
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of property, plant and equipment	(610,243)	(5,801,338)	(4,706,513)	(2,157,413)
Acquisition of new associate company	(8,000,000)	-	-	-
Acquisition of new subsidiaries companies	(6,500,002)	-	(6,500,002)	(25,389,792)
Disposal of NCI	-	589,024	-	-
Proceeds from disposal of investment in jointly controlled	125,000	-	-	-
Proceeds from disposal of property, plant and equipment	34,516	646,300	-	-
Net cash used in investing activities	(14,950,729)	(4,566,014)	(11,206,515)	(27,547,205)
CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of bank borrowings	(901,147)	(1,097,570)	(63,116)	(943,350)
Repayment of lease liabilities	(603,960)	(478,869)	(886,212)	(478,869)
Repayment of hire purchase payable	(73,878)	(145,148)	-	-
Issuance of share capital	-	336,015	-	336,015
Issuance of share options granted under ESOS	-	321,927	-	321,927
(Placement)/Uplift of fixed deposit pledged	(40,756)	38,745	-	-
Interest paid	(2,554,582)	(43,091)	(1,164,714)	-
Interest received	32,951	151,029	854,117	403,155
Net cash (used in)/generated from financing activities	(4,141,372)	(916,962)	(1,259,925)	(361,122)

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

FINANCIAL STATEMENTS (CONTINUED)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTD.)

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Net (decrease)/increase in cash and cash equivalents	(708,415)	2,364,580	2,444,839	(24,315)
Cash and cash equivalents at beginning of year	<u>2,476,067</u>	<u>111,487</u>	<u>231,561</u>	<u>255,876</u>
Cash and cash equivalents at end of year	<u><u>1,767,652</u></u>	<u><u>2,476,067</u></u>	<u><u>2,676,400</u></u>	<u><u>231,561</u></u>
Cash and cash equivalents at end of year comprised:				
Fixed deposit with licensed banks	762,444	3,502,087	-	-
Cash and bank balances	<u>3,945,572</u>	<u>972,441</u>	<u>2,676,400</u>	<u>231,561</u>
	4,708,016	4,474,528	2,676,400	231,561
Less:				
Bank overdraft	(2,888,353)	(1,987,206)	-	-
Deposit pledged to financial institution	<u>(52,011)</u>	<u>(11,255)</u>	-	-
	<u><u>1,767,652</u></u>	<u><u>2,476,067</u></u>	<u><u>2,676,400</u></u>	<u><u>231,561</u></u>

The Group has changed its presentation for the Statements of Cash Flows from direct to indirect method in order to provide relevant information for the readers of the financial statements.

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

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**1. CORPORATE INFORMATION**

The Company is a public limited liability company, domiciled and incorporated in Malaysia and listed on the Main Market of the Bursa Malaysia Securities Berhad. The registered office is located at 55A, Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan and principal place of business is located at Aras 1, Bazar Ipoh, Jalan Sultan Nazrin Shah, 31350 Ipoh, Perak Darul Ridzuan.

The principal activities of the Company are investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiary and associate companies are stated in Note 11 and 14 respectively to the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of Preparation**

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) as issued by the Malaysian Accounting Standards Board (“MASB”), International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost basis except as disclosed in the accounting policies below.

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

The directors has used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Judgments and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts. The areas involving significant judgments and estimation uncertainties are disclosed in Note 4.

As at 31 December 2022, the Company’s current liabilities exceeded its current assets by RM18,439,435 (2021: RM33,179). These events or conditions indicate that an uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern.

The directors are of the opinion that the Company has financial resources to continue as a going concern at the date of this report. There is no reason for the directors to believe that there any significant uncertainty that the Company’s shareholders will not continue their support. Accordingly, the financial statements of the Company do not include any adjustments relating to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

2.2 Changes in Accounting Policies

The accounting policies adopted by the Group and the Company are consistent with those adopted in previous financial year except as follows:-

On 1 January 2022, the Group and the Company adopted the following Amendments mandatory for annual financial periods beginning on or after 1 January 2022:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 1, MFRS 9, MFRS 16 and MFRS 141 “Annual Improvements to MFRS Standards 2018-2020”	1 January 2022
Amendments to MFRS 3: Business Combinations - Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of fulfilling a Contract	1 January 2022

The above announcement are either not relevant or do not have any material impact on the Group's and of the Company's financial statements.

2.3 Standards, Amendments and Interpretations Issued but Not Yet Effective

The Standard, Amendments and Annual Improvements that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these Standards, Amendments and Annual Improvements, if applicable, when they become effective.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

2.3 Standards, Amendments and Interpretations Issued but Not Yet Effective (Contd.)

Description	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts and Amendments to MFRS 17	1 January 2023
Amendments to MFRS 101: Presentation of Financial Statements	
- Classification of Liabilities as Current or Non-current	1 January 2023
- Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Accounting Policies Changes in Accounting Estimates and Errors	
- Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Incomes Taxes	
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 16 : Leases - Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Presentation of Financial Statements	
- Non-current liabilities with Covenants	1 January 2024
Amendments to MFRS 10: Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associates of Joint Venture	Deferred
Amendments to MFRS 128: Investments in Associates and Joint Ventures : Sale or Contribution of Assets between an Investor and its Associate of Joint Venture	Deferred

The Group and the Company will adopt the above pronouncements, if applicable, when they become effective in the respective annual periods. These pronouncements are not expected to have material financial impact to the financial statements of the Group and of the Company.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES****3.1 Business Consolidation****(i) Subsidiaries**

Subsidiaries are entities, including unincorporated entities, controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale). The cost of investments includes transaction costs.

(ii) Business Combination

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

The Group measures the cost of goodwill at the acquisitions date as:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interest in the acquire; plus
- If the business combination is achieved in stages, the fair value of the existing equity interest in the acquisition; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

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

For each business combination, the Group elects whether it measures the noncontrolling interests in the acquire either at fair value or the appropriate share of the acquiree's identifiable net assets at the acquisition date.

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

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.1 Business Consolidation (Contd.)****(iii) Changes in Group composition**

Where a subsidiary issues new equity shares to minority interests for cash consideration and the issue price has been established at fair value, the reduction in the Group's interests in the subsidiary is accounted for as a disposal of equity interest with the corresponding gain or loss recognised in the statements of comprehensive income.

When a group purchases a subsidiary's equity shares from minority interests for cash consideration and the purchase price has been established at fair value, the accretion of the Group's interests in the subsidiary is accounted for as a purchase of equity interest for which the acquisition method of accounting is applied.

The Group treats all other changes in group composition as equity transactions between the Group and its minority shareholders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iv) Transactions eliminated on consolidation

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

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

3.2 Revenue Recognition**(i) Property development activities**

Revenue is recognised when or as the control of the property is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the property may transfer over time or at a point in time.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.2 Revenue recognition (Contd.)****(i) Property development activities (Contd.)**

If control is transferred over time, revenue is recognised progressively when property development services are rendered and such services do not create an asset with an alternative used to the Group and the Company, and the Group and the Company have a present right to payment for services rendered to date. The progress towards complete satisfaction of the performance obligation is measured based on a method that best depicts the Group's and the Company's performance in satisfying the performance obligation of the contract. This is determined by reference to the property development costs incurred up to the end of the reporting period as a percentage of total estimated costs for the complete satisfaction of the contract.

Otherwise, revenue is recognised at a point in time upon delivery of property and customer's acceptance, and the Group and the Company have a present right to payment for the property sold.

When the services rendered exceed the billings to customers, a contract asset is recognised. If the billings exceed the services rendered, a contract liability is recognised when the points are redeemed or when they expire 12 months after the initial sale.

A contract liability is recognised until the points are redeemed or expire.

(ii) Interest income

Interest income is recognised using the effective interest method, and accrued on a time basis.

(iii) Dividend income

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

(iv) Rental income

Rental income is accounted for on a straight-line method over the lease term.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

3.2 Revenue recognition (Contd.)

(v) **Management service and fees**

Revenue from management services and fees is recognised on an accrual basis.

(vi) **Sale of completed properties**

Revenue relating to the sale of completed properties is recognised, net of discounts, upon the transfer of significant risk and reward of ownership to the buyer.

(vii) **Contract income**

Income from contracts/projects of the Group is recognised in the statements of comprehensive income on the percentage of completion method.

(viii) **Merchandise**

Sale of merchandise products is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the customers.

(ix) **Solar energy**

Revenue from solar energy is recognised on an accrual basis.

3.3 **Employee Benefits**

(a) **Share-based payment transactions**

The fair value of the options granted is recognised as an employee expense with a corresponding increase in equity. The fair value determined at the grant date is expensed in accordance with MFRS 2 over the period during which the employees become unconditionally entitled to the options, based on the Group's and the Company's estimate of the shares that will eventually vest, and adjusted for the effect of non-market-based vesting conditions.

At each reporting date, the Group and the Company revise the estimates of the number of options that are expected to become exercisable, and recognise the impact of the revision of the original estimates in employee expenses and in a corresponding adjustment to equity over the remaining vesting period.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.3 Employee Benefits (Contd.)****(b) Short term employee benefits**

Short-term employment benefits, such as wages, salaries and social security contributions, are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group and the Company.

Short-term accumulating compensated absences, such as paid annual leave, are recognised when the employees render services that increase their entitlement to future compensated absences. Non-accumulating compensated absences, such as sick and medical leaves, are recognised when the absences occur.

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

Profit-sharing and bonus plans are recognised when the Group and the Company has a present legal or constructive obligation to make payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when, and only when the Group and the Company have no realistic alternative but to make the payments.

(c) Defined contribution plan

The Group and the Company participates in the national pension schemes as defined by the laws of the countries in which it has operation. The Malaysian companies in the Group make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

3.4 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset when the expenditures for the asset and borrowing costs are being incurred, and activities that are necessary to prepare the asset for its intended use or sale are in progress.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.4 Borrowing Costs (Contd.)**

Capitalisation of borrowing costs is suspended during any extended periods in which active development is interrupted and ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the profit or loss in the financial year in which they are incurred.

3.5 Tax Assets and Tax Liabilities

Income tax comprises of current tax and deferred tax. Current tax and deferred tax are charged or credited to other comprehensive income or equity if the tax relates to items that are credited or charged directly to other comprehensive income or equity.

Current tax liabilities are measured based on the amounts expected to be paid, using the tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax is provided in full, using the liability method, on temporary differences which are the differences between the carrying amount in the financial statements and the corresponding tax base of an asset or liability at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences to the extent that taxable profit will probably be available against which the deductible temporary differences can be utilised. Deferred tax liabilities and assets are not recognised if the temporary differences arise from goodwill and for initial recognition of assets or liabilities that affect neither accounting profit nor taxable profit.

Deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amounts of its assets and liabilities and are measured using the tax rates that have been enacted or substantially enacted by the reporting date.

The carrying amount of the deferred tax assets are reviewed at each reporting date, and the carrying amount is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be utilised. The reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

3.6 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land and buildings.

Assets stated at valuation

Freehold land and assets under construction, depreciation is provided on a straight-line method so as to write off the cost or valuation of the assets over their estimated useful lives, as follows:

Items	Useful lives (years)
Long term leasehold land and buildings	Over lease term
Renovation	5 to 10
Plant and machinery, furniture, fittings and office equipment	5
Motor vehicles	5
Solar panel	20

Depreciation of an asset begins when it is ready for its intended use.

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the items if it is probable that the future economic benefits embodied within the part will flow to the Group and the Company and its cost can be measured reliably.

The carrying amount of the replaced item of property, plant and equipment is derecognised with any corresponding gain or loss recognised in the profit or loss accordingly. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

The depreciable amount is determined after deducting residual value. The residual values, useful life and depreciation method are reviewed at each financial year end 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.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.6 Property, Plant and Equipment (Contd.)**

The gain or loss arising from the derecognition of an asset, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, are recognised in profit or loss.

3.7 Leases

The Group and the Company assess at contract inception whether a contract is or contains a lease. That is, of the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For a contract that contains a lease component and non-lease components, the Group and the Company allocate the consideration in the contract to each lease and non-lease component on the basis of their relative stand alone prices.

As a lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognise right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If the ownership of the lease assets transfer to the Group and the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimates useful lives of the assets.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.7 Leases (Contd.)****As a lessee (Contd.)****(ii) Lease liabilities**

At the commencement date of the lease, the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company use its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured 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.

(iii) Short-term leases and leases of low-value assets

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

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.7 Leases (Contd.)****As a lessee (Contd.)****(iv) Extension options**

The Company, in applying their judgement, determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company apply judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

As a lessor

Leases in which the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.8 Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination. The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.9 Investment properties**

The Company recognises land, building (including a floor of a building), or both land and building, as an investment property if it is held for capital appreciation, rental income or both. An investment property is recorded at cost on initial recognition. Cost of an investment property comprises the purchase price plus all directly attributable costs incurred to bring the property to its present location and condition intended for uses and investment property.

For the purpose of subsequent measurement, items of equipment that are irremovable and items that are physically attached to a building, such as lifts, elevators, electrical system and air-conditioning system, are treated as an integral part of the property. The Company uses the fair value model to measure an investment property after initial recognition if the fair value can be measured reliably without undue cost or effort. Fair value is determined by reference to a quoted market price, if observable. Changes in fair value of an investment property are recognised in profit or loss for the periods in which they arise. All other investment property is measured at cost less accumulated depreciation and impairment loss.

3.10 Investment in associates

Associate companies are companies in which the Company has significant influence, but no control, over their financial and operating policies.

The Group's investment in its associate companies is accounted for using the equity method. Under the equity method, investment in an associate company is carried in the statements of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate company since the acquisition date.

The share of the results of an associate company is reflected in profit or loss. In addition, any change in other comprehensive income of those investee is presented as part of the Group's other comprehensive income. Where there has been change recognised directly in the equity of an associate company, the Group recognises and discloses its share of this change, when applicable, in the statements of changes in equity. Unrealised gains or losses resulting from transactions between the Group and the associate companies are eliminated to the extent of the interest in the associate company. When the Group's share of losses exceeds its interest in an associate company, the carrying amount of that interest including any long-term investment is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate company.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.10 Investment in associates (Contd.)**

The financial statements of the associate company are prepared as of the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies of the associate company in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associate companies. The Group determined at the end of the reporting date whether there is any objective evidence, the Group calculate the amount of impairment as the difference between the recoverable amount of the investment in associate companies and their carrying amount and recognise the amount in the "share of profit of associate companies" in profit or loss.

Upon loss of significant influence over an associate company, the Group measures and recognise any retaining investment at its fair value. Any difference between the carrying amount of the associate company upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss. In the Company's separate financial statements, investment in associate company is stated at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and their carrying amount is included in profit or loss.

3.11 Land held for development

Land held for development representing lands held for future development is stated at cost of acquisition including all related costs incurred subsequent to the acquisition on activities necessary to prepare the land for its intended use. Such assets are transferred to development properties when significant development work is to be undertaken and is expected to complete within the normal operating cycle.

Land held for development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the Group's normal operating cycle of 2 to 3 years. Cost associated with the acquisition of land includes price of the land professional fees, stamp duties, commissions, conversion fees and other relevant levies.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.12 Property development cost**

Property development costs comprise costs associated with the acquisition of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis for such activities. Property, development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value. The excess of revenue recognised in the statement of comprehensive income over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the statement of comprehensive income is shown under trade payables.

3.13 Inventories**(i) Developed properties held for sale**

Completed properties held for sale are stated 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 properties to completion.

(ii) Cleaning supplies and inventory spare parts

Cleaning supplies and inventory spare parts are stated at the lower of cost and net realisable value.

3.14 Development expenditure**(i) Renewable energy development**

Direct and indirect expenditure payments for solar energy projects under development are stated at a cost in the financial statements. Such expenditures are capitalised until the project is capable to generate income. The policy of the recognition and measurement of impairment losses are in accordance with impairment of assets to the financial statements. The amount of development costs recognised as assets set are amortised and recognised as an expense on a systematic basis so as to reflect the pattern in which the related economic benefits are recognised.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.14 Development expenditure (Contd.)****(ii) Agriculture land**

Direct and indirect expenditure payments for development of land are stated at a cost in the financial statements. Such expenditures are capitalised until the project is capable to generate income. The policy of the recognition and measurement of impairment losses are in accordance with impairment of assets to the financial statements.

(iii) Impairment of non-financial assets

At each reporting date, the Group and the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amounts of the assets are estimated. Irrespective of whether there is any indication of impairment, the Group and the Company test an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment annually.

When it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs. When it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or a cash-generating unit) is less than its carrying amount, an impairment loss is recognised to reduce the carrying amount to its recoverable amount. An impairment loss for a cash-generating unit is firstly allocated to reduce the carrying amount of goodwill allocated to the cash-generating unit, and then, to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.14 Development expenditure (Contd.)****(iv) Impairment of non-financial assets (Contd.)**

An impairment loss is recognised immediately in profit or loss, unless it reverses a previous revaluation, in which case it is treated as a revaluation decrease. An impairment loss recognised in prior periods for an asset, other than goodwill, is reversed if there has been a change in the estimate used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation if no impairment loss had been recognised, and is recognised immediately in profit or loss, unless it reverses a previous revaluation, in which case it is treated as a revaluation increase.

3.15 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification of financial assets

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

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

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.15 Financial assets (Contd.)****(i) Classification of financial assets (contd.)**

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

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

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

(ii) Amortised cost and effective interest method

At initial recognition financial assets are measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

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

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.15 Financial assets (Contd.)****(ii) Amortised cost and effective interest method (Contd.)**

For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. For purchased or originated credit-impaired financial assets, the Group and the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired. Interest income is recognised in profit or loss and is included in the “investment income” line item.

(iii) Debt instruments classified as at FVTOCI

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

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **FVTOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income (‘OCI’), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. Interest revenue and foreign exchange gains and losses which are recognised in profit or loss. OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.15 Financial assets (Contd.)****(iii) Debt instruments classified as at FVTOCI (Contd.)**

- FVTPL: Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit or loss within other gains/(losses) in the period in which it arises.

(iv) Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Where the Group's and the Company's management have elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's and the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

(v) Financial assets at fair value through profit or loss ('FVTPL')

This category comprises only in-the-money derivatives. They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Group and the Company do not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.15 Financial assets (Contd.)****(vi) Impairment of financial assets**

The Group and the Company recognise a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income (FVTOCI), lease receivables, amounts due from customers under construction contracts, as well as on loan commitments and financial guarantee contracts. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The Group and the Company always recognises lifetime ECL for trade receivables, amounts due from customers under construction contracts and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

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

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.15 Financial assets (Contd.)****(vii) Derecognition of financial assets**

The Group and the Company derecognise a financial asset when the contractual right to the cash flows from the financial asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group and the Company neither transfer nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group and the Company enter into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

3.16 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, short-term deposits and other short-term, highly liquid investments that are readily convertible to a known amount of cash with an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and deposits pledged to financial institutions.

3.17 Provisions

A provision is recognised when the Group and the Company have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are recognised based on a reliable estimate of the amount of the obligation.

3.18 Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing the performance of the operating segment, has been identified as the Board of Directors supported by Group Chief Executive Officer within the approved limit of authority in making strategic decisions.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.18 Segmental Reporting (Contd.)**

Segment reporting is presented for enhanced assessment of the Group's and of the Company's risks and returns. Business segments provide products or services that are subject to risk and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those components operating in other economic environments.

Segment revenue, results, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, results, assets and liabilities are determined after elimination of intragroup balances and intragroup transactions as part of the consolidation process.

3.19 Contingent liabilities

The Group does not recognise contingent liabilities but discloses their existence in the financial statements. A contingent liability is a possible obligation that arise 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 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 the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably.

3.20 Finance lease

Leases of property, plant and equipment, which are classified as finance leases, where substantially all the risks and benefits incidental to the ownership of the assets, but not the legal ownership, are transferred to the Group and the Company.

Assets under finance lease are depreciated on a straight-line basis over the shorter of the lease terms or their useful lives. Lease interest is recognised as an expense in profit or loss over the lease period so as to give a constant periodic rate of interest on the outstanding liability at the end of each accounting period.

All other leases are classified as operating lease and the lease rentals are recognised as an expense in profit or loss on a straight-line basis over the lease term.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.21 Financial liabilities**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(i) Financial liabilities at FVTPL

This category comprises only out-of-the-money derivatives. They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. The Group and the Company do not hold or issue derivative instruments for speculative purposes, but for hedging purposes. Other than these derivative financial instruments, the Group and the Company do not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

(ii) Other financial liabilities

Other financial liabilities include the following items:

- bank borrowings and the Group's and the Company's perpetual preference shares are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)****3.21 Financial liabilities (Contd.)****(ii) Other financial liabilities (Contd.)**

Other financial liabilities include the following items: (Contd.)

- liability components of convertible loan notes are measured as described further below.
- trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(iii) Derecognition of financial liabilities

The Group and the Company derecognise a financial liability when its contractual obligations are discharged or cancelled or expire. The Group and the Company also derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**4. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY****4.1 Judgements and Assumption Applied**

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

(a) Classification between investment properties and property, plant and equipment

The Group developed certain criteria in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

The Group has an insignificant portion which is held for use for administrative purposes of a building but has decided to classify the entire building as investment property as this portion cannot be sold separately.

(b) Deferred tax assets

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

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**4. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONTD.)****4.1 Judgements and Assumption Applied (Contd.)****(c) Impairment of goodwill on consolidation**

Goodwill is tested for impairment at each reporting period and at other times when such indicator exist. This requires an estimation of the value-in-use of the cash generating units to which goodwill is allocated.

When value-in-use calculations are undertaken, the Group must estimate future cash flows from the cash-generating unit and choose a suitable discount rate in order to calculate the present values of those cash flows. Further details of the carrying value and the key assumptions applied in the impairment assessment are:

- i) The Group has applied 5% - 11% of discounted rate in determining the present value of cash flows of the Group depending on the risk and project life cycle for each project of the Group.
- ii) Budgeted profit margin is determined by the gross development value and gross development cost of each future project of the Group.

The Group is of the opinion that any reasonable possible change in the above key assumptions would not materially cause the recoverable amount the CGUs to be lower than carrying value of the goodwill of the Group.

4.2 Estimation Uncertainty

The measurement of some assets and liabilities requires management to use estimates based on various observable inputs and other assumptions. The areas or items that are subject to significant estimation uncertainties of the Group are in measuring: (a) fair value of investment properties (b) allowance for expected credit loss; (c) useful lives of property, plant and equipment and investment properties; (d) impairment goodwill; (e) income taxes/deferred tax liabilities: and (f) contingent liabilities.

(a) Fair value of investment properties

Fair value of the investment properties and certain property, plant and equipment of the Group were based on valuations carried out by independent professional valuers. The valuation applies estimates, judgements and assumptions in the determination of fair values.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**4. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONTD.)****4.2 Estimation Uncertainty (contd.)****(b) Allowance for expected credit loss**

The Group assessed at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

(c) Useful lives of property, plant and equipment

Property, plant and equipment is depreciated on a straight-line basis over their estimated useful lives. The management exercises their judgement in estimating the useful lives of the depreciable assets. The Group and the Company assess annually the useful lives of the property, plant and equipment and investment properties and if the expectation differs from the original estimate, such difference will impact the depreciation in the period in which such estimate has been charged.

(d) Impairment of goodwill

The Group determined whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash generating units (“CGU”) to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future revenue from the CGU.

(e) Income taxes/Deferred tax liabilities

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

The Group recognised tax liabilities based on an estimate of whether additional tax will be due. Where the final tax outcome of these matters is different from the amount that were initially recognised, such differences will impact the income tax provisions in the period in which such determined is made.

(f) Contingent liabilities

Determination of the treatment of contingent liabilities in the financial statements is based on the management’s view of the expected outcome of the applicable contingency.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

5. REVENUE

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
<u>Over time :</u>				
Contract services	3,390,715	3,763,130	-	-
<u>Point in time :</u>				
Contract services	-	3,531,000	-	-
Sales of land	17,621,203	15,289,743	-	-
Sales of property	868,800	-	-	-
Solar energy	1,264,428	1,429,828	-	-
Rental income	1,672,768	2,803,031	-	-
Management fee	-	-	1,691,021	3,022,038
Merchandise products	1,062,218	2,786,682	-	-
Dividend	427,884	66,155	-	-
	<u>22,917,301</u>	<u>25,906,439</u>	<u>1,691,021</u>	<u>3,022,038</u>
Total revenue	<u>26,308,016</u>	<u>29,669,569</u>	<u>1,691,021</u>	<u>3,022,038</u>

6. (LOSS)/PROFIT FROM OPERATION

(Loss)/Profit from operation is stated after charging/(crediting) the following items:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Auditors' remuneration				
- Statutory audit	280,000	280,000	60,000	60,000
- Other services	10,000	10,000	10,000	10,000
Director's remuneration:				
- fee - current year	431,000	285,833	431,000	285,833
- other than fee	321,549	549,948	321,549	549,948
Depreciation of property, plant and equipment	1,341,269	1,151,204	1,334,636	588,385
Expected credit losses on :				
- Trade receivables	437,744	703,314	-	-
- Other receivables	22,500	-	-	-
- Related parties	3,879,919	2,076,468	507,286	1,879,058
Reversal of expected credit losses				
- Trade receivables	(579,705)	-	-	-
- Other receivables	(7,293)	(499,499)	-	-
Impairment on investment in subsidiaries	-	-	2,963,798	-

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

6. (LOSS)/PROFIT FROM OPERATION (CONTD.)

	Group		Company	
	2022	2021	2022	
Staff cost:				
- Short term benefit	12,445,505	11,826,871	1,248,411	1,231,836
- EPF	1,779,598	1,732,070	201,171	193,933
- Share option granted under ESOS	-	321,927	-	321,927
Reversal of impairment in jointly controlled entity	(4,513)	-	-	-
Gain on fair value of investment properties	(11,721,779)	(2,271,695)	-	-
Gain on disposal of investment properties	-	(43,123,689)	-	-
Loss on disposal of property, plant and equipment	29,551	28,440	-	-
Interest income	(32,951)	(151,029)	(854,117)	(403,155)
Rental income	(91,796)	(295,200)	-	-
Other income	<u>(587,371)</u>	<u>(13,925)</u>	<u>(550)</u>	<u>(1,200)</u>

Remunerations of the directors comprise the following:

	Group/Company	
	RM	RM
Directors fee:		
Executive directors	48,000	48,000
Non-executive directors	<u>383,000</u>	<u>237,833</u>
	<u>431,000</u>	<u>285,833</u>
Directors others than fee:		
Other emoluments	<u>321,549</u>	<u>549,948</u>

The number of directors of the Group whose total salary or other emoluments during the year fell within the following bands is analysed below:

	Number of directors	
	2022	2021
Executive directors:		
RM200,001 - RM300,000	-	-
RM300,001 - RM350,000	-	-
RM350,001 - RM400,000	2	2
RM400,001 - RM500,000	-	-
RM500,001 - RM550,000	<u>-</u>	<u>-</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

6. PROFIT/(LOSS) FROM OPERATION (CONTD.)

	Number of directors	
	2022	2021
Non-executive directors:		
RM10,001 - RM20,000	-	-
RM20,001 - RM30,000	-	3
RM30,001 - RM40,000	-	-
RM40,001 - RM60,000	7	4

7. FINANCE COST

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Interest on term loan	1,493,998	104,676	1,164,714	-
Interest on hire purchase	11,854	6,281	-	-
Interest on bank overdraft	159,594	109,584	-	-
Interest on lease liability	1,087,232	200,000	275,428	30,700
	<u>2,752,678</u>	<u>420,541</u>	<u>1,440,142</u>	<u>30,700</u>

8. INCOME TAX (CREDIT)/ EXPENSE

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Taxation based on (loss)/profit for the financial year:				
- Malaysian income tax	-	590,916	-	-
- Real property gain tax	-	9,661,086	-	-
- Deferred taxation	1,172,177	1,108,931	-	12,987
	<u>1,172,177</u>	<u>11,360,933</u>	<u>-</u>	<u>12,987</u>
Over provision in prior year:				
- Malaysian income tax	(157,653)	(6,520)	-	(775)
- Deferred taxation	(4,993,646)	(1,108,931)	-	-
Total income tax (credit)/expense	<u>(3,979,122)</u>	<u>10,245,482</u>	<u>-</u>	<u>12,212</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

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

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
(Loss)/Profit before taxation	<u>(16,978,593)</u>	<u>22,956,026</u>	<u>(8,496,264)</u>	<u>(5,551,175)</u>
Taxation at Malaysia statutory tax rate 24% (2021: 24%)	(4,074,862)	5,509,446	(2,039,103)	(1,332,282)
<i>Tax effect on:</i>				
Expenses disallowed during the year	826,177	2,455,588	1,235,349	1,345,269
Deferred tax assets not recognised	2,890,102	-	803,754	-
Effect on different tax rate	1,530,760	(6,271,707)	-	-
Real property gain tax	-	9,661,086	-	-
Over provision in prior year	(157,653)	(1,108,931)	-	(775)
Over provision of deferred tax in prior year	(4,993,646)	-	-	-
	<u>(3,979,122)</u>	<u>10,245,482</u>	<u>-</u>	<u>12,212</u>

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

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Unabsorbed capital allowance	161,430	143,174	210,894	210,894
Unutilised tax losses	<u>25,848,533</u>	<u>13,824,691</u>	<u>5,335,114</u>	<u>1,986,139</u>
	<u>26,009,963</u>	<u>13,967,865</u>	<u>5,546,008</u>	<u>2,197,033</u>

The above unabsorbed capital allowances is available indefinitely for offset against future taxable profit subject to the approval of the Inland Revenue Board. Deferred tax assets have not been recognised in respect of this item due to uncertainty of its recoverability. The unutilised tax losses carry-forward will be limited to 8 years of assessment starting from the year of assessment 2022.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

9. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The basic earnings/(loss) per share is calculated by dividing the Group's net profit/(loss) attributable to shareholders by the weighted average number of shares in issue during the year.

	Group	
	2022	2021
	RM	RM
Net (loss)/income attributable to shareholders	(13,006,817)	13,620,519
Weighted average number of ordinary shares in issue	<u>284,421,865</u>	<u>280,806,095</u>
Basic (loss)/earnings per share (Sen)	<u>(4.57)</u>	<u>4.85</u>

(b) Diluted (loss)/earnings per share

Diluted (loss)/earnings per ordinary share for the financial year is calculated by dividing the (loss)/profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares. The adjusted weighted average number of ordinary shares in issue and issuable has been arrived at based on the assumption that ESOS are exercised at the beginning of the financial year. The ordinary shares to be issued under ESOS are based on the assumed proceeds on the difference between average share price for the financial year and exercise price.

	Group	
	2022	2021
	RM	RM
Net (loss)/income attributable to shareholders	(13,006,817)	13,620,519
Weighted average number of ordinary shares in issue	<u>284,421,865</u>	<u>280,806,095</u>
Effects of dilution due to:		
- ESOS	<u>12,680,800</u>	<u>4,356,800</u>
Adjusted weighted average number of ordinary shares applicable to diluted earnings per share	<u>297,102,665</u>	<u>285,162,895</u>
Basic (loss)/ earnings per share (Sen)	<u>(4.38)</u>	<u>4.78</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

10. PROPERTY, PLANT AND EQUIPMENT

Group	Long term leasehold land and buildings RM	Office equipment RM	Renovation RM	Motor vehicles RM	Solar panel RM	Buildings RM	Equipment RM	Total RM
Cost								
As at 1 January 2022	1,534,956	5,362,226	12,764,627	1,361,122	11,663,967	1,016,792	18,232	33,721,922
Acquisition of subsidiaries	-	-	-	-	7,500,000	-	-	7,500,000
Additions	-	378,713	146,930	-	84,600	-	-	610,243
Disposal	-	(96,100)	-	-	-	-	-	(96,100)
Transfer to investment property	-	-	(12,757,936)	-	-	(1,016,792)	-	(13,774,728)
As at 31 December 2022	1,534,956	5,644,839	153,621	1,361,122	19,248,567	-	18,232	27,961,337
Accumulated depreciation								
As at 1 January 2022	1,313,779	2,808,237	604,958	1,131,456	3,440,279	93,182	18,227	9,410,118
Acquisition of subsidiaries	-	-	-	-	3,000,000	-	-	3,000,000
Depreciation	17,437	649,777	14,287	73,397	586,371	-	-	1,341,269
Disposal	-	(32,033)	-	-	-	-	-	(32,033)
Transfer to investment property	-	-	(515,378)	-	-	(93,182)	-	(608,560)
As at 31 December 2022	1,331,216	3,425,981	103,867	1,204,853	7,026,650	-	18,227	13,110,794
Carrying amount								
As at 31 December 2022	203,740	2,218,858	49,754	156,269	12,221,917	-	5	14,850,543

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

10. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

Group	Long term leasehold land and buildings RM	Office equipment RM	Renovation RM	Motor vehicles RM	Solar panel RM	Buildings RM	Equipment RM	Total RM
Cost								
As at 1 January 2021	1,529,941	5,356,526	8,809,087	1,499,784	11,663,967	1,255,299	18,232	30,132,836
Additions	5,015	5,700	5,615,435	175,188	-	-	-	5,801,338
Disposal	-	-	-	(313,850)	-	-	-	(313,850)
Transfer to investment property	-	-	(1,659,895)	-	-	(238,507)	-	(1,898,402)
As at 31 December 2021	1,534,956	5,362,226	12,764,627	1,361,122	11,663,967	1,016,792	18,232	33,721,922
Accumulated depreciation								
As at 1 January 2021	1,290,706	2,576,938	427,796	1,365,957	2,863,308	62,765	18,227	8,605,697
Depreciation	23,073	231,299	202,493	79,347	576,971	38,021	-	1,151,204
Disposal	-	-	-	(313,848)	-	-	-	(313,848)
Transfer to investment property	-	-	(25,331)	-	-	(7,604)	-	(32,935)
As at 31 December 2021	1,313,779	2,808,237	604,958	1,131,456	3,440,279	93,182	18,227	9,410,118
Carrying amount								
As at 31 December 2021	221,177	2,553,989	12,159,669	229,666	8,223,688	923,610	5	24,311,804

The motor vehicles of the Group acquired under hire purchase were carried at net book value of RM156,269 (2021: RM229,666) in the statements of financial position.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

10. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

Company	Office equipment RM	Motor vehicles RM	Right-of-use Building RM	Total RM
Cost				
As at 1 January 2021	843,817	177,200	1,260,154	2,281,171
Additions	2,157,413	-	-	2,157,413
As at 31 December 2021	3,001,230	177,200	1,260,154	4,438,584
Additions	402,955	-	4,303,558	4,706,513
As at 31 December 2022	3,404,185	177,200	5,563,712	9,145,097
Accumulated depreciation				
As at 1 January 2021	467,091	177,199	840,102	1,484,392
Additions	168,333	-	420,052	588,385
As at 31 December 2021	635,424	177,199	1,260,154	2,072,777
Additions	617,376	-	717,260	1,334,636
As at 31 December 2022	1,252,800	177,199	1,977,414	3,407,413
Carrying amount				
As at 31 December 2022	2,151,385	1	3,586,298	5,737,684
As at 31 December 2021	2,365,806	1	-	2,365,807

11. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2022 RM	2021 RM
At cost		
As at 1 January	173,517,535	174,608,395
Additions	13,590,860	-
	187,108,395	174,608,395
Less: Accumulated impairment losses	(4,054,658)	(1,090,860)
As at 31 December	183,053,737	173,517,535

Movement in impairment losses:

	Company	
	2022 RM	2021 RM
As at 1 January	1,090,860	1,090,860
Impairment during the year	2,963,798	-
As at 31 December	4,054,658	1,090,860

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

11. INVESTMENT IN SUBSIDIARY COMPANIES (CONTD.)

Details of the Company's subsidiaries as at 31 December 2022 are as follows:

Name	Principal activities	Effective equity interest (%)	
		2022	2021
Syarikat Majuperak Berhad *	Property development	100	100
Majuperak Energy Resources Sdn. Bhd. *	Renewable Energy	100	100
Nexusbase Development Sdn Bhd**	Property development	51	-
Majuperak Development Berhad *	Management services	100	100
Majuperak Property Management Sdn. Bhd. *	Property development	100	100
Majuperak Land Sdn. Bhd. *	Property development	100	100
Majuperak Bio Resources Sdn. Bhd. *	Contract management	100	100
Held through Syarikat Majuperak Berhad:			
Majuperak Management Services Sdn. Bhd. *	Management and secretarial services	100	100
Majuperak Properties Sdn. Bhd. *	Property development	100	100
Perak Builders Sdn. Bhd. *	Property development	100	100

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

11. INVESTMENT IN SUBSIDIARY COMPANIES (CONTD.)

Details of the Company's subsidiaries as at 31 December 2022 are as follows: (Contd.)

Name	Principal activities	Effective equity interest (%)	
		2022	2021
Held through Majuperak Energy Resources Sdn. Bhd.:			
Majuperak Kinta Hydro Sdn Bhd. *	Dormant	100	100
<i>(Formerly known as Majuperak Power Resources Sdn. Bhd.)</i>			
Majuperak Allied Sdn. Bhd. *	Contract service	-	100
<i>(Formerly known as Majuperak Petrolife Gas Sdn. Bhd.)</i>			
Majuperak FSV EDU Sdn. Bhd. *	Dormant	100	100
MP Solar Energy Sdn. Bhd. **	Dormant	100	-
Silverpower Sdn. Bhd. *	Dormant	100	100
Held through Majuperak Development Berhad:			
Tenaga Danawa Sdn. Bhd. *	Property development	100	100
Jua Juara Sdn. Bhd. *	Property development	100	100
Held through Majuperak Property Management Sdn. Bhd.:			
Majuperak Urus Sdn. Bhd. *	Contract service	99.7	99.7
Majuperak Allied Sdn. Bhd. *	Contract service	51	-
<i>(Formerly known as Majuperak Petrolife Gas Sdn. Bhd.)</i>			
Held through Majuperak Land Sdn. Bhd.:			
Majuperak Realty Sdn. Bhd. *	Dormant	100	100
Held through Majuperak Properties Sdn. Bhd.:			
Nexus Jade Sdn. Bhd. *	Merchandise sourcing and supply business	100	100

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

11. INVESTMENT IN SUBSIDIARY COMPANIES (CONTD.)

Details of the Company's subsidiaries as at 31 December 2022 are as follows: (Contd.)

Name	Principal activities	Effective equity interest (%)	
		2022	2021
Held through Majuperak Power Resources Sdn. Bhd. :			
Majuperak United Solar JV SDn. Bhd. *	Dormant	100	100

* Audited by Al Jafree Salihin Kuzaimi PLT ("ASK")

** Audited by a firm other than ASK

12. INVENTORIES

	Note	Group	
		2022 RM	2021 RM
<u>Non-current</u>			
Land held for development	(a)	38,865,462	55,749,322
<u>Current</u>			
Property held for sale	(b)	969,820	1,739,845
Property development cost	(c)	18,431,071	18,301,342
Cleaning equipment		-	27,180
		<u>19,400,891</u>	<u>20,068,367</u>

a) Land Held for Development

	Group	
	2022 RM	2021 RM
At cost:		
As at 1 January	55,885,436	58,558,488
Addition	4,111,000	-
Disposal	(21,297,823)	-
Written off	(373,739)	-
Transfer from property development cost	676,702	(1,281,236)
Transfer to investment properties	-	(1,391,816)
As at 31 December	<u>39,001,576</u>	<u>55,885,436</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

12. INVENTORIES (CONTD.)

a) Land Held for Development (Contd.)

	Group	
	2022	2021
	RM	RM
Less : Accumulated impairment		
As at 1 January/31 December	(136,114)	(136,114)
Net Book Value	<u>38,865,462</u>	<u>55,749,322</u>

Land held for development is reclassified as property development cost 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.

Certain land held for the development of the Group amounting to RM5,329,074 (2021: RM5,329,074) are held in trust and have been registered under the name of the ultimate holding corporation. The Group however, has been granted beneficial interest to the land pursuant to a transfer of the assets and liabilities agreement and is supplementary agreement which had been mutually agreed between the Group and the ultimate holding corporation dated 28 December 2001 and 15 April 2002, respectively.

b) Property Held for Sale

	Group	
	2022	2021
	RM	RM
At cost:		
Shop house	969,820	1,109,820
Bungalow	-	630,025
	<u>969,820</u>	<u>1,739,845</u>

c) Property Development Cost

	Group	
	2022	2021
	RM	RM
At cost:		
As at 1 January	18,301,342	29,380,895
Addition	806,431	-
Transfer to land held for development (i)	(676,702)	-
Disposal	-	(11,079,553)
As at 31 December	<u>18,431,071</u>	<u>18,301,342</u>

(i) The property development cost consist 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 classified within non-current assets and is stated at cost less any accumulated impairment losses.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

13. INVESTMENT PROPERTIES

	Group	
	2022	2021
	RM	RM
At Fair Value		
As at 1 January	54,357,053	105,096,300
Transfer from property, plant and equipment	13,166,168	1,896,858
Disposal	-	(54,907,800)
Fair value gain	11,721,779	2,271,695
As at 31 December	<u>79,245,000</u>	<u>54,357,053</u>

The investment properties are stated at fair value, that are determined based on valuations performed by an independent professional valuer. There are no material events that affect the valuation between the valuation date and financial year end.

The description of valuation techniques used and key inputs to the valuation on investment properties are as follows:

Types of investment properties	Valuation technique	Significant unobservable inputs
Buildings and land	Comparison method of Valuation	This method of valuation seeks to determine the value of the property by comparing and adopting as a yardstick of the recent transactions and sales evidence involving other similar properties in the vicinity. Due considerations are given for such factors including location, plot size, improvement made if any, surrounding developments, facilities and amenities available.

The fair value was arrived at after taking into consideration the valuation performed by external professional firms. The fair value is categorised as Level 3 in the fair value hierarchy. The most significant input in the approach adopted by the valuer is price per square foot.

Investment properties of a subsidiary with carrying amount of RM46,600,000 (2021: RM45,414,222) has been pledged as securities for loan facilities as disclosed in Note 29.

The following are recognised in the profit or loss in respect of investment properties:

	Group	
	2022	2021
	RM	RM
Rental income	1,672,768	2,803,031
Direct operating expenses of income generating investment properties	295,649	433,162
	<u>1,968,417</u>	<u>3,236,193</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

14. INVESTMENT IN ASSOCIATES

	Group	
	2022 RM	2021 RM
Unquoted shares at cost	9,897,965	97,965
Share of post acquisition profit	75,870	-
Less: Allowance for diminution in value	(97,965)	(97,965)
	9,875,870	-

Details of the associates companies, which are incorporated in Malaysia as follows:

Name	Principal activities	Effective equity interest (%)	
		2022	2021
Held through Majuperak Properties Sdn. Bhd.:			
Brewster Village Sdn. Bhd. *^~	Dormant	30	30
Held through Majuperak Property Management Sdn. Bhd.:			
Allied Group Property Services Sdn. Bhd.*	Facilities Management	49	-
Allied Group Property Services (Penang) Sdn. Bhd.*	Facilities Management	49	-

* These financial statements are not audited by Al Jafree Salihin Kuzaimi PLT.

^ The Group has discontinued recognition of its shares of losses as the share of accumulated losses of the associates have exceeded the Group's investment in that associate.

~ There is no financial information available for the associates that are not individually material as of 31 December 2022. These associates are dormant companies and the Group and the Company have fully impaired the carrying amount for these associates in the financial statements.

15. INVESTMENT IN JOINTLY CONTROLLED ENTITY

	Group	
	2022 RM	2021 RM
Unquoted shares at cost	1,125,000	1,125,000
Share of post - acquisition loss	(1,000,000)	(1,000,000)
Impairment loss	-	(4,513)
Disposal in jointly controlled entity	(125,000)	-
	-	120,487

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

15. INVESTMENT IN JOINTLY CONTROLLED ENTITY (CONTD.)

Movement of impairment losses:

	Group	
	2022 RM	2021 RM
As at 1 January	(4,513)	(4,513)
Reversal of impairment	4,513	-
As at 31 December	<u>-</u>	<u>(4,513)</u>

Details of the jointly controlled entity, which is incorporated in Malaysia as follows:

Name	Principal activities	Effective equity interest (%)	
		2022	2021
Held through Majuperak Bio Resources Sdn. Bhd.:			
Majuperak Go Green Sdn. Bhd. *~	Dormant	50 + 1	50 + 1
Held through Tenaga Danawa Sdn. Bhd.:			
Lagenda Tapah Sdn. Bhd. *~	Dormant	-	50
Trong Development Sdn. Bhd. *	Property Development	51	51

* These financial statements are not audited by Al Jafree Salihin Kuzaimi PLT.

~ There is no financial information available for the jointly controlled entity and they are not individually material as of 31 December 2022. These jointly controlled entities are dormant companies.

16. OTHER INVESTMENT

	Group	
	2022 RM	2021 RM
Financial assets at fair value through other comprehensive income		
At fair value		
Quoted shares	1,653,956	1,511,274
Unquoted share	7,735,242	7,735,242
	<u>9,389,198</u>	<u>9,246,516</u>
Less: Impairment losses	(35,000)	(35,000)
	<u>9,354,198</u>	<u>9,211,516</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

16. OTHER INVESTMENT (CONTD.)

Movement of impairment losses:

	Group	
	2022	2021
	RM	RM
As at 1 January	35,000	2,964,285
Reversal of impairment	-	(2,929,285)
As at 31 December	<u>35,000</u>	<u>35,000</u>

17. DEVELOPMENT EXPENDITURE

	Group	
	2022	2021
	RM	RM
Agriculture land:		
As at 1 January	592,736	963,166
Disposal	-	(370,430)
As at 31 December	<u>592,736</u>	<u>592,736</u>
Renewable energy expenditure :		
As at 1 January/31 December	<u>1,400,466</u>	<u>1,400,466</u>
Accumulated amortisation		
As at 1 January	400,133	333,445
Additions	66,690	66,688
As at 31 December	<u>466,823</u>	<u>400,133</u>
Net Book Value	933,643	1,000,333
Grand total	<u>1,526,379</u>	<u>1,593,069</u>

18. GOODWILL ON CONSOLIDATION

	Group	
	2022	2021
	RM	RM
Purchased goodwill, at cost		
As at 1 January	89,524,288	89,675,864
Additional	14,702,798	-
Disposal	-	(151,576)
As at 31 December	<u>104,227,086</u>	<u>89,524,288</u>
Less: Accumulated impairment losses	<u>(79,843,207)</u>	<u>(79,843,207)</u>
Net carrying amount	<u>24,383,879</u>	<u>9,681,081</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

18. GOODWILL ON CONSOLIDATION (CONTD.)

Goodwill arising from business combinations has been allocated to one individual cash-generating unit (“CGU”) for impairment testing and during the financial year, no impairment charge is recognised in the consolidated statement of profit and loss and other comprehensive income.

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by the Board of Directors covering a five-year period.

Further details of the carrying value, the key assumptions applied in the impairment assessment as disclosed in Note 4.1(c).

19. TRADE RECEIVABLES

	Group	
	2022	2021
	RM	RM
Trade receivables	9,251,215	12,925,792
Less: Allowance for expected credit losses	<u>(7,447,326)</u>	<u>(7,589,287)</u>
	<u><u>1,803,889</u></u>	<u><u>5,336,505</u></u>

The ageing analysis of the Group’s trade receivables are as follows:

	Group	
	2022	2021
	RM	RM
Neither past due nor impaired	89,268	862,122
1 to 30 days past due not impaired	20,680	356,553
31 to 90 days past due not impaired	3,598	287,201
91 to 180 days past due not impaired	341,015	3,159,628
More than 180 days past due not impaired	<u>1,349,328</u>	<u>671,001</u>
	<u>1,803,889</u>	<u>5,336,505</u>
Impaired	<u>7,447,326</u>	<u>7,589,287</u>
	<u><u>9,251,215</u></u>	<u><u>12,925,792</u></u>

Trade receivables that are neither past due nor impaired

Trade receivables that were neither past due nor impaired relate to customers for whom there were no default.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

19. TRADE RECEIVABLES (CONTD.)

Trade receivables that are past due but not impaired

Based on past experience and no adverse information to date, the directors of the Company are of the opinion that no allowance for impairment is necessary in respect of these balances as there has not been a significant change in the credit quality and the balances are still considered fully recoverable.

Movement in expected credit losses:

	Group	
	2022	2021
	RM	RM
As at 1 January	7,589,287	6,885,973
Charge for the year	437,744	703,314
Bad debt recovered	(579,705)	-
As at 31 December	<u>7,447,326</u>	<u>7,589,287</u>

20. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Other receivables	4,546,690	12,489,852	170,222	58,709
Deposits	523,948	322,871	134,075	207,089
Prepayment	598,030	320,733	89,030	89,030
	<u>5,668,668</u>	<u>13,133,456</u>	<u>393,327</u>	<u>354,828</u>
Less: Allowance for expected credit losses	<u>(3,314,488)</u>	<u>(3,299,281)</u>	<u>-</u>	<u>-</u>
	<u>2,354,180</u>	<u>9,834,175</u>	<u>393,327</u>	<u>354,828</u>

Movement in expected credit losses:

	Group	
	2022	2021
	RM	RM
As at 1 January	3,299,281	4,440,992
Charge for the year	22,500	-
Bad debt written off	-	(642,212)
Bad debt recovery	(7,293)	(499,499)
As at 31 December	<u>3,314,488</u>	<u>3,299,281</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

21. AMOUNT DUE FROM ULTIMATE HOLDING CORPORATION

The ultimate holding corporation is Perbadanan Kemajuan Negeri Perak, a statutory body established under the Perak State Economic Development Corporation Enactment No.3, 1967.

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Amount due from ultimate holding corporation	<u>90,907,566</u>	<u>104,277,726</u>	<u>-</u>	<u>8,359,359</u>

The amount due from ultimate holding corporation is unsecured, interest-free, and repayable on demand.

The management of Majuperak Holding Berhad is in the midst of negotiating with PKNP and other related companies to form a consolidation and settlement agreement that will raise contractual right and obligation to offset the amounts due from/(to) between the parties. The directors believe that no expected credit losses is necessary in respect of those balances.

22. AMOUNT DUE FROM SUBSIDIARY COMPANIES

	Company	
	2022	2021
	RM	RM
Amount due from subsidiary companies	<u>43,582,926</u>	<u>30,298,358</u>

Amount due from subsidiary companies are unsecured, interest free and repayable on demand.

23. AMOUNT DUE FROM RELATED COMPANIES

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Amount due from related companies	12,659,011	11,290,128	3,663,922	3,549,386
Less: Allowance for expected credit losses	<u>(6,357,305)</u>	<u>(2,477,386)</u>	<u>(2,614,103)</u>	<u>(2,106,817)</u>
	<u>6,301,706</u>	<u>8,812,742</u>	<u>1,049,819</u>	<u>1,442,569</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

23. AMOUNT DUE FROM RELATED COMPANIES (CONTD.)

Movement in expected credit losses:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
As at 1 January	2,477,386	400,918	2,106,817	227,759
Charge for the year	3,879,919	2,076,468	507,286	1,879,058
As at 31 December	<u>6,357,305</u>	<u>2,477,386</u>	<u>2,614,103</u>	<u>2,106,817</u>

Amount due from related companies are unsecured, interest free and repayable on demand.

The management of Majuperak Holding Berhad is in the midst of negotiating with PKNP and other related companies to form a consolidation and settlement agreement that will raise contractual right and obligation to offset the amounts due from/(to) between the parties. The directors believe that no expected credit losses is necessary in respect of those balances.

24. CASH AND CASH EQUIVALENTS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Fixed deposit with licensed bank	762,444	3,502,087	-	-
Cash and bank balances	3,945,572	972,441	2,676,400	231,561
	<u>4,708,016</u>	<u>4,474,528</u>	<u>2,676,400</u>	<u>231,561</u>

The weighted average effective interest/profit rates applicable to the deposits with licensed banks of the Group is 2.5% per annum (2021: 2.1% per annum). Deposits with licensed banks of the Group have an average maturity of 90 days (2021: 90 days)

For the purposes of the statements of cash flows, cash and cash equivalents comprise the following as at the statements of financial position date:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Fixed deposit with licensed bank	762,444	3,502,087	2,546,610	-
Cash and bank balances	3,945,572	972,441	129,790	231,561
	4,708,016	4,474,528	2,676,400	231,561
Less:				
Bank overdraft	(2,888,353)	(1,987,206)	-	-
Deposit pledged to financial institution	(52,011)	(11,255)	-	-
	<u>1,767,652</u>	<u>2,476,067</u>	<u>2,676,400</u>	<u>231,561</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

24. CASH AND CASH EQUIVALENTS (CONTD.)

Included in the Group's cash and bank balances are amounts of RM82,518 (2021: RM140,717) subjected to the Housing Developers (Housing Development Account) (Amendment) Regulations 2002).

25. ISSUED SHARE CAPITAL

	Group/Company Monetary value		Group/Company Number of shares	
	2022	2021	2022	2021
	RM	RM	Units	Units
At beginning of the financial year	188,421,342	188,085,327	284,421,865	283,242,865
Issued for cash under ESOS	-	336,015	-	1,179,000
At end of the financial year	<u>188,421,342</u>	<u>188,421,342</u>	<u>284,421,865</u>	<u>284,421,865</u>

26. INVESTMENT REVALUATION RESERVES

	Group	
	2022	2021
	RM	RM
As at beginning of the year	748,284	601,954
Revaluation during the year	142,680	146,330
As at end of the year	<u>890,964</u>	<u>748,284</u>

27. EMPLOYEE SHARE OPTION RESERVES

	Group/Company	
	2022	2021
	RM	RM
As at beginning of the year	1,227,524	905,597
Share options granted under ESOS	-	321,927
As at end of the year	<u>1,227,524</u>	<u>1,227,524</u>

The Company's Employee Share Option Scheme ("ESOS") is governed by the by-laws which was approved by the shareholders at the Extraordinary General Meeting held on 2 March 2020.

The main features of the ESOS are as follows:

- (a) the ESOS shall be in force for a period of five years from the date of the receipt of the last of the requisite Approvals.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

27. EMPLOYEE SHARE OPTION RESERVES (CONTD.)

The main features of the ESOS are as follows: (contd.)

- (b) eligible persons are employees and Directors of the Group who have been confirmed in their employment. The eligibility for participation in the ESOS shall be at the discretion of the options committee appointed by the Board of Directors.
- (c) the total number of shares to be issued under the ESOS shall not exceed in aggregate 5% of the issued and paid-up share capital of the company at any point of time during the tenure of the ESOS.
- (d) the option price for each share shall be the 5-days weighted average market price of the underlying shares before the ESOS options are granted, with either a premium or a discount of not more than ten percent (10%).
- (e) an option granted under the ESOS shall be capable of being exercised by the grantee by notice in writing to the Company commencing from the vesting date but before the expiry on 5 March 2025.
- (f) all new ordinary shares issued upon exercise of the options granted under the ESOS will rank Pari Passu in all respect with the existing ordinary shares of the Company.
- (g) the options shall not carry any right to vote at a general meeting of the Company.

There is no options granted during the year.

The number and weighted average exercise prices of the share option are as follows:

	Number of options	
	2022	2021
	RM	RM
Oustandings at 1 January	12,680,000	12,105,000
Granted during the year	-	2,240,000
Exercised during the year	-	(1,179,000)
Exercised in prior year	-	(485,200)
Outstanding at 31 December	<u>12,680,000</u>	<u>12,680,800</u>
Options exercisable		
As at 1 January	8,377,300	4,356,800
Options eligible to exercise during the year	4,303,500	5,199,500
Exercised during the year	-	(1,179,000)
Exercisable at 31 December	<u>12,680,800</u>	<u>8,377,300</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

27. EMPLOYEE SHARE OPTION RESERVES (CONTD.)

The options outstanding at 31 December 2022 have an exercise price of RM0.36 (2021: RM0.36).

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using a Black-Scholes model, with the following input:

	2022	2021
Fair value of share options and assumptions		
Fair value at the grant date (RM)	0.42	0.42
Market price at exercisable date (RM)	0.25	0.37
Exercise price (RM)	0.36	0.36
Expected volatility (%)	29	42
Expected life (years)	2 - 5 years	2 - 5 years
Risk free interest rate (%)	4.11	3.60
(Based on Malaysian government bonds)		

28. NON-CONTROLLING INTEREST

GROUP

This consists of the non-controlling shareholders' proportion of share capital and reserves of subsidiaries.

29. BANK BORROWINGS

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Not later than 1 year				
Secured loan	150,000	-	-	-
Term loan	958,039	958,460	958,039	958,039
Bank overdraft	2,888,353	1,987,206	-	-
Short term borrowings	<u>3,996,392</u>	<u>2,945,666</u>	<u>958,039</u>	<u>958,039</u>
Later than 1 year and not later than 5 years:				
Secured loan	872,465	119,731	-	-
Term loan	6,348,823	3,152,728	5,480,876	2,558,501
	<u>7,221,288</u>	<u>3,272,459</u>	<u>5,480,876</u>	<u>2,558,501</u>
Later than 5 years:				
Secured loan	953,505	1,357,198	-	-
Term loan	482,432	3,467,923	482,432	3,467,923
	<u>1,435,937</u>	<u>4,825,121</u>	<u>482,432</u>	<u>3,467,923</u>
Long term borrowings	<u>8,657,225</u>	<u>8,097,580</u>	<u>5,963,308</u>	<u>6,026,424</u>
Total borrowings	<u><u>12,653,617</u></u>	<u><u>11,043,246</u></u>	<u><u>6,921,347</u></u>	<u><u>6,984,463</u></u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

29. BANK BORROWINGS (CONT'D)

Secured loan consist of :

- (a) Secured loan (“Bai-Bithaman Ajil”) is secured by a property of the Group. The secured loan profit is charged at a rate of 5.1% (2021: 5.1%). The repayment is within 240 months and commenced on September 2012.

Term loan consist of :

- (a) A borrowing under the Business Financing-I (“Tawarruq”) up to RM10,000,000 to finance the refurbishment and renovation cost of Silveritage Galleria Complex. The term loan is secured by way of the first legal charge over the leasehold land attached with the building. The term loan profit is charged at a rate of 10.75% (2021: 10.75%) and the repayment is within 132 months, and which commenced on July 2016. This financing has been disbursed based on progressive claims.
- (b) A Project Financing Line is for a development project. The term loan is secured by:
 - i) First charge over the property held under HSD 312041, PT 845, Pekan Hicom, Daerah Petaling, Negeri Selangor; and
 - ii) Corporate Guarantee of RM26,000,000 and personal guarantee by the director.

The profit charges is 1% per annum above the Bank's Base Lending rate on monthly rests.

Bank overdraft consist of :

- (a) An overdraft facility of the Group is secured by a first and second, third and fourth fixed charges amounting to RM2 million (2021: RM2 million) over certain investment properties of the Group. The bank overdraft bears interest at a rate of 4% (2021: 4%).
- (b) An overdraft facility of the Group from a Project Financing Line is secured by first/third party absolute assignment of all the rights, interest, title and benefit in and to the 3 parcel of SOHO units erected on part of the piece of land held undertitle number GRN 321747 (formerly HSD 63593) for Lot no 40182 (formerly PT 591), Pekan Hicom (formerly Mukim Damansara), District of Petaling, State of Selangor Darul Ehsan, bearing postal address Unit No 501, 506 & 507, No 591, Damansara SA, No 2, Jalan Perimbun 27/11, Seksyen 27, 40400 Shah Alam, Selangor Darul Ehsan.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

30. HIRE PURCHASE PAYABLES

	Group	
	2022	2021
	RM	RM
Minimum finance lease payment:		
Not later than 1 year	50,552	55,988
Later than 1 year	179,559	259,855
	<u>230,111</u>	<u>315,843</u>
Future finance charges of finance lease	(8,243)	(20,097)
Present value of finance lease liabilities	<u>221,868</u>	<u>295,746</u>
Present value of finance lease liabilities:		
Not later than 1 year	44,639	46,533
Later than 1 year	177,229	249,213
	<u>221,868</u>	<u>295,746</u>

The average effective interest rate per annum of the finance lease payables at the statement of financial position date is 2.47% to 3.60% (2021: 2.47% to 3.60%).

31. LEASE LIABILITIES

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
As at 1 January	3,295,864	3,397,283	-	448,169
Additions	-	-	4,303,558	-
Accretion of interest	198,096	377,450	275,428	30,700
Payment	(603,960)	(478,869)	(886,212)	(478,869)
As at 31 December	<u>2,890,000</u>	<u>3,295,864</u>	<u>3,692,774</u>	<u>-</u>
Representing:				
Not later than 1 year	198,095	1,668	631,571	-
Later than 1 year	2,691,905	3,294,196	3,061,203	-
	<u>2,890,000</u>	<u>3,295,864</u>	<u>3,692,774</u>	<u>-</u>

The lease liabilities of the Group and the Company bear interest at rates 6.85% per annum respectively.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

32. DEFERRED TAXATION

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Deferred tax liability	<u>11,419,213</u>	<u>15,240,682</u>	<u>16,429</u>	<u>16,429</u>
As at 1 January	15,240,682	16,349,613	16,429	29,416
Transfer to income statement	<u>(3,821,469)</u>	<u>(1,108,931)</u>	-	<u>(12,987)</u>
As at 31 December	<u>11,419,213</u>	<u>15,240,682</u>	<u>16,429</u>	<u>16,429</u>

The deferred tax is determined before appropriate offsetting as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Deferred tax asset	(2,813,287)	(4,713,414)	3,442	3,442
Deferred tax liabilities	<u>14,232,500</u>	<u>19,954,096</u>	<u>12,987</u>	<u>12,987</u>
	<u>11,419,213</u>	<u>15,240,682</u>	<u>16,429</u>	<u>16,429</u>

The components of deferred tax liabilities and deferred tax assets at the end of the financial year comprise the tax effects of:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Deferred tax assets :				
Other deductible temporary differences	(2,089,344)	(1,748,640)	-	-
Unutilised business lossess	(718,699)	(1,282,635)	3,442	3,442
Unutilised capital allowances	<u>(5,244)</u>	<u>(1,682,139)</u>	-	-
	<u>(2,813,287)</u>	<u>(4,713,414)</u>	<u>3,442</u>	<u>3,442</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

32. DEFERRED TAXATION (CONTD.)

Deferred tax liabilities:

Other temporary differences	8,360,707	12,771,490	12,987	12,987
Fair value gain on investments properties	5,871,793	7,182,606	-	-
	<u>14,232,500</u>	<u>19,954,096</u>	<u>12,987</u>	<u>12,987</u>
Net deferred liabilities	<u>11,419,213</u>	<u>15,240,682</u>	<u>16,429</u>	<u>16,429</u>

33. TRADE PAYABLES

	Group	
	2022	2021
	RM	RM
Trade payables	<u>928,236</u>	<u>984,900</u>

The credit term is ranging from 30 days to 90 days (2021 : 30 days to 90 days)

34. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Other payables	28,818,463	22,525,633	17,955,360	4,093,100
Retention sum	45,526	45,526	-	-
Deferred income	3,408,965	-	-	-
Deposit and accruals	<u>14,667,214</u>	<u>16,423,968</u>	<u>676,164</u>	<u>627,609</u>
	<u>46,940,168</u>	<u>38,995,127</u>	<u>18,631,524</u>	<u>4,720,709</u>

The credit term is ranging from 30 days to 90 days (2021 : 30 days to 90 days)

35. AMOUNT DUE TO HOLDING CORPORATION, SUBSIDIARIES AND RELATED COMPANIES

The amount due to holding corporation is unsecured and repayable on demand.

FINANCIAL STATEMENTS (CONTINUED)

36. SEGMENTAL REPORTING

(i) Business segment

	Property development RM	Facilities management RM	Renewable energy RM	Trading, rental investment holdings, and others RM	Total RM
Financial year ended 31 December 2022					
Revenue	18,490,003	3,213,715	1,563,928	3,040,370	26,308,016
Results					
Segment results	(11,401,398)	(1,438,166)	1,912,162	(6,051,191)	(16,978,593)
Taxation					3,979,122
Net loss for the year					(12,999,471)
Non-controlling interest					(7,346)
Net loss for the year attributable to equity holders of the Company					<u><u>(13,006,817)</u></u>
Financial year ended 31 December 2021					
Revenue	15,289,743	3,763,130	1,746,028	8,870,668	29,669,569
Results					
Segment results	1,347,092	(2,478,592)	31,394,550	(7,307,024)	22,956,026
Taxation					(10,245,482)
Net profit for the year					12,710,544
Non-controlling interest					909,975
Net profit for the year attributable to equity holders of the Company					<u><u>13,620,519</u></u>

(ii) Geographical segment

The segmental information is not presented by geographical segment as the Group's business activities are predominantly located in Malaysia.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

37. SIGNIFICANT RELATED PARTY TRANSACTION

For the purpose of these financial statements, parties are considered to be related to the Group or the Company 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 decision, or vice versa, or where the Group or the Company and the party subject to common control or common significant influence.

(a) Transaction within the Group

	Group		Company	
	2022	2021	2022	2021
	RM	RM	RM	RM
Ultimate Holding corporation				
Rental expenses	(200,000)	(200,000)	-	-
Sales of goods/services	159,061	160,821	-	-
Subsidiary companies				
Management fee	-	-	1,691,021	3,022,038
Interest income	-	-	764,030	400,834
Related companies				
Lease liability	-	(478,869)	(886,212)	(478,869)
Shared services:				
- Maintenance charges	-	(74,626)	-	(74,626)
- Information technology	(60,868)	(177,564)	(60,868)	(177,564)
Sales of goods/services	11,733	57,418	-	-

(b) Transaction with key personnel management

Key personnel management are defined as those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and of the Company. The details analysis of transactions made during the financial year are disclosed in Note 6 to the financial statements.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

38. FINANCIAL INSTRUMENTS

Financial Risk Management

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. Note 3.15 and Note 3.21 to the financial statements describe how the classes of financial instruments are measured, and how income and expense, including fair value gains or losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

Group	Designated fair value through other comprehensive income RM	Amortised cost RM	Total RM
At 31 December 2022			
Financial Assets			
Other investment	9,354,198	-	9,354,198
Trade receivables	-	1,803,889	1,803,889
Other receivables, deposit and prepayments	-	2,354,180	2,354,180
Amount due from ultimate holding corporation	-	90,907,566	90,907,566
Amount due from related companies	-	6,301,706	6,301,706
Cash and cash equivalents	-	4,708,016	4,708,016
	<u>9,354,198</u>	<u>106,075,357</u>	<u>115,429,555</u>
Financial Liabilities			
Trade payables	-	928,236	928,236
Other payables and accruals	-	46,940,168	46,940,168
Amount due to related companies	-	28,375,011	28,375,011
Bank borrowings	-	12,653,617	12,653,617
Hire purchase payables	-	221,868	221,868
Lease liabilities	-	2,890,000	2,890,000
	<u>-</u>	<u>92,008,900</u>	<u>92,008,900</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

38. FINANCIAL INSTRUMENTS (CONTD.)

Financial Risk Management (Contd.)

(a) Classification of financial instruments (Contd.)

Group	Designated fair value through other comprehensive income RM	Amortised cost RM	Total RM
At 31 December 2021			
Financial Assets			
Other investment	9,211,516	-	9,211,516
Trade receivables	-	5,336,505	5,336,505
Other receivables, deposit and prepayments	-	9,834,175	9,834,175
Amount due from ultimate holding corporation	-	104,277,726	104,277,726
Amount due from related companies	-	8,812,742	8,812,742
Cash and cash equivalents	-	4,474,528	4,474,528
	<u>9,211,516</u>	<u>132,735,676</u>	<u>141,947,192</u>
Financial Liabilities			
Trade payable	-	984,900	984,900
Other payables and accruals	-	38,995,127	38,995,127
Amount due to related companies	-	25,456,944	25,456,944
Bank borrowings	-	11,043,246	11,043,246
Hire purchase payables	-	295,746	295,746
Lease liabilities	-	3,295,864	3,295,864
	<u>-</u>	<u>80,071,827</u>	<u>80,071,827</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

38. FINANCIAL INSTRUMENTS (CONTD.)

Financial Risk Management (Contd.)

(a) Classification of financial instruments (Contd.)

Company	Designated fair value through other comprehensive income RM	Amortised cost RM	Total RM
At 31 December 2022			
Financial Assets			
Other receivables, deposit and prepayments	-	393,327	393,327
Amount due from ultimate holding corporation	-	-	-
Amount due from subsidiary companies	-	43,582,926	43,582,926
Amount due from related companies	-	1,049,819	1,049,819
Cash and cash equivalents	-	2,676,400	2,676,400
	-	<u>47,702,472</u>	<u>47,702,472</u>
Financial Liabilities			
Other payables and accruals	-	18,631,524	18,631,524
Amount due to holding Corporation	-	4,912,560	4,912,560
Amount due to subsidiary companies	-	32,183,116	32,183,116
Amount due to related companies	-	9,824,920	9,824,920
Bank borrowings	-	6,921,347	6,921,347
Lease liabilities	-	3,692,774	3,692,774
	-	<u>76,166,241</u>	<u>76,166,241</u>
At 31 December 2021			
Financial Assets			
Other receivables, deposit and prepayments	-	354,828	354,828
Amount due from ultimate holding corporation	-	8,359,359	8,359,359
Amount due to subsidiary companies	-	30,298,358	30,298,358
Amount due from related companies	-	1,442,569	1,442,569
Cash and cash equivalents	-	231,561	231,561
	-	<u>40,686,675</u>	<u>40,686,675</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

38. FINANCIAL INSTRUMENTS (CONTD.)

Financial Risk Management (Contd.)

(a) Classification of financial instruments (Contd.)

Company	Designated fair value through other comprehensive income RM	Amortised cost RM	Total RM
At 31 December 2021			
Financial Liabilities			
Other payables and accruals	-	4,720,709	4,720,709
Amount due to subsidiary companies	-	26,091,638	26,091,638
Amount due to related companies	-	9,929,033	9,929,033
Bank borrowings	-	6,984,463	6,984,463
	-	<u>47,725,843</u>	<u>47,725,843</u>

(b) Financial risk management objectives and policies

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

i) Credit risk

a) Receivables

The Group's exposure to credit risk arises mainly from receivables. Receivables are monitored on an on-going basis via a management reporting procedure and action is taken to recover debts when due.

Exposure to credit risk

At the reporting date, the Group's maximum exposure to credit risk arising from receivables is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**38. FINANCIAL INSTRUMENTS (CONTD.)***Financial Risk Management (Contd.)*

(b) Financial risk management objectives and policies (Contd.)

i) Credit risk (Contd.)

b) Other receivables and other financial assets

For other receivables and other financial assets (including deposits, cash and bank balances), the Company minimise credit risk by dealing exclusively with high credit rating counter parties. At the reporting date, the Company's maximum exposure to credit risk arising from other receivables and other receivables is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated.

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- Actual or expected significant changes in the operating results of the borrower.
- Significant increase in credit risk on other financial instruments of the same borrower.
- Significant changes in the value of the collateral supporting the obligation or on the quality of third-party guarantees or credit enhancements.
- Significant changes in the expected performance and behavior of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**38. FINANCIAL INSTRUMENTS (CONTD.)***Financial Risk Management (Contd.)*

(b) Financial risk management objectives and policies (Contd.)

i) Credit risk (Contd.)

b) Other receivables and other financial assets (Contd.)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

c) Inter-company balances

The Group and the Company provide unsecured loans and advances to related companies. Loans and advances are only provided to related companies which are wholly owned by the ultimate holding corporation.

Some inter-company loans between entities within the Group are repayable in demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayments of the loans are demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the company will consider the expected manner of recovery and recovery period of the inter-company loan.

(ii) Liquidity and cash flow risk

The Group and the Company actively manage its debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

38. FINANCIAL INSTRUMENTS (CONTD.)

Financial Risk Management (Contd.)

(b) Financial risk management objectives and policies (Contd.)

(ii) Liquidity and cash flow risk (Contd.)

The table below summarises the maturity profile of the Group and of the Company's liabilities at the financial year end based on contractual undiscounted repayment obligations.

Group	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
At 31 December 2022				
Trade and other payables	47,868,404	-	-	47,868,404
Amount due to related companies	28,375,011	-	-	28,375,011
Bank borrowings	5,708,420	8,434,301	4,946,006	19,088,727
Finance lease payables	45,228	234,988	-	280,216
Lease liabilities	198,095	1,236,338	1,691,905	3,126,338
	<u>82,195,158</u>	<u>9,905,627</u>	<u>6,637,911</u>	<u>98,738,696</u>
At 31 December 2021				
Trade and other payables	39,980,027	-	-	39,980,027
Amount due to related companies	25,456,944	-	-	25,456,944
Bank borrowings	3,654,073	8,434,301	8,600,078	20,688,452
Finance lease payables	45,228	280,216	-	325,444
Lease liabilities	1,668	1,275,428	2,294,196	3,571,292
	<u>69,137,940</u>	<u>9,989,945</u>	<u>10,894,274</u>	<u>90,022,159</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

38. FINANCIAL INSTRUMENTS (CONTD.)

Financial Risk Management (Contd.)

(b) Financial risk management objectives and policies (Contd.)

(ii) Liquidity and cash flow risk (Contd.)

Company	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
At 31 December 2022				
Other payables	18,631,524	-	-	18,631,524
Amount due to holding corporation	4,912,560	-	-	4,912,560
Amount due to subsidiary companies	32,183,116	-	-	32,183,116
Amount due to related companies	9,824,920	-	-	9,824,920
Bank borrowings	1,446,432	7,232,160	1,876,714	10,555,306
Lease liabilities	631,571	3,061,203	-	3,692,774
	<u>67,630,123</u>	<u>10,293,363</u>	<u>1,876,714</u>	<u>79,800,200</u>
At 31 December 2021				
Other payables	4,720,709	-	-	4,720,709
Amount due to subsidiary companies	26,091,638	-	-	26,091,638
Amount due to related companies	9,929,033	-	-	9,929,033
Bank borrowings	1,446,432	7,232,160	3,323,146	12,001,738
	<u>42,187,812</u>	<u>7,232,160</u>	<u>3,323,146</u>	<u>52,743,118</u>

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**38. FINANCIAL INSTRUMENTS (CONTD.)***Financial Risk Management (Contd.)*

(b) Financial risk management objectives and policies (Contd.)

(iii) Interest rate risk

The Group constantly monitors its interest rate risk by reviewing its debt portfolio to ensure favorable rates are obtained. The Group is exposed to interest rate risk arising from its short and long-term debts obligations, and its fixed deposits. Fixed deposits interest rate is insignificant and any fluctuations in the rate would have no material impact on the results of the Company.

Interest rate risk sensitivity

An increase in market interest rates by 1% on financial asset and financial liability of the Group which have variable interest rates at the end of the reporting period would increase loss before taxation. This analysis assumes that all other variables remain unchanged.

A decrease in market interest rates by 1% on financial assets and financial liability of the Group and the Company which have variable interest rates at the end of the reporting period would have had the equal but opposite effect on the amounts shown above, on the basis that all other variables remain unchanged.

(iv) Fair values of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, receivables, payables, intercompany balances and short-term borrowings including hire purchases approximate their fair values due to the relatively short-term nature of these financial instruments.

The fair values of investment properties are disclosed in Note 13 to the financial statements.

The fair values of quoted shares is determined directly by reference to its published market bid price at the financial year end.

The fair values of all other financial assets and liabilities of the Group and of the Company as at 31 December 2022 are not materially different from their carrying amounts.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

38. FINANCIAL INSTRUMENTS (CONTD.)

Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholder and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debts. Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the statements of financial position) less cash and cash equivalent. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratios at 31 December 2022 and 2021 were as follow:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Amount due to holding corporation	-	-	4,912,560	-
Amount due to subsidiary companies	-	-	32,183,116	26,091,638
Amount due to related companies	28,375,011	25,456,944	9,824,920	9,929,033
Other payables	16,063,333	-	-	-
Bank borrowings	12,653,617	11,043,246	6,921,347	6,984,463
Hire purchase payables	221,868	295,746	-	-
Lease liabilities	2,890,000	3,295,864	3,692,774	-
	<u>60,203,829</u>	<u>40,091,800</u>	<u>57,534,717</u>	<u>43,005,134</u>
Less: Cash and cash equivalent	<u>(4,708,016)</u>	<u>(4,474,528)</u>	<u>(2,676,400)</u>	<u>(231,561)</u>
Net debt	55,495,813	35,617,272	54,858,317	42,773,573
Total equity	<u>200,629,591</u>	<u>213,493,728</u>	<u>161,311,046</u>	<u>169,807,310</u>
Total capital	<u>256,125,404</u>	<u>249,111,000</u>	<u>216,169,363</u>	<u>212,580,883</u>
Gearing ratio	<u>21.67%</u>	<u>14.30%</u>	<u>25.38%</u>	<u>20.12%</u>

Under the requirement of Bursa Malaysia Practice Note No.17/2005, the Group is required to maintain a consolidated shareholders' equity equal to or not less than the 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

39. FAIR VALUE HIERARCHIES

The fair value measurement hierarchies used to measure assets and liabilities carried at fair value in the statements of financial position as at 31 December 2022 are as follows:

- (a) Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly, (i.e. prices) or indirectly (i.e. derived from prices).
- (c) Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Group	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
As at 31 December 2022				
Assets				
Other Investment	1,653,956	-	7,700,242	9,354,198
Investment properties	-	-	79,245,000	79,245,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As at 31 December 2021				
Assets				
Other Investment	1,511,274	-	7,700,242	9,211,516
Investment properties	-	-	54,357,053	54,357,053
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

There were no transfers between Level 1 and Level 2 during the current and previous financial years. The Group and the Company do not have any financial liabilities carried at fair value nor any financial instruments classified as Level 3 as at 31 December 2022 and 31 December 2021.

FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022**40. SIGNIFICANT EVENT DURING THE YEAR**

Pursuant to Paragraph 8.03A(2b) of the Main Market Listing Requirements (MMLR) of Bursa Securities.

The Group has announced on 13 April 2020 that it has triggered para 8.03A(2b) of the Main Market Listing Requirements ("MMLR") of Bursa Securities. As an Affected Listed Issuer, the Company is required to regularise its condition within twenty-four (24) months and submit its regularisation plan to Bursa Securities by 12 April 2022.

On 1 April 2022, the Group applied for the extension of time from Bursa Securities and on 26 April 2022, Bursa Securities has granted the extension of time of 6 months up to 11 October 2022.

Subsequently, the Group had on 7 October 2022 submitted an application for another extension of time to Bursa Securities and approval was obtained on 1 November 2022 which extended the deadline by six months to 12 April 2023. The Group sought for a further extension of time from Bursa Securities in April 2023.

41. SIGNIFICANT EVENT AFTER BALANCE SHEET DATE**(a) Land Swap Agreement**

On 13 February 2023, Majuperak Energy Resources Sdn. Bhd. ("MERSB") and Perbadanan Kemajuan Negeri Perak ("PKNPK") had, via a letter dated 2 February 2023, mutually agreed to extend the Extended Conditional Period (as defined in the Land Swap Agreement) for a further 6 months, thereby extending the last day of the Extended Conditional Period to 13 August 2023 to fulfill all the Conditions Precedent in the Land Swap Agreement.

(b) Settlement Agreement Between Perak Agro Corporation Sdn Bhd ("PAC"), MHB And Syarikat Majuperak Berhad ("SMB")

MHB and SMB, a wholly-owned subsidiary of MHB had on 5 January 2023 entered into a Settlement Agreement with PAC whereby MHB would fully settle the RM9,526,713.25 owing by MHB to PAC by way of disposal of piece of land located in the Mukim Sungai Tinggi District of Larut & Matang, State of Perak owned by SMB. The land was earlier charged to PAC as a security for the said loan.

42. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Board of Directors in accordance with a resolution of the Board of Directors on the date of these financial statements.



(Incorporated in Malaysia)

No. of Shares Held	
CDS Account No.	
Telephone No.	
E-mail Address	

I/We, _____

NRIC No./Passport No./Company No. _____ of _____

_____ being a member of
Majuperak Holdings Berhad hereby appoint the following person(s):

<u>Name of Proxy & NRIC No.</u>	<u>No. of Ordinary Shares</u>	<u>%</u>	<u>E-mail</u>
1. _____ or failing him/her			
2. _____			

or failing him/her, the Chairman of the Meeting as my/our proxy, to vote for me/us and on my/our behalf at the Twentieth (20th) Annual General Meeting ("20th AGM" and/or "AGM") of the Company to be held on Thursday, 1 June 2023 at 10.30 a.m. and at any adjournment thereof in the manner indicated below in respect of the following Resolutions:

No.	Resolutions	Ordinary Resolutions No.	For	Against
1.	Approval for the payment of Directors' Fees	1		
2.	Approval for the payment of Directors' Benefits	2		
3.	Re-election of Datuk Redza Rafiq bin Abdul Razak	3		
4.	Re-election of Datuk Abu Bakar bin Hassan	4		
5.	Re-election of Dato' Aminuddin bin Md Hanafiah	5		
6.	Re-election of Datuk Dr. Wan Norashikin binti Wan Noordin	6		
7.	Re-election of Encik Khairuddin bin Mohamed Azahari	7		
8.	Re-appointment of Messrs Al Jafree Salihin Kuzaimi PLT as Auditors of the Company and to authorise the Directors to fix their remuneration	8		
9.	Proposed Authority to Allot and Issue Shares	9		
10.	Proposed New Shareholders' Mandate	10		

Please indicate with (✓) or (X) how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Date: _____ Signature of Shareholder/
Common Seal _____

NOTES

1. Only members whose names appear on the Record of Depositors as at 24 May 2023 shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/ her stead.
2. A member, other than an exempt authorised nominee is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him/her. A proxy must be 18 years and above and need not be a member of the Company.
3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an Omnibus Account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds but the proportion of holdings to be represented by each proxy must be specified.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.
6. The instrument appointing a proxy must be deposited at the Share Registrar's office of the Company, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time appointed for holding the Meeting or adjourned Meeting either by hand, post, courier or electronic mail to bsr.helpdesk@boardroomlimited.com or fax (603)78904670 before the Form of Proxy lodgement cut-off time as mentioned above, otherwise the instrument of proxy should not be treated as valid. Alternatively, the proxy form can be submitted by electronic means through the Share Registrar's website, Boardroom Smart Investors Online Portal. Kindly follow the link at <https://investor.boardroomlimited.com/> to login and deposit your proxy form electronically, also forty-eight (48) hours before the meeting.
7. Personal Data Privacy – By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company hereby agree and consent that any of your personal data in our possession shall be processed by us in accordance with the Personal Data Protection Act 2010. Further, you hereby warrant that relevant consent has been obtained by you for us to process any third party's personal data in accordance with the said Act.

Then fold here

80 SEN
STAMP
(Within
Malaysia)

The Share Registrar
MAJUPERAK HOLDINGS BERHAD
Registration No. 200201017726 (585389-X)
11th Floor, Menara Symphony,
No. 5, Jalan Professor Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

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