



MUI Properties Berhad

Registration No.: 196501000314 (6113-W)

ANNUAL REPORT 2022

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CORPORATE INFORMATION

Board of Directors

Andrew Khoo Boo Yeow, *Executive Chairman and Chief Executive Officer*

Datuk Christopher Martin Boyd, *Independent Non-Executive Director*

Abdul Rashid bin Ismail, *Independent Non-Executive Director*

Tan Sri Dato' Dr Yeoh Oon Kheng, *Independent Non-Executive Director*

Datin Ngiam Pick Ngoh, *Independent Non-Executive Director*

Wong Nyen Faat, *Non-Independent Non-Executive Director*

Joint Company Secretaries

Lee Chik Siong (MAICSA 7054334, SSM PC No. 202008000770)

Wong Shuk Fuen (MIA 12985, SSM PC No. 202008004207)

Auditors

Crowe Malaysia PLT, *Chartered Accountants*

Principal Bankers

Affin Bank Berhad

Malayan Banking Berhad

UOB Asset Management (Malaysia) Berhad

Registrar

Tricor Investor & Issuing House Services Sdn Bhd

Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South

No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia

Tel. No.: 03-2783 9299

Fax. No.: 03-2783 9222

Registered Office

189 Jalan Ampang, 50450 Kuala Lumpur, Malaysia

Tel. No.: 03-2145 1366

Fax. No.: 03-2144 5209

Website: www.muiproperties.com.my

Stock Exchange Listing

Bursa Malaysia Securities Berhad

Main Market - Property Sector

Stock Name and Code

MUIPROP (3913)

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the 56th Annual General Meeting (“AGM”) of the Company will be held virtually through live streaming from the Broadcast Venue at Corus 1, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur on Wednesday, 7 December 2022 at 4.00 p.m. for the following purposes:

As Ordinary Business

1. To receive the audited financial statements together with the reports of the Directors and Auditors thereon for the financial year ended 30 June 2022.
2. To approve the payment of Directors’ Fees of RM292,032 for the financial year ended 30 June 2022. **Resolution 1**
3. To approve the payment of Directors’ Benefits (other than Directors’ Fees) of up to RM78,000 for the period from 8 December 2022 until the next AGM. **Resolution 2**
4. To re-elect the following Directors, who are retiring in accordance with Clause 118 of the Company’s Constitution, as Directors of the Company:
 - (a) Datuk Christopher Martin Boyd **Resolution 3**
 - (b) Encik Abdul Rashid bin Ismail **Resolution 4**
5. To re-appoint Crowe Malaysia PLT as auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

As Special Business

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

6. Proposed retention of Independent Non-Executive Directors
“THAT the following Directors, who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than 9 years, be and are hereby retained as Independent Non-Executive Directors of the Company until 31 May 2023 pursuant to Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements:
 - (a) Datuk Christopher Martin Boyd **Resolution 6**
 - (b) Encik Abdul Rashid bin Ismail **Resolution 7**
 - (c) Tan Sri Dato’ Dr Yeoh Oon Kheng **Resolution 8**
 - (d) Datin Ngiam Pick Ngoh” **Resolution 9**
7. Proposed authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016
“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approval of the relevant authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next AGM or until the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being.” **Resolution 10**
8. Proposed renewal of authority for the purchase of own shares by MUI Properties Berhad
“THAT, subject to the Companies Act 2016 and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given to the Company to purchase such amount of ordinary shares in the Company (“Proposed Share Buy-Back”) as may be determined by the Directors of the Company from time to time through Bursa Securities provided that:
 - (a) the aggregate number of ordinary shares which may be purchased and/or held by the Company pursuant to this resolution shall not exceed 10% of the total number of issued shares of the Company at the time of purchase;
 - (b) the maximum funds to be allocated by the Company for the purpose of the Proposed Share Buy-Back shall not exceed the Company’s retained profits;

NOTICE OF MEETING (Cont'd)

AND THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution, and will, subject to renewal thereof, expire at the conclusion of the next AGM of the Company following the passing of this Ordinary Resolution or the expiry of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by ordinary resolution in a general meeting of shareholders of the Company), whichever occurs first and in any event, in accordance with the provisions of the Bursa Securities Main Market Listing Requirements and/or any other relevant authorities;

AND THAT authority be and is hereby given to the Directors of the Company to decide in their absolute discretion to:

- (a) cancel the shares so purchased; or
- (b) retain the shares so purchased as treasury shares; or
- (c) retain part of the shares so purchased as treasury shares and cancel the remainder; or
- (d) deal with the shares in any other manner as may be permitted by the applicable laws and/or regulations in force from time to time;

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing any relevant documents) as they may consider expedient or necessary to complete and give effect to the aforesaid authorisation with full powers to assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time.”

Resolution 11

9. To transact any other business of which due notice shall have been received.

By order of the Board

Lee Chik Siong (MAICSA 7054334, SSM PC No. 202008000770)

Wong Shuk Fuen (MIA 12985, SSM PC No. 202008004207)

Joint Company Secretaries

Kuala Lumpur

31 October 2022

Notes:

1. The 56th AGM of the Company will be held virtually through live streaming and online remote voting via the Remote Participation and Voting (“RPV”) facilities provided by Tricor Investor & Issuing House Services Sdn Bhd which are available on its TIIH Online website at <https://tiih.online>. Please refer to the Administrative Guide to Shareholders for the detailed steps on the RPV facilities.

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the 56th AGM.

No Members or proxies shall be allowed to be physically present at the Broadcast Venue on the day of the 56th AGM.

2. Only members whose names appear on the Record of Depositors as at 25 November 2022 shall be entitled to attend and vote at the meeting or appoint proxy(ies) to attend and vote on their behalf.
3. A member entitled to attend and vote may not appoint more than two proxies to attend and vote at the same meeting. A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, may appoint one proxy only in respect of each securities account it holds. Where a member is an exempt authorised nominee to multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. Where two or more proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid.
5. The Form of Proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of the attorney.
6. The Form of Proxy must be deposited in the following manner, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof:

- (i) Hardcopy form (applicable for all members)

The original signed Form of Proxy must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(ii) TIIH Online

You may also submit the Form of Proxy electronically via TIIH Online website at <https://tiih.online> by following the procedures provided in the Administrative Guide for this 56th AGM.

7. Pursuant to the Bursa Securities Main Market Listing Requirements, all the resolutions set out in this Notice will be put to vote by way of poll.

EXPLANATORY NOTES ON SPECIAL BUSINESS

1. The Ordinary Resolutions proposed under item 6, if passed, will authorise Datuk Christopher Martin Boyd, Encik Abdul Rashid bin Ismail, Tan Sri Dato' Dr Yeoh Oon Kheng and Datin Ngiam Pick Ngoh to continue to act as Independent Non-Executive Directors of the Company until 31 May 2023 pursuant to Bursa Securities Main Market Listing Requirements.

The Nomination Committee, with Datuk Christopher Martin Boyd and Encik Abdul Rashid bin Ismail abstaining from the deliberation of their own assessment, had assessed the independence of Datuk Christopher Martin Boyd, Encik Abdul Rashid bin Ismail, Tan Sri Dato' Dr Yeoh Oon Kheng and Datin Ngiam Pick Ngoh who have served on the Board as Independent Non-Executive Directors of the Company for a cumulative term of more than 9 years, and upon its recommendation, the Board was satisfied that Datuk Christopher Martin Boyd, Encik Abdul Rashid bin Ismail, Tan Sri Dato' Dr Yeoh Oon Kheng and Datin Ngiam Pick Ngoh have met the independence guidelines as set out in Chapter 1 of the Bursa Securities Main Market Listing Requirements. The length of their service does not interfere with Datuk Christopher Martin Boyd's, Encik Abdul Rashid bin Ismail's, Tan Sri Dato' Dr Yeoh Oon Kheng's and Datin Ngiam Pick Ngoh's ability and exercise of independent judgment as Independent Directors.

2. The Ordinary Resolution proposed under item 7 is a renewal of the general authority for the Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016. If passed, it will empower the Directors of the Company, from the date of the above 56th AGM until the next AGM to allot and issue shares in the Company up to and not exceeding in total 10% of the total number of issued shares of the Company for the time being for such purposes as they consider would be in the interests of the Company. This authority will expire at the next AGM of the Company, unless revoked or varied at a general meeting.

The Company has not issued any new shares under the general authority which was approved at the 55th AGM held on 8 December 2021 and which will lapse at the conclusion of the 56th AGM to be held on 7 December 2022.

The general authority to issue shares will allow the Company to take advantage of any strategic opportunities, including but not limited to, issuance of new shares for purpose of funding investment project(s), working capital and/or acquisitions which require new shares to be allotted and issued speedily and would also save the cost involved in convening a general meeting to approve such issuance of shares.

3. The Ordinary Resolution proposed under item 8, if passed, will empower the Directors of the Company to purchase MUI Properties Berhad shares through Bursa Securities up to 10% of the total number of issued shares of the Company.

PROFILE OF DIRECTORS

Andrew Khoo Boo Yeow

Age 50. Male. Australian. Executive Chairman and Chief Executive Officer. He was appointed as the Chief Executive Officer and Executive Director on 1 January 2018 and was subsequently re-designated to Executive Chairman and Chief Executive Officer on 26 April 2019. He is currently also the Chairman & Chief Executive Officer of Malayan United Industries Berhad, the Chairman of Metrojaya Berhad, an Executive Director of Pan Malaysia Corporation Berhad and Network Foods International Ltd, and a Director of West Synergy Sdn Bhd, A & W (Malaysia) Sdn Bhd, Laura Ashley Inc., Laura Ashley (North America) Inc., Regent Corporation and Corus Hotels Limited. He is a Barrister-at-law from Lincolns Inn, United Kingdom and also holds a Degree in Law and Master of Arts from Cambridge University, United Kingdom and Master of Business Administration from Seattle Pacific University, United States of America as well as Bachelor of Arts majoring in Political Science and minoring in Economics from the University of Victoria, Canada. He has also held senior management positions in a number of diverse industries including food, retailing, and the hospitality sector. He is the son of Tan Sri Dato' Khoo Kay Peng, the deemed major shareholder of MUI Properties Berhad. He attended all the 4 Board Meetings held during the financial year ended 30 June 2022.

Datuk Christopher Martin Boyd

Age 75. Male. British with Malaysian Permanent Resident status. Independent Non-Executive Director. He was appointed to the Board on 27 July 1994 and subsequently on 1 April 1995, he was appointed as Managing Director. He relinquished his post as Managing Director on 1 February 2001, but remained as Non-Executive Director. Thereafter, he was re-designated from a Non-Independent Non-Executive Director to an Independent Non-Executive Director on 20 November 2006. He is the Chairman of the Audit Committee and Nomination Committee. He is also a member of the Remuneration Committee. He also sits on the Board of Sunway REIT Management Sdn Bhd, the manager for Sunway Real Estate Investment Trust. He retired from Savills (Malaysia) Sdn Bhd, in 2020 and is now proprietor of Chris Boyd Property Consultants. He is a Fellow of the Royal Institution of Chartered Surveyors and the Royal Institution of Surveyors (Malaysia). He is also a member of the Singapore Institute of Surveyors and Valuers and an Associate of the Australian Property Institute. Formerly, he was the Executive Chairman of Savills (Malaysia) Sdn Bhd; a partner of Jones Lang Wootton Malaysia from 1974 to 1981; a Director of Jones Lang Wootton Singapore from 1981 to 1985 and a partner of Knight Frank Baillieu Malaysia from 1986 to 1995; all of which are firms principally engaged in property valuation, agency, management and consultancy. He was also a Director of Eastern & Oriental Berhad. He attended all the 4 Board Meetings held during the financial year ended 30 June 2022.

Abdul Rashid bin Ismail

Age 51. Male. Malaysian. Independent Non-Executive Director. He was appointed to the Board on 3 January 2007. He is the Chairman of Remuneration Committee. He is also a member of the Audit Committee and Nomination Committee. Currently, he is a partner of the law firm, Messrs Rashid Zulkifli. He is an Advocate and Solicitor of the High Court of Malaya. He holds an LLB (Hons) Degree from University of Exeter, England. He was admitted as a Barrister at Law of the Honourable Society of Lincoln's Inn, England in 1994. He was also admitted as an Advocate and Solicitor of the High Court of Malaya in 1995. He attended all the 4 Board Meetings held during the financial year ended 30 June 2022.

Tan Sri Dato' Dr Yeoh Oon Kheng

Age 69. Male. Malaysian. Independent Non-Executive Director. He was appointed to the Board on 18 October 2011. He is a member of the Audit Committee. He also sits on the Boards of Pan Malaysia Corporation Berhad, British Malaysian Chamber of Commerce Berhad and Kashtec Holdings Pte Ltd. He is the Deputy Chairman of the Economic Club of Kuala Lumpur and General Committee member of the Malaysian International Chamber of Commerce and Industry. He is a Trustee of the OSK Foundation and Yayasan Wesley. He holds a degree in Economics from Monash University and Doctor of Laws (honoris causa) from the University of Nottingham. He has also attended senior management courses at Wharton School and Harvard Business School. He is a Fellow of the Malaysian Institute of Management and the British Institute of Directors. He has authored 5 books and has spoken at forums organised by the World Economic Forum, Confederation of Indian Industry, Centre for China and Globalization, the Asia Society, the China Development Institute, World Policy Conference and Oxford and Cambridge Universities. He has over 35 years of senior corporate management, consulting and boardroom experience. He was previously the Co-Founder and CEO of the Asian Strategy & Leadership Institute (ASLI). He was a former Director of Star Media Group, the National Heart Institute, Sunway University, SBB Asset Management Sdn Bhd and SB Venture Capital Corporation. He has served the Government as Malaysia's Representative (Ambassador rank) to the ASEAN High Level Task Force on Connectivity, Commissioner in the Royal Commission of Police, member of the Malaysia Competition Commission, member Advisory Board of the Malaysian Anti-Corruption Commission and Commissioner in the Human Rights Commission (SUHAKAM). He was also a member of the National Unity Consultative Council. He was recently appointed to the Executive Council of the United Nations ESCAP Business Sustainable Network (ESBN) and was elected Chairman of PROHAM (the Society for Promotion of Human Rights, Malaysia). He attended all the 4 Board Meetings held during the financial year ended 30 June 2022.

Datin Ngiam Pick Ngoh

Age 67. Female. Malaysian. Independent Non-Executive Director. She was appointed to the Board on 16 November 2011. She currently sits on the Board of Heineken Malaysia Berhad. She presently serves as a Board Trustee of Yayasan Sin Chew and the Chairman of Make A Wish Malaysia. She holds a Bachelor of Arts (Hons) in Social Science from University of Malaya and a Diploma in Communications, Advertising and Marketing from the Communication, Advertising and Marketing (CAM) Institute, United Kingdom. Formerly, she was on the Boards of Hong Leong Assurance Berhad and Star Media Group Berhad. She served the Star Media Group Berhad for 26 years in various management positions before her retirement as the Group Managing Director / Chief Executive Officer on 30 June 2011. While with the Star Media Group Berhad, she was a Board Member of the Audit Bureau of Circulations (ABC) Malaysia and the Founding Chairperson of Audit Bureau of Circulations (ABC) Content and Communications Committee. She also served as the Honorary Secretary of the Malaysian Newspapers Publishers' Association (MNPA) and Board Member of the Advertising Standards Authority (ASA) Malaysia. She attended all the 4 Board Meetings held during the financial year ended 30 June 2022.

Wong Nyen Faat

Age 65. Male. Malaysian. Non-Independent Non-Executive Director. He was appointed to the Board on 1 January 2020. He sits on the Boards of Malayan United Industries Berhad, Pan Malaysia Corporation Berhad, Pan Malaysia Holdings Berhad and Pan Malaysia Capital Berhad. He had served as Chief Operating Officer of The MUI Group, Executive Director of Pan Malaysia Corporation Berhad and Executive Director of Morning Star Resources Limited in Hong Kong. He holds a First Class Honours Bachelor's Degree in Science (Mathematics) with Education from the University of Malaya and a Master's Degree in Business Management from the Asian Institute of Management. He attended all the 4 Board Meetings held during the financial year ended 30 June 2022.

Note:

Save as disclosed, none of the Directors has any family relationship with any Director and/or major shareholders of the Company. None of the Directors has any conflict of interest with the Company nor have they been convicted of any offences within the past 5 years. There were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

PROFILE OF KEY SENIOR MANAGEMENT

Andrew Khoo Boo Yeow

Age 50. Male. Australian. Executive Chairman and Chief Executive Officer. He was appointed as the Chief Executive Officer and Executive Director on 1 January 2018 and was subsequently re-designated to Executive Chairman and Chief Executive Officer on 26 April 2019. For the profile of Mr Andrew Khoo Boo Yeow, please refer to page 6 of this Annual Report.

George Tang Kim Siw

Age 78. Male. Malaysian. He is the Senior Vice President of The MUI Group since 1 June 2022. Prior to his retirement in 2020, he held several senior positions with The MUI Group. These included Executive Director of MUI Properties Berhad, Executive Director of the Hotel Division, and Chief Executive Officer of Metrojaya Berhad. During his 30-year career with the Group, he had also served with the Group's overseas operations as Executive Director of Corus Hotels Ltd, United Kingdom, President, Regent Corporation, USA, President, MUI Philippines Inc. and Chief Executive, MUI Resources Philippines Inc. His past career experience also included stints in public relations consultancy and human resources development.

Ong Hung Ming

Age 65. Male. Malaysian. He is the Senior Vice President of The MUI Group since 1 June 2022. Currently, he sits on the board of PM Capital Berhad, Metrojaya Berhad and several other private companies. He obtained a Bachelor of Social Science (Economics) with Honours from Universiti Sains Malaysia. He has more than 30 years' experience in banking and finance both in Malaysia and Hong Kong. He started his career with Bank Bumiputra Malaysia Berhad and has served in various capacities including branch manager throughout Malaysia. In 1996, he was transferred to Hong Kong branch as the General Manager and held the same position under Bumiputra Commerce Bank Berhad (now known as CIMB Bank Berhad). He was overall in charge of the banking operations including the money market, bilateral and syndication loans and trade finance. In 2001, he joined a Hong Kong public listed company as the Group Business Controller reporting directly to the Executive Chairman. His experience in banking and finance has assisted the Group in raising funds from both the capital market as well as from the banking sector.

Chan Chee Meng

Age 60. Male. Malaysian. He is the Executive Director of the Group's Property Division and an Executive Director of West Synergy Sdn Bhd. He joined the Group in November 2016. He has a degree of Bachelor of Arts (Architecture) from Deakin University, Australia. He has more than 25 years of experience in architectural consultancy and property development. He was previously with UOA Development Bhd and prior to joining The MUI Group, he was Deputy General Manager of the Mah Sing Group.

Wong Shuk Fuen

Age 52. Female. Malaysian. She is the Group Financial Controller. She joined The MUI Group as Financial Controller in October 2014. She has 28 years of experience in accounting and finance, and is a member of the Chartered Institute of Management Accountants, United Kingdom and a member of the Malaysian Institute of Accountants. She started her career as Accounts Officer at Guolene Plastic Products Sdn Bhd before moving on to various accounting and financial positions in Kenneison Brothers Group. Prior to joining The MUI Group, she was Vice President of AlloyMtd Group.

Note:

Save as disclosed, none of the Key Senior Management has any family relationship with any Director and/or major shareholder of the Company. None of the Key Senior Management has any conflict of interest with the Company nor have they been convicted of any offences within the past 5 years. There were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2022.

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (the “Board”) is committed to the principles of corporate governance set out in the Malaysian Code on Corporate Governance (the “Code”). The Board is also committed in continuously observing corporate governance practices that are best suited to achieve the objectives and goals of the Company.

Set out below is the description on the manner in which the Company has applied the principles and recommendations of the Code.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. Board of Directors

1.1 Role and Responsibilities of the Board

The Board takes overall responsibility for the corporate governance and performance of the Company and its subsidiaries (“the Group”) and is also committed to achieving the highest standards of business integrity, ethics and professionalism across the Group’s activities.

The Board is responsible for the overall performance of the Company and focuses mainly on strategy, performance, standard of conduct and critical business issues.

1.2 Composition of Board

The Board currently consists of 6 Directors and majority are Independent Directors:

- 1 Executive Chairman and Chief Executive Officer (“CEO”)
- 4 Independent Non-Executive Directors
- 1 Non-Independent Non-Executive Director

The Board complies with the Bursa Securities Listing Requirements that requires at least 2 or 1/3 of the Board, whichever is higher, to be Independent Directors.

The Chairman functions both as Executive Chairman and CEO and is supported by experienced Board members with a wide range of expertise. The Board is mindful of the combined roles but is comfortable that there are no concerns as all related party transactions are dealt with in accordance with the Bursa Securities Listing Requirements.

The Board has reserved certain material matters for the collective review and decision by the Board. The roles and contributions of Independent Directors also provide an element of objectivity, independent judgement and check and balance on the Board. Matters reserved for the Board include but are not limited to the following:

- (a) Group’s business strategy and business plan;
- (b) Annual budgets, including major capital commitments;
- (c) Material acquisition and disposal of assets; and
- (d) Changes to the senior management and control structure.

The Management is accountable to the Board for the Company’s performance and is required to report regularly to the Board on the progress made by the Company’s business units.

Together, the Directors bring a wide range of business and financial experience for effective direction and management of the Group’s businesses. A brief description of the background of each Director is presented in pages 6 to 7 of the Annual Report.

Datuk Christopher Martin Boyd has been identified as the Senior Independent Non-Executive Director to whom concerns regarding the Company may be conveyed.

The Board recognises the importance of gender, age and ethnic diversity in the composition of the Board. The Board currently does not have any gender, age and ethnic policies and targets. The Board believes that candidature to the Board should be based on a candidate’s skills, experience, knowledge, expertise and commitment to fulfill the role and responsibilities of the position.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

1.2 Composition of Board (Cont'd)

The Board has formed different Board committees, in support of independent oversight of management that operate within the defined terms of reference. These committees are:

- Audit Committee
- Nomination Committee
- Remuneration Committee

The Report of the Audit Committee for the financial year ended 30 June 2022 is set out in pages 23 and 24 of the Annual Report.

Details of the Nomination Committee and the Remuneration Committee are set out in Section 2.2 and Section 2.3 respectively of this Statement.

1.3 Independence of Directors

The Code recommends that the tenure of an Independent Director should not exceed a cumulative term of 9 years. However, upon completion of the 9 years, the Independent Director may continue to serve the Board subject to shareholders' approval.

In addition, the Board took note on the Enhanced Director Amendments issued by Bursa Securities, whereby the tenure of an Independent Director on the Board will be limited to 12 years. The affected long-serving Independent Director shall be re-designated as Non-Independent Director or replaced by the Board, by 1 June 2023.

The Nomination Committee had assessed the independence and performance of the Independent Directors who had exceeded the 9 years tenure and recommended a resolution to be tabled at forthcoming Annual General Meeting to retain the said Independent Directors via single tier voting process.

The Board will continuously evaluate from time to time the independence of each of its Independent Directors. In this regard, the Board will be guided by the criteria set out in the Bursa Securities Listing Requirements.

1.4 Board Meetings

The Board meets at least 4 times a year, with additional meetings convened as necessary. During meetings, the Chairman leads the discussions and welcomes opinions, facts and concerns from members of the Board. The Chairman is responsible for setting the agenda for Board meetings. Any Board member may, however, recommend the inclusion of items on the agenda. Such recommendations will be accommodated to the extent practicable. The agenda typically reaches the Board at least 2 weeks prior to Board meetings. Board meetings are typically scheduled a year in advance.

4 Board Meetings were held during the financial year ended 30 June 2022. Details of the attendance of the Directors are set out in the Profile of Directors appearing in pages 6 to 7 of the Annual Report.

1.5 Appointments to the Board

The Nomination Committee is responsible in identifying and evaluating potential candidates based on their skills, experience, knowledge, expertise and commitment to fulfill the role and responsibilities of the position before making any recommendation to the Board for approval of the appointment. The proposed appointment of each new Director will be deliberated by the Board based on the recommendation by the Nomination Committee.

The Board has taken note of the recommendation in the Code pertaining to the establishment of board gender diversity policy. The Board recognises the importance of boardroom diversity and aims to ensure diversity in its composition. The Board currently has 1 female Director, namely Datin Ngiam Pick Ngoh.

The Directors have direct access to the services of the Joint Company Secretaries who are responsible for ensuring that all appointments are properly made and all necessary information is obtained from Directors, both for the Company's own records and for the purposes of meeting the requirements of the Companies Act 2016, Bursa Securities Listing Requirements and other regulatory requirements.

1.6 Re-election of Directors

In accordance with the Company's Constitution, Directors who are appointed by the Board are subject to election by shareholders at the next Annual General Meeting following their appointment.

The Company's Constitution provide that at every Annual General Meeting, 1/3 of the Directors for the time being, or, if their number is not multiple of three, then the number nearest to 1/3, shall retire from office and shall be eligible for re-election. The Company's Constitution further provide that all Directors shall retire from office at least once in every three years and shall be eligible for re-election.

1.7 Directors' Remuneration

The Remuneration Committee will review the remuneration of the Directors and submit its recommendations to the Board for approval. The individual director concerned will abstain from discussion of their own remuneration. Directors' remuneration are approved at the Annual General Meeting by the shareholders.

For the financial year ended 30 June 2022, the aggregate of remuneration of the Directors received from the Company and the Group's subsidiaries are categorised into appropriate components and are as follows:

Directors' Remuneration	Salaries RM'000	Fees RM'000	Benefits- in-kind RM'000	Allowance & others RM'000	Total RM'000
Group					
<i>Executive Directors</i>					
Andrew Khoo Boo Yeow	#	80	-	2	82
Chan Choung Yau*	-	37	-	1	38
<i>Non-Executive Directors</i>					
Datuk Christopher Martin Boyd	-	56	-	4	60
Abdul Rashid bin Ismail	-	41	-	4	45
Tan Sri Dato' Dr Yeoh Oon Kheng	-	41	-	4	45
Datin Ngiam Pick Ngoh	-	36	-	2	38
Wong Nyen Faat	-	36	-	2	38
	-	327	-	19	346
Company					
<i>Executive Directors</i>					
Andrew Khoo Boo Yeow	#	60	-	2	62
Chan Choung Yau*	-	36	-	1	37
<i>Non-Executive Directors</i>					
Datuk Christopher Martin Boyd	-	46	-	4	50
Abdul Rashid bin Ismail	-	41	-	4	45
Tan Sri Dato' Dr Yeoh Oon Kheng	-	41	-	4	45
Datin Ngiam Pick Ngoh	-	36	-	2	38
Wong Nyen Faat	-	36	-	2	38
	-	296	-	19	315

Notes:

Amount below RM1,000.

* Deceased on 21 May 2022.

The Board opines that disclosing the senior managements' remuneration is unfavourable as it may jeopardise confidentiality and is against upholding ones' privacy. Further, such sensitive information may encourage poaching.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

1.8 Supply of Information

The Board has unrestricted access to information necessary for the furtherance of their duties.

The Board is also updated by the Joint Company Secretaries on new statutory and regulatory requirements concerning their duties and responsibilities from time to time.

Board papers are distributed to Board members prior to the meeting. Important matters that are reasonably expected to have a material effect on the price, value or market activity of the Company's shares may be discussed at the meeting without materials being distributed prior to the meeting.

All Directors have access to the advice and services of the Joint Company Secretaries and where necessary, in the furtherance of their duties, obtain independent professional advice at the Group's expense.

1.9 Qualified and Competent Company Secretaries

The Board is supported by 2 Joint Company Secretaries who are qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016. One of them is a member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") whilst the other is a member of Malaysian Institute of Accountants ("MIA").

The Joint Company Secretaries play an advisory role to the Board in relation to the Company's compliances with relevant regulatory requirements, guidelines and legislation. The Joint Company Secretaries circulate relevant guidelines and updates on statutory and regulatory requirements from time to time for the Directors' reference.

The Joint Company Secretaries facilitate the orientation of new Directors besides coordinating the Directors' training and development. The Joint Company Secretaries ensure that all Board and Board Committee meetings are properly convened and that deliberations, proceedings and resolutions are properly minuted and documented. The Joint Company Secretaries constantly keep themselves up-to-date through continuous training of the regularly evolving capital market environment, regulatory changes and developments in Corporate Governance.

1.10 Directorships in other Companies

In accordance with the Bursa Securities Listing Requirements, each member of the Board holds not more than 5 directorships in public listed companies. Prior to acceptance of any other appointment for directorships in other public listed companies, the Directors are required to consult with the Chairman to ensure that the acceptance of the new directorships would not affect their commitments and responsibilities to the Group. Any acceptance of new directorships must be notified to the Company immediately and the Board is informed of all changes to the directorships held by the Directors at the following Board meeting.

1.11 Directors' Training

All the Directors have attended and successfully completed the Mandatory Accreditation Programme prescribed by Bursa Securities.

For the financial year under review, Mr Andrew Khoo Boo Yeow, Datuk Christopher Martin Boyd, Encik Abdul Rashid bin Ismail, Tan Sri Dato' Dr Yeoh Oon Kheng, Datin Ngiam Pick Ngoh, Mr Wong Nyen Faat and the late Mr Chan Choung Yau (Deceased on 21 May 2022) had attended a training programme on the subject of "New Practices & Updates to the Malaysian Code on Corporate Governance". This training was organised by the Company and held in-house. Apart from the in-house training, the Directors have attended the following training programmes:

<i>Name of Director</i>	<i>Programmes</i>
1. Datuk Christopher Martin Boyd	<ul style="list-style-type: none"> - The Future of Office Virtual Roadshow by APREA & CBRE. - National Property Conference 2021 by Australian Property Institute. - ECN: KL Client Lunch with Dr Will by Economist - EICN KL: Asia Business Outlook Survey by Economist. - Wealth Talk Series: Investment Outlook 2022 - Stress Points, Risks and Opportunities by Maybank Premier & Privilege. - Connect the Dots by PricewaterhouseCoopers. - Progress Update Meeting for Sustainable Development Solutions Network Project by Jeffrey Cheah Foundation. - National Solutions Forum 2022 by Malaysia Chapter of the Sustainable Development Solutions Network and Sunway Group. - ICDM Corporate Members' Exclusive: Teh Tarik Session with Shai Ganu on Board succession planning, KPI setting for boards and senior management, Board Effectiveness Assessment and ESG by Sunway REIT Management Sdn Bhd/ICDM. - PowerTalk ESG Series #1 – Plan Your ESG Journey: Lessons for the Boardroom by Sunway REIT Management Sdn Bhd/ICDM.
2. Datin Ngiam Pick Ngoh	<ul style="list-style-type: none"> - Understanding Board Decision-Making Process by ASB -BNM. - Blockchain Virtual Meet-up 2022 by APAZ-EY.

The Directors are encouraged to attend training programmes and seminars which they feel may be conducive to ensure that they are kept abreast on various aspects related to the businesses of the Group and its regulations, compliance, risk management and sustainability.

2. Board Committees

2.1 Audit Committee

The Audit Committee comprises exclusively Non-Executive Directors, and all are Independent Directors. The members of the Audit Committee are as follows:

Chairman	Datuk Christopher Martin Boyd	- Independent Non-Executive Director
Members	Abdul Rashid bin Ismail	- Independent Non-Executive Director
	Tan Sri Dato' Dr Yeoh Oon Kheng	- Independent Non-Executive Director

The attendance of members at the Audit Committee Meetings and work of the Audit Committee for the financial year ended 30 June 2022 are set out in the Report of the Audit Committee in page 23 of the Annual Report. The terms of reference of the Audit Committee are available on the Company's corporate website at www.muiproperties.com.my.

2.2 Nomination Committee

The Nomination Committee comprises exclusively Non-Executive Directors, and all are Independent Directors. The members of the Nomination Committee are as follows:

Chairman	Datuk Christopher Martin Boyd	- Independent Non-Executive Director
Member	Abdul Rashid bin Ismail	- Independent Non-Executive Director

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

2.2 Nomination Committee (Cont'd)

The Nomination Committee held 1 meeting during the financial year ended 30 June 2022. The Nomination Committee has carried out the annual assessment for the financial year ended 30 June 2022 and is satisfied that the size of the Board is optimum and there is an appropriate mix of knowledge, skills, attributes, diversity and core competencies in the Board's composition. The Nomination Committee assesses every Director annually and such assessment is based on different criteria set out in the Directors' Fit and Proper Policy.

Annual appraisals on the Independent Directors are also conducted via a self-assessment questionnaire to be filled up by each Independent Director and submitted to the Nomination Committee before recommending to the Board on its composition.

The terms of reference of the Nomination Committee and the Directors' Fit and Proper Policy are available on the Company's corporate website at www.muiproperties.com.my.

2.3 Remuneration Committee

The Remuneration Committee comprises exclusively Non-Executive Directors, and all are Independent Directors. The members of the Remuneration Committee are as follows:

Chairman Abdul Rashid bin Ismail - Independent Non-Executive Director

Member Datuk Christopher Martin Boyd - Independent Non-Executive Director

The primary duty and responsibility of the Remuneration Committee is to recommend to the Board the remuneration of Executive Directors in all forms, drawing from outside advice as necessary. Nevertheless, the determination of remuneration packages of Executive Directors is a matter for the Board as a whole and individual Executive Directors are required to abstain from discussion of their own remuneration.

The Remuneration Committee shall also recommend to the Board the remuneration of Non-Executive Directors. The determination of the remuneration of the Non-Executive Directors is a matter for the Board collectively.

During the financial year ended 30 June 2022, the Remuneration Committee reviewed the Directors' fees and Directors' benefits and made recommendations to the Board.

3. Board Charter

The Board has established a Board Charter which prescribes, among other things, the roles of the Board and the matters reserved for the Board's collective decision to assist in the discharge of its responsibilities.

The Board Charter is subject to review by the Board from time to time to ensure that the Board Charter remains consistent with the Board's objectives, current laws and practice. The Board Charter was adopted by the Company on 31 May 2013. The Board Charter is available on the Company's corporate website at www.muiproperties.com.my.

4. Code of Conduct & Business Ethics

The Company has adopted a Code of Conduct & Business Ethics which sets out the guidelines on ethical issues which may arise during the course of business and the standards of behaviour expected of all Directors and employees.

The Directors conduct themselves with the highest ethical standards. All Directors and employees are expected to behave ethically and professionally at all times and thereby protect and promote the reputation and performance of the Company. The Code of Conduct & Business Ethics is available on the Company's corporate website at www.muiproperties.com.my.

5. Whistleblower Policy

The Company has adopted and implemented a Whistleblower Policy which is committed in promoting and maintaining high standards of transparency, accountability and ethics in the workplace, in line with good corporate governance and prevailing legislation.

Pursuant to this Whistleblower Policy, employees in the Company are encouraged to report or disclose alleged, suspected and/or known improper conduct in the workplace without fear of retribution or detrimental action. The Whistleblower Policy is available on the Company's corporate website at www.muiproperties.com.my.

6. Anti-Bribery and Anti-Corruption Policy

The Company has adopted and implemented an Anti-Bribery and Anti-Corruption Policy which provides the guidelines on the scope and objective of handling bribery and corruption issues within the Group.

It is part of the Company's commitment to adhere strictly to the relevant laws relating to corruption including but not limited to the Malaysian Anti-Corruption Commission Act 2009, the Penal Code (Act 574) and the Anti-Money Laundering and Anti-Terrorism Financing Act 2001. It is also intended to serve as a preventive tool to help the Directors, employees and business partners recognise, detect and avoid potential corrupt practices.

The Anti-Bribery and Anti-Corruption Policy is subject to review by the Board from time to time to assess its effectiveness. The Anti-Bribery and Anti-Corruption Policy is available on the Company's corporate website at www.muiproperties.com.my.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

7. Accountability and Audit

7.1 Financial Reporting

The Audit Committee is tasked to assist the Board in ensuring that the financial statements comply with the Companies Act 2016 and the applicable financial reporting standards. The Board has the overall responsibility to ensure that the financial statements reviewed and recommended by the Audit Committee for the Board's approval are prepared in accordance with the Companies Act, 2016 and applicable financial reporting standards so as to present a true and fair view of the state of affairs of the Group.

7.2 Risk Management and Internal Control

The Directors acknowledge their responsibilities for the internal control system in the Group, covering not only financial controls but also controls relating to operational, compliance and risk management. The system of internal control involves each key business unit and its management, including the Board, and is designed to meet the business units' particular needs, and to manage the risks to which they are exposed.

The system, by its nature, can only provide reasonable and not absolute assurance against material misstatement, loss or fraud. The concept of reasonable assurance recognises the costing aspect, whereby the cost of control procedures is not to exceed the expected benefits. The Board has established an internal audit function which reports directly to the Audit Committee. Details of the internal audit functions are set out in the Report of the Audit Committee in page 24 of the Annual Report.

The Board recognises that risks cannot be fully eliminated. As such, the Group has an Enterprise Risk Management ("ERM") framework in place to minimise and manage them. The Board has established a Risk Management Committee comprising the Chief Executive Officer, the Group Financial Controller and the Head of Operations and guided by documented terms of reference. Meetings are held regularly to deliberate on risk and control issues. Ongoing reviews are continuously carried out to ensure the effectiveness, adequacy and integrity of the system of internal controls and ERM framework in safeguarding the Group's assets.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

7.2 Risk Management and Internal Control (Cont'd)

Details of the Company's internal control system and risk management are set out in the Statement on Risk Management and Internal Control in pages 18 to 21 of the Annual Report.

7.3 Relationship with the External Auditors

The Company's external auditors have continued to report to members of the Audit Committee on their findings which are included as part of the Company's financial reports with respect to their audit on the statutory financial statements. In doing so, the Company has established a transparent arrangement with the auditors to meet their professional requirements.

The Audit Committee met the external auditors 2 times during the financial year ended 30 June 2022 without presence of management to discuss key concerns and obtain feedback relating to the Company's affairs.

Further, the Audit Committee carries out its own evaluation on the external auditors to determine their suitability in various aspects such as their audit scope and independence. The external auditors have also provided assurances to the Audit Committee on its independence via the Audit Planning Memorandum and Audit Review Memorandum.

The role of the Audit Committee in relation to the external auditors is set out in the Report of the Audit Committee in page 23 of the Annual Report.

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

8. Corporate Disclosure Policy

The Company aims to provide accurate and fair disclosure of corporate information to enable informed and orderly market decisions by investors in accordance with the requirements under the Bursa Securities Listing Requirements as the Company promotes transparency in all aspects of its business and/or management.

9. Directors' Responsibilities in respect of Financial Statements

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 end of the financial year and of the financial performance and cash flows of the Group and of the Company for the financial year.

The Directors ensure that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgements and estimates have been made, in the preparation of the financial statements.

The Directors also ensure that Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia have been followed.

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

10. Relationship with Shareholders and Investors

In addition to various announcements made during the year, the timely release of quarterly interim financial report provides shareholders with a regular overview of the Group's performance and operations.

Shareholders and members of the public can also obtain information on the annual and quarterly reports and the announcements made by the Company by accessing Bursa Securities' website and the Company's corporate website at www.muiproperties.com.my.

Notice of the Annual General Meeting and the Annual Report are sent to all shareholders. At Annual General Meetings, shareholders have direct access to the Directors and are given the opportunity to ask questions during the question and answer session. This process highlights the check and balance system that is required under Malaysian Law.

Pursuant to Paragraph 8.29A(1) of the Bursa Securities Listing Requirements, the Company is required to ensure that any resolution set out in the notice of general meetings is voted by poll.

Shareholders and other interested parties may contact the Joint Company Secretaries for investor relations matter by writing or via telephone/facsimile as follows:

Postal Address	: 189 Jalan Ampang, 50450 Kuala Lumpur
Telephone number	: 03-2145 1366
Facsimile number	: 03-2144 5209

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

The Malaysian Code on Corporate Governance 2017 requires listed companies to maintain a sound system of risk management and internal controls to safeguard shareholders' investments and the Group's assets. The Bursa Malaysia Securities Berhad's ("Bursa Securities") Listing Requirements require directors of public listed companies to include a statement in their annual reports on the state of their risk management and internal controls system. The Bursa Securities' Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("Guidelines") provides guidance for compliance with these requirements. Set out below is the Board's Statement on Risk Management and Internal Control, which has been prepared in accordance with the Guidelines.

Board's Responsibility

The Board of Directors ("Board") is responsible for the Group's system of internal control and risk management and for reviewing the adequacy and integrity of the system. The system covers risks and controls on financial, operational and compliance/legal aspects. This system is designed to manage, rather than to eliminate, the risks in the pursuit of the Group's business objective as well as to safeguard shareholders' investments and Group's assets. The system serves to provide reasonable but not absolute assurance against the risk of material misstatement, loss or fraud.

Risk Management

The Board confirms that an ongoing process for identifying, measuring and managing the Group's principal risks is in place. This process is carried out via the following risk management governance structure:

- The Board – discharges its responsibilities and duties by ensuring a sound system of risk management and internal control is in place for the Group. The Board has established the Audit Committee to assist them in fulfilling their responsibilities and duties. The Board formulates the Group's business strategies and reviews the Group's performance on semiannually basis. Additional meetings may be called as and when the Board deems necessary. The Board also directs appropriate actions as and when significant risks and internal control issues arise.
- The Audit Committee – on behalf of the Board, the Audit Committee, with the assistance of the Risk Management Committee and the Group's Internal Audit Department ("GIAD"), establishes a system of risk management and internal control. The Audit Committee, on behalf of the Board, reviews the significant risks and internal controls of the Group's business and activities and highlights significant risks and issues to the Board on semiannually basis. The GIAD which reports directly and independently to the Audit Committee regularly conducts audit on the Group's business and activities, and reviews the adequacy and effectiveness of the Group's system of risk management and internal control.
- The Risk Management Committee ("RMC") – assists the Audit Committee in establishing a risk management framework and process capable of identifying and managing significant risks inherent or developed in the Group's business and activities. The RMC meets with the risk owners to review the risks on semiannually basis and presents its reports to the Audit Committee semiannually. Additional meetings may be called as and when the RMC deems necessary. The RMC comprises the Chief Executive Officer, the Group Financial Controller and the Head of Operations.

Risk Management Process

Risks are reported and monitored at the operational level using a Risk Register which captures risks, mitigating measures and risk ratings. The Risk Register is presented to the RMC for review on semiannually basis. The level of risk tolerance is guided by a risk likelihood and impact matrix which enables the risk to be rated and prioritised accordingly.

For risks that are material, the mitigating measures are presented to the Management for review on semiannually basis. Risks are reviewed and managed at each level of reporting and consolidated for review at the next higher level, before they are escalated for review at Group level.

High and new risk areas are immediately flagged and reported to the Audit Committee whose comments and advice are noted for the full Board's information.

Types of Risks

The principal business activities of the Group are investment holding, property development and sale of oil palm fruits. There have been no significant changes in the nature of these activities during the financial year ended 30 June 2022.

The significant risks faced by the Group during the financial year ended 30 June 2022 can be broadly categorized as follows:

Financial Risk

- Potential impairment of investments and investment property

Operational Risk

- Project implementation: cost overrun, delays, quality, safety

Compliance/Legal Risk

- Failures of compliance with statutory/regulatory requirements
- Any legal suits that may arise from time to time

External Risk

- Emergence of competitors' development in proximity and price wars among competitors
- Prolonged adverse impact of the COVID-19 pandemic on the businesses of the Group
- Purchasers' capability to get loan approval become tougher
- Increase in construction material cost, tax and labour shortage will affect profit margin
- Development of Industrial Land Project - Emergence of new developments within close proximity

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

Internal Audit Function

The internal audit function is performed by GIAD of Malayan United Management Sdn Bhd, a company under the MUI Group of Companies, which provides assurance on the efficiency and effectiveness of the Group's internal control system. Further details of the internal audit function are set out in the Report of Audit Committee in the Annual Report.

Key Elements of Internal Control

The key elements of the Group's internal control system, that are regularly reviewed by the Board and are in accordance with the Guidelines, are described below:

- Establishment of a control environment in respect of the overall attitude, awareness and actions of Directors and Management regarding the internal control system and its importance to the Group;
- Recruitment of experienced, skilled and professional staff with the necessary caliber to fulfill the respective responsibilities and ensuring that adequate controls are in place;
- Clear Group structure, reporting lines of responsibilities and appropriate levels of delegation;
- Documented policies, procedures and limits of approving authorities for key aspects of the business. This provides a framework of authority and accountability within the organisation and facilitates corporate decision-making at the appropriate level in the organisation's hierarchy;
- Establishment of segregation of duties via independent checks, review and reconciliation activities to prevent human errors, fraud and abuses;
- Quarterly management reports to the Board from various lines of operations and business units, on key business performance, operating statistics and regular matters. This allows for an effective monitoring of significant variances and deviation from standard operating procedures and budget;
- Group Internal Audit function independently reviews the risk identification procedures and control procedures implemented by Management, and reports to the Audit Committee on a quarterly basis. The Group Internal Audit function assesses the operation and validity of the system of internal controls in relation to the level of risk involved using Risk-Based-Auditing methodology; and
- The Audit Committee convenes meetings to deliberate on the findings and recommendations for improvement by the Group Internal Audit function, external auditors as well as regulatory authorities. The Audit Committee reviews the actions taken to rectify the findings in a timely manner, and to evaluate the effectiveness and adequacy of the Group's internal control systems.

Adequacy and Effectiveness of the Group's Risk Management and Internal Control System

The Board has received assurance from the Chief Executive Officer, the Group Financial Controller and the Head of Operations that the Group's risk management and internal control system is operating adequately and effectively in all material aspects.

The Board is of the view that the risk management and internal control system in place for the financial year under review and up to the date of issuance of the financial statements, is adequate and effective to safeguard the shareholders' investment and the Group's assets. The system of risk management and internal control continues to be subject to enhancement, validation and regular review.

Review of Statement by External Auditors

As required by paragraph 15.23 of the Bursa Securities Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control to the scope set out in the Audit and Assurance Practice Guide 3 (AAPG 3) – Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by Malaysian Institute of Accountants ("MIA").

Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement of Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and Practices 9.1 and 9.2 of the Malaysian Code on Corporate Governance 2017 to be set out, nor is it factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and Management thereon. The Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

OTHER INFORMATION

1. Utilisation of Proceeds raised from Corporate Proposal

The Company did not raise funds through any corporate proposal during the financial year ended 30 June 2022.

2. Audit and Non-Audit Fees

During the financial year ended 30 June 2022, the amounts of audit and non-audit fees paid/payable by the Company and the Group to the external auditors were as follows:

	Group (RM'000)	Company (RM'000)
Audit Fees	216	81
Non-Audit Fees	38	13

3. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests, either still subsisting at the end of the financial year ended 30 June 2022 or entered into since the end of the previous financial year except as disclosed in the financial statements.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee was established on 5 July 1994. The Board shall ensure that the composition of the Audit Committee complies with the Bursa Securities Listing Requirements as well as other regulatory requirements. The terms of reference of the Audit Committee are available on the Company's corporate website.

1. Members

The Audit Committee consists of the following members:

<i>Name</i>	<i>Designation</i>
Datuk Christopher Martin Boyd - <i>Chairman</i>	<i>Independent Non-Executive Director</i>
Abdul Rashid bin Ismail	<i>Independent Non-Executive Director</i>
Tan Sri Dato' Dr Yeoh Oon Kheng	<i>Independent Non-Executive Director</i>

2. Meetings

During the financial year ended 30 June 2022, 4 Audit Committee Meetings were held and the records of each member are as follows:

<i>Name</i>	<i>Attendance</i>
Datuk Christopher Martin Boyd - <i>Chairman</i>	4 out of 4
Abdul Rashid bin Ismail	4 out of 4
Tan Sri Dato' Dr Yeoh Oon Kheng	4 out of 4

In addition to the Committee members, the Head of Internal Audit and officer in charge of accounts are invited to each meeting. The respective head of companies/departments and their management team attend when audit reports on their companies/departments are tabled for discussion. The presence of the external auditors will be requested when required.

Upon the request of the external auditors, the Chairman shall convene a meeting of the Audit Committee to consider any matter the external auditors believe should be brought to the attention of the Board or shareholders.

3. Summary of Work of the Audit Committee during the financial year ended 30 June 2022

The Audit Committee reviewed and deliberated 2 audit reports on assignments and 4 audit follow-up reports conducted by the Internal Audit. The Audit Committee also appraised the adequacy and effectiveness of Management's response in resolving the audit issues reported.

In addition, the unaudited quarterly interim financial reports and the audited financial statements of the Group and the Company were reviewed by the Audit Committee prior to recommending the same for approval by the Board, upon being satisfied that the financial reporting and disclosure requirements of the relevant authorities had been complied with.

The Audit Committee met with the external auditors and discussed the nature and scope of the audit, considered any significant changes in accounting and auditing issues, reviewed audit issues and concerns affecting the financial statements of the Group and discussed applicable accounting and auditing standards that may have significant implication on the Group's financial statements. The Audit Committee also reviewed related party transactions carried out by the Group.

The Audit Committee reviewed and approved the Internal Audit Plan for the financial year ended 30 June 2022. In its review of the Internal Audit Plan, the Audit Committee reviewed the scope and coverage over the activities of the respective business units of the Group.

REPORT OF THE AUDIT COMMITTEE (Cont'd)

4. Internal Audit Function

The internal audit function for the financial year ended 30 June 2022 was performed by Group Internal Audit Department of Malayan United Management Sdn Bhd, a company under the MUI Group of companies and is independent of the activities audited. Subsequently, the Group's internal audit function is outsourced to a professional services firm, GovernAce Advisory & Solutions Sdn Bhd, which was tasked with the aim of assisting the Audit Committee to discharge its duties and responsibilities. The internal audit function is performed with impartiality, proficiency and due professional care. The Internal Auditors reports directly to the Audit Committee, and regularly reviews and appraises the Group's key operations to ensure that key risk and control concerns are being effectively managed.

The Internal Auditors carries out audit assignments based on risk-based audit plan that is reviewed and approved by the Audit Committee. The reports of the audits undertaken are presented to the Audit Committee and forwarded to the management concerned for attention and necessary action.

During the financial year ended 30 June 2022, the Internal Auditors carried out reviews on the scope of tendering process, contract management, project management and sales & marketing activities.

Follow-up reviews on previous audit reports are conducted by the Internal Auditors on quarterly basis to ensure appropriate actions are implemented to address the concerns highlighted.

The cost incurred for the internal audit function of the Company for the financial year ended 30 June 2022 was approximately RM18,564.

MANAGEMENT DISCUSSION AND ANALYSIS

Principal Activities

An investment holding company, the Group's primary business activity is property development. Its flagship development is Bandar Springhill, a 1,990-acre prime township project strategically located between Seremban and Port Dickson. This project is undertaken by the Group's subsidiary, West Synergy Sdn. Bhd. (West Synergy), a 60-40 joint venture with long-time business partner, Chin Teck Plantations Berhad.

Financial Results

For the financial year under review, the Group's revenue grew 14.5% to RM87.62 million. The increase in revenue derived largely from improvement in its property development as well as improved income from oil palm fruit harvesting.

The growth of revenue for FY22 was mainly contributed by E5-B (Nebula), E5-C (Aurora 2), and E7-3 (Peony 2) which were launched in May and November 2021 respectively. As a result, the PBT for the Properties segment increased substantially.

The Group's profit before tax rose to RM30.99 million, representing a 45.6% increase. Segmentally, RM26.05 million was contributed by the properties segment and RM4.94 million came mainly from a one-off foreign exchange gain and fair value gain in overseas investment.

As at 30 June 2022, the Group continued to maintain a healthy financial position with no borrowings. Its deposits, bank balances, and cash, including funds held under Housing Development Account, stood at RM88.90 million.



MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Review of Operations

During the financial year, West Synergy aggressively stepped up its development activity, launching four new projects with a total of 636 new homes, compared with two new projects of only 221 new homes in the previous financial year. The development found a sweet spot in terms of attractive designs and pricing. All the units of the six models launched were fully sold. The revenue improvements came from these projects:

- 1) Phase E3A (Amarilis): Consists of 73 units double-storey terrace houses. This project was awarded the *Certificate Of Completion And Compliance* (CCC) on 23 November 2021. Units were fully sold with a total Gross Development Value (GDV) of RM 31.3 million.
- 2) Phase E6 (Nova & Aurora): Consists of 272 units of double-storey terrace houses in total. Nova and Aurora have 141 and 131 units respectively. The set target date of the project completion with CCC is by January 2023. These units were fully sold with a total GDV of RM106.2 million.
- 3) Phase E5 (Nebula & Aurora 2): Consists of 221 units of terrace houses in total. Nebula and Aurora 2 are both double-storey houses. Both the latter have 110 and 111 units respectively. West Synergy has targeted July 2023 as the project completion date with CCC. To date, all units have been sold with GDV of RM70 million.
- 4) Phase E7-3 (Peony 2): Consists of 70 units of double-storey terrace houses and is targeted to be completed with CCC by June 2023. All units have been sold with a GDV totalling RM32.6 million.

Due to numerous movement control orders (MCOs), West Synergy experienced some delay in the progress of Phase E6, triggering liquidated ascertained damages (LAD). However, it had successfully secured the extension of time (EOT) for 153 days, allowing it to now complete the project without penalty.

Risks

- 1) Increase in construction material price & supply chain disruption

The construction industry has been recovering from severe disruptions caused by the Covid-19 pandemic. However, it continues to face challenges including the increase in material prices.

- 2) Shortage of foreign labour

Shortage of labour and associated rising prices for key materials have impacted the progress of construction projects, while logistical bottlenecks along with supply chain disruptions had impacted construction progress and affected lead times.

Outlook

The Group expects the performance to remain stable, in line with a better economic outlook post COVID-19 pandemic lockdown.

Consumer sentiment is expected to improve with the country's economic recovery in sight, spurred on by the success of our National COVID-19 Vaccination Programme.

We will look ahead with optimism but maintain an edge of caution. The key focus will remain, that is meeting the demand of the market with affordable landed properties. This is evident with the success of our launches which saw very promising take-up rates.



In tandem with our objective to develop Bandar Springhill as a lifestyle-centric township, the maintenance and upgrading works of the internal streetscape and landscape will be accelerated. Planning and marketing efforts have started to open up the undeveloped land on the Western side. These initiatives will further strengthen the value of the properties and the attractiveness and liveability of the township.

West Synergy has four developments on the horizon. Among them are light and medium industrial lots within the western sector of Bandar Springhill, and affordable single and double storey terrace houses.



At a recent FLABCI-Star Media Group event, MUI Properties Berhad was among the top 10 recipients of The Malaysia Developers Awards under the category of developers with market capitalisation below RM1.0 billion.

SUSTAINABILITY REPORT

Our modern world is increasingly more connected as one integrated whole in which the actions and activities of a government, region, economic bloc, and political league can have either lasting beneficial or harmful effects on the entire planet. This is particularly so in the context of global climate change due to unchecked emissions of greenhouse gases, environmental pollution, continuing ecological degradation, and scarce water resources in many parts of the world. The recent spate of news reporting record-setting heat waves, freezing temperatures, storms, floods, and accelerating melting of ice sheets are dire warnings that urgent measures must be taken to protect our fragile planet.

It is with this awareness in mind that our Group fully subscribes to the three pillars of corporate sustainability, which are the Environmental, Social, and Governance Pillars.

In harmony with this position, we duly recognise our obligations as a responsible corporate citizen and will continue to uphold our time-honoured corporate culture, defined as being strong in financial standing, efficient in management, and trustworthy in business dealings.

This culture underpins our Group's interactions with our employees, customers, stakeholders and the community we operate in.

Environment

We recognise the importance of environmental protection and preservation in all our business operations and we are wholeheartedly behind efforts that promote a cleaner and healthier environment in our day-to-day activities and operations.

West Synergy's projects comply with The Environmental Quality Act 1974, under Activity 17 of the First Schedule of Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 2015.



To empower decarbonisation of the company's operations, all our carbon measurements and its data collection are managed by an external SaaS platform that the Group has engaged with to reduce emissions and mitigate climate change. The report on our carbon footprint is still in progress and is currently being finalised.

We are continuously encouraging our staff to carpool to work and employ energy-efficient practices in their daily business operations. The tree-planting programme has been ongoing for areas that have been developed and rainwater is harvested for the landscape irrigation system. In our West Synergy office, the water flow rate has been reduced and our employees are encouraged to minimise printing and opt for double-sided printing. The contractors have also been encouraged to operate a waste management plan and are required to disclose their waste management results.

Among the other environmental-related activities that have been implemented, the employees took the initiative to set up a self-plant vegetable farm plot on the West Synergy office premise. In addition, garbage classification and recycling exercises have been implemented.

To continue with the long-term mission of the company, designs of house units are ergonomic, built with double volume ceiling space, rooftop gardens, in-house private gardens, plus natural lighting and ventilation solutions to reduce energy consumption.

Maintaining the pace of the ongoing responsible practices for the environs of Bandar Springhill to remain green and attractive, all waste of palm tree bark is shredded and buried in a compost pit to be used as manure. We continue to maintain and harvest the remaining oil palm trees in our township, clearing only small tracts of the planted areas at a time to be developed.

Social

Employees First

Our Group ensures that its Human Resources policies and guidelines fully comply with all relevant legislations and that our workplace embraces diversity, inclusion, and equality. In our employment approach, the management has taken the Malaysian-first stance in support of the local community. West Synergy also regards its employees as key assets; hence managing talents at all levels is a priority. All employees are given equal opportunity for career advancement and meritocracy is practiced in annual performance assessments for all staff. To create a fair, equitable, and healthy workplace environment, we encourage regular dialogues as well as townhall meetings with top management. We also enforce the Whistleblower Policy strictly. All serious complaints and allegations of improper employee behaviour are dealt with promptly and fairly. At the same time, we take steps to exonerate any employee subjected to false accusations in an open way, while also providing individual guidance and encouragement where necessary. This moral support is provided by leaders at very senior levels.

Employee benefits such as medical, hospitalisation, dental and even optical claims have been expanded recently, in response to suggestions made by employees in previous townhall meetings. Similarly, HR policies have also been relaxed or improved in a number of situations such as annual leave taking, unpaid leave, medical and hospital visits.

We are also in full compliance with accepted standards of health and safety in the workplace. We have active OSHA (Occupational Safety and Health Administration) committees that not only conduct regular site checks but also minute their findings. These minutes are escalated to senior management at the headquarters for deliberations and follow-up actions. We emphasize the importance of ensuring a clean, safe and healthy working environment. During the COVID-19 pandemic, our Group operates in strict compliance with the Standard Operating Procedures (SOPs) established by the government.

Customer Privacy & Data Security

We have enacted the Personal Data Protection Act 2010 (Act 709) that protects all forms of information, be it private, personal, or sensitive personal data of individuals concerning commercial transactions.

Product Quality & Safety

The company has adopted the Anti-Bribery & Anti-Corruption (ABC) Policy to take a stand against all forms of Bribery and Corruption. Corporate Standard Operation Procedure (SOP) to ensure uniformed and quality output, while simultaneously reducing miscommunication and ambiguity.

To meet the standards of health and safety in the workplace, site safety supervisors report and update during weekly site meetings. Regular site inspections are conducted to monitor the quality of works on site. Pre-CPC (Certificate of Practical Completion) inspections involving all consultants are conducted at the end of a project to assess the quality and compliance of contractor's work.

SUSTAINABILITY REPORT (Cont'd)

West Synergy strives to support local suppliers and material sourcing and this is based on the criteria below:

- Price, quality and delivery
- Financial stability
- E-commerce capability
- Total quality performance & philosophy
- Long term relationship potential.

Community

Our Group believes in sharing our success with the community and we have participated in community projects for the benefit of various charitable organisations.

In FY2022, our community care fund has seen some RM38,000.00 worth of cash donations and essential goods distributed to those in need. We will continue to provide assistance to the underprivileged to ease the impact of financial distress on the Malaysian economy.

The Group also runs an internship programme, which aims to provide career exposure and experience to undergraduates and fresh graduates.

In order to offer peace of mind to our community, we are determined to uphold the safety and well-being of the township's residents. This is achieved through the implementation of the multi-tiered security system in our residential projects.

We also strive to ensure the liveability of our Bandar Springhill township is enhanced and maintained. Apart from the current comprehensive facilities and amenities such as a recreational lake park, playground, and jogging and cycling paths, the construction of a clubhouse to serve the community is underway.

On top of that, the UCSI Hospital, a state-of-art medical facility will benefit the community considerably, providing residents with the convenience of having their healthcare needs met without having to travel long-distance. The UCSI Hospital provides world-class healthcare treatment.

Our efforts in Corporate Social Responsibility campaigns and programs have been diligently carried out to serve the community.

No.	CSR Program	Amount (RM)
1.	Food Donations to help underprivileged families in Seremban areas in conjunction with Chinese New Year 2022 festive.	5,000
2.	Donations to Cultural and Artistic Associations of Guan Gong Negeri Sembilan for 'Pesta Kebudayaan Guan Gong dan Pelancongan Negeri Sembilan 2021' – Cultural and Tourism Festivals Negeri Sembilan 2021.	10,000
3.	Food Donations to help underprivileged families within Bandar Springhill and Lukut areas.	20,000
4.	Donations in the form of vitamins and supplements for underprivileged children at Pusat Penjagaan Kanak-Kanak Cacat Taman Megah.	3,000

Employee Health & Safety

The company takes seriously investing in our employee's well-being. Around RM26,000 in total was spent for Covid-19 related purchases that included Saliva test kits, face masks, face shields, Dr Clo sanitising sticks, handwash, hand sanitizers, an office disinfection machine, and spray. Besides that, a total of RM7,500 was for staff health care products such as vitamins and supplements.

Employee Engagement, Diversity & Inclusion

We are pleased to report that women make up half of our current workforce. At the management level, 40% of our women employees are in management positions.

The company offers a number of employee benefits. In the case of hospitalization and surgical insurance, the company provides coverage for the cost of hospitalization and surgical treatment. The company also provides employees with personal accident insurance, which covers any injuries sustained while on the job. Outpatient medical treatment includes optical, dental, and annual medical check-ups. We also provide our employees with a number of additional benefits, including reimbursement for pharmacy purchases, subsidized gym memberships, and staff gatherings.

Governance

One of the underlying principles of our Group's business philosophy is fair dealings in business practices. Ethical engagement with the marketplace is something we take seriously. In this regard, we strive to deliver products and services that meet the criteria of value, safety, quality, and satisfaction for our customers and clients.

In line with our Group's philosophy of conducting business dealings with integrity, a transparent procurement process is in place. West Synergy practises an open tender system and encourages participation from Bumiputera and non-Bumiputera consultants and contractors. Further to this, we also have in place our Anti-Bribery and Anti-Corruption Policy. All appointed consultants and contractors must comply with statutory regulations, standards, and codes of practice throughout the contract period. Environmental, safety, and health factors are also included in the supply chain contract agreements.

We value customer engagement and we aim to continually improve our customer service across all service points. Feedback and grievances are forwarded to the Customer Service Department and channelled to the respective teams involved at the various stages of the property development to ensure that the products and services meet expectations. Our relationship with the residents of Bandar Springhill is further fostered through festive activities and community programmes carried out annually.

GROUP FINANCIAL HIGHLIGHTS FIVE-YEAR SUMMARY

	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>
KEY RESULTS (RM'000)					
Revenue	87,616	76,500	76,685	57,474	40,318
Profit before tax	30,993	21,285	25,821	27,468	10,065
Net profit attributable to equity holders of the Company	16,640	7,671	12,725	17,085	2,712
<hr/>					
Total assets	422,369	406,978	392,044	377,661	355,309
Total liabilities	24,267	25,007	20,982	21,718	24,832
Share Capital	162,468	162,468	162,468	162,468	162,468
Equity attributable to owners of the Company	302,569	290,814	282,778	271,704	251,841
Total equity	398,102	381,971	371,062	355,943	330,477
<hr/>					
FINANCIAL RATIOS					
Current ratio (times)	10.18	9.54	11.21	10.34	8.57
<hr/>					
SHARE INFORMATION					
Basic earnings per share (sen)	2.25	1.04	1.72	2.31	0.37
Net assets per share attributable to owners of the Company (RM)	0.41	0.39	0.38	0.37	0.34
<hr/>					

DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2022.

Principal Activities

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

Results

	The Group RM'000	The Company RM'000
Profit after taxation for the financial year	25,120	1,404
Attributable to:		
Owners of the Company	16,640	1,404
Non-controlling interest	8,480	-
	25,120	1,404

Dividends

The Company declared and paid an interim dividend of 0.45 sen per ordinary share amounting to RM3,334,000 in respect of the financial year ended 30 June 2021 on 20 August 2021 and 22 September 2021 respectively, to shareholders whose names appeared in the record of depositors on 7 September 2021.

On 25 August 2022, the Company declared an interim dividend of 0.5 sen per ordinary share amounting to RM3,705,000 in respect of the financial year ending 30 June 2023, payable on 21 September 2022, to shareholders whose names appeared in the record of depositors on 12 September 2022.

Reserves and Provisions

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

DIRECTORS' REPORT (Cont'd)

Issues of Shares and Debentures

During the financial year:

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

Treasury Shares

As at 30 June 2022, a total of 23,145,300 ordinary shares amounting to RM6,301,000 are held as treasury shares by the Company. The details of the treasury shares are disclosed in Note 20 to the financial statements.

Options Granted Over Unissued Shares

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

Bad and Doubtful Debts

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

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

Current Assets

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their values as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

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

Valuation Methods

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

Contingent and Other Liabilities

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

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

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

Change of Circumstances

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

Items of an Unusual Nature

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which the report is made.

Directors

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

Andrew Khoo Boo Yeow (Executive Chairman and Chief Executive Officer)
Datuk Christopher Martin Boyd (Independent Non-Executive Director)
Abdul Rashid bin Ismail (Independent Non-Executive Director)
Tan Sri Dato' Dr Yeoh Oon Kheng (Independent Non-Executive Director)
Datin Ngiam Pick Ngoh (Independent Non-Executive Director)
Wong Nyen Faat (Non-Independent Non-Executive Director)
Chan Choung Yau (Executive Director) (Deceased on 21 May 2022)

DIRECTORS' REPORT (Cont'd)

Directors (Cont'd)

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

Chan Chee Meng
Ching Eng Chin @ Ching Eng Ching
Gho Lian Chin
Goh Wei Lei
Lawrence Chai
Lee Chik Siong
Lim Fei Fong
Marguerite Lai
Ong Hung Ming
Raymond Yeoh Huat Hock
Ronald G. Bickford
Wong Shuk Fuen
Tung Ming Choo (Appointed on 23 June 2022)

Directors' Interests

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

	<u>Number of Ordinary Shares</u>			
	At 1.7.2021	Bought	Sold	At 30.6.2022
Ultimate holding company				
Malayan United Industries Berhad				
<i>Direct Interest</i>				
Tan Sri Dato' Dr Yeoh Oon Kheng	358,461	-	-	358,461
Related company				
Pan Malaysia Corporation Berhad				
<i>Direct Interest</i>				
Andrew Khoo Boo Yeow	-	2,300,000	-	2,300,000

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

Directors' Benefits

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered in the ordinary course of business with companies in which certain directors have substantial financial interests in as disclosed in Note 31(b) to the financial statements.

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

Directors' Remuneration

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

	The Group RM'000	The Company RM'000
Directors of the Company:		
- Fees	327	296
- Salaries, bonuses and other benefits	20	20
	<hr/>	<hr/>
	347	316
	<hr/>	<hr/>

Indemnity and Insurance Cost

During the financial year, the amount of indemnity coverage and insurance premium paid for the Directors and certain officers of the Company were RM75,000,000 and RM40,000 respectively.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

Significant Events Occurring After the Financial Year

The significant events occurring after the financial year are disclosed in Note 36 to the financial statements.

Ultimate Holding Company

The ultimate holding company is Malayan United Industries Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

DIRECTORS' REPORT (Cont'd)

Auditors

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

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

	The Group RM'000	The Company RM'000
Audit fees	216	81
Non-audit fees	38	13
	<hr/>	<hr/>
	254	94
	<hr/>	<hr/>

Signed in accordance with a resolution of the Directors dated 20 October 2022.

Andrew Khoo Boo Yeow

Datuk Christopher Martin Boyd

STATEMENT BY DIRECTORS

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

We, Andrew Khoo Boo Yeow and Datuk Christopher Martin Boyd, being two of the Directors of MUI Properties Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 48 to 121 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2022 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the Directors dated 20 October 2022.

Andrew Khoo Boo Yeow

Datuk Christopher Martin Boyd

STATUTORY DECLARATION

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

I, Wong Shuk Fuen, MIA Membership Number: 12985, being the officer primarily responsible for the financial management of MUI Properties Berhad, do solemnly and sincerely declare that the financial statements set out on pages 48 to 121 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Wong Shuk Fuen, NRIC Number: 691103-10-5610
at Kuala Lumpur
in the Federal Territory
on this 20 October 2022

Wong Shuk Fuen

Before me

Ramathilagam A/P T Ramasamy
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To The Members Of MUI Properties Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of MUI Properties Berhad, which comprise the statements of financial position as at 30 June 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, as set out on pages 48 to 121.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2022, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

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

Revenue Recognition for Property Development Activities	
Refer to Note 24 in the financial statements	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
<p>The Group recognises property development revenue using the stage of completion method. The stage of completion is determined by the proportion of property development costs incurred for work performed to date over the estimated total property development costs.</p> <p>Accounting for property development activities is inherently complex as it involves the use of significant judgements made by management in the following areas:</p> <p>(a) Determination of stage of completion; and</p> <p>(b) Estimated total property development costs and costs to be incurred to complete a project.</p> <p>We determined this to be a key audit matter given the complexity and judgemental nature of these areas.</p>	<p>Our audit procedures included, amongst others:</p> <ol style="list-style-type: none"> 1. Testing property development costs incurred to date to supporting documentation such as contractors' claim certificates; 2. Assessing the reasonableness of the estimated total property development costs to supporting documentation such as contracts, quotations and variation orders with contractors; 3. Inquiring for any variation orders and check changes to contracts and quotations with the contractors, if any, are properly supported for ongoing projects; 4. Testing sales of properties to signed sales and purchase agreements and progress billings raised to property buyers; and 5. Re-computing the stage of completion and check the journal entries impacting revenue are recognised appropriately with reference to the computation of the stage of completion of the projects.

INDEPENDENT AUDITORS' REPORT (Cont'd)

Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report.
(Cont'd)

Impairment Assessment on Investment Properties Refer to Note 6 in the financial statements	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
<p>The Group has material investments in investment properties. The investment properties require assessment of indication of impairment where significant judgement is involved. The Group assessed indication of impairment by referencing to the selling prices of recent transactions or asking prices of similar properties in the vicinity after taking into consideration certain factors such as location, size, tenure and age of buildings.</p> <p>This is an area requiring audit focus as the assessment of indication of impairment performed by management consists of key assumptions that require significant judgement.</p>	<p>Our audit procedures included, amongst others:</p> <ol style="list-style-type: none">1. Assessing management's assessment of indication of impairment and challenge the appropriateness of the key assumptions used by taking note of third party information; and2. Assessing the mathematical accuracy of the impairment model used by re-performing the mathematical calculations.

Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report.
(Cont'd)

Fair Value of Unquoted Investments Refer to Note 9 in the financial statements	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
We focused on this area as the Group carries significant unquoted investment at fair value amounting to RM85.855 million. The assessment of the fair value of this investment is considered to be significant to our audit as it required significant management judgement and the use of subjective assumptions that are affected by expected future market and economic conditions.	Our audit procedures included, amongst others: <ol style="list-style-type: none">1. Making enquiries of and challenging the management on the key assumptions made, including:<ul style="list-style-type: none">- redemption of the subscription price paid;- redemption periods; and- discount rate.2. Involving our internal experts to evaluate the management's valuation methodology; and3. Performing a sensitivity analysis over the key assumptions used in deriving the fair value of unquoted investments overseas.

INDEPENDENT AUDITORS' REPORT (C o n t ' d)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITORS' REPORT (Cont'd)

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the 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 7 to the financial statements.

OTHER MATTER

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

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

Kaw Hoong Siang
03379/06/2024 J
Chartered Accountant

Kuala Lumpur

20 October 2022

STATEMENTS OF FINANCIAL POSITION

At 30 June 2022

	Note	The Group		The Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	5	7,768	8,133	170	222
Investment properties	6	30,397	30,383	165	165
Investments in subsidiaries	7	-	-	175,467	175,467
Inventories	8	33,930	33,930	-	-
Other investments	9	86,885	79,633	-	-
Amount owing by ultimate holding company	10	15,542	15,000	-	-
Deferred tax assets	11	1,268	1,771	-	-
		175,790	168,850	175,802	175,854
CURRENT ASSETS					
Inventories	8	92,313	97,438	-	-
Contract costs assets	12	1,490	1,710	-	-
Trade and other receivables	13	16,388	23,825	94	99
Contract assets	14	46,567	24,876	-	-
Amount owing by ultimate holding company	10	490	-	490	-
Amount owing by subsidiaries	15	-	-	76,467	76,681
Short-term investments	16	-	23,642	-	-
Current tax assets		433	156	48	85
Fixed deposits with licensed banks	17	69,116	51,663	5,724	7,901
Cash and bank balances	18	19,782	14,818	22	86
		246,579	238,128	82,845	84,852
TOTAL ASSETS		422,369	406,978	258,647	260,706

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

	Note	The Group		The Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	19	162,468	162,468	162,468	162,468
Treasury shares	20	(6,301)	(6,301)	(6,301)	(6,301)
Reserves	21	(7,849)	(6,298)	-	-
Retained profits/ (Accumulated losses)		154,251	140,945	(52,544)	(50,614)
Equity attributable to owners of the Company		302,569	290,814	103,623	105,553
Non-controlling interest	7(c)(i)	95,533	91,157	-	-
TOTAL EQUITY		398,102	381,971	103,623	105,553
NON-CURRENT LIABILITY					
Employee benefits	22	46	43	18	17
CURRENT LIABILITIES					
Trade and other payables	23	24,216	24,196	538	645
Contract liabilities	14	-	4	-	-
Amounts owing to subsidiaries	15	-	-	154,468	154,491
Current tax liabilities		5	764	-	-
		24,221	24,964	155,006	155,136
TOTAL LIABILITIES		24,267	25,007	155,024	155,153
TOTAL EQUITY AND LIABILITIES		422,369	406,978	258,647	260,706

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Financial Year Ended 30 June 2022

	Note	The Group		The Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue	24	87,616	76,500	6,143	68,439
Cost of sales		(57,040)	(48,309)	-	-
Gross profit		30,576	28,191	6,143	68,439
Other income		12,567	14,172	490	148
Administrative expenses		(10,748)	(10,068)	(4,827)	(4,084)
Other expenses		(1,402)	(11,001)	(88)	(61,004)
Finance costs		-	(13)	-	(13)
Net reversal/(addition) of impairment losses on financial assets	25	-	4	(288)	-
Profit before taxation	26	30,993	21,285	1,430	3,486
Taxation	27	(5,873)	(6,637)	(26)	-
Profit after taxation		25,120	14,648	1,404	3,486
Other comprehensive (expense) /income					
<u>Item that will not be reclassified subsequently to profit or loss</u>					
Fair value changes of equity instruments		79	(39)	-	-
<u>Items that will be reclassified subsequently to profit or loss</u>					
Derecognition of subsidiaries		-	7,685	-	-
Foreign currency translation differences		(1,630)	(7,281)	-	-
Total other comprehensive (expense)/income		(1,551)	365	-	-
Total comprehensive income for the financial year		23,569	15,013	1,404	3,486

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

	Note	The Group		The Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit after taxation attributable to:					
Owners of the Company		16,640	7,671	1,404	3,486
Non-controlling interest	7(c)(ii)	8,480	6,977	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		25,120	14,648	1,404	3,486
		<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income attributable to:					
Owners of the Company		15,089	8,036	1,404	3,486
Non-controlling interest	7(c)(ii)	8,480	6,977	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		23,569	15,013	1,404	3,486
		<hr/>	<hr/>	<hr/>	<hr/>
Earnings per share					
- Basic	28	2.25 sen	1.04 sen		
- Diluted	28	2.25 sen	1.04 sen		
		<hr/>	<hr/>	<hr/>	<hr/>

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

STATEMENTS OF CHANGES IN EQUITY

For The Financial Year Ended 30 June 2022

	Non-Distributable			Distributable		Attributable to Owners of the Company		Total Equity RM'000
	Treasury Shares RM'000	Exchange Translation Reserve RM'000	Fair Value Reserve RM'000	Retained Profits RM'000	Non-controlling Interest RM'000	RM'000	RM'000	
The Group								
Balance at 1.7.2020	162,468	(6,301)	(37)	133,271	88,284	282,778	371,062	
Profit after taxation for the financial year	-	-	-	7,671	6,977	7,671	14,648	
Other comprehensive income for the financial year:								
- Derecognition of subsidiaries	-	7,685	-	-	-	7,685	7,685	
- Foreign currency translation differences	-	(7,281)	-	-	-	(7,281)	(7,281)	
- Fair value changes of equity instruments	-	-	(39)	-	-	(39)	(39)	
Total comprehensive income/(expenses) for the financial year	-	404	(39)	7,671	6,977	8,036	15,013	
Contributions by and distributions to owners of the Company:								
- Dividends:								
- by subsidiary to non-controlling interest	-	-	-	-	(4,104)	-	(4,104)	
Disposal of equity investment	-	-	(3)	3	-	-	-	
Balance at 30.6.2021	162,468	(6,301)	(79)	140,945	91,157	290,814	381,971	

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

	Note	Non-Distributable			Distributable		Attributable to Owners of the Company		Non-controlling Interest RM'000	Total Equity RM'000
		Share Capital RM'000	Treasury Shares RM'000	Exchange Translation Reserve RM'000	Fair Value Reserve RM'000	Retained Profits RM'000				
The Group										
Balance at 1.7.2021		162,468	(6,301)	(6,219)	(79)	140,945	290,814	91,157	381,971	
Profit after taxation for the financial year		-	-	-	-	16,640	16,640	8,480	25,120	
Other comprehensive income for the financial year:										
- Foreign currency translation differences		-	-	(1,630)	-	-	(1,630)	-	(1,630)	
- Fair value changes of equity instruments		-	-	-	79	-	79	-	79	
Total comprehensive (expense)/income for the financial year		-	-	(1,630)	79	16,640	15,089	8,480	23,569	
Contributions by and distributions to owners of the Company:										
- Dividends:										
- by the company	29	-	-	-	-	(3,334)	(3,334)	-	(3,334)	
- by subsidiary to non-controlling interest		-	-	-	-	-	-	(4,104)	(4,104)	
Balance at 30.6.2022		162,468	(6,301)	(7,849)	-	154,251	302,569	95,533	398,102	

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

STATEMENTS OF CHANGES IN EQUITY (Cont'd)

	Note	Share Capital RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total Equity RM'000
The Company					
Balance at 1.7.2020		162,468	(6,301)	(54,100)	102,067
Profit after taxation/Total comprehensive income for the financial year		-	-	3,486	3,486
Balance at 30.6.2021/1.7.2021		162,468	(6,301)	(50,614)	105,553
Profit after taxation/Total comprehensive income for the financial year		-	-	1,404	1,404
Dividend paid	29	-	-	(3,334)	(3,334)
Balance at 30.6.2022		162,468	(6,301)	(52,544)	103,623

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

STATEMENTS OF CASH FLOWS

For The Financial Year Ended 30 June 2022

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Profit before taxation	30,993	21,285	1,430	3,486
Adjustments for:				
Bad debt written off	14	-	-	-
Depreciation of property, plant and equipment	390	382	56	54
Dividend income	(40)	-	(6,143)	(68,439)
Fair value gain on other investments	(2,210)	(168)	-	-
Loss on derecognition of subsidiaries	-	6,863	-	-
Gain on disposal of other investment	-	(4,423)	-	-
Gain on disposal of property, plant and equipment	(3)	(40)	-	(37)
Impairment loss on investment in subsidiaries	-	-	-	60,766
Impairment loss on amount owing by subsidiaries	-	-	729	-
Interest expense	-	13	-	13
Interest income	(2,033)	(2,206)	(89)	(112)
Provision for employee benefits	4	3	1	1
Reversal of impairment loss on other receivables	-	(4)	-	-
Reversal of impairment loss on amount owing by subsidiaries	-	-	(441)	-
Unrealised (gain)/loss on foreign exchange	(7,757)	(3,804)	(369)	185
Writeback of employee benefits	-	(18)	-	(6)
Operating profit/(loss) before working capital changes	19,358	17,883	(4,826)	(4,089)

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

STATEMENTS OF CASH FLOWS (Cont'd)

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES (CONT'D)				
Operating profit/(loss) before working capital changes	19,358	17,883	(4,826)	(4,089)
Decrease in inventories	5,275	12,601	-	-
Decrease/(Increase) in contract costs	220	(1,435)	-	-
Decrease/(Increase) in trade and other receivables	8,463	(1,666)	5	(57)
Increase in contract assets	(21,691)	(21,254)	-	-
Increase/(Decrease) in trade and other payables	16	3,744	(107)	(283)
Decrease in contract liabilities	(4)	(23)	-	-
CASH FROM/(FOR) OPERATIONS	11,637	9,850	(4,928)	(4,429)
Interest paid	-	(13)	-	(13)
Interest received	1,491	2,206	89	112
Income tax refunded	54	86	34	-
Income tax paid	(6,469)	(6,633)	(23)	(22)
NET CASH FROM/(FOR) OPERATING ACTIVITIES	6,713	5,496	(4,828)	(4,352)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES				
Additional cost incurred for an investment property	(14)	(22)	-	-
Dividend received	40	-	6,143	-
Purchase of property, plant and equipment	(160)	(42)	(4)	(11)
Proceeds from disposal of property, plant and equipment	3	40	-	37
Proceeds from disposal of other investments	-	4,408	-	-
Repayment from subsidiaries	-	-	295	6,279
Advance to ultimate holding company	(490)	(15,000)	(490)	-
Withdrawal/(Placement) of term deposits with tenure of more than 3 months	327	(5,841)	-	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES	(294)	(16,457)	5,944	6,305

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

	Note	The Group		The Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FOR FINANCING ACTIVITIES					
Repayment to subsidiaries		-	-	(23)	(145)
Dividend paid to non-controlling interest of a subsidiary		(4,104)	(4,104)	-	-
Dividend paid to shareholders		(3,334)	-	(3,334)	-
NET CASH FOR FINANCING ACTIVITIES		(7,438)	(4,104)	(3,357)	(145)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS					
Foreign exchange differences		121	(382)	-	-
Cash and cash equivalents at beginning of financial year		83,996	99,443	7,987	6,179
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	30	83,098	83,996	5,746	7,987

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

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2022

1. General Information

MUI Properties Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company are located at 189, Jalan Ampang, 50450 Kuala Lumpur.

The ultimate holding company is Malayan United Industries Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 20 October 2022.

2. Principal Activities

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. Basis of Preparation

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

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

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2

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

3. Basis of Preparation (Cont'd)

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

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies

4.1 Critical Accounting Estimates and Judgements

The outbreak of the COVID-19 has brought unprecedented challenges and added economic uncertainties in Malaysia and markets in which the Group operates. While the Group has considered the potential financial impact of the COVID-19 pandemic in the preparation of these financial statements, the full financial impact to the Group remains uncertain. Accordingly, there is a possibility that factors not currently anticipated by management could occur in the future and therefore affect the recognition and measurement of the Group's assets and liabilities at the reporting date.

Key Sources of Estimation Uncertainty

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

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 5 to the financial statements.

(b) Impairment of Property, Plant and Equipment, Investment Properties and Other Non-financial Assets

The Group determines whether its property, plant and equipment, investment properties and other non-financial assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. The carrying amounts of property, plant and equipment and investment properties as at the reporting date are disclosed in Notes 5 and 6 to the financial statements respectively.

4. Significant Accounting Policies (Cont'd)

4.1 Critical Accounting Estimates and Judgements (Cont'd)

Key Sources of Estimation Uncertainty (Cont'd)

(c) Fair Value Estimates for Unquoted Financial Assets

The Group carries certain financial assets that are not traded in an active market at fair value. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The amount of fair value changes would differ if the Group uses different valuation methodologies and assumptions, and eventually affect profit and/or other comprehensive income. The carrying amount of these financial assets as at the reporting date is disclosed in Note 9 to the financial statements.

(d) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 8 to the financial statements.

(e) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales including changes in the customer payment profile in response to the COVID-19 pandemic and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 13 and 14 to the financial statements respectively.

(f) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information incorporating the impact of COVID-19 pandemic. The carrying amounts of other receivables, amounts owing by subsidiaries and amount owing by ultimate holding company (Non-trade balance) as at the reporting date are disclosed in Notes 10, 13 and 15 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies (Cont'd)

4.1 Critical Accounting Estimates and Judgements (Cont'd)

Key Sources of Estimation Uncertainty (Cont'd)

(g) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the year in which such determination is made.

(h) Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences and unused tax losses could be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits. The carrying amount of deferred tax assets as at the reporting date is disclosed in Note 11 to the financial statements.

(i) Revenue and Cost Recognition of Property Development Activities

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

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

4. Significant Accounting Policies (Cont'd)

4.1 Critical Accounting Estimates and Judgements (Cont'd)

Critical Judgements Made in Applying Accounting Policies

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

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

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts 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.

(b) Contingent Liabilities

The recognition and measurement for contingent liabilities is based on management's view of the expected outcome on contingencies after consulting legal counsel for litigation cases and experts, for matters in the ordinary course of business. Furthermore, the directors are of the view that the chances of the financial institutions to call upon the corporate guarantees issued by the Group are remote.

4.2 Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities (including structured entities, if any) controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies (Cont'd)

4.2 Basis of Consolidation (Cont'd)

(a) Business Combination

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interest in the acquiree may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(b) Non-Controlling Interest

Non-controlling interest is presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the company and to the non-controlling interest. Total comprehensive income is attributed to non-controlling interest even if this results in the non-controlling interest having a deficit balance.

(c) Changes in Ownership Interest in Subsidiaries without Changes of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity of the Group.

(d) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:

- (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and
- (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interest.

4. Significant Accounting Policies (Cont'd)

4.2 Basis of Consolidation (Cont'd)

(d) Loss of Control (Cont'd)

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value of the initial recognition for subsequent accounting under MFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4.3 Functional and Foreign Currencies

(a) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency and has been rounded to the nearest thousand.

(b) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

(c) Foreign Operations

Assets and liabilities of foreign operations are translated to the Group's presentation currency at the exchange rates at the end of the reporting period. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity; attributed to the owners of the Company and non-controlling interest, as appropriate.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies (Cont'd)

4.3 Functional and Foreign Currencies (Cont'd)

(c) Foreign Operations (Cont'd)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign subsidiary, or a partial disposal involving loss of control over a subsidiary that includes a foreign operation that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that foreign operation attributable to the owners of the Company are reclassified to profit or loss as part of the gain or loss on disposal. The portion related to non-controlling interest is derecognised but is not reclassified to profit or loss.

In addition, in relation to partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interest and are not recognised in profit or loss.

In the consolidated financial statements, when settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

4.4 Financial Instruments

Financial assets and financial liabilities are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

4. Significant Accounting Policies (Cont'd)

4.4 Financial Instruments (Cont'd)

(a) Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt Instruments

(i) Amortised Cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair Value through Other Comprehensive Income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

(iii) Fair Value through Profit or Loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. The fair value changes do not include interest or dividend income.

The Group reclassifies debt instruments when and only when its business model for managing those assets change.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies (Cont'd)

4.4 Financial Instruments (Cont'd)

(a) Financial assets (Cont'd)

Equity Instruments

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Group has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

(b) Financial liabilities

(i) Financial Liabilities at Fair Value through Profit or Loss

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value (excluding interest expense) of these financial liabilities are recognised in profit or loss.

(ii) Other Financial Liabilities

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

4. Significant Accounting Policies (Cont'd)

4.4 Financial Instruments (Cont'd)

(c) Equity Instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

(i) Ordinary Shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(ii) Treasury Shares

When the Company's own shares recognised as equity are bought back, the amount of the consideration paid, including all costs directly attributable, are recognised as a deduction from equity. Own shares purchased that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares.

Where treasury shares are reissued by resale, the difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity.

Where treasury shares are cancelled, their costs are transferred to retained profits.

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies (Cont'd)

4.4 Financial Instruments (Cont'd)

(d) Derecognition (Cont'd)

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(e) Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specific debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

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

4.5 Investments in Subsidiaries

Investments in subsidiaries are stated at cost in the statement of financial position of the Company and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that their carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

4.6 Property, Plant and Equipment

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

Subsequent to initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any impairment losses. Freehold land is stated at cost less any impairment losses.

4. Significant Accounting Policies (Cont'd)

4.6 Property, Plant and Equipment (Cont'd)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is charged to profit or loss (unless it is included in the carrying amount of another asset) on a straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:

	Depreciation rate
Freehold buildings	2%
Motor vehicles	10% - 20%
Furniture, fittings and equipment	5% - 20%

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment. Any changes are accounted for as a change in estimate.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss.

4.7 Investment Properties

Investment properties of freehold land are held by the Group for their investment potential and rental income and are stated at cost except for the freehold land of the Company which was revalued in 1982 based on independent professional valuation using open market value basis.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies (Cont'd)

4.7 Investment Properties (Cont'd)

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

Transfers are made to or from investment property only when there is a change in use. All transfers do not change the carrying amount of the property reclassified.

4.8 Inventories - Completed Development Properties

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

The cost of completed properties held for sale comprises cost associated with the acquisition of land, construction costs and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less the estimated costs necessary in selling the completed property.

4.9 Inventories - Land held for Property Development

Land held for property development represents land on which development activities are not expected to be completed within the normal operating cycle.

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

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

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

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

4.10 Inventories - Property Development Costs

Property development costs are stated at the lower of cost and net realisable value.

The cost comprises cost associated with the purchase of land, conversion fees, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of common infrastructure costs.

4. Significant Accounting Policies (Cont'd)

4.10 Inventories - Property Development Costs (Cont'd)

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary in selling the property.

4.11 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

4.12 Contract Costs Assets

(a) Incremental Costs of Obtaining Contracts

The Group recognises incremental costs of obtaining contracts with customers as an asset when the Group expects to recover these costs. When the amortisation period of the asset is one year or less such costs are recognised as an expense immediately when incurred.

(b) Costs to Fulfill A Contract

The Group recognises costs that relate directly to a contract (or an anticipated contract) with customer as an asset when the costs generate or enhance resources of the Group, will be used in satisfying performance obligation in the future and are recovered.

The contract costs assets are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates.

An impairment loss is recognised in the profit or loss when the carrying amount of the contract cost assets exceed the expected revenue less expected cost that will be incurred. Any impairment loss recovered shall be reversed to the extent of the carrying amount of the contract cost assets does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

4.13 Contract Asset and Contract Liability

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

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies (Cont'd)

4.14 Impairment

(a) Impairment of Financial Assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, trade receivables and contract assets.

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

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables and contract assets using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

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

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statements of financial position.

(b) Impairment of Non-financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset where it is not possible to estimate the recoverable amount of an individual asset, the Group estimate the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss immediately.

4. Significant Accounting Policies (Cont'd)

4.14 Impairment (Cont'd)

(b) Impairment of Non-financial Assets (Cont'd)

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

4.15 Income Taxes

(a) Current Tax

Current tax assets and liabilities are the expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

(b) Deferred Tax

Deferred tax are recognised using the liability method for all temporary differences other than those that arise from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill or negative goodwill.

Current tax assets and the liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies (Cont'd)

4.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The discount rate shall be a pre-tax rate that reflects current market assessments of the time value money and the risks specific to the liability. The unwinding of the discount is recognised as interest expense in profit or loss.

4.17 Employee Benefits

(a) Short-term Benefits

Wages, salaries, social security contribution, paid sick leave, bonuses and non-monetary benefits are measured on an undiscounted basis and are expensed when employees rendered their services to the Group.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absence occur and they lapse if the current period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the Group.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined Contribution Plans

The Company and its subsidiaries incorporated in Malaysia make contribution to a statutory provident fund and foreign subsidiaries make contributions to their respective countries' statutory pension schemes. The contributions are recognised as a liability after deducting any contribution already paid and as an expense in the period in which the employees render their services.

(c) Provision for Retirement Gratuities

The Group makes provisions for unfunded retirement gratuities for certain eligible employees. The retirement benefits are calculated based on the terms of employment contract.

4. Significant Accounting Policies (Cont'd)

4.18 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements, unless the probability of outflow of economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4.19 Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4.20 Earnings Per Ordinary Share

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

4.21 Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies (Cont'd)

4.21 Fair Value Measurements (Cont'd)

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows: (Cont'd)

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical asset or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

4.22 Revenue from Contracts with Customers

Revenue from contracts with customers is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer net of sales and service tax, returns, rebates and discounts. The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

(a) Revenue from Property Development

Revenue from property development is recognised progressively when property development services are rendered and such services do not create an asset with an alternative's use to the Group, and the Group has a present right to payment for services rendered to date. The progress toward complete satisfaction of the performance obligation is measured based on a method that best depicts the Group'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 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 has a present right to payment for the property sold.

A receivable is recognised when the development activities are carried out as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. 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.

4. Significant Accounting Policies (Cont'd)

4.23 Revenue from Other Sources and Other Operating Income

(a) Revenue from Sales of Oil Palm Fruits

Revenue from the sale of harvested oil palm fruits is recognised when the Group has transferred control of the goods to the customers, being when the goods have been delivered to the customers and upon their acceptance.

Following delivery, customers have full discretion over the manner of the distribution and sale price of the goods, and bear any subsequent risks of their obsolescence and loss.

A receivable is recognised when the goods are delivered as this is the point in time when payment is due.

(b) Dividend Income

Dividend income from investments is recognised when the right to receive payment is established.

(c) Rental Income

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

(d) Interest Income

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

5. Property, Plant and Equipment

The Group	Freehold land RM'000	Freehold buildings RM'000	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Work-in-progress RM'000	Total RM'000
Cost						
At 1 July 2020	810	8,477	1,172	2,502	692	13,653
Additions	-	-	3	39	-	42
Disposals	-	-	(252)	-	-	(252)
Foreign exchange difference	48	329	-	2	41	420
At 30 June 2021/1 July 2021	858	8,806	923	2,543	733	13,863
Additions	-	-	121	39	-	160
Disposals	-	-	(35)	-	-	(35)
Foreign exchange difference	(25)	(174)	-	-	(22)	(221)
At 30 June 2022	833	8,632	1,009	2,582	711	13,767

5. Property, Plant and Equipment (Cont'd)

The Group	Freehold land RM'000	Freehold buildings RM'000	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Work-in-progress RM'000	Total RM'000
Accumulated Depreciation						
At 1 July 2020	-	(2,986)	(791)	(1,664)	-	(5,441)
Depreciation during the financial year	-	(174)	(103)	(105)	-	(382)
Disposals	-	-	252	-	-	252
Foreign exchange difference	-	(157)	-	(2)	-	(159)
At 30 June 2021/1 July 2021	-	(3,317)	(642)	(1,771)	-	(5,730)
Depreciation during the financial year	-	(174)	(109)	(107)	-	(390)
Disposals	-	-	35	-	-	35
Foreign exchange difference	-	87	-	(1)	-	86
At 30 June 2022	-	(3,404)	(716)	(1,879)	-	(5,999)
Carrying Amount at 30 June 2022	833	5,228	293	703	711	7,768
Carrying Amount at 30 June 2021	858	5,489	281	772	733	8,133

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

5. Property, Plant and Equipment (Cont'd)

The Company

	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
Cost			
At 1 July 2020	577	836	1,413
Additions	3	8	11
Disposal	(217)	-	(217)
At 30 June 2021/1 July 2021	363	844	1,207
Additions	4	-	4
At 30 June 2022	367	844	1,211
Accumulated Depreciation			
At 1 July 2020	(475)	(673)	(1,148)
Depreciation during the financial year	(39)	(15)	(54)
Disposal	217	-	217
At 30 June 2021/1 July 2021	(297)	(688)	(985)
Depreciation during the financial year	(40)	(16)	(56)
At 30 June 2022	(337)	(704)	(1,041)
Carrying Amount at 30 June 2022	30	140	170
Carrying Amount at 30 June 2021	66	156	222

6. Investment Properties

	The Group	
	2022	2021
	RM'000	RM'000
At Cost:		
At 1 July	30,383	30,361
Addition	14	22
At 30 June	30,397	30,383
Accumulated Depreciation:		
At 1 July/ At 30 June	-	-
	30,397	30,383
Represented by:		
Freehold land	30,397	30,383

	The Company	
	2022	2021
	RM'000	RM'000
Freehold land, at cost	165	165

7. Investments in Subsidiaries

	The Company	
	2022	2021
	RM'000	RM'000
Unquoted Shares, at Cost		
At 1 July/ At 30 June	278,637	278,637
Accumulated Impairment Losses		
At 1 July	(103,170)	(42,404)
Impairment losses during the financial year	-	(60,766)
At 30 June	(103,170)	(103,170)
	175,467	175,467

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. Investments in Subsidiaries (Cont'd)

The details of the subsidiaries are as follows:

	Name of Subsidiary	Principal Place of Business /Country of Incorporation	Percentage of Issued Shared Capital Held by Parent		Principal Activities
			2022	2021	
#	Apprex (M) Sdn Bhd	Malaysia	100%	100%	Investment holding.
#	Bahtera Muhibbah Sdn Bhd	Malaysia	100%	100%	Investment holding.
#	Cesuco Trading Limited	Hong Kong	100%	100%	Investment holding.
#	CSB Holdings Sdn Bhd	Malaysia	100%	100%	Property investment.
#	CSB Sdn Bhd	Malaysia	100%	100%	Investment holding.
#	Elegantplex (M) Sdn Bhd	Malaysia	100%	100%	Investment holding.
#	Heritage Challenger (M) Sdn Bhd	Malaysia	100%	100%	Investment holding.
#	Indanas Sdn Bhd	Malaysia	100%	100%	Investment holding.
#	Integrated Mark (M) Sdn Bhd	Malaysia	100%	100%	Investment holding.
#	Lambaian Maju Sdn Bhd	Malaysia	100%	100%	Investment holding.
#	Lunula Pty Limited	Australia	100%	100%	Property investment.
#	Malayan United Realty Sdn Bhd	Malaysia	100%	100%	Property investment and investment holding.
*	Ming Court Hotel (Vancouver) Ltd	Canada	100%	100%	Investment holding.
#	MUI Carolina Corporation	United States of America	100%	100%	Property investment and development.
*	MUI Investments (Canada) Ltd	Canada	100%	100%	Investment holding.

7. Investments in Subsidiaries (Cont'd)

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

Name of Subsidiary	Principal Place of Business /Country of Incorporation	Percentage of Issued Shared Capital Held by Parent		Principal Activities
		2022	2021	
# MUI Plaza Sdn Bhd	Malaysia	100%	100%	Investment holding.
# MUI Property Services Sdn Bhd	Malaysia	100%	100%	Property services.
# Peristal Enterprise Sdn Bhd	Malaysia	100%	100%	Investment holding.
# Portico Sdn Bhd	Malaysia	100%	100%	Property development.
# Prescada Sdn Bhd	Malaysia	100%	100%	Investment holding.
# Unique Octagon Sdn Bhd	Malaysia	100%	100%	Investment holding.
West Synergy Sdn Bhd	Malaysia	60%	60%	Property investment and development.
§ Happy Fuel Sdn Bhd	Malaysia	60%	-	Operate petrol station and trading of petroleum products.

Notes:-

Subsidiary audited by other of chartered accountants.

* Subsidiary audited by member firms of Crowe Global of which Crowe Malaysia PLT is a member.

§ First set of audited financial statements has not been prepared for newly incorporated subsidiaries.

(a) On 23 May 2022, West Synergy Sdn Bhd has incorporated a wholly-owned subsidiary, Happy Fuel Sdn Bhd, with a paid up capital of RM2. The subsidiary has yet to commence operation.

(b) The non-controlling interest at the end of the reporting period comprise the following:

	Effective Equity Interest		The Group	
	2022	2021	2022	2021
	%	%	RM'000	RM'000
West Synergy Sdn. Bhd.				
- Non-controlling interest	40	40	95,533	91,157

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. Investments in Subsidiaries (Cont'd)

(c) The summarised financial information (before inter-group elimination) for West Synergy Sdn Bhd that has non-controlling interest that are material to the Group is as follows:

(i) Summarised statement of financial position

	2022 RM'000	2021 RM'000
Non-current assets	51,546	51,048
Current assets	210,829	201,000
Total assets	262,375	252,048
Non-current liability	28	26
Current liabilities	23,514	24,129
Total liabilities	23,542	24,155
Net assets	238,833	227,893
Equity attributable to owners of the Company	143,300	136,736
Non-controlling interest	95,533	91,157

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

	2022 RM'000	2021 RM'000
Revenue	87,092	76,048
Profit after taxation for the financial year	21,200	17,442
Profit after tax, representing total comprehensive income attributable to:		
- owners of the Company	12,720	10,465
- non-controlling interest	8,480	6,977
	21,200	17,442

(iii) Summarised statement of cash flows

	2022 RM'000	2021 RM'000
Net cash from operating activities	11,796	9,410
Net cash for investing activities	(152)	(27)
Net cash for financing activity	(10,804)	(25,258)

8. Inventories

	Note	The Group	
		2022 RM'000	2021 RM'000
Non-current:			
Land held for Property Development	(a)	33,930	33,930
Current:			
Property Development Costs	(b)	78,118	79,436
Completed Development Properties	(c)	14,195	18,002
		92,313	97,438

(a) Land held for Property Development

	The Group	
	2022 RM'000	2021 RM'000
Freehold land, at cost	33,930	33,930

The land held for property development is temporarily used for oil palm planting prior to the commencement of property development activities.

(b) Property Development Costs

	The Group	
	2022 RM'000	2021 RM'000
At 1 July:		
- freehold land, at cost	12,569	13,117
- property development costs	66,353	69,202
- foreign exchange difference	514	593
	79,436	82,912
Property development costs incurred during the financial year	53,137	36,126
Property development costs recognised to profit or loss during the financial year	(54,605)	(38,244)
Transfer to completed development properties	-	(1,279)
Foreign exchange difference	150	(79)
At 30 June	78,118	79,436

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

8. Inventories (Cont'd)

(b) Property Development Costs (Cont'd)

	The Group	
	2022 RM'000	2021 RM'000
Analysed by:		
- freehold land, at cost	12,021	12,569
- property development costs	65,433	66,353
- foreign exchange difference	664	514
	78,118	79,436
	78,118	79,436

(c) Completed Development Properties

	The Group	
	2022 RM'000	2021 RM'000
Completed development properties	14,195	18,002
	14,195	18,002
	14,195	18,002

None of the inventories is carried at net realisable value.

The amount of inventories recognised as an expense in the cost of sales was RM3,807,000 (2021 : RM9,150,000).

9. Other Investments

	Note	The Group	
		2022 RM'000	2021 RM'000
Non-current			
Quoted shares, at fair value			
- Malaysia		1,030	951
- Overseas		-	3
		1,030	954
Unquoted shares, at fair value			
- Malaysia		3	3
- Overseas	(a)	85,852	78,676
		86,885	79,633
		86,885	79,633

9. Other Investments (Cont'd)

- (a) The overseas investments in unquoted shares of the Group represent investments in redeemable preference shares (“RPS”) of an associate of the ultimate holding company. The redemption of the unquoted shares shall be upon application by the holders thereof and at a price equal to the original subscription price paid plus an amount equal to the share of the investee company's surplus assets at the time of redemption on a pari passu basis with other classes of stock based on the price paid for these stocks respectively.

The fair value of the unquoted investment has been estimated using the following assumptions that are non-observable:

- Discount rate of 9.46% (2021 : 9.84%);
- Redemption at the subscription price paid; and
- 30% of the shares will be redeemed in 2024, 15% of shares will be redeemed in 2025, 15% of shares will be redeemed in 2028, 5% of shares will be redeemed in 2030 and 15% of shares will be redeemed in 2037 (2021 : 15% of the shares will be redeemed in 2024, 20% of shares will be redeemed in 2025, 20% of shares will be redeemed in 2028, 15% of shares will be redeemed in 2029, 20% of shares will be redeemed in 2035 and the remaining 10% will be redeemed in 2038)

The movement during the financial year are as follows:

	The Group	
	2022 RM'000	2021 RM'000
At 1 July	78,676	80,927
Fair value changes	2,210	168
Foreign exchange differences	4,966	(2,419)
At 30 June	85,852	78,676

A reasonable possible change of the assumptions will change the fair value as follows:

	The Group	
	2022 RM'000	2021 RM'000
Effects on profit for the year		
Reduction in discount rate by 1%	3,401	4,926
Increase in discount rate by 1%	(3,155)	(4,501)
Early redemption by one year	8,152	7,742
Delay redemption by one year	(7,447)	(7,048)

In performing the sensitivity analysis above, it is assumed that other parameters will not change.

During the financial year, the Group changed the discount rate and the redemption period of the investment in redeemable preference shares. The changes arose from a review of the projected cash flows of the investment. The effect of the changes in discount rate and redemption period increased the profit before taxation of the Group by RM2,210,000 (2021 : RM168,000) for the financial year.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

10. Amount Owning by Ultimate Holding Company

		The Group		The Company	
		2022	2021	2022	2021
		RM'000	RM'000	RM'000	RM'000
Non-current					
Non-trade balance	(a)	15,542	15,000	-	-
Current					
Non-trade balance	(b)	490	-	490	-
		16,032	15,000	490	-

- (a) The non-trade balance (non-current) represent unsecured, interest charged at 6.2% per annum. The amount owing is repayable within 36 months or such other extended period to be mutually agreed by the subsidiary and the Ultimate Holding Company, or in the event that the Corus Hotel Hyde Park in London, England is sold, within 30 days from the date the Ultimate Holding Company receives the proceeds of the sale, whichever is the earlier.
- (b) The non-trade balance (current) is unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

11. Deferred Tax Assets

The Group	At	Recognised	Foreign	At
	1.7.2021	in Profit	Exchange	30.6.2022
	RM'000	or Loss	Difference	RM'000
		(Note 27)		
		RM'000	RM'000	
<i>Deferred Tax Liability</i>				
Property, plant and equipment	(46)	21	-	(25)
<i>Deferred Tax Assets</i>				
Provisions	1,360	(67)	-	1,293
Unused tax losses	457	(448)	(9)	-
	1,817	(515)	(9)	1,293
	1,771	(494)	(9)	1,268

11. Deferred Tax Assets (Cont'd)

The Group	At 1.7.2020 RM'000	Recognised in Profit or Loss (Note 27) RM'000	Foreign Exchange Difference RM'000	At 30.6.2021 RM'000
2021				
<i>Deferred Tax Liability</i>				
Property, plant and equipment	(56)	10	-	(46)
<i>Deferred Tax Assets</i>				
Provisions	1,150	210	-	1,360
Unused tax losses	439	(8)	26	457
	1,589	202	26	1,817
	1,533	212	26	1,771

12. Contract Costs Assets

	The Group	
	2022 RM'000	2021 RM'000
Cost to obtain customer contracts	1,490	1,710

Cost to obtain customer contracts primarily comprise sales commission paid to secure sales contracts for the Group's property development activities. The contract costs are recoverable and amortised over the period in which the related revenue is expected to be recognised.

14. Contract Assets/(Contract Liabilities)

	The Group	
	2022 RM'000	2021 RM'000
At 1 July	24,872	3,595
Property development revenue recognised during the financial year (Note 24)	77,122	58,374
Billings to customers during the financial year	(55,427)	(37,097)
	<hr/>	<hr/>
At 30 June	46,567	24,872
	<hr/>	<hr/>
Represented by:		
Contract assets	46,567	24,876
Contract liabilities	-	(4)
	<hr/>	<hr/>
	46,567	24,872
	<hr/>	<hr/>

- (a) The contract assets and liabilities represent the timing differences in revenue recognition and the milestone billings in respect of the property development activities.
- (b) Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied at the reporting date are as follows:

	The Group	
	2023 RM'000	2024 RM'000
Property development revenue	69,163	1,083
	<hr/>	<hr/>

15. Amounts Owning by/(to) Subsidiaries

	The Company	
	2022 RM'000	2021 RM'000
Amount owing by subsidiaries		
Non-trade balance	117,478	117,404
Less : Allowance for impairment losses		
At 1 July	(40,723)	(40,723)
Addition during the financial year	(729)	-
Reversal during the financial year	441	-
	<hr/>	<hr/>
At 30 June	(41,011)	(40,723)
	<hr/>	<hr/>
	76,467	76,681
	<hr/>	<hr/>
Amount owing to subsidiaries		
Non-trade balance	(154,468)	(154,491)
	<hr/>	<hr/>

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

15. Amounts Owning by/(to) Subsidiaries (Cont'd)

The foreign currency exposure profile of amount owing from subsidiaries is as follows:

	The Company	
	2022 RM'000	2021 RM'000
United States Dollar	6,358	5,989

16. Short-term Investments

	The Group	
	2022 RM'000	2021 RM'000
Money market fund, at fair value	-	23,642

The money market funds represent investments in highly liquid money market instruments and deposits with financial institutions in Malaysia which are redeemable with one (1) day notice at known amounts of cash, and subject to an insignificant risk of changes in value.

17. Fixed Deposits with Licensed Banks

- (a) The effective annual interest rates of fixed deposits with licensed banks during the financial year are as follows:

	The Group	
	2022 %	2021 %
Fixed deposits with licensed banks	0.10 to 2.20	0.20 to 2.00

	The Company	
	2022 %	2021 %
Fixed deposits with licensed banks	1.40 to 1.55	1.40 to 1.55

- (b) The fixed deposits with licensed banks have maturity periods ranging from 1 to 181 days (2021 : 1 to 366 days) and 1 to 30 days (2021 : 1 to 30 days) for the Group and the Company respectively.

18. Cash and Bank Balances

- (a) Included in cash and bank balances of the Group are funds held under the Housing Development Accounts (“HDA accounts”) amounting to RM17,677,000 (2021 : RM12,209,000) pursuant to Section 7A of the Housing Development (Control & Licensing) Act 1966. The amount is held at call with banks and is available only to subsidiaries involved in the property development activities.
- (b) The foreign currency exposure profile of cash and bank balances is as follows:

	The Group	
	2022 RM'000	2021 RM'000
Australian Dollar	258	351
Canadian Dollar	74	71
Hong Kong Dollar	303	288
United States Dollar	18,034	17,165
Others	1	1

	The Company	
	2022 RM'000	2021 RM'000
Others	1	1

19. Share Capital

	The Group/The Company			
	2022 Number of Shares	2021 Number of Shares	2022 RM'000	2021 RM'000
Issued and fully paid up				
Ordinary shares	764,059,896	764,059,896	162,468	162,468

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

20. Treasury Shares

As at 30 June 2022, 23,145,300 (2021 : 23,145,300) ordinary shares are held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 and are stated at the amount of consideration paid of RM6,301,000 (2021 : RM6,301,000) representing an average price of approximately RM0.27 (2021 : RM0.27) per share.

There were no share buy-backs, share cancellations and resale of treasury shares by the Company for the financial year ended 30 June 2022.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

21. Reserves

	The Group	
	2022 RM'000	2021 RM'000
Exchange translation reserve	(7,849)	(6,219)
Fair value reserve	-	(79)
	(7,849)	(6,298)

(a) Exchange Translation Reserve

The exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from that of the Group's presentation currency.

(b) Fair value reserve

The fair value reserve represents the cumulative fair value changes (net of tax, where applicable) of investments designated at fair value through other comprehensive income.

22. Employee Benefits

	The Group	
	2022 RM'000	2021 RM'000
At 1 July	120	135
Provision made during the financial year	4	3
Writeback during the financial year	-	(18)
	124	120
Current portion included in other payables (Note 23)	(78)	(77)
	46	43

	The Company	
	2022 RM'000	2021 RM'000
At 1 July	21	26
Provision made during the financial year	1	1
Writeback during the financial year	-	(6)
	22	21
Current portion included in other payables (Note 23)	(4)	(4)
	18	17

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

24. Revenue

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Property development revenue recognised over time:				
- Sale of properties under construction	77,122	58,374	-	-
Property development revenue recognised at a point in time:				
- Sale of completed properties	6,472	14,651	-	-
Revenue from other sources:				
- Sale of oil palm fruits	3,497	3,023	-	-
- Rental income	485	452	-	-
- Dividend income	40	-	6,143	68,439
	87,616	76,500	6,143	68,439

The information on the disaggregation of revenue is disclosed in Note 34 to the financial statements.

25. Net of (Reversal)/Addition of Impairment Losses on Financial Assets

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Addition of impairment losses				
- Amount owing by subsidiaries (Note 15)	-	-	729	-
Reversal of impairment losses				
- Other receivables (Note 13)	-	(4)	-	-
- Amount owing by subsidiaries (Note 15)	-	-	(441)	-
	-	(4)	288	-

26. Profit Before Taxation

	Note	The Group		The Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit before taxation is arrived at after charging:					
Auditors' remuneration:					
Audit fees:					
- for the financial year		218	224	81	78
- over provision in the previous financial year		(2)	(9)	-	-
Non-audit fees:					
- for the financial year		38	40	13	14
Depreciation on property, plant and equipment	5	390	382	56	54
Directors' remuneration receivable by:	32				
Directors of the Company:					
- fees		296	260	296	260
- other emoluments		20	43	20	43
Directors of subsidiaries:					
- fees		71	75	-	-
- other emoluments		633	582	-	-
Bad-debt written off		14	-	-	-
Impairment loss on investments in subsidiaries		-	-	-	60,766
Interest expenses on bank overdrafts		-	13	-	13
Loss on derecognition of subsidiaries		-	6,863	-	-
Loss on foreign exchange					
- realised		8	-	-	-
- unrealised		328	-	-	185
Provision for employee benefits	22	4	3	1	1
Staff costs:					
- salaries and other related expenses		1,345	1,776	126	210
- defined contribution plan		154	205	13	23

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. Profit Before Taxation (Cont'd)

	Note	The Group		The Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit before taxation is arrived at after crediting:					
Dividend income		40	-	6,143	68,439
Fair value gain on other investments		2,210	168	-	-
Gain on foreign exchange:					
- realised		-	27	-	-
- unrealised		8,085	3,804	369	-
Gain on disposal of other investments		-	4,423	-	-
Gain on disposal of property, plant and equipment		3	40	-	37
Interest income		2,033	2,206	89	112
Rental income		571	537	-	-
Writeback of employee benefits	22	-	18	-	6

27. Taxation

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Current tax expense	(5,383)	(5,871)	-	-
Over/(Under) provision in the previous financial year	4	(978)	(26)	-
	(5,379)	(6,849)	(26)	-
Deferred tax (Note 11):				
- relating to origination and reversal of temporary differences	20	295	-	-
- under provision in the previous financial year	(514)	(83)	-	-
	(494)	212	-	-
	(5,873)	(6,637)	(26)	-

27. Taxation (Cont'd)

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

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit before taxation	30,993	21,285	1,430	3,486
Tax at the statutory rate of 24% (2021 : 24%)	(7,438)	(5,108)	(343)	(837)
Tax effects of:				
Different tax rates	13	402	-	-
Non-taxable income	3,616	3,208	1,570	16,461
Non-deductible expenses	(1,554)	(4,078)	(1,227)	(15,624)
Over/(Under) provision in the previous financial year:				
- current tax	4	(978)	(26)	-
- deferred tax	(514)	(83)	-	-
Income tax expense for the financial year	(5,873)	(6,637)	(26)	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2021 : 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

28. Earnings Per Share

The earnings per share is calculated by dividing the Group's profit after taxation attributable to owners of the Company of RM16,640,000 (2021 : RM7,671,000) by the weighted average number of ordinary shares in issue during the financial year of 740,914,596 (2021 : 740,914,596).

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

29. Dividend

	The Company	
	2022 RM'000	2021 RM'000
In respect of the financial year ended 30 June 2021		
First interim single tier dividend of 0.45 sen per ordinary share	3,334	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

30. Cash Flow Information

The cash and cash equivalents comprise the following:

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Money market funds	-	23,642	-	-
Fixed deposits with licensed banks	69,116	51,663	5,724	7,901
Cash and bank balances	19,782	14,818	22	86
	88,898	90,123	5,746	7,987
Less: Fixed deposits with tenure of more than 3 months	(5,800)	(6,127)	-	-
	83,098	83,996	5,746	7,987

31. Significant Related Party Disclosures

(a) Identities of Related Parties

Parties are considered to be related to the Group if 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 decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, ultimate holding company, key management personnel and entities within the same group of companies.

(b) Significant Related Party Transactions

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:

	The Group	
	2022 RM'000	2021 RM'000
Interest income from ultimate holding company	(931)	(894)
Management fees charged by a related company	2,547	1,859
	2,547	1,859

	The Company	
	2022 RM'000	2021 RM'000
Management fees charged by a related company	2,547	1,859

31. Significant Related Party Disclosures (Cont'd)

(b) Significant Related Party Transactions (Cont'd)

The significant outstanding balances with related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

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

32. Key Management Personnel Compensation

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of the Group and the Company.

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

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Directors of the Company:				
- fees	296	260	296	260
- salaries, bonuses and other benefits	20	43	20	43
	<hr/>	<hr/>	<hr/>	<hr/>
	316	303	316	303
Directors of the Subsidiaries:				
- fees	71	75	-	-
- salaries, bonuses and other benefits	585	545	-	-
- defined contribution plans	48	37	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	704	657	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,020	960	316	303

33. Contingent Liability

	The Group	
	2022 RM'000	2021 RM'000
Bank guarantees issued by a subsidiary to third parties	266	349

The bank guarantees issued by a subsidiary to third parties are for the construction of civil infrastructures in the property development sector.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

34. Operating Segments

For management purposes, the Group is organised into business units based on their products and services provided. In addition, the business are also considered from a geographical perspective. The Group is organised into two reportable operating segments as follows:

- (i) **Properties** Development of residential and commercial properties for sale, property investment and sale of oil palm fruits from land not opened up for development yet.
 - (ii) **Investment holding** Holding of investments and related activities
- (a) The Group's senior management assesses the performance of the operating segments based on operating profit or loss which is measured differently from those disclosed in the consolidated financial statements. The accounting policies of the reportable segments are the same as the Group's accounting policies.
- (b) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items.

34.1 Business Segments

The Group

2022

	Properties RM'000	Investment Holding RM'000	Elimination RM'000	The Group RM'000
Revenue				
External revenue	87,576	40	-	87,616
Inter-segment revenue	-	12,299	(12,299)	-
	<u>87,576</u>	<u>12,339</u>	<u>(12,299)</u>	<u>87,616</u>
Represented by:				
<u>Revenue recognised over time:</u>				
- Sale of properties under construction	77,122	-	-	77,122
<u>Revenue recognised at a point in time:</u>				
- Sale of completed properties	6,472	-	-	6,472
- Sale of oil palm fruits	3,497	-	-	3,497
- Rental income	485	-	-	485
- Dividend income	-	12,339	(12,299)	40
	<u>87,576</u>	<u>12,339</u>	<u>(12,299)</u>	<u>87,616</u>

34. Operating Segments (Cont'd)

34.1 Business Segments (Cont'd)

The Group

2022

	Properties RM'000	Investment Holding RM'000	The Group RM'000
Results			
Segment profit/Profit before taxation	26,050	4,943	30,993
Income tax expense	(5,847)	(26)	(5,873)
Profit after taxation	20,203	4,917	25,120
Non-controlling interest	(8,480)	-	(8,480)
Profit attributable to owners of the Company	11,723	4,917	16,640
Assets			
Segment assets	299,651	121,017	420,668
Unallocated assets			1,701
Total assets			422,369
Liabilities			
Segment liabilities	23,618	644	24,262
Unallocated liabilities			5
Total liabilities			24,267
Other Segmental Information			
Capital expenditure	155	5	160
Depreciation of property, plant and equipment	275	115	390
Interest income	1,835	198	2,033
Gain on disposal of property, plant and equipment	3	-	3
Fair value gain on other investments	-	2,210	2,210

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

34. Operating Segments (Cont'd)

34.1 Business Segments (Cont'd)

The Group

2021

	Properties RM'000	Investment Holding RM'000	Elimination RM'000	The Group RM'000
Revenue				
External revenue	76,500	-	-	76,500
Inter-segment revenue	-	74,595	(74,595)	-
	76,500	74,595	(74,595)	76,500

Represented by:

Revenue recognised over time:

- Sale of properties under construction	58,374	-	-	58,374
---	--------	---	---	--------

Revenue recognised at a point in time:

- Sale of completed properties	14,651	-	-	14,651
- Sale of oil palm fruits	3,023	-	-	3,023
- Rental income	452	-	-	452
- Dividend income	-	74,595	(74,595)	-
	76,500	74,595	(74,595)	76,500

34. Operating Segments (Cont'd)

34.1 Business Segments (Cont'd)

The Group

2021

	Properties RM'000	Investment Holding RM'000	The Group RM'000
Results			
Segment profit	23,607	(2,309)	21,298
Finance costs	-	(13)	(13)
Profit/(Loss) before taxation	23,607	(2,322)	21,285
Income tax expense	(6,715)	78	(6,637)
Profit/(Loss) after taxation	16,892	(2,244)	14,648
Non-controlling interest	(6,977)	-	(6,977)
Profit attributable to owners of the Company	9,915	(2,244)	7,671
Assets			
Segment assets	295,397	109,654	405,051
Unallocated assets			1,927
Total assets			406,978
Liabilities			
Segment liabilities	23,489	754	24,243
Unallocated liabilities			764
Total liabilities			25,007
Other Segmental Information			
Capital expenditure	53	11	64
Depreciation of property, plant and equipment	268	114	382
Interest income	1,712	494	2,206
Interest expenses	-	13	13
Gain on disposal of property, plant and equipment	3	37	40
Fair value gain on other investments	-	168	168

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

34. Operating Segments (Cont'd)

34.2 Geographical Information

The Group

	Malaysia RM'000	Australia RM'000	Asia Pacific RM'000	North America RM'000	Total RM'000
2022					
Revenue	87,131	485	-	-	87,616
Assets employed	312,593	5,231	24,855	79,690	422,369
Capital expenditure	173	-	-	1	174
2021					
Revenue	76,048	452	-	-	76,500
Assets employed	295,265	5,981	24,394	81,338	406,978
Capital expenditure	64	-	-	-	64

34.3 Major Customer

There is no single customer that contributed 10% or more to the Group's revenue.

35. Financial Instruments

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

35.1 Financial Risk Management Policies

The Group's policies in respect of the major areas of treasury activity are as follows:

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar, Hong Kong Dollar, Australian Dollar, Canadian Dollar, Singapore Dollar and Sterling Pound. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and bank balances denominated in foreign currencies for working capital purpose.

35. Financial Instruments (Cont'd)

35.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Any reasonably possible change in the Hong Kong Dollar, Australian Dollar, Canadian Dollar, Singapore Dollar and Sterling Pound exchange rate at the end of the reporting period against the respective functional currencies of the entities within the Group does not have a material impact on the profit/loss after taxation and other comprehensive income of the Group and of the Company.

A 1% (2021 : 1%) strengthening of the RM/USD at the end of the reporting period would have increased the Group's profit after taxation and other comprehensive (expenses)/income by RM790,000 (2021 : RM727,000) and RM790,000 (2021 : RM727,000) respectively. The analysis is based on the USD exchange rate variance that the Group considered to be reasonably possible at the end of the reporting period and assumes that all other variables remain constant. A 1% (2021 : 1%) weakening in the said foreign currency exchange rate would have had an equal but opposite effect on the Group's profit after taxation and other comprehensive income.

(ii) Interest Rate Risk

The Group does not have any interest-bearing borrowing and hence, is not exposed to interest rate risk.

(iii) Equity Price Risk

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

If prices for quoted investments at the end of the reporting period strengthened by 1% (2021 : 1%) with all other variables being held constant, the Group's equity would have increased by RM7,825 (2021 : RM7,247). A 1% (2021 : 1%) weakening in the quoted prices would have had an equal but opposite effect on the profit after taxation and equity respectively.

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments and cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. Financial Instruments (Cont'd)

35.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

The Company's exposure to credit risk arises principally from advances to subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

(i) Credit Risk Concentration Profile

The Group does not have any major concentration of credit risk related to any individual customer or counterparty.

(ii) Exposure to Credit Risk

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

(iii) Assessment of Impairment Loss

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

At each reporting date, the Group assesses whether any of the financial assets at amortised cost, contract assets and debt investments at fair value through other comprehensive income are credit impaired.

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

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

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

35. Financial Instruments (Cont'd)

35.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Loss (Cont'd)

Trade Receivables and Contract Assets

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group considers any receivables having financial difficulty or with significant balances outstanding for more than a year, are deemed credit impaired and assesses for their risk of loss individually.

Purchasers are generally financed by loan facilities from reputable financiers. In addition, the credit risk is limited as the ownership and rights to the properties sold will revert to the Group in the event of default, and the products do not suffer from physical, technological and fashion obsolescence. Therefore, there is minimal exposure to credit risk from its property development activities.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. Financial Instruments (Cont'd)

35.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Loss (Cont'd)

The information about the exposure to credit risk and the loss allowance calculated under MFRS 9 for both trade receivables and contract assets are summarised below:

The Group	Gross Amount	Lifetime Loss Allowance	Carrying Amount
	RM'000	RM'000	RM'000
2022			
Current (not past due)	9,055	-	9,055
1 to 30 days past due	1,093	-	1,093
31 to 60 days past due	827	-	827
61 to 90 days past due	414	-	414
More than 90 days past due	2,083	-	2,083
Trade receivables	13,472	-	13,472
Contract assets	46,567	-	46,567
	60,039	-	60,039
2021			
Current (not past due)	5,544	-	5,544
1 to 30 days past due	3,109	-	3,109
31 to 60 days past due	8,398	-	8,398
61 to 90 days past due	2,262	-	2,262
More than 90 days past due	2,537	-	2,537
Trade receivables	21,850	-	21,850
Contract assets	24,876	-	24,876
	46,726	-	46,726

Other Receivables and Amount Owing by Ultimate Holding Company

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables and amount owing by ultimate holding company.

35. Financial Instruments (Cont'd)

35.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Loss (Cont'd)

Other Receivables and Amount Owing by Ultimate Holding Company (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable and ultimate holding company is more than 30 days past due in making a contractual payment.

The Group uses 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group measures the expected credit losses of receivables and ultimate holding company having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. Other receivables and amount owing by ultimate holding company are grouped based on shared credit risk characteristics and assessed on collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable and ultimate holding company would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. Financial Instruments (Cont'd)

35.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Loss (Cont'd)

Other Receivables and Amount Owing by Ultimate Holding Company (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)

In deriving the PD and LGD, the Group considers the receivable's and ultimate holding company's past payment status and its financial condition as at the reporting date.

The information about the exposure to credit risk and the loss allowance calculated for the other receivables and amount owing by ultimate holding company are summarised below:

	Gross Amount	12-month Loss Allowance	Carrying Amount
The Group	RM'000	RM'000	RM'000
2022			
Low credit risk	17,036	-	17,036
Credit impaired	330	(330)	-
	<hr/> 17,366	<hr/> (330)	<hr/> 17,036
<hr/>			
	Gross Amount	12-month Loss Allowance	Carrying Amount
The Group	RM'000	RM'000	RM'000
2021			
Low credit risk	15,854	-	15,854
Credit impaired	330	(330)	-
	<hr/> 16,184	<hr/> (330)	<hr/> 15,854
<hr/>			

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

35. Financial Instruments (Cont'd)

35.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Loss (Cont'd)

Amount Owing By Subsidiaries (Non-trade balance)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

The information about the exposure to credit risk and the loss allowances calculated for the amount owing by subsidiaries are summarised below:

	Gross Amount	12-month Loss Allowance	Carrying Amount
	RM'000	RM'000	RM'000
The Company			
2022			
Low credit risk	54,135	-	54,135
Credit impaired	63,343	(41,011)	22,332
	117,478	(41,011)	76,467
2021			
Low credit risk	54,007	-	54,007
Credit impaired	63,397	(40,723)	22,674
	117,404	(40,723)	76,681

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. Financial Instruments (Cont'd)

35.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Loss (Cont'd)

Amount Owing By Subsidiaries (Non-trade balance) (Cont'd)

The movements in the loss allowances are disclosed in Note 15 to the financial statements.

Financial Guarantee Contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and adequate working capital to meet its obligations as and when they fall due.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

The Group	Contractual Coupon/ Interest Rate	Carrying Amount	Contractual Undiscounted Cash Flows	Within 1 Year
	%	RM'000	RM'000	RM'000
2022				
<u>Non-derivative Financial Liability</u>				
Trade and other payables	-	17,724	17,724	17,724
2021				
<u>Non-derivative Financial Liability</u>				
Trade and other payables	-	21,875	21,875	21,875

35. Financial Instruments (Cont'd)

35.1 Financial Risk Management Policies (Cont'd)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The Company	Contractual Coupon/ Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000
2022				
<u>Non-derivative Financial Liabilities</u>				
Trade and other payables	-	538	538	538
Amount owing to subsidiaries	-	154,468	154,468	154,468
		155,006	155,006	155,006
2021				
<u>Non-derivative Financial Liabilities</u>				
Trade and other payables	-	645	645	645
Amount owing to subsidiaries	-	154,491	154,491	154,491
		155,136	155,136	155,136

35.2 Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Company manages its capital based on debt-to-equity ratio. As the Company has no external borrowings as at the end of reporting period, the debt-to-equity is not presented.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. Financial Instruments (Cont'd)

35.3 Classification of Financial Instruments

	The Group	
	2022 RM'000	2021 RM'000
Financial Assets		
<u>Financial Assets Through Other Comprehensive Income</u>		
Other investments (Note 9)		
- Quoted share:		
- Malaysia	1,030	951
- Oversea	-	3
- Unquoted shares in Malaysia	3	3
	1,033	957
<u>Fair Value Through Profit or Loss</u>		
Other investments (Note 9):		
- Unquoted shares in oversea	85,852	78,676
Short-term investments (Note 16)	-	23,642
	85,852	102,318
<u>Financial Assets at Amortisation Cost</u>		
Trade and other receivables (Note 13)	14,476	22,704
Amount owing by ultimate holding company (Note 10)	16,032	15,000
Fixed deposits with licensed banks (Note 17)	69,116	51,663
Cash and bank balances (Note 18)	19,782	14,818
	119,406	104,185
Financial Liability		
<u>Financial Liability at Amortisation Cost</u>		
Trade and other payables (Note 23)	17,724	21,875

35. Financial Instruments (Cont'd)

35.3 Classification of Financial Instruments (Cont'd)

The Company
2022 2021
RM'000 RM'000

Financial Asset

Financial Assets at Amortisation Cost

Trade and other receivables (Note 13)	32	34
Amount owing by ultimate holding company (Note 10)	490	-
Amount owing by subsidiaries (Note 15)	76,467	76,681
Fixed deposits with licensed banks (Note 17)	5,724	7,901
Cash and bank balances (Note 18)	22	86
	82,735	84,702
	82,735	84,702

Financial Liability

Financial Liabilities at Amortisation Cost

Trade and other payables (Note 23)	538	645
Amount owing to subsidiaries (Note 15)	154,468	154,491
	155,006	155,136
	155,006	155,136

35.4 Gain or Losses Arising from Financial Instruments

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000

Financial Assets

Fair Value Through Profit or Loss

Net gain recognised in profit or loss	2,210	168	-	-
	2,210	168	-	-

Equity Investment at Fair Value Through Other Comprehensive Income

Net gain/(losses) recognised in other comprehensive income	79	(42)	-	-
	79	(42)	-	-

Amortised Cost

Net gain/(loss) recognised in profit or loss	2,003	2,210	(199)	112
	2,003	2,210	(199)	112

Financial Liability

Amortised Cost

Net losses recognised in profit or loss	-	(13)	-	(13)
	-	(13)	-	(13)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. Financial Instruments (Cont'd)

35.5 Fair Value Information

Other than those disclosed below, the fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments.

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
The Group								
2022								
<u>Financial Assets</u>								
Other investments:								
- quoted shares	1,030	-	-	-	-	-	1,030	1,030
- unquoted shares	-	-	85,855	-	-	-	85,855	85,855
2021								
<u>Financial Assets</u>								
Other investments:								
- quoted shares	954	-	-	-	-	-	954	954
- unquoted shares	-	-	78,679	-	-	-	78,679	78,679
Short-term investments:								
- money market funds	-	23,642	-	-	-	-	23,642	23,642

35. Financial Instruments (Cont'd)

35.5 Fair Value Information (Cont'd)

(a) Fair Value of Financial Instruments

(i) The fair values above have been determined using the following basis:

(aa) The fair values of quoted share investments are measured at their quoted closing bid prices at the end of the reporting period.

(bb) The fair value of investments in unquoted shares is determined using the method as stated in Note 9 to the financial statements.

(cc) The fair value of investments in money market fund is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

(ii) There were no transfer between level 1 and level 2 during the financial year.

36. Significant Events Occurring After the Financial Year

(a) On 25 August 2022, the Company declared an interim dividend of 0.5 sen per ordinary share amounting to RM3,705,000 in respect of the financial year ending 30 June 2023, payable on 21 September 2022, to shareholders whose names appeared in the record of depositors on 12 September 2022.

(b) On 19 September 2022, the Company announced that MUI Property Services Sdn Bhd ('MPSB'), a wholly-owned subsidiary of the Company, was placed under members' voluntary winding-up pursuant to Section 439 (1) (b) of Companies Act 2016. The winding-up of MPSB did not have any material financial or operational effect on the earnings and net assets of the Group for the financial year ending 30 June 2023.

37. Comparative Figure

The following figures have been reclassified to conform with the presentation of the current financial year:-

	The Group	
	As Previously Reported RM'000	As Restated RM'000
Consolidated Cash Flows (Extract):-		
Net cash (for)/from investing activities	(1,457)	(16,457)
Net cash for financing activities	(19,104)	(4,104)

PROPERTIES OWNED BY THE GROUP

As At 30 June 2022

<i>Location, Description and Usage</i>	<i>Approximate Area Sq. meter</i>	<i>Approximate Age of Building Years</i>	<i>Carrying Amount RM'000</i>
MALAYSIA			
State of Selangor Darul Ehsan Balance of freehold land held for residential development known as Vila Sri Ukay at Mukim of Hulu Kelang, Selangor Darul Ehsan (Date of Acquisition: 1995)	2,182	-	430
6 lots of freehold land Seksyen 3, Pekan Batu Tiga, Mukim Damansara, Selangor Darul Ehsan (Date of Last Revaluation: December 1982)	771	-	165
State of Negeri Sembilan Darul Khusus Balance of freehold land held and property development cost incurred for township development known as Bandar Springhill at Mukim of Jimah, District of Port Dickson, Negeri Sembilan Darul Khusus (Date of Acquisition: January 1995)	4,032,708	-	123,185
4 lots of freehold land held for future development at Jalan Tuanku Munawir, Seremban, Negeri Sembilan Darul Khusus (Date of Acquisition: November 2005)	19,534	-	30,232
State of Pahang Darul Makmur 4 units of apartments at Block E Equatorial Hill Resort Cameron Highlands, Pahang Darul Makmur (Date of Acquisition: May 2009)	583	22	957
State of Pulau Pinang 1 unit of residential suite, at Southbay Plaza, Lot No. B-31-3 Penang (Date of Acquisition: February 2013)	159	6	1,499
AUSTRALIA			
1 lot of freehold land with building at No. 20, Kirby Court, West Hobart, Tasmania (Date of Acquisition: October 1996)	24,970	44	4,316
UNITED STATES OF AMERICA			
11 units of condominium, at a freehold condominium complex located within the Regent Park Complex in Fort Mill, South Carolina (Date of Acquisition: March 1993)	994	27	2,628
TOTAL			163,412

ANALYSIS OF SHAREHOLDINGS

As At 3 October 2022

Class of Share : Ordinary share
Voting Rights : 1 vote per ordinary share

Substantial Shareholders
as per Register of Substantial Shareholders

Name	Direct Interest		Deemed Interest	
	No. of Shares	%#	No. of Shares	%#
1. Malayan United Industries Berhad	173,984,872	23.48	361,438,789	48.78
2. Tan Sri Dato' Khoo Kay Peng	-	-	535,423,661	72.27
3. Marco Polo Trading Sdn Bhd	196,990,789	26.59	-	-
4. United Review (M) Sdn Bhd	45,010,000	6.07	-	-
5. Regal Classic Sdn Bhd	39,027,000	5.27	-	-
6. KKP Holdings Sdn Bhd	-	-	535,423,661	72.27
7. Soo Lay Holdings Sdn Bhd	-	-	535,423,661	72.27
8. Norcross Limited	-	-	535,423,661	72.27
9. Cherubim Investment (HK) Limited	-	-	535,423,661	72.27

Director's Shareholdings in the Company and related corporations
as per Register of Directors' Shareholdings

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Ordinary shares in				
Malayan United Industries Berhad				
Tan Sri Dato' Dr Yeoh Oon Kheng	358,461	0.01	-	-
Ordinary shares in				
Pan Malaysia Corporation Berhad				
Andrew Khoo Boo Yeow	2,300,000	0.30	-	-

Distribution of Shareholders

Holdings	No. of Holders	%	No. of Shares	%#
Less than 100 shares	85	1.33	2,713	0.00
100 to 1,000 shares	988	15.47	808,386	0.11
1,001 to 10,000 shares	3,309	51.80	17,073,830	2.31
10,001 to 100,000 shares	1,720	26.93	58,928,486	7.95
100,001 to less than 5% of issued shares	282	4.41	209,088,520	28.22
5% and above of issued shares	4	0.06	455,012,661	61.41
Total	6,388	100.00	740,914,596	100.00

Note:

Based on the issued and paid-up share capital of the Company comprising 764,059,896 ordinary shares and after deduction of 23,145,300 treasury shares retained by the Company as per Record of Depositors.

ANALYSIS OF SHAREHOLDINGS (Cont'd)

30 Largest Registered Shareholders

<i>Name</i>	<i>No. of Shares</i>	<i>%#</i>
1. RHB Nominees (Tempatan) Sdn Bhd - OSK Capital Sdn Bhd for Marco Polo Trading Sdn Bhd	196,990,789	26.59
2. RHB Nominees (Tempatan) Sdn Bhd - OSK Capital Sdn Bhd for Malayan United Industries Berhad	173,984,872	23.48
3. United Review (M) Sdn Bhd	45,010,000	6.07
4. Regal Classic Sdn Bhd	39,027,000	5.27
5. Ample Line Sdn Bhd	36,411,000	4.91
6. Continental Capitals Sdn Bhd	32,800,000	4.43
7. Jomuda Sdn Bhd	11,200,000	1.51
8. Teo Kwee Hock	8,578,500	1.16
9. CIMSEC Nominees (Tempatan) Sdn Bhd - CIMB for Ong Ee	5,000,000	0.67
10. Maybank Nominees (Tempatan) Sdn Bhd - Securities Account for Man Singh a/l Sham Singh	4,000,000	0.54
11. Tay Hock Soon	3,695,100	0.50
12. Maybank Securities Nominees (Asing) Sdn Bhd - Securities Account for Chew Hoe Peng	3,100,000	0.42
13. UOB Kay Hian Nominees (Asing) Sdn Bhd - For UOB Kay Hian Pte Ltd	3,005,530	0.41
14. Zulkifli bin Hussain	2,831,600	0.38
15. Lim Kian Huat	2,680,000	0.36
16. Ooi Leh Hong	2,367,100	0.32
17. Hii Yu Guan	2,225,900	0.30
18. Tay Chin Ee	2,084,900	0.28
19. Citigroup Nominees (Asing) Sdn Bhd - For OCBC Securities Private Limited	2,063,000	0.28
20. Fong Tuck Seng	1,762,000	0.24
21. Chin Khee Kong & Sons Sendirian Berhad	1,541,000	0.21
22. Addeen Trading Sdn Bhd	1,395,000	0.19
23. Kenanga Nominees (Tempatan) Sdn Bhd - Securities Account for Ng Boon Hock	1,300,000	0.18
24. Ong Yap Min	1,300,000	0.18
25. SJ Sec Nominees (Tempatan) Sdn Bhd Securities Account for Francis Ho Ik Sing	1,272,500	0.17
26. Liew Wai Kiat	1,260,000	0.17
27. Pui Cheng Tiong	1,252,200	0.17
28. Tan Ye Chiong	1,243,500	0.17
29. Ong Yap Min	1,230,000	0.17
30. Kenanga Nominees (Tempatan) Sdn Bhd - Securities Account for Ong Kim Wah	1,060,000	0.14
Total	591,671,491	79.87

Note:

Based on the issued and paid-up share capital of the Company comprising 764,059,896 ordinary shares and after deduction of 23,145,300 treasury shares retained by the Company as per Record of Depositors.



FORM OF PROXY

IMPORTANT!

Please take note that all the fields underlined in this proxy form are mandatory and must be completed in full and accurately. The Company reserves the right to invalidate and/or reject any proxy form which is not complete or accurately filled in.

CDS Account Number	
No. of Shares Held	

I/We _____ NRIC/Company No. _____
 of _____ Tel. No. _____

being a member of MUI PROPERTIES BERHAD hereby appoint _____

_____ NRIC No. _____

of _____ (percentage of shareholding represented: _____%)

and, _____ NRIC No. _____

of _____ (percentage of shareholding represented: _____%)

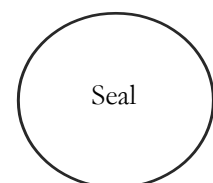
or failing him/her, the Chairman of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the 56th Annual General Meeting (“AGM”) of the Company to be held virtually through live streaming from the Broadcast Venue at Corus 1, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur on Wednesday, 7 December 2022 at 4.00 p.m. and at any adjournment thereof, and to vote as indicated below:

	Resolutions	For	Against
1.	To approve Directors’ Fees of RM292,032.		
2.	To approve Directors’ Benefits (other than Directors’ Fees) of up to RM78,000.		
3.	To re-elect Datuk Christopher Martin Boyd as Director of the Company.		
4.	To re-elect Encik Abdul Rashid bin Ismail as Director of the Company.		
5.	To re-appoint Crowe Malaysia PLT as auditors of the Company and to authorise the Directors to fix their remuneration.		
6.	Proposed retention of Datuk Christopher Martin Boyd as Independent Non-Executive Director.		
7.	Proposed retention of Encik Abdul Rashid bin Ismail as Independent Non-Executive Director.		
8.	Proposed retention of Tan Sri Dato’ Dr Yeoh Oon Kheng as Independent Non-Executive Director.		
9.	Proposed retention of Datin Ngiam Pick Ngoh as Independent Non-Executive Director.		
10.	Proposed authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
11.	Proposed renewal of authority for the purchase of own shares by MUI Properties Berhad.		

(Please indicate with an ‘X’ how you wish to cast your vote. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

 Signature

Signed this _____ day of _____ 2022.



Notes:

1. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the 56th AGM. **No Members or proxies shall be allowed to be physically present at the Broadcast Venue on the day of the 56th AGM.**

Please refer to the Administrative Guide to Shareholders for the detailed steps on the RPV facilities.

2. Only members whose names appear on the Record of Depositors as at 25 November 2022 shall be entitled to attend and vote at the meeting or appoint proxy(ies) to attend and vote on their behalf.
3. A member entitled to attend and vote may not appoint more than two proxies to attend and vote at the same meeting. A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, may appoint one proxy only in respect of each securities account it holds. Where a member is an exempt authorised nominee to multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. Where two or more proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid.
5. The Form of Proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of the attorney.
6. The Form of Proxy must be deposited in the following manner, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof:
 - (i) Hardcopy form (applicable for all members)
The original signed Form of Proxy must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) TIIH Online
You may also submit the Form of Proxy electronically via TIIH Online website at <https://tiih.online> by following the procedures provided in the Administrative Guide for this 56th AGM.
7. Pursuant to the Bursa Malaysia Securities Berhad Main Market Listing Requirements, all the resolutions set out in this Notice will be put to vote by way of poll.

STAMP

The Share Registrar for
MUI Properties Berhad
(Registration No.: 196501000314 (6113-W))
Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3,
Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia



A member of The MUI Group

Strong | Efficient | Trustworthy