Malayan United Industries Berhad

Registration No.: 196001000140 (3809-W)

Make It Happen

Annual Report
2023

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CORPORATE INFORMATION

Board of Directors

Andrew Khoo Boo Yeow, *Chairman and Chief Executive Officer*
Datuk Leong Kam Weng, *Senior Independent Non-Executive Director*
Dato' Dr Jessie Tang, *Independent Non-Executive Director*
Dato' Dr Tan Kee Kwong, *Non-Independent Non-Executive Director*
Farizon binti Ibrahim, *Non-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
CIMB Bank Berhad
Malayan Banking Berhad
United Overseas Bank Limited

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
Email: muiind@muiglobal.com
Website: www.muiglobal.com

Stock Exchange Listing

Bursa Malaysia Securities Berhad
Main Market – Consumer Products & Services Sector

Stock Name and Code

MUIIND (3891)

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the 52nd Annual General Meeting ("AGM") of the Company will be held virtually through live streaming from the Broadcast Venue at Ballroom 1, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur on Thursday, 7 December 2023 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 2023.

2. To approve the payment of Directors' Fees of RM382,700 for the financial year ended 30 June 2023. **Resolution 1**

3. To approve the payment of Directors' Benefits (other than Directors' Fees) of up to RM88,000 for the period from 8 December 2023 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) Mr Andrew Khoo Boo Yeow **Resolution 3**
   (b) Dato' Dr Tan Kee Kwong **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 authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 and waiver of pre-emptive rights

   "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.

   THAT the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad ("Bursa Securities").

   THAT, in connection with Section 85(1) of the Companies Act 2016 read together with Clause 56 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the existing shareholders of the Company to be first offered the new shares to be allotted and issued by the Company which rank equally to the existing issued shares of the Company AND THAT the Board be exempted from the obligation to first offer such new shares to the existing shareholders of the Company in respect of the issuance and allotment of the new shares pursuant to the authority granted under Sections 75 and 76 of the Companies Act 2016." **Resolution 6**

NOTICE OF MEETING (Cont'd)

7. Proposed renewal of authority for the purchase of own shares by Malayan United Industries 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; and
(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;

AND THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution, and will, subject to renewal thereat, 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 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 of the Company 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 7

8. 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 2023

Notes:

1. The 52nd AGM of the Company will be held on a fully virtual basis 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 52nd AGM.

No Members or proxies shall be allowed to be physically present at the Broadcast Venue on the day of the 52nd AGM.

2. Only members whose names appear on the Record of Depositors as at 24 November 2023 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 52nd 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 Resolution proposed under item 6 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 52nd 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 51st AGM held on 8 December 2022 and which will lapse at the conclusion of the 52nd AGM to be held on 7 December 2023.

   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.

2. The Ordinary Resolution proposed under item 7, if passed, will empower the Directors of the Company to purchase Malayan United Industries 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 51. Male. Australian. 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 Chairman and Chief Executive Officer on 13 December 2018. He is currently also the Executive Chairman and Chief Executive Officer of MUI Properties Berhad, an Executive Director of Pan Malaysia Corporation Berhad and Network Foods International Ltd, Chairman of Metrojaya Berhad and West Synergy Sdn Bhd, a Director of A & W (Malaysia) Sdn Bhd, Laura Ashley Inc., Laura Ashley (North America) Inc., Regent Corporation, Corus Hotels Limited and The Benjamin Barker Group Pte Ltd. In 2019, he was appointed as the President of the Franchising and Licensing Association (Singapore). 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 Malayan United Industries Berhad.

Datuk Leong Kam Weng

Age 58. Male. Malaysian. Senior Independent Non-Executive Director. He was appointed to the Board on 1 October 2022. He is the Chairman of the Audit Committee and Nomination Committee. He is also a member of the Remuneration Committee. He sits on the Boards of Xin Hwa Holdings Berhad, Pecca Group Berhad, Only World Group Berhad and Pan Malaysia Holdings Berhad, companies listed on Bursa Malaysia Securities Berhad. He also sits on the Board of several public limited companies namely, Tokio Marine Life Insurance Berhad, Asian Outreach (M) Berhad, Pusat Penyayang KSKA and several private limited companies. He graduated with a Bachelor of Economics Degree and a Bachelor of Laws Degree from Monash University, Australia. He is a Fellow of CPA Australia and a Chartered Accountant of the Malaysian Institute of Accountants. He is also a certified mediator on the panel of the Malaysian Mediation Centre. He was called to the Malaysian Bar in 1989. In February 1992, he joined TA Enterprise Berhad as the Group Legal Manager until July 1995. He was the Vice President of International Division of TA Enterprise Berhad from November 1993 to October 1995. In between November 1995 to February 1997, he held the position of Executive Director of Credit Leasing Corporation Sdn. Bhd. He also held the post of Executive Director of TA Bank of Philippines, Inc from March 1997 to June 1998. From June 1998 to July 1999, he was the Chief Executive Officer of TA Securities Berhad. Since July 1999, he has been a Partner of Messrs Iza Ng, Yeoh & Kit as a practicing Advocate and Solicitor.

Dato' Dr Jessie Tang

Age 55. Female. Malaysian. Independent Non-Executive Director. She was appointed to the Board on 15 September 2022. She is the Chairman of the Remuneration Committee. She is also a member of the Audit Committee and the Nomination Committee. She sits on the Board of Pan Malaysia Corporation Berhad. She is the founder and chief executive officer of East West One Group. She is currently a member of the National Unity Advisory Council, Council Member of the Malaysian Estate Owner's Association (MEOA) and an EXCO member of YPO Malaysia. She serves on numerous boards including the Board of Trustees for the Malaysian Institute of Economic Research (MIER), Kingsley Strategic Institute for Asia Pacific (KSI), Women's Institute of Management (WIM) Malaysia as Chief Executive Officer and a member of the Board of Trustees. On the international level, she serves on the Board of Directors of the Nation-Building Institute International, a prominent think-tank based in Bangkok. She is also an EXCO member of the ASEAN Economic Club launched in Cambodia in 2022. She graduated with a Bachelor of Medicine and Bachelor of Surgery from Kasturba Medical College, India. Having begun her career as a medical doctor, she is a strong proponent and advocate of holistic wellness and lifestyle. She is in a partnership with an Australian-based medical research company. She is also a recipient of the many awards including ASEAN Woman Business Leader of the Year Lifetime Achievement Award for 2020 by the Kingsley Strategic Institute for Asia Pacific (KSI). She was conferred as the Iconic Woman of the Year in Agricommodity by the Malaysia International Agricommodity Awards (MIACA) for 2022.

Dato' Dr Tan Kee Kwong

Age 76. Male. Malaysian. Non-Independent Non-Executive Director. He was appointed to the Board as an Independent Non-Executive Director on 3 January 2007 and was subsequently re-designated to Non-Independent Non-Executive Director on 26 May 2023. He is a member of the Audit Committee. Currently, he is an Adviser for Pusat Bantuan Sentul and sits on the Board of Alpha IVF Group Berhad. He graduated with a Bachelor of Medicine and Bachelor of Surgery from the Faculty of Medicine, University of Malaya in 1973. He joined the Government service as a medical officer in 1974 until 1977. Between 1977 and 1980, he worked as a medical officer with the British National Health Service. From 1981 to 1983, he was a volunteer rural health officer in Southern Sudan, Africa. In 1985, he commenced private medical general practice until 1999, when he was made a Deputy Minister in the Ministry of Land and Cooperative Development, a post he held until 2004. He had previously served as a Member of Parliament for Segambut, Kuala Lumpur from 1995 until 2008 and as a Member of Parliament for Wangsa Maju, Kuala Lumpur from 2013 until 2018. Formerly, he was a Board Member of TMC Life Sciences Berhad, Chairman of the Board of Governors of Sekolah Menengah Laki-Laki Methodist Sentul, Chairman of the Management Committee of Wesley Methodist School and Chairman of the Board of Management of Methodist College Kuala Lumpur.

Farizon binti Ibrahim

Age 66. Female. Malaysian. Non-Independent Non-Executive Director. She was appointed to the Board as an Independent Non-Executive Director on 26 June 2018 and was subsequently re-designated to Non-Independent Non-Executive Director on 26 May 2023. She sits on the Boards of Pan Malaysia Holdings Berhad, Pan Malaysian Industries Berhad, Pan Malaysia Capital Berhad and Metrojaya Berhad. She is the Advisor for EL Wafa Travel Services Sdn Bhd. She is a graduate in Accountancy and Business Management Studies. She had worked with Tabung Haji Kuala Lumpur from 1980 to 1985 and was subsequently attached to Tabung Haji Saudi Arabia under the auspices of the Embassy of Malaysia from 1986 to 1992. She was appointed as the Councillor in the Haj Welfare Division in Tabung Haji Jeddah to assist pilgrims who need counselling during the Haj period in Saudi Arabia. She was also the Public Relations Manager of the Malaysian Women's Association Club of Jeddah. She handled the activities of the Club that includes public relations with various Government, Corporate and other associations in Saudi Arabia. She also played an important role in the International Women's Association of Jeddah in the affairs of Welfare and Charity work. Formerly, she was the Chief Executive Officer of FDI Travel Services Sdn Bhd. Her exposure and experience in trade and travel began while working for the family-owned businesses.

Wong Nyen Faat

Age 66. Male. Malaysian. Non-Independent Non-Executive Director. He was appointed to the Board on 1 January 2020. He is currently a member of the Nomination Committee and Remuneration Committee. He sits on the Boards of Pan Malaysia Corporation Berhad, MUI Properties 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.

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 2023.

PROFILE OF KEY SENIOR MANAGEMENT

Andrew Khoo Boo Yeow

Age 51. Male. Australian. 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 Chairman and Chief Executive Officer on 13 December 2018. For the profile of Mr Andrew Khoo Boo Yeow, please refer to page 6 of this Annual Report.

George Tang Kim Siw

Age 79. 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 66. 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.

Pel Loh Pooi Ling

Age 65. Female. Malaysian. She is the Senior Vice President for The MUI Group since 9 May 2023. Currently, she sits on the board of West Synergy Sdn Bhd. Prior to joining The MUI Group, she was in senior management positions in property development, asset management and international hotel chain operations. Her appointment in The MUI Group marks her return to the Group where she was previously overseeing the retail, travel and hotel divisions in addition to the group human resources, administration and public affairs departments over a span of 29 years.

Khurram Mohmand

Age 51. Male. British. He is the Chief Operating Officer and a Director of London Vista Hotel Limited and all its subsidiaries in the United Kingdom. He has an MBA and is a Fellow Member of Association of Chartered Certified Accountants in the United Kingdom. He has been with the Group for over 20 years and worked in various senior positions for the Group covering Finance, IT, Company Secretarial and Corporate Office responsibilities in United Kingdom. He has general experience in the hospitality and leisure industry with specific interest in corporate finance, audit, disposals, acquisitions, re-structuring, and financing.

Raymond Yeoh Huat Hock

Age 68. Male. Malaysian. He is the Executive Director of the Group's Hotel Division (Malaysia). He joined the Group's Hotel Division (Malaysia) as Vice President in August 2012. He has a Diploma in Hotel Management from the American Hotel & Motel Association. He has over 40 years of experience in hotel industry. He worked with the Holiday Inns in Kuala Lumpur, Penang and Hong Kong and has extensive hotel pre-opening experience with Equatorial Penang and the Swiss Garden International Group. He had also worked with 5-star Padma hotel in Bali, Indonesia. In 1994, he was appointed as General Manager to pre-open two Swiss Garden hotels and was subsequently appointed as Vice President (Operations) of the Swiss Garden International Group.

Wong Shuk Fuen

Age 53. Female. Malaysian. She is the Group Financial Controller. She joined The MUI Group as Financial Controller in October 2014. She has 29 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.

Chau Woon Choon

Age 43. Male. Malaysian. He is the General Manager of West Synergy Sdn Bhd. He joined the Group on 19 June 2023. He possesses a Bachelor Degree in Computer Science & Business IT. He has 15 years of working experience in the Property Development Industry. Prior to joining the Group, he was attached to PNSB Acmar Sdn Bhd as the Head of Company.

Ng Lai Fah

Age 65. Female. Malaysian. She joined Network Foods Industries Sdn Bhd in September 1999 and was subsequently re-designated as Assistant General Manager of Network Foods (Malaysia) Sdn Bhd in February 2019. She has the Institute of Chartered Secretaries and Administrators qualifications. Prior to joining Network Foods Industries Sdn Bhd, she was the Head of Export Department of Chocolate Products Manufacturing Sdn Bhd.

Ang Choon Yan @ George Ang

Age 51. Male. Malaysian. He is the Director and Chief Executive Officer of A & W (Malaysia) Sdn Bhd and A & W (East) Sdn Bhd. He graduated with a Bachelor's Degree in Commerce from University of Western Australia in 1993. Upon graduation, he joined OCBC Bank Bhd in 1994 as an officer in the Corporate Banking Division. In 1996, he joined BNP Paribas as Assistant Vice President where he was responsible for the Corporate Banking Division. In 1998, he was posted to the regional office of BNP Paribas where he oversaw the bank's businesses and clients in the South East Asia. He left BNP Paribas in 2000 to venture into the F&B industry. He returned to Malaysia in 2000 and founded Revenue Valley Group. Today, Revenue Valley Group is a holding company that owns some of the popular casual dining restaurants in Malaysia and Singapore namely The Manhattan Fish Market, Tony Roma's, and New York Steak Shack. In 2008, Mr. Ang was named The Young Entrepreneur of the Year at the Asia Pacific Entrepreneur Awards. In 2009, under the leadership of Mr Ang, The Manhattan Fish Market won the Franchisor of the Year and International Franchisor of the Year at the FLA Awards Night. He founded Eng Food Group in 2018. In the same year, he bought A&W Malaysia with 40 outlets via Inter Mark Resources Sdn Bhd (part of the Eng Food Group) from Restoran Kualiti Sdn Bhd, a wholly owned subsidiary of KUB Malaysia Berhad. Some of the notable brands under Eng Food Group today are Subway, Gelare, The Barn, Arthur's Storehouse and Jamaica Blue Coffee where he has overall responsibility of managing the operations of all the restaurants and charting the strategic directions of Eng Food Group as well as growing those brands. He is a deemed substantial shareholder of Pan Malaysia Corporation Berhad.

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 2023.

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, of which 2 are Independent Directors:

- 1 Chairman and Chief Executive Officer ("CEO")
- 1 Senior Independent Non-Executive Director
- 1 Independent Non-Executive Director
- 3 Non-Independent Non-Executive Directors

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 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 Leong Kam Weng 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.

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 2023 is set out in pages 26 to 27 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 Directors had been re-designated as Non-Independent Directors.

At present, there are no instances where any of the Independent Director's tenure have exceeded a cumulative term of 9 years as recommended by The Code.

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.

7 Board Meetings were held during the financial year ended 30 June 2023. Details of the attendance of the Directors are set out as follows:

Name of Directors	**Attendance**
Andrew Khoo Boo Yeow - *Chairman and Chief Executive Officer*	7 out of 7
Datuk Leong Kam Weng *(Appointed on 1 October 2022)*	5 out of 5*
Dato' Dr Jessie Tang *(Appointed on 15 September 2022)*	4 out of 5*

1.4 Board Meetings (Cont'd)

Name of Directors	Attendance
Dato' Dr Tan Kee Kwong	7 out of 7
Farizon binti Ibrahim	7 out of 7
Wong Nyen Faat	7 out of 7
Dr Wong Hong Meng *(Retired on 1 October 2022)*	2 out of 2**

Notes:
- * *Number of Board Meetings held since appointment date*
- ** *Number of Board Meetings held prior to the retirement date*

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 2 female Directors, namely Puan Farizon binti Ibrahim and Dato' Dr Jessie Tang.

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 a 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 2023, 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***	***Allowance & others RM'000***	***Total RM'000***
Group				
Executive Directors				
Andrew Khoo Boo Yeow	2,037	388	78	2,503
Chan Choung Yau^	-	124	-	124
Non-Executive Directors				
Dato' Dr Tan Kee Kwong	-	60	10	70
Dr Wong Hong Meng*	-	89	4	93
Farizon binti Ibrahim	-	85	22	107
Wong Nyen Faat	-	133	22	155
Dato' Dr Jessie Tang€	-	-	8	8
Datuk Leong Kam Weng®	-	-	9	9
	2,037	879	153	3,069

Directors' Remuneration	***Salaries RM'000***	***Fees RM'000***	***Allowance & others RM'000***	***Total RM'000***
Company				
Executive Directors				
Andrew Khoo Boo Yeow	#	96	6	102
Chan Choung Yau^	-	42	-	42
Non-Executive Directors				
Dato' Dr Tan Kee Kwong	-	60	10	70
Dr Wong Hong Meng*	-	72	2	74
Farizon binti Ibrahim	-	60	11	71
Wong Nyen Faat	-	48	6	54
Dato' Dr Jessie Tang€	-	-	8	8
Datuk Leong Kam Weng®	-	-	9	9
	-	378	52	430

Notes:
Amount below RM1,000.
^ *Deceased on 21 May 2022.*
* *Retired on 1 October 2022.*
€ *Appointed on 15 September 2022.*
® *Appointed on 1 October 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.

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.

1.8 Supply of Information (Cont'd)

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 the 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 Leong Kam Weng (Appointed on 1 October 2022), Dato' Dr Tan Kee Kwong, Puan Farizon binti Ibrahim and Mr Wong Nyen Faat had attended a training programme on the subject of "Sustainability Awareness for Board Members". This training was organised by the Company and held in-house. Apart from the in-house training, the following Directors have attended the following training programmes:

	Name of Director	*Programmes*
1.	Datuk Leong Kam Weng	- Human Rights Risk Management for Malaysian Companies [KPMG Malaysia] - Emerging Giants in Asia Pacific [KPMG Malaysia and HSBC] - Understanding the requirements in Bursa Malaysia's enhanced sustainability reporting framework [KPMG Malaysia]

1.	Datuk Leong Kam Weng (Cont'd)	-	Audit Oversight Board's Conversation with Audit Committees [Audit Oversight Board, Securities Commission]
		-	Why ESG? A Governance Perspective [The Star Media Group]
		-	Rise of the Chatbots: Artificial Intelligence and the Future of Accounting [Malaysian Institute of Accountants]
		-	2023 Budget Proposals & Latest Tax Developments [PCCO Group]
		-	AI in Accounting: Threat or Opportunity? [Malaysian Institute of Accountants]
		-	Sustainability Assurance: Current Landscape and Factors to be Considered in relation of Assurance on Sustainability Related Information [Malaysian Institute of Accountants]
		-	B2B Fintech Payment Methods [LAWASIA]
2.	Dato' Dr Jessie Tang	-	[SSM Webinar] Key Provisions and Compliance requirements under Companies Act 2016

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, of which majority are Independent Directors. The members of the Audit Committee are as follows:

Chairman	Datuk Leong Kam Weng (Appointed on 1 October 2022)	-	Senior Independent Non-Executive Director
	Dr Wong Hong Meng (Retired on 1 October 2022)	-	Independent Non-Executive Director
Members	Dato' Dr Tan Kee Kwong	-	Non-Independent Non-Executive Director
	Dato' Dr Jessie Tang (Appointed on 15 September 2022)	-	Independent Non-Executive Director
	Puan Farizon binti Ibrahim (Resigned on 26 May 2023)	-	Non-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 2023 are set out in the Report of the Audit Committee in pages 26 to 27 of the Annual Report. The terms of reference of the Audit Committee are available on the Company's corporate website at www.muiglobal.com.

2.2 Nomination Committee

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

Chairman	Datuk Leong Kam Weng (Appointed on 1 October 2022)	-	Senior Independent Non-Executive Director
	Dr Wong Hong Meng (Retired on 1 October 2022)	-	Independent Non-Executive Director

2.2 Nomination Committee (Cont'd)

Members	Wong Nyen Faat	- Non-Independent Non-Executive Director
	Dato' Dr Jessie Tang (Appointed on 26 May 2023)	- Independent Non-Executive Director
	Dato' Dr Tan Kee Kwong (Resigned on 26 May 2023)	- Non-Independent Non-Executive Director

The Nomination Committee held 3 meetings during the financial year ended 30 June 2023. The Nomination Committee has carried out the annual assessment for the financial year ended 30 June 2023 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.muiglobal.com.

2.3 Remuneration Committee

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

Chairman	Dato' Dr Jessie Tang (Appointed on 26 May 2023)	- Independent Non-Executive Director
	Dato' Dr Tan Kee Kwong (Resigned on 26 May 2023)	- Non-Independent Non-Executive Director
Members	Wong Nyen Faat	- Non-Independent Non-Executive Director
	Datuk Leong Kam Weng (Appointed on 1 October 2022)	- Senior Independent Non-Executive Director
	Dr Wong Hong Meng (Retired on 1 October 2022)	- 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 2023, 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 30 May 2013. The Board Charter is available on the Company's corporate website at www.muiglobal.com.

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.muiglobal.com.

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.muiglobal.com.

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.muiglobal.com.

7. Directors' Fit and Proper Policy

The Company has adopted and implemented a Directors' Fit and Proper Policy which outlines the procedures in conducting the fit and proper assessment on Directors and potential candidates based on their skills, experience, knowledge, expertise and commitment to fulfill the role and responsibilities of the position as Director.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

8. Accountability and Audit

8.1 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.

8.2 Risk Management and Internal Control

The Directors acknowledge their responsibilities for an 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 27 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 Heads of Operations and guided by documented terms of reference. The Risk Management Committee tables their risk report to the Audit Committee after regular meeting that are held 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.

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 20 to 24 of the Annual Report.

8.3 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 1 time during the financial year ended 30 June 2023 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 pages 26 to 27 of the Annual Report.

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

9. 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.

10. 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 applicable approved 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.

11. 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.muiglobal.com.

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 Board of Directors ("Board") is pleased to present its Statement on Risk Management and Internal Control ("SORMIC") pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The SORMIC is prepared with reference to the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. The SORMIC does not include the risk management and internal control practices of the Group's associates and joint venture.

Board's Responsibility

The 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 a half yearly 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 a half yearly 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 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 a half yearly basis and presents its reports to the Audit Committee half yearly. 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 Heads 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 a half yearly 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 a half yearly 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 retailing, hotel, property, food, fast food chain, financial services and investment holding. There have been no significant changes in the nature of these activities during the financial year ended 30 June 2023.

The significant risks faced by the Group during the financial year ended 30 June 2023 can be broadly categorised as follows:

<u>Financial Risk</u>

- Bank borrowings principal/interest settlements
- Cash flow risk
- Foreign currency risk
- Potential impairment of amount owing by an associate
- Potential fair value loss on investment in preference shares in an associate
- Potential fair value loss on investments
- Potential impairment of investment properties
- Potential impairment of goodwill on consolidation

<u>Operational Risk</u>

- Design, sourcing and buying of merchandise
- Food hygiene
- Global supply chain disruption
- Machinery and equipment failures
- Obsolete and slow moving inventories
- Recoverability of trade receivables
- Rising costs
- Real estate challenges
- Service standards
- Safety and fire hazards
- Upkeep and maintenance of hotel facilities

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

Types of Risks *(Cont'd)*

The significant risks faced by the Group during the financial year ended 30 June 2023 can be broadly categorised as follows: *(Cont'd)*

Compliance/Legal Risk

- Failures to comply with relevant laws relating to corruption
- Failures to comply with statutory/regulatory requirements
- Any other legal suits that may arise from time to time

External Risk

- Calamities e.g. outbreak of other transmissible diseases, air tragedies, terrorist attacks
- Domestic and/or global economic slowdown
- Development of industrial land project – Emergence of new developments within close proximity
- Fluctuations in interest rate
- Fluctuation in prices of raw materials, packing materials, building materials and crude palm oil
- Price wars among competitors

Internal Audit Function

The internal audit function was performed by Group Internal Audit Department of Malayan United Management Sdn Bhd, together with the co-source services from an external professional internal audit firm, GovernAce Advisory & Solutions Sdn Bhd to provides assurance on the efficiency and effectiveness of the Group's internal control system and foster transparency, objectivity, and best practices in corporate governance. Further details of the internal audit function are set out in the Report of the 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;

Key Elements of Internal Control *(Cont'd)*

- 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;

- 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; and

- The Group's internal control does not apply to associated companies where the Group does not have direct control over their operation.

- The cost incurred for the internal audit function of the Group for the financial year ended 30 June 2023 was approximately RM126,700.

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

The Board has received assurance from the Chief Executive Officer of the Group, Group Financial Controller and the Heads of Operations that the Group's risk management and internal control 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 Main Market Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements other than Audit or Reviews of Historical Financial Information and 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.

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 to be set out, nor is it factually inaccurate.

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

Review of Statement by External Auditors *(Cont'd)*

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 External 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

During the financial year, 76,608,300 new ordinary shares has been issued pursuant to the Private Placement for a total cash consideration of RM4,217,522.

The details of event and the utilisation of proceeds are disclosed in the Directors' Report, Note 37(a) to the financial statements.

Other than the above, the Company did not raise funds through any corporate proposal during the financial year ended 30 June 2023.

2. Audit and Non-Audit Fees

During the financial year ended 30 June 2023, the amounts of audit and non-audit fees paid/payable by the Company and the Group to the external auditors, Crowe Malaysia PLT, were as follows:

	Group (RM'000)	**Company (RM'000)**
Audit Fees	740	133
Non-Audit Fees	119	24

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 2023 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 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.

MEMBERS

1. Members

The Audit Committee consists of the following members:

Name	***Designation***
Datuk Leong Kam Weng – *Chairman* (Appointed on 1 October 2022)	Senior Independent Non-Executive Director
Dr Wong Hong Meng – *Chairman* (Retired on 1 October 2022)	Independent Non-Executive Director
Dato' Dr Tan Kee Kwong	Non-Independent Non-Executive Director
Dato' Dr Jessie Tang (Appointed on 15 September 2022)	Independent Non-Executive Director
Puan Farizon binti Ibrahim (Resigned on 26 May 2023)	Non-Independent Non-Executive Director

2. Meetings

During the financial year ended 30 June 2023, 5 Audit Committee Meetings were held and the records of each member are as follows:

Name	***Attendance***
Datuk Leong Kam Weng - *Chairman* (Appointed on 1 October 2022)	4 out of 4*
Dr Wong Hong Meng - *Chairman* (Retired on 1 October 2022)	1 out of 1**
Dato' Dr Tan Kee Kwong	5 out of 5
Dato' Dr Jessie Tang (Appointed on 15 September 2022)	4 out of 4*
Puan Farizon binti Ibrahim (Resigned on 26 May 2023)	5 out of 5

Notes:
* *Number of Audit Committee Meetings held since appointment date*
** *Number of Audit Committee Meeting held prior to the retirement date*

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 2023

The Audit Committee reviewed and deliberated 1 audit report on assignment and 7 audit follow-up reports conducted by the Group Internal Audit Department. Besides, there were 37 audit reports which had been reviewed at the respective subsidiaries' Audit Committee meetings which were also brought to the attention of this Audit Committee. 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 of 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 Company and its subsidiaries and discussed applicable accounting and auditing standards that may have a significant implication on the Group's financial statements. The Audit Committee also reviewed related party transactions/recurrent 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 2023. 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.

4. Internal Audit Function

The internal audit function for the financial year ended 30 June 2023 was performed by Group Internal Audit Department of Malayan United Management Sdn Bhd, together with the co-source services from an external professional internal audit firm, GovernAce Advisory & Solutions Sdn Bhd. They are independent of the activities audited. 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 2023, the Internal Auditors carried out internal audit functions to all business entities of the Group, summarised as follows:

1) Retailing : audits on store operations, warehouse and distribution management, procurement, and finance processes;

2) Hotel : audits on sales and marketing, housekeeping, maintenance, security, food & beverages management, finance, front office management, and procurement;

3) Food : audits on warehouse, outlets and inventory management, credit control, account receivable, implementation of Enterprise Resource Planning system, trade return, inventory write off, and sales & marketing; and

4) Property : audits on tendering process, contract management, project management and sales & marketing activities.

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

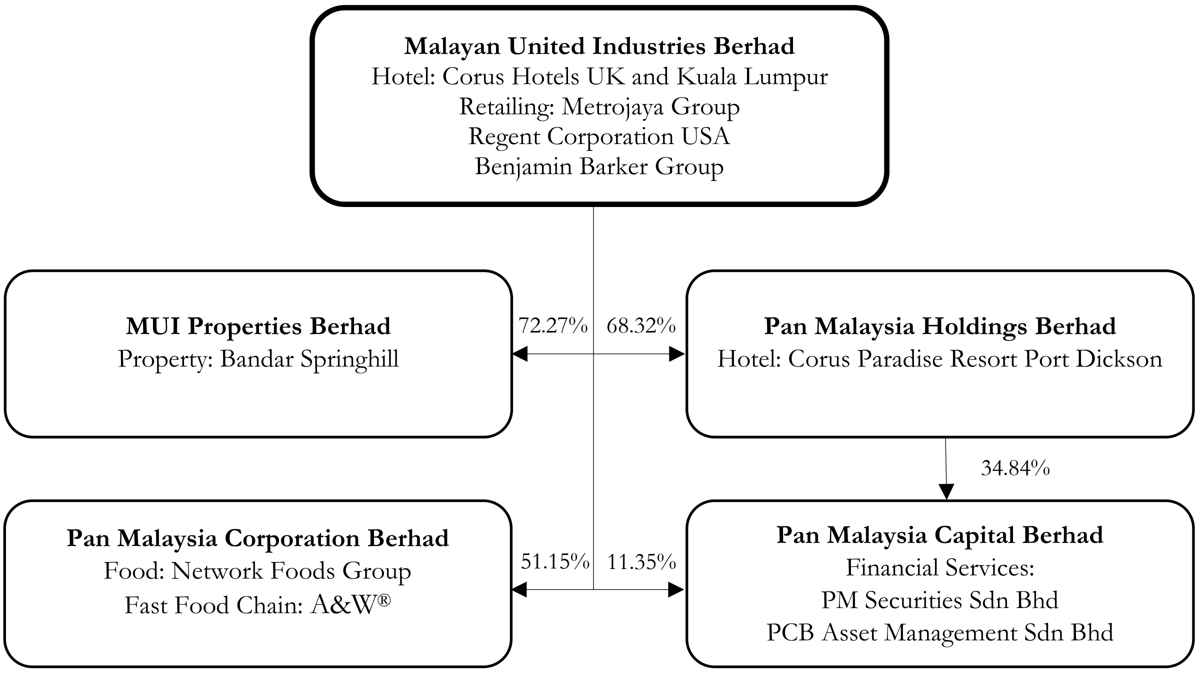
The cost incurred for the internal audit function of the Group for the financial year ended 30 June 2023 was approximately RM126,700.

MANAGEMENT DISCUSSION AND ANALYSIS

Principal Activities

Listed on the Main Market of Bursa Malaysia Securities Berhad, Malayan United Industries Berhad is an investment holding company which, together with three public-listed subsidiaries, is engaged in property ownership & development, hotel ownership & operations, department store operations and fashion retailing, chocolate manufacturing, distribution & exports, fast-food chain ownership and operations as well as stockbroking & asset management services.

The three main subsidiaries are MUI Properties Berhad, Pan Malaysia Corporation Berhad, and Pan Malaysia Holdings Berhad, all of which are also listed on the Main Market of Bursa Malaysia Securities Berhad. As at 30 June 2023, the Group's corporate structure of core businesses are as shown:



Financial Results

Group revenue increased 42.4% to RM483.0 million for the financial year ended 30 June 2023 (FY 23) from RM339.3 million on 30 June 2022 (FY 22), mainly driven by the contribution from its recently-acquired fast-food chain business. The Group recorded a profit before tax (PBT) of RM22.5 million in FY 23 compared to a loss before tax (LBT) of RM18.7 million, mainly due to a one-time gain from the disposal of The Belsfield Hotel in the UK and a fair value gain on an investment in unquoted preference shares.

Review of Operations

Retailing

The Metrojaya Group (Metrojaya) is a lifestyle retail operator offering a wide range of home furnishings, fashion wear, cosmetics, fragrances, shoes, bags, accessories, toys, and other related products. Metrojaya operates two department stores, five retail outlets, two outlet stores and two specialty stores.

The department stores are located in Mid Valley Megamall and Lalaport in Kuala Lumpur. The five retail outlets consist of a newly launched concept store named MJ, located in Suria Sabah Shopping Mall, Kota Kinabalu, and Brem Mall Kepong in Kuala Lumpur.

The two outlet stores are situated in Mitsui Outlet Park KLIA and Ampang Point Shopping Centre, while the East India Company (EIC) specialty stores are in Aeon Bukit Tinggi, Klang and Permaisuri Imperial City Mall Miri, Sarawak.

Metrojaya's stable of established fashion brands of East India Company, Somerset Bay and Cape Cod as well as its home furnishings brand, Living Quarters, continue to enjoy a steady market following, bolstered by social media marketing and support from the Metrojaya club membership that has seen increasing new shoppers.

Metrojaya Lalaport, Bukit Bintang City Centre




The East India style collection - where timeless elegance meets modern comfort.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Footfalls in the stores improved following the lifting of COVID-19 restrictions and also focussed marketing directed at the younger generations. The group's in-house brands underwent a complete fashion revamp with fresher, more up-to-date, appealing offerings. As a result, the sales revenue of Metrojaya increased by 28% to RM32 million from RM25 million recorded in the previous year. This was achieved in spite of the temporary closure of the Kota Kinabalu department store. As a result, Metrojaya Group made a turnaround to post a profit.

Two associated companies of the Group are also engaged in home and fashion retailing. Regent Corporation, USA, a 49% associated company of our Group, through its wholly-owned subsidiary, owns the exclusive rights to use and sub-license Laura Ashley trademarks and copyrights in the U.S. The Benjamin Barker Group Pte Ltd, Singapore, in which the Group has a 20% stake, has successfully promoted its range of men's lifestyle fashion wear with its unique chic designs. Its brand presence in regional malls in Malaysia is actively being pursued.

Hotels

The Group's hotels in Malaysia and the United Kingdom showed improvement to pre-Covid levels. In Malaysia, hotel occupancy improved by 30%. Corus Hotel Kuala Lumpur posted a two-fold increase in revenue while Corus Paradise Resort showed a 29.3% jump in revenue following the opening of international borders and the return of economic and social activities after a two-year pandemic hiatus.

With the opening of the UK economy and relaxation of Covid rules, hotel trading of our UK properties improved steadily during the year to June 2023. Regional hotels recorded strong room rates with the staycation market extending into 2022, The Belsfield Hotel in the Lake District was leading in performance during the summer and autumn months of 2022. Burnham Beeches also reported positive staycation business between July and November 2022. London market also reported strong room rate growth, but occupancy did not reach pre-Covid level for London as travellers into London levels have not truly returned to pre-Covid level. This was due to the staged lifting of Covid rules across various countries.

There was some slowdown of trading in the initial months of 2023 due to rising inflation and energy costs. UK domestic market saw shrinkage in household spending power which impacted both the leisure and business sectors. The group also disposed of The Belsfield Hotel in the Lake District. The main challenge for the industry is the increase in the cost of borrowing with the Bank of England increasing the base rate from 0.5% to 5.25% in its effort to control inflation. The interest rate is now in excess of 7%.

The Group's hotel portfolio consists of:

Malaysia

1. Corus Hotel Kuala Lumpur
2. Corus Paradise Resort Port Dickson

The United Kingdom

1. Corus Hotel Hyde Park, London
2. The Belsfield Hotel, Lake District
   (Sold in December 2022)
3. Burnham Beeches Hotel, Slough
4. St James Hotel, Grimsby
5. The Chace Hotel, Coventry

Corus Hotel Kuala Lumpur

Corus Paradise Resort, Port Dickson

Property

For the financial year under review, West Synergy launched two new projects – Bandar Springhill Industrial Park 1 and E5 single-storey residential unit (Quasar).

1) Bandar Springhill Industrial Park 1
   This consists of 63 units of industrial land with a total Gross Development Value (GDV) of RM126,054,100. As at 30 June 2023, 24 units were sold with a GDV of RM41,420,800.

2) E5 single-storey low-cost residential unit (Quasar)
This consists of 122 units of low-cost single-storey residential units with a total GDV of RM10,368,000. As at 30 June 2023, 70% of 122 units have been snapped up.

Meanwhile, West Synergy also continues to market its inventory units of double-storey shop lots and bungalow land.

West Synergy obtained a Certificate Of Completion And Compliance (CCC) for its Phase E6 (Aurora & Nova), consisting of 272 units of double-storey houses in May 2023.

West Synergy is committed to continuing its strategic planning and development of the remaining approximately 800 acres of landbank for township development. A new master plan for the remaining development is being drawn up to ensure its continued success as a fully integrated township. It consists of residential, commercial and industrial developments, supported by a strong presence of retail, academic and medical facilities.

Above - Bandar Springhill - Quasar E5 Low Cost Terrace Houses
Right - Phase E7-1 (Peony and Freesia) & E7-2 (Irises and Cosmos) shared playground and jogging area.

Food

The Group's Food division, under the Group's 51.15% subsidiary, Pan Malaysia Corporation Berhad, consists of two separate businesses:

1. The chocolate confectionery business under Network Foods International Ltd (NFIL)

   NFIL chiefly steers the manufacturing, marketing, distribution, and exportation of chocolate and confectionery products. There are four subsidiaries under NFIL operate the business:

   Malaysia

   - Network Foods Industries Sdn Bhd (NFISB)
   - Network Foods (Malaysia) Sdn Bhd (NFM)

   Hong Kong

   - Network Foods (Hong Kong) Limited (NFHK)

   Singapore

   - Network Foods Distribution Pte Ltd (NFD)

   The confectionery manufacturing is anchored by NFI in its factory, which exports to over 30 international markets. Its affiliate entities, NFM, NFHK, and NFD, oversee the marketing and distribution in their respective domains.

   In FY 23, the division reported higher revenue of RM59.1 million compared to RM51.4 million in FY 22, contributed by growth from both domestic and international markets.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

2. Fast-food business

A & W Malaysia (A & W), the Group's indirect 51%-owned American fast food chain, was the first American fast food to enter the Malaysian market in 1963. Over the past 60 years, the brand is fondly remembered for its root beer floats, coneys, burger waffles and its beloved mascot, Rooty the Bear.

Due to a lack of continuous investments, the chain had grown smaller and lost its appeal. However, under the Group's ownership, it is rapidly expanding, aiming to recapture its past appeal.

As of 30 June 2023, A & W operates 91 restaurants in Malaysia, with 88 restaurants strategically located in Peninsular Malaysia and 3 restaurants in Sabah, East Malaysia. This represents a significant increase from the 72 restaurants reported on 30 June 2022.

Despite the impressive revenue growth, A & W faced operational challenges in FY 23, mainly due to inflation and labour shortages. In response to these challenges, several operational measures have been taken during the financial year and will continue into the next financial year:

1. Increase of productivity and technology adoption, for example, encouraging customers to use self-ordering machines and the A & W mobile application, etc.
2. Cost optimisation, especially, the raw material cost and labour cost.
3. Price adjustments in a staggered approach. This will offset the impact of inflation while maintaining value for customers.

Despite the challenging trading environment, A & W remains committed to operational excellence, focusing on growing revenue and profitability. It plans to open 38 new restaurants, with more emphasis put on expansion in East Malaysia. The new restaurants will feature an enhanced customer dining experience.

A & W Restaurants - Kangar Jaya (above) and Alor Setar (right)

Financial Services

The Group's involvement in financial services is indirect, via a direct non-controlling stake in Pan Malaysia Capital Berhad, in which the Group's subsidiary, Pan Malaysia Holdings Berhad also holds a significant stake. Pan Malaysia Capital is principally engaged in two businesses, stockbroking under PM Securities Sdn Bhd and financial asset management under PCB Asset Management Sdn Bhd.

PM Securities brokerage earning was adversely affected during the financial year due to depressed trading on Bursa Securities.

The Group has ceased to account for its share of results in Pan Malaysia Capital Berhad as its share of losses has exceeded the Group's interest in this associate.

Corporate Developments

1. On 22 August 2022, Belsfield LLP, an indirect 61.11%-owned limited liability partnership of the Company held via its subsidiaries, entered into a conditional asset purchase agreement with Belsfield Propco Limited and Belsfield Opco Limited for the disposal of the business of operating the trade of the 62-room hotel erected on 1 lot of freehold land in Windermere, Cumbria, England, the UK for a cash consideration of up to GBP15,100,000 (equivalent to RM82,503,380). The disposal has been approved by shareholders at an EGM convened on 28 November 2022 and has been completed on 12 December 2022.

2. On 5 October 2022, Oriental Omega Sdn Bhd, a wholly-owned subsidiary of the Company, disposed its 43,000,000 ordinary shares representing 5.57% of the total issued share capital of Pan Malaysia Corporation Berhad (PMC) to Fortress Opportunistic Growth Fund for a total cash consideration of RM6,450,000 ("First Disposal"). Following the First Disposal, MUIB and its subsidiaries now hold a total of 428,146,200 ordinary shares of PMC representing about 55.50% equity interest in PMC.

3. On 7 November 2022, Network Foods Industries Sdn Bhd ("Vendor"), an indirect wholly-owned subsidiary of PMC, entered into a Sale and Purchase Agreement with Amazing Blitz Sdn Bhd ("Purchaser") for the disposal of the leasehold land held under H.S.(D) 324738, Pt[-], Mukim Damansara, Daerah Petaling, Negeri Selangor measuring approximately 24,295.208 square meters and the buildings erected thereon together with the fixtures and fittings for a total disposal consideration of RM41,000,000. The disposal has been completed on 30 August 2023.

4. On 6 January 2023, Pan Malaysia Holdings Berhad, a 68.32%-owned subsidiary of the Company, announced that its associate companies, Pan Malaysia Capital Berhad ('PM Capital") and PM Asset Management Sdn Bhd had entered into share sale and purchase agreements with NewParadigm Capital Ventures Sdn Bhd to dispose of the entire issued and paid-up share capital of PM Securities Sdn Bhd, PCB Asset Management Sdn Bhd and Miranex Sdn Bhd for a total cash consideration of RM90,000,003 ("Disposal"). PM Capital has obtained the shareholders' approval for the Disposal during the Extraordinary General Meeting held on 8 February 2023.

5. On 27 February 2023, Oriental Mega Sdn Bhd disposed its 33,500,00 ordinary shares representing 4.34% of the total issued share capital of PMC to Fortress Opportunistic Growth Fund and Fortress Capital Asset Management (M) Sdn Bhd for a total cash consideration of RM6,030,00 ("Second Disposal"). Following the Second Disposal, the Company and its subsidiaries now hold a total of 394,646,200 ordinary shares of PMC representing about 51.15% equity interest in PMC.

6. On 26 June 2023, LVH Hospitality Management Limited, a wholly-owned subsidiary of London Vista Hotel Limited, which in turn is a wholly-owned subsidiary of MUI Media Ltd and which in turn is a wholly-owned subsidiary of MUIB, entered into a share purchase agreement with Cesuco Trading Limited ("Cesuco") for the disposal of 1,000 ordinary shares representing the entire issued share capital of Flamepro Limited for a total disposal consideration of GBP1,750,000. Cesuco is a wholly-owned subsidiary of MUIP, which in turn is an indirect 72.27%-owned subsidiary of MUIB. The disposal has been completed on 3 July 2023.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Risks

Though the Economist Intelligence Unit (EIU) expects global growth in 2024, continued geopolitical conflicts, monetary tightening, supply chain disruptions and high interest rates could weigh heavily on the global recession in 2024.

At the national level, the Malaysian Government has forecast a Gross Domestic Product (GDP) growth to range between 4% to 5% in 2024 compared to a growth forecast of 4.0% in 2023.

Prospects

The Group is pursuing several corporate restructuring initiatives. When successfully completed, the Group expects to be on a stronger financial footing to forge ahead with its transformation and achieve better performance. Barring unforeseen circumstances, the Group expects to see improved results.

SUSTAINABILITY REPORT

In our environmentally interconnected planet, harmful or irresponsible human activities in one corner of the globe can cause severe environmental repercussions in other parts of the world. Recent news of extreme climate occurrences sends us an urgent wake-up call - that we must take immediate action to protect our delicate environment from further pollution and degradation. It is with this realisation in mind that the MUI Group reaffirms its commitment to global sustainability initiatives.

ESG (Environmental, Social, and Governance) awareness and initiatives

The MUI Group firmly subscribes to the Environmental, Social, and Governance (ESG) credo as we strive to foster a culture of sustainability among all our stakeholders. We have tried, wherever feasible, to align our corporate objectives with these ESG goals in tangible ways.

Establishing ESG committees, though important, is not enough. We need to inject purpose and interest through sharing, continual learning and meaningful ESG programmes. In this regard, last year's ESG journey for the Group had more focus and direction.

> *For our ESG initiatives to be sustained, the driving force comes from the Group Chairman and CEO himself.*

In addition to the regular meetings of five ESG committees in the Group, a monthly combined meeting is also held to monitor progress, share specific initiatives and discuss best practices. This modus operandi sustains interest, generates fresh ideas and ensures committees keep their focus. We find these meetings are instrumental in seeding sustainability consciousness throughout the organization. It also helps ensure a unified approach.

We recognise, from the outset, that education and awareness play a vital role. In furtherance of this, the Group's ESG committee at the MUI head office has created an online ESG cloud portal which serves as a repository of news reports, articles and even videos on current environmental developments. This portal is accessible to all ESG committee members presently but it will soon be made available to all staff in the entire MUI Group.

For ESG initiatives to be sustained, it requires the support, involvement and commitment of the senior management at the corporate level. In our case, the Group Chairman and CEO himself plays an active role in this. For example, he personally introduced a number of ESG programmes - Terrascope's data collection of GHG emissions, the Paywatch system which allows staff to withdraw partial earnings before month's end, and continual upgrading of the Group's IT system to enable better and more frequent Zoom meetings. The upgraded IT infrastructure also enables us to move towards a paperless workplace environment.

In order to sustain ESG awareness throughout our organisation, ESG updates are now a fixed agenda item for all monthly business review meetings as well as for quarterly Board meetings of the entire Group.

Future sustainability projects proposed by HQ's ESG committee include some interesting educational activities such as visiting the Forest Research Institute and other organisations which are ahead of the curve on ESG programmes.

The Group's ESG awareness drive has yielded some practical outcomes.; a case in point is a voluntary employee project creating a mini eco-garden of vegetables and fruit plants in our Bandar Springhill.

Our Group is clear in our environmental sustainability management. We are mindful of our corporate responsibility that, while striving to improve the returns to shareholders, we also have a duty to meet our present needs without compromising the ability of future generations to meet theirs. Following is a summary of environmental initiatives by each division

Retail division

Metrojaya has implemented several measures to reduce its environmental impact, with more initiatives in the pipeline. These initiatives include reducing the use of synthetics and manmade fabrics and replacing them with natural fibres such as cotton and linen. Metrojaya also plans to introduce green vendors with sustainability backgrounds.

Food division

Network Foods has implemented the 3R initiatives - reducing, recycling, and reusing materials. It has begun to move towards a paperless concept. The company encourages virtual meetings to minimize GHG emissions.

A & W is committed to initiatives that focus on human safety and well-being. Through transparent Environmental, Social, and Governance (ESG) management, A & W aspires to build a sustainable future enriched by quality service offerings. A & W has implemented various environmentally-friendly measures such as using electricity generated from renewable energy sources to reduce CO2 emissions and switching to energy-saving equipment.

Property division

The Group actively subscribes to the UN Sustainable Development Goals as it strives to foster a culture of sustainability among all its stakeholders.

As a township developer, it is committed to creating healthy, green communities. This is evident in Bandar Springhill's uncluttered layout, abundant open spaces, green landscapes, broad, well-maintained roads, good drainage and a lakeside recreation area for residents.

Its green environment, eco-friendly waste management, and several other township features contributed to MUI Properties' winning a prestigious Malaysia Developer Award last year.

We have also ensured that West Synergy's projects fully comply with The Environmental Quality Act 1974.

Other management initiatives include car-pooling, reducing water flows in its office, paperless communication projects, segregating office wastes, harvesting rainwater for landscape irrigation, and making use of oil palm wastes as fertilizers.

New home designs have also incorporated environmental features, blending ergonomic features with double-volume ceiling spaces, rooftop and indoor gardens, and natural lighting & ventilation to reduce energy consumption.

Hotel division

Some of the ESG initiatives by Corus Hotel Kuala Lumpur include collecting and disposing of used bulbs, separating empty reverse osmosis (RO) water bottles, and sending used cooking oil to recycling centers. Guests and staff members are encouraged to use staircases, if convenient, instead of using lifts.

Corus Paradise Resort continue to implement their 3R concept of Reduce, Reuse, and Recycle

Another measure practised by the kitchen is careful food portioning while replenishing buffet lines. This policy has reduced food wastage. Our restaurants collect guest food leftovers for fertilizer use.

In our resort hotel, in addition to similar practices, the staff also have a beach-cleaning gotong-royong, getting participation from a nearby university.

Our vision is clear - to invest in the planet. This resonates with our enduring endeavour to meet the needs of the present without compromising the ability of future generations to meet theirs.

Environment

The Group has signed a three-year agreement with Terrascope, a software-as-a-service platform to enable us to standardise measurements of carbon emissions. This trial project involves West Synergy Sdn Bhd, Network Foods Malaysia and the Group's Head Office, in Jalan Ampang.

Terrascope was supplied data from these establishments such as fuel & energy used, capital goods, wastes generated, business travels, employee commutes, types and amount of raw materials and supplies, domestic or overseas supplies, chiller and airconditioning capacity, office supplies, and other related data. These data are then fed into a software programme by Terrascope and analyzed following accepted international protocols

The analyses are separated into three categories or scopes, as shown below:

Scope 1

Green House Gas (GHG) emissions arising directly from our operations including air-conditioning capacity, electricity, etc.

Scope 2

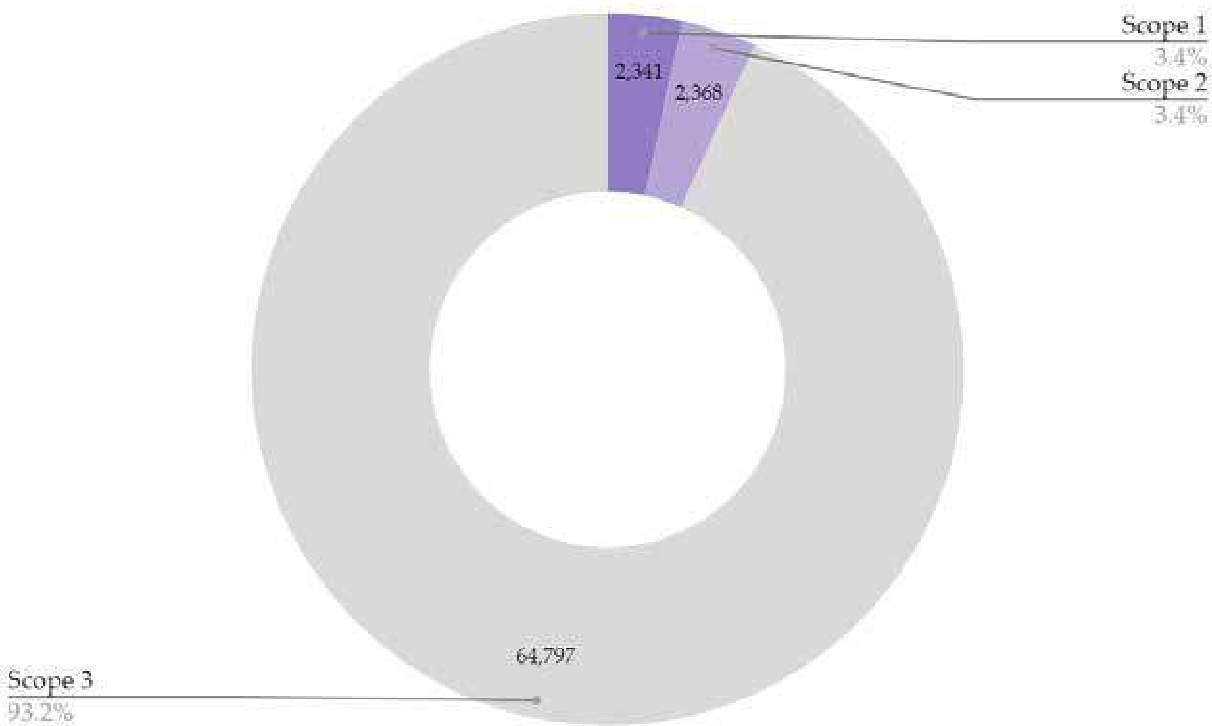
Indirect GHG emissions arising from the generation of electricity. In our case, it is the GHG emissions contributed by Tenaga Nasional Berhad (TNB).

Scope 3

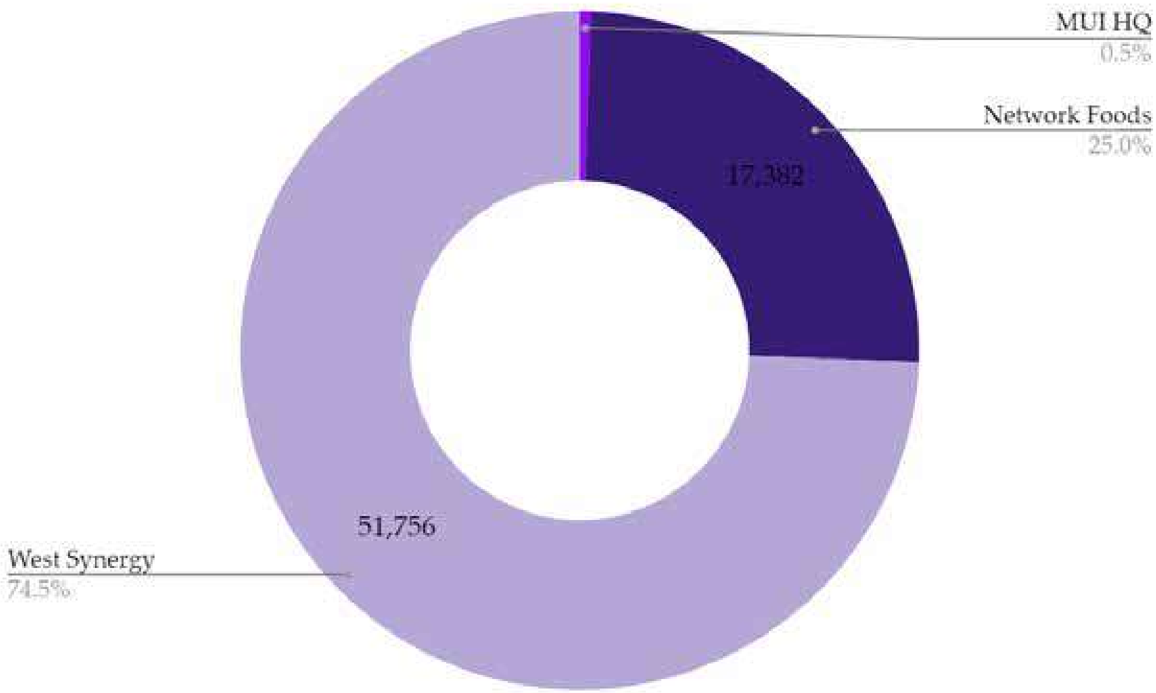
Indirect GHG emissions from our supply chain such as suppliers of cocoa beans, sugar, cement, steel, plastic or paper packaging materials, roof tiles, etc

Some of the preliminary findings are shown in the following charts and table:

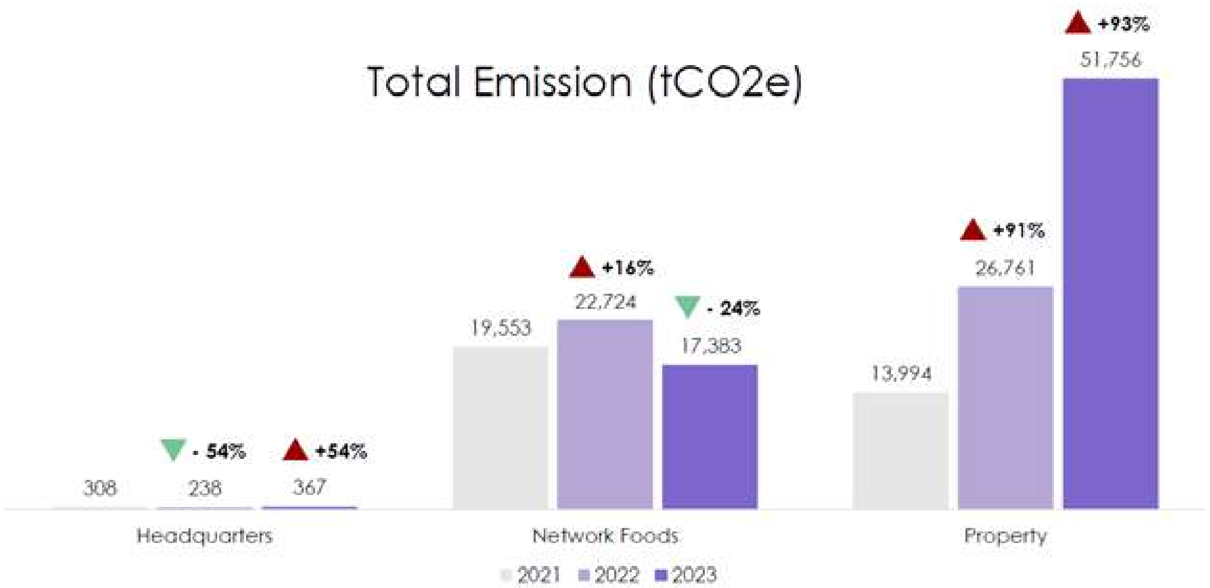
FY 2023 carbon footprints for three establishments by scope



FY2023 GHG emissions for establishments by percentage and GHG tonnage



Year-on-year GHG emissions by establishment



	MUI HQ			Network Foods			West Synergy		
All units in this table are tCO2e.	**FY2021**	**FY2022**	**FY2023**	**FY2021**	**FY2022**	**FY2023**	**FY2021**	**FY2022**	**FY2023**
Total GHG emissions	307.88	238.45	366.71	19552.93	22732.95	17382.72	13993.79	26761.17	51757.2
Scope 1	15.86	11.71	67.4	2746.88	2551.73	1666.27	No data available	359.02	608.49
Scope 2	178.31	143.84	149.32	1634.62	1654.83	2161.04	41.57	63.7	57.31

Following is a summary of salient findings:

1. The total GHG emissions of all three scopes in FY 2023 amounted to about 69,506 metric tonnes of carbon dioxide.
2. The total directly contributed by the three facilities (Scope 1) is 2,342 metric tonnes, about 3.4 per cent.
3. While scope 1 for Network Foods has fallen, that of Bandar Springhill has increased. This is partly due to the fact that more homes were built.

It should be noted that the accuracy of these findings cannot be fully confirmed due to inadequate input of data. However, the results provide our Group with a carbon footprint baseline to enable us to map our climate journey ahead.

Social

Employees First

Our Group believes that the long-term sustainability of our businesses is very much dependent on our workforce. We regard our people as the most valuable asset.

Thus, we seek to create a workplace environment that values mutual respect, encourages regular staff engagement in group or individual dialogues, offers equal treatment and opportunities to all, and provides training and advancement prospects based on meritocracy.

Customer Privacy & Data Security

We have adopted 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.

Leadership Development

Giving effect to our belief that employees are our most important assets, the senior management team in the corporate office periodically engages them in town hall meetings, special dialogues, and one-on-one meetings. We find that monthly business reviews with operating companies also offer opportunities for people engagement. These meetings are conducted in an open, non-fault-finding setting that encourages free exchange of ideas and views.

This year, the Group has stepped up its people development initiative by embarking on an intensive leadership training programme aimed at building a strong organisation culture of shared vision, workplace values and practices.

Working with an American training institute, One Rock International, we have already conducted two 2-day leadership programmes, involving more than 50 senior and mid and senior-level staff right up to the CEO.. The training is based on leadership concepts from a management book entitled SMART Leadership. These concepts are derived from the management approach adopted by Chick-fil-A, a successful US chicken burger fast-food chain.

Another one-day training session has been scheduled for November this year. The programme will continue into 2024, using a webinar format. Running once a month and hosted by the founder of One Rock International, Dr Joanna Williamson, these webinars will focus on self-leadership.

Another organisational development initiative this year was a special session held by the Group CEO to present this year's corporate theme D.A.R..E., an acronym for **D**ecisiveness, **A**daptability, **R**esilience and **E**ffective Communication.

Also set in motion in August this year, was another group-wide 'Make It Happen' campaign. featuring Anna Teo, dubbed the 'Musang Queen' of Malaysia. She shared her inspiring story of how she began her career as an air stewardess to become the founder and CEO of Hernan Corporation, a leading producer and exporter of Musang King durians and durian-related products.

Human Resource Policies

We ensure that our Human Resources policies and guidelines fully comply with all Government legislation. Furthermore, our Group embraces the principles and practice of diversity, inclusion, equality and fairness in our HR policies.

Health and Well-Being

The health and wellbeing of staff is also of great importance. Employee benefits were recently improved to include better terms in medical, hospitalisation and insurance coverage. Long-service awards are also given to honour employee's commitment and dedication.

Employees Code of Conduct

We have put in place a comprehensive Code of Business Ethics and Conduct for all employees, requiring high ethical standards and integrity in everyday conduct.

Anti-Bribery and Anti-Corruption Policy

Ethical engagement with the marketplace is a matter of seriousness for the Group. The Anti-Bribery and Anti-Corruption Policy is not only adopted by the various Boards of Directors but is also entrenched in the Group's Employee Handbook. Infractions are not taken lightly and the Group practises a no-gift policy.

Whistleblower Policy

To help create a fair, equitable, and healthy workplace environment, the Group adopts and actively enforces the Whistleblower Policy across all its business divisions. Complaints and allegations are dealt with promptly and fairly. Several whistle-blower complaints had been escalated to the top management and expeditiously dealt with.

OSHA (Occupational Safety & Health)

Our Group makes an effort to ensure compliance with the standards of safety and health in the workplace. Each business unit sets up its OSHA committee which is tasked to address workplace safety issues. The OSHA committee is headed by a senior management member and minutes are also disseminated to the senior corporate management team to ensure full communication and ownership. Recently, a one-day OSHA training was held for the Group's OSHA committees in order to update them on the latest amendments to the Act.

Corporate Social Responsibility

As a responsible corporate citizen, our Group believes in giving back to the community and has participated in community projects for the benefit of various charitable organisations.

Governance

The Group views corporate governance as more than a set of rules and adherence to these. We believe good governance embodying integrity, transparency and accountability lies at the heart of our business.

Responsible governance begins at the Board level and flows down to corporate management, further cascading down to operating units and their departments.

The Group has ensured appropriate checks and balances in all its business units. These will be subject to revisions as new situations develop in the future.

GROUP FINANCIAL HIGHLIGHTS

	Financial year ended 30 June				
	2023	2022	2021	2020	2019
KEY RESULTS (RM'000)					
Revenue	**482,985**	339,279	180,709	297,800	392,900
Profit/(Loss) before taxation	**22,492**	(18,686)	(90,247)	(184,331)	(82,972)
Loss after taxation attributable to owners of the Company	**(14,302)**	(45,926)	(98,670)	(198,714)	(102,611)
OTHER KEY DATA (RM'000) AND FINANCIAL RATIOS					
Total assets	**2,643,895**	1,446,669	1,433,767	1,490,185	1,684,181
Total liabilities	**1,357,669**	1,133,001	1,101,450	1,070,015	1,079,945
Share capital	**98,084**	93,866	3,152,866	3,152,866	3,152,866
Equity attributable to owners of the Company	**1,010,644**	60,113	96,157	188,160	375,513
Total equity	**1,286,226**	313,668	332,317	420,170	604,236
Total borrowings	**913,552**	876,143	903,870	871,511	883,472
Current ratio (times)	**0.55**	0.60	1.59	1.72	0.76
Gearing ratio (times)	**0.71**	2.79	2.72	2.07	1.46
SHARE INFORMATION					
Basic loss per share (sen)	**(0.44)**	(1.54)	(3.36)	(6.78)	(3.50)
Net assets per share attributable to owners of the Company (RM)	**0.31**	0.02	0.03	0.06	0.13

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 2023.

Principal Activities

The principal activity of the Company is investment holding whilst its subsidiaries and associates are primarily engaged in retailing, hotel, property, food, fast food chain and financial services as set out in Note 43 to the financial statements.

Financial Results

	Group RM'000	Company RM'000
Profit after taxation for the financial year	15,775	221,243
Attributable to:		
Owners of the Company	(14,302)	221,243
Non-controlling interests	30,077	-
	15,775	221,243

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the financial year ended 30 June 2023.

Reserves and Provisions

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

Issue of Shares and Debentures

During the financial year:

(a) the share capital of the Company increased from RM93,866,585 to RM98,084,107 resulting from the issuance of 76,608,300 new ordinary shares for a total cash consideration of RM4,217,522 pursuant to the private placement as below:

No.	Allotment Date	No. of Issued Shares	Price per Share	Total Cash Consideration (RM)
1.	19 July 2022	50,000,000	0.0496	2,480,000
2.	7 September 2022	26,608,300	0.0653	1,737,522

The new ordinary shares issued rank pari-passu in all respects with the existing ordinary shares of the Company.

As at 30 June 2023, the number of issued and paid-up ordinary share capital of the Company is 3,225,817,192 ordinary shares.

(b) there were no issues of debentures by the Company.

Option Granted Over Unissued Shares

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

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.

The contingent liabilities are disclosed in Note 39 to the financial statements.

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 other than those disclosed in Note 7 to the financial statements.

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 this 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	(Chairman and Chief Executive Officer)
Dato' Dr Tan Kee Kwong	(Non-Independent Non-Executive Director) (Redesignated on 26 May 2023)
Dr Wong Hong Meng	(Independent Non-Executive Director) (Retired on 1 October 2022)
Farizon binti Ibrahim	(Non-Independent Non-Executive Director) (Redesignated on 26 May 2023)
Dato' Dr Jessie Tang	(Independent Non-Executive Director) (Appointed on 15 September 2022)
Datuk Leong Kam Weng	(Senior Independent Non-Executive Director) (Appointed on 1 October 2022)
Wong Nyen Faat	(Non-Independent Non-Executive Director)

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:

Abdul Rashid bin Ismail
Ang Choon Yan @ George Ang
Anna Melissa R. Lichaytoo
Ariff bin Rozhan
Au Chin Yuen (Appointed on 30 November 2022)
Chan Chee Meng (Resigned on 31 July 2023)
Ching Eng Chin @ Ching Eng Ching
Ch'ng Kuang Beng
Datin Ngiam Pick Ngoh (Resigned on 31 May 2023)
Datuk Christopher Martin Boyd (Resigned on 17 April 2023)
Datuk Goh Lee Yen (Appointed on 23 May 2023)
Gho Lian Chin
Goh Wei Lei
Ho Kuan Lai (Appointed on 30 November 2022)
Khurram Mohmand
Kok William
Lawrence Chai
Lee Chik Siong
Lim Fei Fong
Loh Pooi Ling
Lum Tuck Cheong (Appointed on 4 November 2022)
Marguerite Lai
Ng Lai Fah
Ong Hung Ming
Poon Yoke Fun

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: *(Cont'd)*

Raymond Yeoh Huat Hock
Ronald G. Bickford
Tan Khim Chuan (Appointed on 20 September 2022)
Tan Sri Dato' Dr Yeoh Oon Kheng
Tan Sri Dato' Seri Azmi bin Khalid
Teoh Eng Gaik
Tung Ming Choo
Valerie Anne D. Gonzales
Victoria C. De Los Reyes
Wong Shuk Fuen
Yeoh Thiam Leong
Yoong Swie Leong (Appointed on 23 May 2023)

Directors' Interests

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

Related Company ***Ordinary shares in Pan Malaysia Corporation Berhad***	**Number of ordinary shares**			
	As at 1.7.2022	**Bought**	**Sold**	**As at 30.6.2023**
Andrew Khoo Boo Yeow				
Direct Interest	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 of 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 into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 41(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 as follows:

	Group RM'000	Company RM'000
Fees	879	378
Salaries, bonuses and other benefits	2,130	52
Defined contribution benefits	60	-
	3,069	430

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company were RM38,000 and RM Nil respectively.

Indemnity And Insurance Cost

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and Officers of the Company were RM75,000,000 and RM46,000 respectively. No indemnity was given to or insurance effected for auditors of the Company.

Subsidiaries

The details of the subsidiaries name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 12 and Note 43 to the financial statements.

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification other than those disclosed in Note 43 to the financial statements.

Significant Events During The Financial Year

The significant events during the financial year are disclosed in Note 37 to the financial statements.

Significant Events Occurring After The Financial Year

The significant events occurring after the financial year are disclosed in Note 38 to the financial statements.

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:

	Group RM'000	Company RM'000
Audit fees	740	133
Non-audit fees	119	24
	859	157

Signed in accordance with a resolution of the directors dated 31 October 2023.

Andrew Khoo Boo Yeow

Wong Nyen Faat

STATEMENT BY DIRECTORS

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

We, Andrew Khoo Boo Yeow and Wong Nyen Faat, being two of the Directors of Malayan United Industries Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 58 to 159 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 2023 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 31 October 2023.

Andrew Khoo Boo Yeow **Wong Nyen Faat**

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 Malayan United Industries Berhad, do solemnly and sincerely declare that the financial statements set out on pages 58 to 159 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 abovenamed Wong Shuk Fuen at Kuala Lumpur in the Federal Territory on this 31 October 2023.

Wong Shuk Fuen

Before me

Komathi A/P P. Sanmugam
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To The Members Of Malayan United Industries Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Malayan United Industries Berhad, which comprise the statements of financial position as at 30 June 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 58 to 159.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2023, and of their financial performance and 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 of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants (By-Laws) and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

INDEPENDENT AUDITORS' REPORT (Cont'd)

Key Audit Matters (Cont'd)

Investment in Associates

Refer to Notes 4(cc)(iii) and 13 to the financial statements

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
The Group's carrying amount of associates is RM229.9 million as at 30 June 2023. We focused on this area due to the significance of the carrying amount recognised in the financial statements of the Group and the inherent subjectivity associated with the assumptions used in the following: • Impairment indication assessment of investment in ordinary shares; and • Fair value assessment of investment in preference shares.	Our procedures included, amongst others: Impairment indication assessment of ordinary shares • Assessing if there is any impairment indication and reviewing adequacy of impairment losses, if any. Fair value assessment of investment in preference shares • Assessing the methodology adopted by the management in estimating the fair value of investment in preference shares and whether such methodology is consistent with those used in the industry; • Discussing with the management to obtain an understanding of the related underlying data used as input to the valuation models; • Assessing the key assumptions and estimates used in the valuation model; • Involving our internal experts to evaluate the appropriateness of the valuation techniques and working in the valuation models; and • Assessing the adequacy of the disclosures in the financial statements.

Impairment of Goodwill

Refer to Notes 4(cc)(ix) and 17 to the financial statements

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Goodwill impairment testing of cash-generating unit ("CGU") relies on estimates of value in use based on estimated future cash flows. The Group is required to annually test the amount of goodwill for impairment. The Group has goodwill of RM27.4 million relating to the food and fast food CGU as at 30 June 2023. We focused on this area due to the significance of the goodwill recognised in the financial statements of the Group and the inherent subjectivity associated with the assumptions used in estimating the value in use of the CGU. The judgements in relation to goodwill impairment relate primarily to the assumptions underlying the calculation of the value in use of the business, being the achievability of the long-term business plans.	Our procedures included, amongst others: • Reviewing the value in use model for goodwill including challenging management's forecast and other key assumptions including revenue growth rates, gross profit margin and discount rate; • Comparing previous cash flow projections to actual results to assess the reasonableness of assumptions used in the cash flow projections; and • Performing a sensitivity analysis over the revenue growth rates, gross profit margin and discount rate used in deriving the value in use to assess the potential impact of a reasonable possible change to any of these assumptions on the recoverable amount of goodwill.

Key Audit Matters (Cont'd)

<table>
<tr><td colspan="2">Recoverability of Receivables
Refer to Notes 4(cc)(vii) and 19 to the financial statements</td></tr>
<tr><td>Key Audit Matter</td><td>How Our Audit Addressed the Key Audit Matter</td></tr>
<tr><td>Included in receivables of the Group is an amount of RM67.4 million, being advances to an associate as at 30 June 2023.
We focused on this area due to the significance of the carrying amount and the inherent judgement involved in the impairment review process.</td><td><u>Our procedures included, amongst others:</u>
• Verifying the collections for the current financial year and reviewing historical collection trend; and
• Reviewing management's assessment and basis of estimation on the adequacy of allowance for impairment losses.</td></tr>
<tr><td colspan="2">Financial covenants on borrowings
Refer to Note 27 to the financial statements.</td></tr>
<tr><td>Key Audit Matter</td><td>How Our Audit Addressed the Key Audit Matter</td></tr>
<tr><td>Included in the borrowings of the Group is a term loan amounting to approximately RM491.0 million obtained for the purpose of working capital.
We focused on this area due to the significance of the carrying amount recognised in the financial statements of the Group and the Group has significant reliance on external borrowings for its working capital. Hence, the compliance with financial covenants and the prompt servicing of borrowings as and when they fall due is a key focus of audit matters.</td><td><u>Our procedures included, amongst others:</u>
• Reviewing the terms of the Facilities Agreement;
• Obtaining management's financial covenants computation, recomputing the financial covenants and examining compliance with financial covenants according to the financial definition stated in the Facilities Agreement to ascertain whether there is any breach of covenants which may result in the borrowings facilities being recalled by the financial institution;
• Reviewing component auditor's assessment of borrowings and compliance with covenants and impact thereof; and
• Assessing the adequacy of disclosures made in regards to the appropriateness of the basis of accounting for the preparation of the financial statements.</td></tr>
</table>

INDEPENDENT AUDITORS' REPORT (Cont'd)

Key Audit Matters (Cont'd)

Valuation of property, plant and equipment Refer to Note 4(cc)(xv) and Note 10 to the financial statements.	
Key Audit Matter	**How Our Audit Addressed the Key Audit Matter**
Included in the property, plant and equipment of the Group are freehold land and buildings amounting to approximately RM894.2 million and RM655.1 million respectively. During the financial year, the Group has changed its accounting policies on these freehold land and buildings from cost model to revaluation model. A valuation exercise has been performed by management on its freehold land and buildings assisted by independent professional valuers. A revaluation surplus of RM898.8 million after netting off deferred tax impact of RM145.5 million and a reversal of impairment loss of RM12.7 million had been recognised in the statement of profit or loss and other comprehensive income of the Group. We focused on this area due to the valuation of freehold land and buildings involves subjective judgements and key assumptions.	Our procedures included, amongst others: • Assessing the objectivity, independence and competency of professional valuers engaged by the management; • Assessing the methodology adopted by the independent professional valuers in estimating the fair values of the freehold land and buildings; • Evaluating the appropriateness of the data used by the professional valuers as input into their valuations; • Assessing the key valuation assumptions used in the valuation models; • Interviewing the professional valuers, discussing and challenging the significant estimates and assumptions applied in their valuation process; and • Assessing the adequacy of the disclosures in the financial statements.

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 the Directors for the Financial Statements

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

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

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.

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)*

- 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.
- 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 43 to the financial statements.

OTHER MATTERS

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

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

Onn Kien Hoe
01772/11/2024 J
Chartered Accountant

31 October 2023

STATEMENTS OF PROFIT OR LOSS

For The Financial Year Ended 30 June 2023

		Group		Company	
		2023	2022	**2023**	2022
	Note	**RM'000**	RM'000	**RM'000**	RM'000
Revenue	5	**482,985**	339,279	**164,636**	1,758
Cost of sales		**(266,325)**	(201,316)	**-**	-
Gross profit		**216,660**	137,963	**164,636**	1,758
Other income		**125,704**	33,590	**125,728**	76,846
		342,364	171,553	**290,364**	78,604
Distribution costs		**(15,030)**	(10,696)	**-**	-
Administrative expenses		**(198,100)**	(112,980)	**(1,697)**	(1,500)
Other expenses		**(56,938)**	(25,034)	**(603)**	(72,955)
Finance costs		**(53,894)**	(38,538)	**(11,111)**	(10,727)
Impairment loss on financial assets	6	**(15)**	(3,426)	**(55,654)**	(6,190)
Share of results of associates		**4,110**	445	**-**	-
Share of results of joint venture		**(5)**	(10)	**-**	-
Profit/(Loss) before taxation	7	**22,492**	(18,686)	**221,299**	(12,768)
Taxation	8	**(6,717)**	(6,845)	**(56)**	-
Profit/(Loss) after taxation		**15,775**	(25,531)	**221,243**	(12,768)
Attributable to:					
Owners of the Company		**(14,302)**	(45,926)	**221,243**	(12,768)
Non-controlling interests	12	**30,077**	20,395	**-**	-
		15,775	(25,531)	**221,243**	(12,768)
Basic/Diluted loss per share attributable to owners of the Company (sen)	9	**(0.44)**	(1.54)		

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

STATEMENTS OF OTHER COMPREHENSIVE INCOME

For The Financial Year Ended 30 June 2023

	Group		Company	
	2023	2022	**2023**	2022
	RM'000	RM'000	**RM'000**	RM'000
Profit/(Loss) after taxation	**15,775**	(25,531)	**221,243**	(12,768)
Other comprehensive income/(expenses)				
Items that will not be reclassified subsequently to profit or loss				
Fair value gain/(loss) on equity investments	**1,303**	(369)	**-**	-
Revaluation of freehold land and buildings	**898,815**	-	**-**	-
Share of other comprehensive income of an associate	**6,411**	-	**-**	-
Items that will be reclassified subsequently to profit or loss				
Derecognition of subsidiaries	**-**	2,953	**-**	-
Foreign currency translations differences	**70,184**	(3,028)	**-**	-
Total other comprehensive income/(expenses)	**976,713**	(444)	**-**	-
Total comprehensive income/(expenses) for the financial year	**992,488**	(25,975)	**221,243**	(12,768)
Attributable to:				
Owners of the Company	**954,475**	(42,896)	**221,243**	(12,768)
Non-controlling interests	**38,013**	16,921	**-**	-
Total comprehensive income/(expenses) for the financial year	**992,488**	(25,975)	**221,243**	(12,768)

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

STATEMENTS OF FINANCIAL POSITION

As At 30 June 2023

		Group		Company	
		2023	2022	**2023**	2022
	Note	**RM'000**	RM'000	**RM'000**	RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	10	**1,761,624**	630,459	**-**	-
Investment properties	11	**67,178**	67,218	**-**	-
Subsidiaries	12	**-**	-	**881,731**	802,045
Associates	13	**229,854**	185,508	**-**	-
Joint venture	14	**135**	140	**-**	-
Other investments	15	**16,107**	14,976	**-**	-
Inventories	16	**28,876**	33,930	**-**	-
Goodwill on consolidation	17	**27,438**	27,438	**-**	-
Intangible asset	18	**7,076**	6,324	**-**	-
Deferred tax assets	30	**5,604**	5,919	**-**	-
		2,143,892	971,912	**881,731**	802,045
CURRENT ASSETS					
Inventories	16	**137,330**	111,136	**-**	-
Trade and other receivables	19	**148,796**	124,563	**95,100**	73,195
Contract assets	20	**27,231**	46,567	**-**	-
Right to recover returned goods	21	**512**	539	**-**	-
Contract costs	22	**807**	1,490	**-**	-
Other investments	15	**13,152**	6,505	**-**	-
Short-term investments	15	**11,090**	13,103	**-**	-
Current tax assets		**4,472**	2,442	**-**	4
Deposits, bank balances and cash	23	**138,774**	168,412	**10,402**	1,027
		482,164	474,757	**105,502**	74,226
Assets classified as held for sale	24	**17,839**	-	**-**	-
		500,003	474,757	**105,502**	74,226
TOTAL ASSETS		**2,643,895**	1,446,669	**987,233**	876,271

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

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
EQUITY AND LIABILITIES					
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	25	**98,084**	93,866	**98,084**	93,866
Reserves	26	**958,458**	(10,575)	**-**	-
Retained earnings/(Accumulated losses)		**(45,898)**	(23,178)	**400,548**	179,305
		1,010,644	60,113	**498,632**	273,171
NON-CONTROLLING INTERESTS	12	**275,582**	253,555	**-**	-
TOTAL EQUITY		**1,286,226**	313,668	**498,632**	273,171
NON-CURRENT LIABILITIES					
Trade and other payables	31	**-**	4,001	**15,000**	15,000
Borrowings	27	**320,311**	329,043	**-**	3,600
Provision for restoration cost	28	**3,028**	4,316	**-**	-
Employee benefits	29	**750**	997	**-**	-
Deferred tax liabilities	30	**158,383**	5,037	**-**	-
		482,472	343,394	**15,000**	18,600
CURRENT LIABILITIES					
Trade and other payables	31	**277,819**	239,259	**469,995**	580,100
Contract liabilities	20	**243**	842	**-**	-
Refund liabilities	21	**890**	957	**-**	-
Borrowings	27	**593,241**	547,100	**3,600**	4,400
Provision for restoration cost	28	**1,886**	-	**-**	-
Employee benefits	29	**829**	846	**-**	-
Current tax liabilities		**289**	603	**6**	-
		875,197	789,607	**473,601**	584,500
TOTAL LIABILITIES		**1,357,669**	1,133,001	**488,601**	603,100
TOTAL EQUITY AND LIABILITIES		**2,643,895**	1,446,669	**987,233**	876,271

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

STATEMENTS OF CHANGES IN EQUITY

For The Financial Year Ended 30 June 2023

Group

	Share Capital RM'000	Exchange Translation Reserve RM'000	Fair Value Reserve RM'000	Accumulated Losses RM'000	Attributable to Owners of the Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1.7.2021	3,152,866	(14,014)	409	(3,043,104)	96,157	236,160	332,317
Profit/(Loss) after taxation	-	-	-	(45,926)	(45,926)	20,395	(25,531)
Derecognition of subsidiaries	-	2,953	-	-	2,953	-	2,953
Fair value loss on equity instruments	-	-	(237)	-	(237)	(132)	(369)
Foreign currency translations	-	314	-	-	314	(3,342)	(3,028)
Total comprehensive income/(expenses)	-	3,267	(237)	(45,926)	(42,896)	16,921	(25,975)
Transaction with owners:							
Capital reduction pursuant to Section 117 of the Companies Act 2016	(3,070,000)	-	-	3,070,000	-	-	-
Changes in ownership interests of subsidiaries	-	-	-	(4,148)	(4,148)	12,352	8,204
Dividends paid to non-controlling shareholders	-	-	-	-	-	(7,182)	(7,182)
Impact from the acquisition of an indirect subsidiary	-	-	-	-	-	(4,696)	(4,696)
Issued of ordinary share pursuant to private placement	11,000	-	-	-	11,000	-	11,000
At 30.6.2022	93,866	(10,747)	172	(23,178)	60,113	253,555	313,668

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

Group

	Share Capital RM'000	Exchange Translation Reserve RM'000	Fair Value Reserve RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000	Attributable to Owners of the Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1.7.2022	93,866	(10,747)	172	-	(23,178)	60,113	253,555	313,668
Profit/(Loss) after taxation	-	-	-	-	(14,302)	(14,302)	30,077	15,775
Fair value gain on equity instruments	-	-	1,113	-	-	1,113	190	1,303
Foreign currency translations	-	70,586	-	-	-	70,586	(402)	70,184
Revaluation of freehold land and buildings	-	-	-	890,667	-	890,667	8,148	898,815
Share of other comprehensive income of associates	-	-	-	6,411	-	6,411	-	6,411
Total comprehensive income/(expenses)	-	70,586	1,113	897,078	(14,302)	954,475	38,013	992,488
Transaction with owners:								
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	(35,999)	(35,999)
Impact from the changes in the stake of subsidiaries	-	256	-	-	(8,418)	(8,162)	20,013	11,851
Issued of ordinary shares pursuant to private placement	4,218	-	-	-	-	4,218	-	4,218
At 30.6.2023	98,084	60,095	1,285	897,078	(45,898)	1,010,644	275,582	1,286,226

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

STATEMENTS OF CHANGES IN EQUITY (Cont'd)

Company

	Share Capital RM'000	Retained Earnings/ (Accumulated Losses) RM'000	Total Equity RM'000
At 1.7.2021	3,152,866	(2,877,927)	274,939
Loss after taxation / Total comprehensive expenses for the financial year	-	(12,768)	(12,768)
Transactions with owners:			
Capital reduction pursuant to Section 117 of the Companies Act 2016	(3,070,000)	3,070,000	-
Issued of ordinary shares pursuant to private placement	11,000	-	11,000
At 30.6.2022 / 1.7.2022	**93,866**	**179,305**	**273,171**
Profit after taxation / Total comprehensive income for the financial year	**-**	**221,243**	**221,243**
Issued of ordinary shares pursuant to private placement	**4,218**	**-**	**4,218**
At 30.6.2023	**98,084**	**400,548**	**498,632**

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

STATEMENTS OF CASH FLOWS

For The Financial Year Ended 30 June 2023

		Group		Company	
		2023	2022	**2023**	2022
	Note	**RM'000**	RM'000	**RM'000**	RM'000
Cash Flows From/(For) Operating Activities					
Profit/(Loss) before taxation		**22,492**	(18,686)	**221,299**	(12,768)
Adjustments for:					
Amortisation of intangible asset	18	**831**	219	**-**	-
Bad debts written off		**118**	188	**-**	-
Covid-19 related rent concessions		**-**	(57)	**-**	-
Depreciation:					
- property, plant and equipment	10	**44,531**	23,667	**-**	-
- investment properties	11	**38**	35	**-**	-
Dividend income from:					
- quoted shares in Malaysia		**(396)**	(399)	**-**	-
- subsidiaries		**-**	-	**(164,636)**	(1,758)
Fair value gain on:					
- unquoted preference shares		**(49,306)**	(4,064)	**-**	-
Gain on modification on leases		**-**	(138)	**-**	-
Gain on redemption of preference shares		**-**	-	**(17,762)**	(3,191)
Gain on disposal of:					
- assets classified as held for sale		**-**	(1,869)	**-**	-
- other investments (non-current)		**(165)**	-	-	-
- property, plant and equipment		**(45,521)**	(167)	**-**	-
Impairment loss on financial assets	6	**15**	3,426	**55,654**	6,190
Interest expense		**53,894**	38,538	**11,111**	10,727
Interest income		**(3,575)**	(2,760)	**(687)**	(680)
Inventories written down	16	**1,287**	524	**-**	-
Investment in subsidiaries written off		**-**	-	**-**	75,214
Loss on derecognition of subsidiaries		**-**	2,537	**-**	-
Loss/(Gain) on unrealised foreign exchange		**15,720**	(15,055)	**-**	-
Net impairment loss/(reversal) on:					
- associate		**28,110**	18,077	**-**	-
- goodwill	17	**-**	1,310	**-**	-
- investment in subsidiaries	12	**-**	-	**(107,280)**	(40,548)
- property, plant and equipment	10	**(9,359)**	1,600	**-**	-
- quoted investment		**-**	2	**-**	-
- right-of-use assets		**340**	-	**-**	-
Property, plant and equipment written off	10	**205**	1,319	**-**	-
Provision for employee benefits	29	**47**	216	**-**	-
Provision for restoration cost	28	**64**	66	**-**	-
Reversal of impairment loss on unquoted investment		**-**	(334)	**-**	-

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

STATEMENTS OF CASH FLOWS (Cont'd)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Cash Flows From/(For) Operating Activities *(Cont'd)*					
Reversal of inventories previously written down	16	**(1,681)**	(2,953)	**-**	-
Reversal of provision for service charges		**-**	(1,738)	**-**	-
Reversal of provision for restoration cost	28	**(979)**	(600)	**-**	-
Share of results of associates		**(4,110)**	(445)	**-**	-
Share of results of joint venture		**5**	10	**-**	-
Writeback of employee benefits	29	**(119)**	(103)	**-**	-
Write off of provision for restoration cost	28	**(7)**	(26)	-	-
Write off of quoted investment		**-**	1	**-**	-
Operating profit/(loss) before working capital changes		**52,479**	42,341	**(2,301)**	33,186
Changes in working capital:					
- contract assets		**(19,336)**	21,691	**-**	-
- contract costs		**(683)**	(220)	**-**	-
- contract liabilities		**(599)**	(505)	**-**	-
- intangible asset		**(1,583)**	(1,243)	**-**	-
- inventories		**(20,746)**	6,034	**-**	-
- payables		**35,709**	19,917	**(156)**	(466)
- receivables		**17,323**	(39,582)	**(196,697)**	(51,254)
- refund liabilities		**(67)**	-	**-**	-
- right to recover returned goods		**27**	(2)	**-**	-
Cash generated from/(for) operations		**62,524**	48,431	**(199,154)**	(18,534)
Employee benefits paid	29	**(192)**	(82)	**-**	-
Interest paid		**(399)**	(82)	**(450)**	(677)
Interest received		**908**	1,003	**687**	680
Tax refunded		**695**	2,511	**-**	-
Tax paid		**(10,135)**	(7,539)	**(46)**	(4)
Net cash from/(for) operating activities		**53,401**	44,242	**(198,963)**	(18,535)
Cash Flows From Investing Activities					
Acquisition of a subsidiary company, net of cash and cash equivalents acquired	32	**-**	(6,214)	**-**	-
Dividends received from:					
- quoted shares in Malaysia		**396**	399	**-**	-
- subsidiaries		**-**	-	**164,636**	1,758
Interest received		**2,667**	1,757	**-**	-
Proceeds from disposal of:					
- assets classified as held for sale		**-**	2,173	**-**	-
- investments in a subsidiary		**12,457**	-	-	-
- other investments		**6,315**	-	**-**	-
- property, plant and equipment		**79,926**	36,558	**-**	-

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

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Cash Flows From Investing Activities *(Cont'd)*					
Proceeds from redemption of preference shares		**-**	-	**45,356**	9,064
Purchase of:					
- investment properties	11	**(74)**	(14)	**-**	-
- other investments (non-current)		**(221)**	(8,218)	**-**	-
- other investments (current)		**(3,473)**	(6,639)	**-**	-
- property, plant and equipment	33(a)	**(49,930)**	(10,647)	**-**	-
Utilisation of restricted fund		**-**	21,569	**-**	-
Withdrawal/(Placement) of term deposits:					
- pledged with licensed banks		**3,626**	(1,754)	**-**	-
- with tenure of more than 3 months		**4,351**	(160)	**-**	-
Net cash from investing activities		**56,040**	28,810	**209,992**	10,822
Cash Flows From/(For) Financing Activities					
Dividends paid to non-controlling shareholders of subsidiaries		**(35,999)**	(7,182)	**-**	-
Interest paid		**(53,495)**	(38,456)	**-**	-
Payments of lease liabilities and hire-purchase	33(b)	**(14,782)**	(6,491)	**-**	-
Proceeds from drawdown of bank borrowings	33(b)	**13,261**	9,480	**-**	-
Proceeds from issuance of shares pursuant to private placement		**4,218**	11,000	**4,218**	11,000
Repayments of bank borrowings	33(b)	**(35,861)**	(42,436)	**(4,400)**	(2,000)
Repayment to a subsidiary		**-**	-	**(1,472)**	(311)
Net cash from/(for) financing activities		**(122,658)**	(74,085)	**(1,654)**	8,689
Net increase/(decrease) in cash and cash equivalents		**(13,217)**	(1,033)	**9,375**	976
Cash and cash equivalents at beginning of financial year		**152,322**	158,770	**1,027**	51
Effect of exchange rate changes on cash and cash equivalents		**(6,644)**	(5,415)	**-**	-
Cash and cash equivalents at end of financial year	33(d)	**132,461**	152,322	**10,402**	1,027

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

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2023

1. Corporate Information

Malayan United Industries 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 (Bursa Securities).

The registered office and the principal place of business of the Company is located at No. 189, Jalan Ampang, 50450 Kuala Lumpur, Malaysia.

The consolidated financial statements for the financial year ended 30 June 2023 comprise the Company and its subsidiaries and the interests of the Group in associates and joint venture.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors dated 31 October 2023.

2. Principal Activities

The principal activity of the Company is investment holding whilst its subsidiaries and associates are primarily engaged in retailing, hotel, property, food, fast food chain and financial services as set out in Note 43 to the financial statements.

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)

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 – 2020

The adoption of the above accounting standards and 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
MFRS 17 Insurance Contracts	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
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
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
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules	1 January 2023
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

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.

4. Significant Accounting Policies

(a) 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.

4. **Significant Accounting Policies** *(Cont'd)*

(a) **Basis of Consolidation** *(Cont'd)*

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.

(i) Business Combinations

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 interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' 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.

(ii) Non-controlling Interests

Non-controlling interests are 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 interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(iii) Changes in Ownership Interests in Subsidiaries Without Change 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 consideration paid or received is recognised directly in equity of the Group.

(iv) 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:

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

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 on 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. Significant Accounting Policies *(Cont'd)*

(b) Revenue from Contracts with Customers

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract.

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 that asset.

The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(i) Sale of Goods

Revenue from sale of goods is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance, as well as the customer purchases the goods at the retail outlets. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered 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. Payment for the retail sales transaction is due immediately at the point the customer purchases the goods and takes delivery in outlet.

The goods are often sold with a right to return the goods within a specific period. Revenue from these sales is recognised based on the price specific in the contract, net of estimated returns. Past experience is used to estimate and provide for the returns, using expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

The Group operates a loyalty programme where retail customers accumulate points for purchases made which entitle them to discounts and monetary benefits on future purchases. Past experience is used to estimate and provide for the discounts using most likely method. A contract liability for the award points is recognised at the time of the initial sales transaction. Revenue is recognised when the points are redeemed by the customer or expire.

(ii) Sale of food and beverage

Revenue from sale of food and beverage is recognised when the Group has transferred control of the goods to the customer, being at the point the customer purchases the goods at the retail outlets. Payment for the transaction is due immediately at the point the customer purchases the goods and takes delivery in outlet.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies *(Cont'd)*

(b) Revenue from Contracts with Customers *(Cont'd)*

(iii) Revenue from Hotel Operations

Revenue received from the services rendered to guests of the hotel includes provision of rooms, food and beverage sales, other departments' sales and ancillary services. The services rendered are distinct performance obligations, for which prices invoiced to the guests are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to room rentals that is over the stay within the hotel, and at a point in time for other goods or services, when they have been delivered or rendered.

(iv) 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.

(v) Commissions from Concessionaire Sales

When the Group acts in a capacity of an agent rather than as a principal in a transaction, the revenue recognised is the net amount of commission earned by the Group upon the sale of goods in the retail stores.

(vi) 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.

(vii) Property Rental Income

Property rental income is accounted for on a straight-line basis over the lease term.

(c) Other Operating Income

(i) Dividend Income

Dividend income from subsidiaries, associates and other investments is recognised when the right to receive payment is established.

(ii) Interest Income

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

4. Significant Accounting Policies *(Cont'd)*

(d) 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 cost directly attributable to bringing the assets to working conditions for its intended use.

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

Freehold land is stated at valuation less impairment losses recognised after the date of the revaluation. Freehold buildings are stated at revalued amount less accumulated depreciation and impairment losses recognised after the date of the revaluation.

Freehold land and buildings are revalued periodically, at least once in every five years. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

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 would flow to the Group and the cost of the asset could 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 or estimated useful lives used for this purpose are:

Buildings	20 to 100 years
Leasehold land and leasehold buildings (Reclassified as right-of-use assets)	41 to 99 years
Plant & machinery	4% to 33.3%
Motor vehicles	10% to 20%
Furniture, fittings & equipment	4% to 33.3%
Renovation	7.5% to 20%

Construction 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.

The revaluation reserve included in equity is transferred directly to retained profits on retirement or disposal of the asset.

4. **Significant Accounting Policies** *(Cont'd)*

(e) Investment Properties

Investment properties are land and buildings which are owned or right-to-use asset held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties which are owned are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The right-of-use asset held under a lease contract that meets the definition of investment property is measured initially similarly as other right-of-use assets.

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

Depreciation is charged to the profit or loss on a straight-line basis over the estimated useful lives of 48 years for buildings. Freehold land is not depreciated.

Investment properties are derecognised when either they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss in the period of the retirement or disposal.

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.

(f) Leased Assets

The Group assesses whether a contract is or contains a lease, at the inception of the contract. The Group recognises a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for low-value assets and short-term leases with 12 months or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use assets that do not meet the definition of investment property and the associated lease liabilities are presented as a separate line item in the statements of financial position.

The right-of-use asset is initially measured at cost. Cost includes the initial amount of the corresponding lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and the estimated costs of dismantling and restoration costs, less any incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of the lease liability. The depreciation starts from the commencement date of the lease. If the lease transfers ownership of the underlying asset to the Group or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those property, plant and equipment.

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

4. Significant Accounting Policies *(Cont'd)*

(f) Leased Assets *(Cont'd)*

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments (other than lease modification that is not accounted for as a separate lease) with the corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognised in profit or loss if the carrying amount has been reduced to zero.

(g) Intangible asset

License fees are measured on initial recognition at cost. Following initial recognition, license fees are carried at cost less any accumulated amortisation and any accumulated impairment loss. The assets are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that it may be impaired.

(h) 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 the carrying values may not be recoverable. The cost of the investments includes transaction costs.

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

(i) Associates

An associate is an entity in which the Group has a long-term equity interest and where it exercises significant influence over the financial and operating policies.

The investment in an associate is accounted for in the consolidated financial statements using the equity method based on the financial statements of the associate made up to 30 June 2023. The investment in associate in the consolidated statement of financial position is initially recognised at cost and adjusted thereafter for the post acquisition change in the share of net assets of the investments of the Group.

The interest in an associate is the carrying amount of the investment in the associate under equity method together with any long term interest that, in substance, form part of the net investment in the associate of the Group.

The share of the profit or loss and other comprehensive income of the associate by the Group during the financial year is included in the consolidated financial statements, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. Distributions received from the associate reduce the carrying amount of the investment. Adjustments to the carrying amount could also be necessary for changes in the proportionate interest of the Group in the associate arising from changes in the associate's equity that have not been recognised in the associate's profit or loss. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The share of those changes by the Group is recognised directly in equity of the Group.

Unrealised gains or losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are eliminated unless cost cannot be recovered.

When the share of losses of the Group in the associate equals to or exceeds its interest in the associate, the carrying amount of that interest is reduced to nil and the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on its behalf.

4. **Significant Accounting Policies** *(Cont'd)*

(i) Associates *(Cont'd)*

The most recent available financial statements of the associate are used by the Group in applying the equity method. When the end of the reporting period of the financial statements are not co-terminous, the share of results is arrived at using the latest audited financial statements for which the difference in end of the reporting periods is no more than three months. Adjustments are made for the effects of any significant transactions or events that occur between the intervening periods.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the interest of the Group in an associate decrease but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

(j) Joint Venture

A joint venture is a joint arrangement whereby the Group has rights only to the net assets of the investments.

The investment in a joint venture is accounted for in the consolidated financial statements using the equity method, based on the financial statements of the joint venture made up to 30 June 2023. The Group's share of the post-acquisition profits and other comprehensive income of the joint venture is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that joint control commences up to the effective date when the investment ceases to be a joint venture or when the investment is classified as held for sale. The Group's investment in the joint venture is carried in the consolidated statement of financial position at cost plus the Group's share of the post-acquisition retained profits and reserves. The cost of investment includes transaction costs.

When the Group's share of losses exceeds its interest in a joint venture, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation. The interest in the joint venture is the carrying amount of the investment in the joint venture determined using the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the joint venture.

Unrealised gains on transactions between the Group and the joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are eliminated unless cost cannot be recovered.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 9. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that joint venture to profit or loss when the equity method is discontinued. However, the Group will continue to use the equity method when an investment in a joint venture becomes an investment in an associate. Under such change in ownership interest, the retained investment is not remeasured to fair value but a proportionate share of the amounts previously recognised in other comprehensive income of the joint venture will be reclassified to profit or loss where appropriate. All dilution gains or losses arising in investments in joint ventures are recognised in profit or loss.

4. Significant Accounting Policies *(Cont'd)*

(k) 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 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.

(i) 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

a) 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).

b) 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.

4. Significant Accounting Policies *(Cont'd)*

(k) Financial Instruments *(Cont'd)*

(i) Financial Assets *(Cont'd)*

Debt Instruments (Cont'd)

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

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.

(ii) Financial Liabilities

a) 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.

b) 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).

(iii) Equity Instruments

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

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.

4. Significant Accounting Policies *(Cont'd)*

(k) Financial Instruments *(Cont'd)*

(iv) Derivative Financial Instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives during the reporting period, other than those accounted for under hedge accounting, are recognised directly in profit or loss.

Any derivative embedded in a financial asset is not accounted for separately. Instead, the entire hybrid contract is classified and subsequently measured as either amortised cost or fair value as appropriate.

An embedded derivative is recognised separately from the host contract which is a financial liability as a derivative if, and only if, its risks and characteristics are not closely related to those of the host contract and the host contract is not measured at fair value through profit or loss.

(v) 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.

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.

(vi) 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 Company, 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.

(l) Contract Costs

(i) Incremental Costs of Obtaining A Contract

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.

4. **Significant Accounting Policies** *(Cont'd)*

(l) Contract Costs *(Cont'd)*

(ii) Costs to Fulfil 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 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 exceeds 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 does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

(m) 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.

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.

(n) Impairment

(i) *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, as well as on financial guarantee contracts.

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.

4. Significant Accounting Policies *(Cont'd)*

(n) Impairment *(Cont'd)*

(ii) *Impairment of Non-financial Assets*

The carrying values of assets, other than those to which MFRS 136 does not apply, are reviewed at the end of each reporting period for impairment when an annual impairment assessment is compulsory or 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 an asset is the higher of the asset's fair value less costs to sell and its value in use, which is measured by reference to discounted future cash flows 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 determines the recoverable amount of the cash-generating unit to which the asset belongs.

Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill, and 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 unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase..

(o) Goodwill

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

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

In respect of equity-accounted associates and joint venture, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such investment is not allocated to any assets including goodwill, that forms part of the carrying amount of the equity-accounted associates and joint venture.

(p) Inventories

Inventories which consist of completed development properties held for sale, retail trading merchandises, raw materials, work-in-progress, finished goods, sundry stores, consumables and other stock items, are stated at the lower of cost and net realisable value.

4. **Significant Accounting Policies** *(Cont'd)*

(p) Inventories *(Cont'd)*

Cost of completed properties for sale is determined by the specific identification method and comprises cost associated with acquisition of land, building and constructions costs and appropriate proportions of common costs.

The cost of other inventories is measured based on a weighted average cost of formula, and comprises the purchase price and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes and appropriate share of production overheads.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

(q) Inventories - Property Development

(i) *Land Held for Property Development*

Land held for property development consist of land costs where no development activities are carried out or where development activities are not expected to be completed within the normal operating cycle. Such land and development costs are stated lower of cost and net realisable value.

Costs associated with the acquisition of land include the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Pre-acquisition costs are charged to profit or loss as incurred unless such costs are directly identifiable to the consequent property development activity.

Net realisable value represents 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 classified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(ii) *Property Development Costs*

Property development costs comprise costs associated with the acquisition of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

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

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

(r) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or production of a qualified asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to profit or loss. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. Significant Accounting Policies *(Cont'd)*

(s) Income Taxes

Income taxes include all domestic and foreign taxes on taxable profit. Income taxes also include other taxes, such as withholding taxes, which are payable by foreign subsidiaries or associates on distributions to the Group and the Company, capital gain taxes and real property gains taxes payable on disposal of properties, if any.

Taxes in the profit or loss and other comprehensive income comprise current tax and deferred tax.

(i) *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).

(ii) *Deferred Tax*

Deferred tax is 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 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.

(t) 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 unwinding of the discount is recognised as interest expense in profit or loss.

Provision for Restoration Costs

Provision for restoration costs is included in the carrying amounts of furniture, fittings and equipment. This provision is recognised in respect of the Group's obligation to restore leased outlets to its original state upon the expiry of tenancy agreements.

4. **Significant Accounting Policies** *(Cont'd)*

(u) Contingent Liabilities and Contingent Assets

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.

A contingent asset is a probable asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When its inflow of economic benefit is virtually certain, then the related asset is recognised in the statements of financial position.

(v) Employee Benefits

(i) *Short Term Employee Benefits*

Wages, salaries, social security contributions, paid annual leave, 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 leaves 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 leaves are recognised when the absences 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.

(ii) *Defined Contribution Plans*

The Company and its subsidiaries incorporated in Malaysia make contributions 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.

(iii) *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)*

(w) Functional and Foreign Currencies

(i) *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, unless otherwise stated.

(ii) *Foreign Currency Translation 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 except for differences arising from the translation of available-for-sale equity instruments which are recognised in other comprehensive income.

(iii) *Foreign Operations*

Assets and liabilities of foreign operations (including any goodwill and fair value adjustments arising on acquisition) 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 interests, 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.

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, or a partial disposal of an interest in associates and a joint venture 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 that related to non-controlling interests is derecognised but is not reclassified to profit or loss.

In addition, in relation to a 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 interests and are not recognised in profit or loss. When the Group disposes of only part of its investment in associates and a joint venture that includes a foreign operation while retaining significant influence and joint control, the proportionate share of the accumulative exchange differences is reclassified to 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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies *(Cont'd)*

(x) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, term deposits, 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 statements of cash flows, cash and cash equivalents are presented net of bank overdrafts.

(y) Non-Current Assets Held For Sale

Non-current assets (or disposal group comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the non-current assets (or the disposal group) are remeasured in accordance with the Group's accounting policies. Upon classification as held for sale, the non-current assets (or non-current assets of the disposal group) are not depreciated and are measured at the lower of their previous carrying amount and fair value less cost to sell. Any differences are recognised in profit or loss. In addition, equity accounting of equity-accounted associates and joint venture ceases once classified as held for sale or distribution.

(z) 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.

(aa) Earnings Per 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.

(bb) 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. In estimating the fair value of an asset or a liability, the Group take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. 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.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets 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.

4. Significant Accounting Policies *(Cont'd)*

(bb) Fair Value Measurements *(Cont'd)*

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

The fair value for measurement and disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions (MFRS 2), leasing transactions (MFRS 16) and measurement that have some similarities to fair value but not are fair value, such as net realisable value (MFRS 102) or value in use (MFRS 136).

(cc) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:

(i) 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.

(ii) Income Taxes

The Group is subject to income taxes in numerous jurisdictions. Judgement is required in determining the worldwide provision for 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.

(iii) Impairment of Property, Plant and Equipment, Investment Properties and Associates

The Group determines whether an item of its property, plant and equipment, investment properties and associates is 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. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates.

(iv) 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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Significant Accounting Policies *(Cont'd)*

(cc) Critical Accounting Estimates and Judgements *(Cont'd)*

(v) 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.

(vi) 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 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 value of trade receivables and contract assets.

(vii) 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 expected loss 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.

(viii) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(ix) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(x) Fair Value Estimates for Unquoted Financial Assets and Financial Liabilities

The Group carries certain financial assets and financial liabilities 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.

4. Significant Accounting Policies *(Cont'd)*

(cc) Critical Accounting Estimates and Judgements *(Cont'd)*

(xi) 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.

(xii) Provision for Restoration Costs

The Group estimates provision for restoration costs based on historical costs incurred per square feet of sales area. The estimated provision for restoration costs are reviewed periodically and are updated if expectations differ from previous estimates due to changes in cost factors. Where expectations differ from the original estimates, the differences would impact the carrying amount of provision for restoration costs.

(xiii) Deferred Tax Assets

Deferred tax assets are recognised for all unutilised tax losses and capital allowances, and other deductible temporary differences to the extent that it is probable that future taxable profits would be available against which the unutilised tax losses and capital allowances, and other deductible temporary differences 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.

(xiv) Contingent Liabilities

The recognition and measurement for contingent liabilities are 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, management is of the view that the chances of the financial institutions to call upon the corporate guarantees issued by the Group and the Company are remote

(xv) Property, plant and equipment under revaluation

Certain properties of the Group are reported at revalued amounts which are based on valuations performed by independent professional valuers by reference to the selling prices of recent transactions and asking prices of similar properties of nearby location and where necessary, adjusting for tenure, location, size ,market trends and others.

The independent professional valuers also utilize the discounted cash flows method, exercising judgment in determining discount rates, estimates of future cash flows, capitalisation rate, average room rate, and occupancy rate used in the valuation process. Also, judgment has been applied in estimating prices for less readily observable external parameters.

Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuations.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

5. Revenue

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Revenue from contracts with customers:					
Sales of goods		**74,367**	65,005	**-**	-
Hotel operations		**122,004**	120,487	**-**	-
Property development		**80,011**	83,594	**-**	-
Sales of food and beverage		**186,887**	54,835	**-**	-
Commissions from concessionaire sales	5(a)	**16,696**	11,375	**-**	-
Sales of oil palm fruits		**2,460**	3,498	**-**	-
Property rental income		**560**	485	**-**	-
Revenue from other source:					
Dividend income from subsidiaries		**-**	-	**164,636**	1,758
		482,985	339,279	**164,636**	1,758

(a) The commission income is from gross concessionaire sales amounting to RM62,210,000 (2022: RM42,420,000).

(b) The information on the disaggregation of revenue by geographical markets is disclosed in Note 34(ii).

6. Impairment Reversal/(Loss) on Financial Assets

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Impairment reversal/(loss) on:					
- amount owing by an associate	19	**-**	354	**-**	-
- amount owing by subsidiaries	19	**-**	-	**(55,654)**	(6,190)
- trade and other receivables	19	**(15)**	(3,780)	**-**	-
		(15)	(3,426)	**(55,654)**	(6,190)

7. Profit/(Loss) Before Taxation

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Profit/(Loss) before taxation is stated after charging:					
Amortisation of intangible asset	18	**831**	219	**-**	-
Auditors' remuneration:					
Audit fees:					
- current financial year		**1,774**	1,611	**133**	114
- overprovision in prior years		**(37)**	(59)	**-**	-
Non-audit fees:					
- auditors of the Company		**44**	17	**20**	4
- member firms of the auditors of the Company		**75**	181	**4**	90
Bad debts written off		**118**	188	**-**	-
Depreciation:					
- property, plant and equipment	10	**44,531**	23,667	**-**	-
- investment properties	11	**38**	35	**-**	-

7. Profit/(Loss) Before Taxation *(Cont'd)*

		Group		Company	
		2023	2022	**2023**	2022
	Note	**RM'000**	RM'000	**RM'000**	RM'000
Profit/(Loss) before taxation is stated after charging: *(Cont'd)*					
Directors' remuneration:					
Directors of the Company:					
Receivable from the Company					
- fees		**378**	384	**378**	384
- other emoluments		**52**	25	**52**	25
Receivable from subsidiaries					
- fees		**501**	487	**-**	-
- other emoluments		**2,078**	1,895	**-**	-
- defined contribution plan		**60**	99	**-**	-
Directors of subsidiaries:					
- fees		**376**	532	**-**	-
- other emoluments		**2,162**	2,299	**-**	-
- defined contribution plan		**157**	175	**-**	-
Interest expense on:					
- bank overdrafts		**399**	82	**-**	-
- hire-purchase	27(b)	**422**	190	**-**	-
- lease liabilities	27(b)	**3,885**	3,249	**-**	-
- revolving credits		**6,367**	6,630	**450**	677
- term loans		**34,647**	26,267	**-**	-
- others		**8,174**	2,120	**10,661**	10,050
Inventories written down	16	**1,287**	524	**-**	-
Lease expenses:					
- short-term leases		**14,834**	709	**-**	-
Loss on foreign exchange:					
- realised		**1,976**	-	**560**	-
- unrealised		**15,720**	-	**44**	-
Loss on derecognition of subsidiaries		**-**	2,537	**-**	-
Net impairment loss on:					
- associate		**28,110**	18,077	**-**	-
- goodwill on consolidation	17	**-**	1,310	**-**	-
- property, plant and equipment	10	**-**	1,600	**-**	-
- right-of-use assets	10(c)	**340**	-	**-**	-
Property, plant and equipment written off	10	**205**	1,319	**-**	-
Provision for employee benefits	29	**47**	216	**-**	-
Provision for restoration cost	28	**64**	66	**-**	-
Staff costs:					
- defined contribution plan		**5,825**	3,327	**-**	-
- salary, wages and other costs		**95,197**	73,834	**-**	-
Other key management personnel:					
- defined contribution plan		**98**	72	**-**	-
- salary, bonus and allowance		**845**	622	**-**	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. Profit/(Loss) Before Taxation *(Cont'd)*

		Group		Company	
		2023	2022	**2023**	2022
	Note	**RM'000**	RM'000	**RM'000**	RM'000
Profit/(Loss) before taxation is stated after crediting:					
Bad debts recovered		**31**	-	**-**	-
Dividend income from investments:					
- quoted shares in Malaysia		**396**	399	**-**	-
- subsidiaries		**-**	-	**164,636**	1,758
Fair value gain on investment in unquoted preference shares		**49,306**	4,064	**-**	-
Gain on disposal of:					
- assets classified as held for sale		**-**	1,869	**-**	-
- other investments (non-current)		**165**	-	**-**	-
- property, plant and equipment		**45,521**	167	**-**	-
Gain on foreign exchange:					
- realised		**-**	15	**-**	-
- unrealised		**-**	15,055	**-**	-
Gain on redemption of preference shares		**-**	-	**17,761**	3,190
Interest income from:					
- amounts owing by subsidiaries		**-**	-	**459**	680
- term deposits		**2,667**	1,757	**228**	-
- others		**908**	1,003	**-**	-
Reversal of impairment loss on:					
- investment in subsidiaries		**-**	-	**107,280**	40,548
- property, plant and equipment	10	**9,359**	-	**-**	-
Reversal of inventories previously written down	16	**1,681**	2,953	**-**	-
Reversal of provision for services charge		**-**	1,738	**-**	-
Reversal of provision for restoration cost	28	**979**	600	**-**	-
Write off of provision for restoration cost	28	**7**	26	**-**	-
Writeback of employee benefits	29	**119**	103	**-**	-

8. Taxation

		Group		Company	
		2023	2022	**2023**	2022
	Note	**RM'000**	RM'000	**RM'000**	RM'000
Current tax expense:					
- Malaysian income tax		**(7,651)**	(6,357)	**(56)**	-
- Foreign income tax		**(7)**	(10)	**-**	-
- Overprovision/(Underprovision) in respect of prior years		**532**	(84)	**-**	-
		(7,126)	(6,451)	**(56)**	-

8. Taxation *(Cont'd)*

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Deferred tax expense:					
- Origination and reversal of temporary differences		**(2,268)**	-	**-**	-
- Overprovision/(Underprovision) in respect of prior years		**2,677**	(394)	**-**	-
	30	**409**	(394)	**-**	-
Total tax expense		**(6,717)**	(6,845)	**(56)**	-

A reconciliation between the average effective tax rate and the applicable tax rate to the loss before taxation of the Group and the Company is as follows:

	Group 2023 %	Group 2022 %	Company 2023 %	Company 2022 %
Tax at applicable tax rate on loss before taxation	**24.00**	24.00	**24.00**	24.00
Tax effects of:				
Different tax rates on foreign subsidiaries	**(7.68)**	(3.97)	**-**	-
Movement in deferred tax assets not recognised during the financial year	**21.52**	(32.56)	**-**	-
Non-allowable expenses	**207.72**	72.96	**9.58**	(25.49)
Utilisation of deferred tax assets in the previous financial year	**(23.16)**	19.99	**-**	-
Income not subject to tax	**(182.68)**	(114.42)	**(33.55)**	1.49
Share of results of associates	**4.39**	0.57	**-**	-
Share of results of joint venture	**0.01**	(0.01)	**-**	-
	44.13	(33.44)	**0.03**	-
Overprovision/(Underprovision) in respect of prior years	**(14.26)**	(3.20)	**-**	-
Average effective tax rate	**29.86**	(36.64)	**0.03**	-

(a) Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable profit of the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

(b) Income Tax Expenses Recognised in Other Comprehensive Income

	Note	Group 2023 RM'000	Group 2022 RM'000
Deferred tax on revaluation of land and buildings	30	**145,518**	-

9. Basic/Diluted Loss Per Share

Basic/Diluted loss per ordinary share for the financial year is calculated by dividing the loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2023	2022
Loss attributable to owners of the Company (RM'000)	**(14,302)**	(45,926)
	Unit	Unit
Weighted average number of ordinary shares in issue ('000)	**3,218,394**	2,976,103
	Sen	Sen
Basic/Diluted loss per share attributable to owners of the Company	**(0.44)**	(1.54)

The Company has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

10. Property, Plant And Equipment

Group	Note	At valuation Freehold Land RM'000	At valuation Buildings RM'000	At cost Plant & Machinery RM'000	At cost Motor Vehicles RM'000	At cost Furniture, Fittings & Equipment RM'000	At cost Construction Work-In Progress RM'000	At cost Renovation RM'000	At cost Right-of-use Assets RM'000	Total 2023 RM'000	Total 2022 RM'000
Cost											
At beginning of financial year		265,808	317,763	53,675	4,265	185,219	3,438	68,287	178,243	1,076,698	1,035,047
Exchange difference		53,853	50,147	(885)	283	2,661	341	-	6,480	112,880	(35,870)
Transfer from/(to):											
- Assets classified as held for sale	24	-	-	-	-	-	-	-	(21,473)	(21,473)	-
- Investment properties	11	-	(2,417)	-	-	-	-	-	-	(2,417)	-
- Inventories	16(b)	111	-	-	-	-	-	-	-	111	-
Acquisition of a subsidiary		-	-	-	-	-	-	-	-	-	124,721
Additions		-	-	606	422	6,227	39,982	1,641	10,452	59,330	18,876
Derecognition due to lease modification		-	-	-	-	-	-	-	-	-	(3,495)
Disposals		(25,136)	(3,294)	-	(284)	(14,346)	-	-	-	(43,060)	(59,564)
Revaluation		624,901	361,905	-	-	-	-	-	-	986,806	-
Modification of lease liabilities	10(c)	-	-	-	-	-	-	-	7,774	7,774	3,705
Written off		-	-	(15,932)	(7)	(16,179)	-	-	-	(32,118)	(6,722)
Reclassification		(24,880)	24,880	1,743	-	16,338	(35,838)	19,517	(1,760)	-	-
At end of financial year		894,657	748,984	39,207	4,679	179,920	7,923	89,445	179,716	2,144,531	1,076,698

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

10. Property, Plant And Equipment *(Cont'd)*

Group	Note	At valuation		At cost						Total	
		Freehold Land RM'000	Buildings RM'000	Plant & Machinery RM'000	Motor Vehicles RM'000	Furniture, Fittings & Equipment RM'000	Construction Work-In Progress RM'000	Renovation RM'000	Right-of-use Assets RM'000	2023 RM'000	2022 RM'000
Accumulated Depreciation											
At beginning of financial year		-	86,114	50,605	4,173	139,095	-	36,447	50,376	366,810	306,585
Exchange difference		-	375	(876)	282	1,202	-	-	510	1,493	(2,765)
Transfer to:											
- Assets classified as held for sale	24	-	-	-	-	-	-	-	(3,799)	(3,799)	-
- Investment properties	11	-	(817)	-	-	-	-	-	-	(817)	-
Acquisition of a subsidiary		-	-	-	-	-	-	-	-	-	55,725
Charge for the financial year	7	-	13,782	751	189	10,542	-	4,442	14,825	44,531	23,667
Derecognition due to lease modification		-	-	-	-	-	-	-	-	-	(1,991)
Disposals		-	(387)	-	(229)	(7,898)	-	-	-	(8,514)	(9,142)
Revaluation		-	(57,528)	-	-	-	-	-	-	(57,528)	-
Written off		-	-	(15,932)	(6)	(15,975)	-	-	-	(31,913)	(5,269)
Reclassifications		-	-	323	-	-	-	-	(323)	-	-
At end of financial year		-	41,539	34,871	4,409	126,966	-	40,889	61,589	310,263	366,810

10. Property, Plant And Equipment *(Cont'd)*

Group	Note	At valuation		At cost						Total	
		Freehold Land RM'000	Buildings RM'000	Plant & Machinery RM'000	Motor Vehicles RM'000	Furniture, Fittings & Equipment RM'000	Construction Work-In Progress RM'000	Renovation RM'000	Right-of-use Assets RM'000	2023 RM'000	2022 RM'000
Accumulated Impairment Losses											
At beginning of financial year		**69**	**63,274**	**-**	**-**	**5,440**	**-**	**8,273**	**2,373**	**79,429**	81,745
Exchange difference		**35**	**3,778**	**-**	**-**	**1**	**20**	**-**	**-**	**3,834**	(3,005)
Transfer to:											
- Investment properties	11	**(68)**	**(1,532)**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,600)**	-
Acquisition of a subsidiary		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	13,254
Recognised/(Reversal) during the financial year	7	**437**	**(13,145)**	**-**	**-**	**2,641**	**708**	**-**	**340**	**(9,019)**	1,600
Disposals		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	(14,031)
Written off		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	(134)
At end of financial year		**473**	**52,375**	**-**	**-**	**8,082**	**728**	**8,273**	**2,713**	**72,644**	79,429
Carrying Amount											
At 30 June 2023		**894,184**	**655,070**	**4,336**	**270**	**44,872**	**7,195**	**40,283**	**115,414**	**1,761,624**	**-**
At 30 June 2022		265,739	168,375	3,070	92	40,684	3,438	23,567	125,494	-	630,459

10. Property, Plant And Equipment *(Cont'd)*

(a) Certain land and buildings, furniture, fittings and equipment, and plant and machinery of the subsidiaries with carrying amounts totalling RM1,529,815,000 (2022: RM441,641,000) are pledged to financial institutions for banking facilities granted to certain subsidiaries as disclosed in Note 27.

(b) Freehold land and buildings (collectively known as land and buildings) classified under property, plant and equipment are measured at valuation with effect as at 1 July 2022. The valuation exercise on the land and buildings was performed by independent professional valuers using market comparable method and discounted cash flow approach.

The amounts recognised in the financial statements arising from the revaluation are as follows:

		Group	
		2023	2022
	Note	**RM'000**	RM'000
Revaluation reserve		1,042,596	-
Deferred tax liabilities	30	(145,518)	-
Total asset revaluation reserve, net of tax		897,078	-

The details of the Group's property, plant and equipment carried at fair value are analysed as follows:

	Group			
	Level 1	**Level 2**	**Level 3**	**Total**
2023	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Freehold land	-	316,510	577,674	894,184
Buildings	-	155,327	499,743	655,070
	-	471,837	1,077,417	1,549,254

The level 2 fair values have been determined based on the market comparison approach that reflects recent transaction prices for similar properties. The most significant input into this valuation approach is the price per square foot of comparable properties.

The level 3 fair values have been determined using a discounted cash flow approach performed by independent professional valuers based on the following:

Significant unobservable inputs	**Range**
(i). Occupancy rate	30% - 85%
(ii). Average room rate	RM155 - RM1,843
(iii). Discount rate	8% - 12%
(iv). Capitalisation rate	5.5% - 12%

An increase/(decrease) in the occupancy rate and average room rate in insolation would result in a higher/(lower) fair value of the freehold land and buildings. An increase/(decrease) in the discount rate and capitalisation rate insolation would result in a lower/(higher) fair value of the freehold land and buildings.

10. Property, Plant And Equipment *(Cont'd)*

The following table shows a reconciliation of Level 3 fair value:

	RM'000
At 1 July 2022	316,538
Depreciation charge for the financial year	(1,873)
Revaluation	647,288
Exchange difference	97,487
Reversal of impairment loss	17,977
At 30 June 2023	1,077,417

There were no transfers between level 1, level 2 and level 3 during the financial year.

The fair value measurements of the freehold land and buildings are based on the highest and best use which does not differ from their actual use.

If the freehold land and buildings were measured using the cost model, the carrying amounts would be as follows:

	2023 RM'000	2022 RM'000
Cost	562,191	583,571
Accumulated depreciation and impairment	(127,077)	(149,457)
Carrying amount	435,114	434,114

(c) Details of right-of-use assets:

	Retail Stores/ Outlets/ Warehouse RM'000	**Equipment RM'000**	**Leasehold Land RM'000**	**Leasehold Buildings RM'000**	**Plant & Machinery RM'000**	**Total RM'000**
At 1 July 2021	795	-	25,028	81,100	1,618	108,541
Acquisition of a subsidiary	14,393	6,210	-	-	-	20,603
Additions	4,494	1,418	-	476	-	6,388
Modification of lease liabilities	3,705	-	-	-	-	3,705
Derecognition due to lease modification	(360)	-	-	(1,144)	-	(1,504)
Depreciation	(5,191)	(363)	(508)	(2,418)	(177)	(8,657)
Exchange difference	-	-	37	(3,627)	8	(3,582)
At 30 June 2022/ 1 July 2022	**17,836**	**7,265**	**24,557**	**74,387**	**1,449**	**125,494**
Additions	**6,807**	**3,645**	**-**	**-**	**-**	**10,452**
Depreciation	**(12,005)**	**(1,344)**	**(321)**	**(1,155)**	**-**	**(14,825)**
Exchange difference	**567**	**-**	**(82)**	**5,497**	**(12)**	**5,970**
Impairment	**(340)**	**-**	**-**	**-**	**-**	**(340)**
Modification of lease liabilities	**7,774**	**-**	**-**	**-**	**-**	**7,774**
Reclassification	**18,111**	**-**	**-**	**(18,111)**	**(1,437)**	**(1,437)**
Transfer to non-current asset held for sale	**(3,895)**	**-**	**(13,779)**	**-**	**-**	**(17,674)**
At 30 June 2023	**34,855**	**9,566**	**10,375**	**60,618**	**-**	**115,414**

10. Property, Plant And Equipment *(Cont'd)*

The Group leases certain leasehold land, leasehold buildings and various retail stores of which the leasing activities are summarised below:

(i)	Retail stores/ outlets/warehouse	The Group has leased a number of retail stores/outlets/warehouse that run between 1 year to 21 years (2022: 1 year to 21 years), with an option to renew the lease after that date.
(ii)	Leasehold land and buildings	The leases are for periods ranging from 41 to 99 years (2022: 41 to 99 years) with no renewal or purchase option.
(iii)	Plant and machinery	The Group has leased its plant and machinery under hire purchase arrangements. The Group has an option to purchase the asset at the expiry of the lease period at an insignificant amount.

The Group also has leases with lease terms of 12 months or less. The Group has applied the 'short-term lease' recognition exemption for these leases. Accordingly, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the portfolio of leased assets and align with the Group's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Certain lease rentals are subject to variable lease payments, which are determined based on a percentage of sales generated from retail stores. For these leases, the variable rents that are linked to future performance or usage of the underlying asset are not included in the measurement of the lease liability and the right-of-use asset. Instead, these payments are recognised as operating expense in the period in which the performance or use occurs.

11. Investment Properties

		Group	
		2023	2022
	Note	**RM'000**	RM'000
Cost			
At beginning of financial year		**67,367**	67,353
Exchange difference		**99**	-
Additions		**74**	14
Transfer from property, plant and equipment	10	**2,417**	-
Transfer to non-current asset held for sale	24	**(165)**	-
At end of financial year		**69,792**	67,367
Accumulated Depreciation			
At beginning of financial year		**149**	107
Exchange difference		**10**	7
Charge for the financial year	7	**38**	35
Transfer from property, plant and equipment	10	**817**	-
At end of financial year		**1,014**	149

11. Investment Properties *(Cont'd)*

	Note	Group 2023 RM'000	Group 2022 RM'000
Accumulated Impairment Losses			
At beginning of financial year		**-**	-
Transfer from property, plant and equipment	10	**1,600**	-
At end of financial year		**1,600**	-
Carrying Amount			
At end of financial year		**67,178**	67,218
Fair Value		**100,546**	101,039
Included in the above are:			
Buildings		**771**	721
Freehold land		**66,407**	66,497
		67,178	67,218

(a) Investment properties comprise commercial properties leased to third parties under operating leases. Rental income and direct operating expenses arising from these investment properties are as follows:

	Group 2023 RM'000	Group 2022 RM'000
Rental income	**82**	61
Direct operating expenses	**97**	97

(b) The fair value of investment properties for disclosure purposes, which are at Level 3 fair value, were recommended by the Directors as at the end of reporting period based on indicative market value of similar properties in the vicinity on a price per square foot basis. The price per square foot of the properties adopted were significant inputs. Any changes in the price per square foot will result in a reasonable change in the fair value of the investment properties.

(c) The investment properties of the Group are mainly used to generate rental income. However, the fair value of the investment properties reflects the highest and best use of the said properties based on the view and estimation of the Group should the investment properties be disposed of. However, the management does not intend to dispose of the investment properties at the moment and the existing use of the investment properties remain for rental purpose.

(d) During the current financial year, a shop lot with a cost of RM2,417,000, accumulated depreciation of RM817,000, accumulated impairment losses of RM1,600,000 and carrying value of Nil was transferred from property, plant and equipment because it was no longer used by the Group and was instead held by the Group for capital appreciation.

12. Subsidiaries

	Note	Company 2023 RM'000	Company 2022 RM'000
Investments in subsidiaries, at cost			
Quoted shares		**305,028**	305,028
Unquoted shares			
At beginning of financial year		**3,602,048**	3,697,316
Investments in subsidiaries written off		**-**	(89,395)
Redemption of preference shares		**(27,594)**	(5,873)
At end of financial year		**3,574,454**	3,602,048
		3,879,482	3,907,076
Less: Accumulated impairment losses			
At beginning of financial year		**(3,105,031)**	(3,159,760)
Write off during the financial year		**-**	14,181
Reversal during the financial year	7	**107,280**	40,548
At end of financial year		**(2,997,751)**	(3,105,031)
		881,731	802,045
Market value of quoted shares		**65,557**	53,195

(a) The consolidated financial statements do not deal with the subsidiaries under or pending liquidation/winding up.

(b) The subsidiaries, including those under or pending liquidation/winding up are disclosed in Note 43.

(c) Included in investments in subsidiaries is an investment in preference shares amounting to RM471,061,000 (2022: RM498,655,000).

(d) The subsidiaries of the Group that have material non-controlling interests (NCI) are as follows:

	Belsfield LLP	County Hotels Limited	Pan Malaysia Corporation Berhad	Pan Malaysia Holdings Berhad	West Synergy Sdn Bhd	Others	Total
2023							
NCI percentage of ownership interest and voting interest	**38.89%**	**38.89%**	**48.85%**	**31.68%**	**40.00%**		
Carrying amount of NCI (RM'000)	**1,906**	**14,519**	**131,033**	**10,881**	**93,624**	**23,619**	**275,582**
Profit/(Loss) allocated to NCI (RM'000)	**4,563**	**(74)**	**9,511**	**(241)**	**5,738**	**10,580**	**30,077**
2022							
NCI percentage of ownership interest and voting interest	38.89%	38.89%	38.93%	31.68%	40.00%		
Carrying amount of NCI (RM'000)	19,055	16,831	98,365	11,123	95,533	12,648	253,555
Profit/(Loss) allocated to NCI (RM'000)	4,175	(273)	2,365	49	8,480	5,599	20,395

12. Subsidiaries *(Cont'd)*

(e) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting period is as follows:

	Belsfield LLP RM'000	County Hotels Limited RM'000	Pan Malaysia Corporation Berhad RM'000	Pan Malaysia Holdings Berhad RM'000	West Synergy Sdn Bhd RM'000
2023					
Assets and liabilities					
Non-current assets	**-**	**62,303**	**290,506**	**36,051**	**47,417**
Current assets	**8,474**	**2,842**	**119,672**	**32,500**	**215,904**
Non-current liabilities	**-**	**(636)**	**(50,729)**	**(17,796)**	**(186)**
Current liabilities	**(3,572)**	**(14,212)**	**(98,902)**	**(9,413)**	**(29,074)**
Net assets	**4,902**	**50,297**	**260,547**	**41,342**	**234,061**
Results					
Revenue	**12,080**	**15,982**	**245,944**	**5,313**	**82,470**
Profit/(Loss) for the financial year	**11,733**	**(2,517)**	**24,398**	**(800)**	**14,346**
Total comprehensive income/(expenses)	**11,733**	**(38)**	**25,058**	**11,404**	**15,749**
Total comprehensive income/(expenses) attributed to NCI	**4,563**	**(15)**	**10,013**	**3,965**	**6,299**
Dividends paid to NCI	**25,654**	**-**	**1,054**	**-**	**8,208**
Cash flows					
Net cash from/(for) operating activities	**(13,427)**	**1,813**	**32,887**	**(851)**	**12,904**
Net cash from/(for) investing activities	**81,690**	**(769)**	**(33,402)**	**192**	**390**
Net cash from/(for) financing activities	**(68,263)**	**(677)**	**(5,479)**	**466**	**(20,520)**
Net increase/(decrease) in cash and cash equivalents	**-**	**367**	**(5,994)**	**(193)**	**(7,226)**
2022					
Assets and liabilities					
Non-current assets	47,617	54,971	241,218	18,738	51,546
Current assets	19,880	19,045	102,091	32,711	210,829
Non-current liabilities	(10,705)	(4,330)	(39,041)	(14,805)	(28)
Current liabilities	(7,793)	(23,899)	(66,464)	(6,706)	(23,514)
Net assets	48,999	45,787	237,804	29,938	238,833
Results					
Revenue	33,709	16,663	106,233	4,104	87,092
Profit/(Loss) for the financial year	10,736	(720)	3,000	(62)	21,200
Total comprehensive income/(expenses)	10,736	(713)	(345)	(62)	21,200
Total comprehensive income/(expenses) attributed to NCI	4,175	(273)	(134)	49	8,480
Dividends paid to NCI	877	-	1,226	-	4,104

12. Subsidiaries *(Cont'd)*

(e) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting period is as follows: *(Cont'd)*

	Belsfield LLP RM'000	County Hotels Limited RM'000	Pan Malaysia Corporation Berhad RM'000	Pan Malaysia Holdings Berhad RM'000	West Synergy Sdn Bhd RM'000
2022					
Cash flows					
Net cash from/(for) operating activities	934	2,559	(741)	82	11,796
Net cash from/(for) investing activities	(399)	(1,271)	(9,156)	258	(152)
Net cash for financing activities	(2,947)	-	(3,400)	(270)	(10,804)
Net increase/(decrease) in cash and cash equivalents	(2,412)	1,288	(13,297)	70	840

(f) During the financial year, the Company has carried out a review of the recoverable amounts of its investments in certain subsidiaries that had been persistently making losses. A reversal of impairment loss of RM107,280,000 (2022: reversal of impairment loss of RM40,548,000), representing the write-back of the investments to their recoverable amounts, was recognised under "Other Income" in the statement of profit or loss.

(g) Certain shares held in quoted subsidiaries were pledged to financial institutions for credit facilities of RM16,375,000 (2022: RM23,870,000) granted to the Group.

(h) Certain shares held in unquoted foreign subsidiaries were pledged to a financial institution for a credit facility of RM491,018,000 (2022: RM446,604,000) granted to the Group.

13. Associates

	Group 2023 RM'000	Group 2022 RM'000
Unquoted shares	**229,854**	185,508
Unquoted shares:		
(i) Ordinary shares, at cost		
- Malaysia	**63,828**	63,828
- Overseas	**39,085**	39,085
Group's share of post-acquisition reserves	**(43,912)**	(54,433)
Exchange difference	**14,172**	13,002
Less: Accumulated impairment losses	**(62,244)**	(34,134)
	10,929	27,348
(ii) Preference shares, at fair value		
- Overseas	**198,068**	148,762
Exchange difference	**20,857**	9,398
	218,925	158,160
	229,854	185,508

13. Associates *(Cont'd)*

The summarised financial information of the material associates is as follows:

	Regent Corporation RM'000	The Benjamin Barker Group Pte. Ltd. RM'000
2023		
Assets and liabilities		
Non-current assets	**169,703**	**30,804**
Current assets	**45,563**	**29,569**
Non-current liabilities	**(3,681)**	**(1,836)**
Current liabilities	**(31,656)**	**(30,663)**
Net assets	**179,929**	**27,874**
Results		
Revenue	**31,734**	**92,233**
Profit for the financial year	**3,342**	**12,368**
Total comprehensive income	**16,673**	**12,368**
2022		
Assets and liabilities		
Non-current assets	139,751	9,813
Current assets	41,400	24,895
Non-current liabilities	-	(4,314)
Current liabilities	(27,497)	(12,676)
Net assets	153,654	17,718
Results		
Revenue	31,743	28,989
Profit/(Loss) for the financial year	(2,239)	6,014
Total comprehensive income/(expenses)	(2,239)	6,014

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

13. Associates *(Cont'd)*

The reconciliation of net assets to the carrying amount of the investment in associates are as follows:

	Regent Corporation RM'000	The Benjamin Barker Group Pte. Ltd. RM'000
2023		
Group's share of net assets	**-**	**6,943**
Goodwill	**-**	**3,986**
Net investment in preference shares	**218,925**	**-**
Carrying amount in the statements of financial position	**218,925**	**10,929**
Group's share of associates' results:		
Group's share of profit	**1,637**	**2,473**
Group's share of other comprehensive income	**6,411**	**-**
Group's share of total comprehensive income	**8,048**	**2,473**
2022		
Group's share of net assets	19,430	3,932
Goodwill	-	3,986
Net investment in preference shares	158,160	-
Carrying amount in the statements of financial position	177,590	7,918
Group's share of associates' results:		
Group's share of profit/(loss)/total comprehensive income/(expenses)	(1,096)	1,541

(a) The investment in preference shares represents investment in unquoted preference shares of Regent Corporation. The redemption of the 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 shares based on the price paid for these shares respectively.

Information on the fair value hierarchy of investment in unquoted preference shares is disclosed in Note 35(V)(iii).

(b) The associates are disclosed in Note 43.

14. Joint Venture

	Group	
	2023	2022
	RM'000	RM'000
Unquoted shares, at cost	**750**	750
Capital distribution	**(250)**	(250)
Group's share of post-acquisition reserves	**(365)**	(360)
	135	140

14. Joint Venture *(Cont'd)*

(a) The Group's involvement in joint arrangement is structured through a separate vehicle which provides the Group rights to the net assets of the entity. Accordingly, the Group has classified this investment as a joint venture.

(b) The summarised unaudited financial information of the joint venture is as follows:

	Baker & Cook (M) Sdn Bhd	
	2023	2022
	RM'000	RM'000
Assets		
Non-current assets	**-**	17
Current assets	**281**	274
Net assets	**281**	291
Results		
Loss/Total comprehensive expenses for the financial year	**(10)**	(20)
Group's share of loss for the financial year	**(5)**	(10)

(c) The joint venture is disclosed in Note 43.

15. Other Investments And Short-term Investments

		Group	
		2023	2022
	Note	**RM'000**	RM'000
Other Investments			
Non-current			
Quoted shares in Malaysia, at fair value	15(a)	**3,386**	2,822
Unquoted shares outside Malaysia, at fair value			
- Limited partnership	15(b)	**5,805**	6,520
- Others		**6,916**	5,634
		16,107	14,976
Current			
Money market fund in Malaysia, at fair value	15(c)	**13,152**	6,505
		29,259	21,481
Short-term Investments			
Current			
Other fund, at fair value	15(d)	**11,090**	13,103

(a) The Group has designated the quoted equity investments at fair value through other comprehensive income because the Group intends to hold for long-term strategic purposes.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

15. Other Investments And Short-term Investments *(Cont'd)*

(b) The investment in limited partnership, Genesis Alternative Ventures I L.P. represents the Group's subscription for the participating interests in a partnership. The participating interests do not carry any voting rights or any other special rights, but carry the right to distributions if so declared on an ongoing basis as well as to participate in the return of capital upon the dissolution and winding up of the partnership.

The fair value of the investment is primarily based on the net asset values of the partnership as the partnership measures and evaluates the performance of substantially all of its investments on a fair value basis.

There were no unobservable inputs identified that would require disclosure of sensitivity analysis on possible movements on the fair value of the investment.

(c) The investment in money market fund represents the Group's investment in funds managed by UOB Asset Management (Malaysia) Berhad and Affin Bank Berhad. The redemption proceeds for the investment will normally be received by the next business day. Therefore, the Group considers that they represent investment in highly liquid money market instruments which are readily convertible to known amounts of cash, and subject to an insignificant change in value.

(d) The other fund represents the Group's short-term investment in funds managed by PCB Asset Management Sdn Bhd, a subsidiary of Pan Malaysia Capital Berhad, which is in turn an associate of the Group.

(e) Information on the fair value hierarchy is disclosed in Note 35(V)(iii).

16. Inventories

	Note	Group 2023 RM'000	Group 2022 RM'000
Non-current			
Land held for property development			
- Freehold land, at cost	16(a)	**28,876**	33,930
Current			
At cost			
Property development costs	16(b)	**104,115**	78,118
Completed development properties		**11,710**	14,195
Finished goods		**5,226**	4,011
Raw materials		**4,143**	3,764
Packing materials		**1,433**	2,594
Sundry stores and consumables		**1,893**	1,365
Work-in-progress		**505**	519
Food, beverage and hotel supplies		**3,357**	3,191
Consumables		**-**	398
Spare parts		**-**	17
Goods in transit		**246**	102
Goods held for sale		**-**	669
At net realisable value			
Retail trading merchandises		**4,702**	2,193
		137,330	111,136

16. Inventories *(Cont'd)*

(a) 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

	Note	Group 2023 RM'000	2022 RM'000
At beginning of financial year			
Freehold land		**12,021**	12,569
Development costs		**65,433**	66,353
Exchange difference		**664**	514
		78,118	79,436
Property development costs incurred during the financial year		**75,563**	53,137
Property development costs recognised as an expense in profit or loss during the financial year		**(55,634)**	(54,605)
Transfer from land held for property development		**5,054**	-
Transfer to completed development properties		**958**	-
Transfer to property, plant and equipment	10	**(111)**	-
Exchange difference		**167**	150
At end of financial year		**104,115**	78,118
Represented by:			
Freehold land, at cost		**15,755**	12,021
Property development costs		**87,529**	65,433
Exchange difference		**831**	664
		104,115	78,118

(b) Recognised in profit or loss:

	Note	2023 RM'000	2022 RM'000
Inventories recognised as cost of sales		**81,254**	67,248
Inventories written down as cost of sales	7	**1,287**	524
Reversal of inventories previously written down	7	**(1,681)**	(2,953)

The reversal of the write-down was in respect of inventories sold above their carrying amounts during the financial year.

17. Goodwill On Consolidation

	Note	Group 2023 RM'000	2022 RM'000
Cost		**1,277,711**	1,267,253
Add: Acquisition of a subsidiary	32	**-**	10,458
Less: Accumulated impairment losses		**(1,250,273)**	(1,250,273)
Carrying amount		**27,438**	27,438
Accumulated impairment losses:			
At beginning of financial year		**1,250,273**	1,248,963
Impairment during the financial year	7	**-**	1,310
At end of financial year		**1,250,273**	1,250,273

The carrying amount of goodwill allocated to each cash-generating unit (CGU) is as follows:

CGU	2023	2022
Food	**16,980**	16,980
Fast food chain	**10,458**	10,458
	27,438	27,438

The Group has assessed the recoverable amounts of goodwill allocated to food CGU and fast food chain CGU and determined that no additional impairment is required. In the previous financial year, impairment loss of RM1,310,000 was recognised on food CGU in "Other Expenses" line item of the consolidated statement of profit or loss and other comprehensive income as disclosed in Note 7 to the financial statements.

The impairment assessment for food CGU is based on fair value less costs of disposal as the Group has entered into a Sale and Purchase Agreement for the disposal of 85% of equity interest in Network Foods International Ltd and its subsidiaries excluding Network Food (Hong Kong) Ltd as disclosed in Note 38 (a). The estimated recoverable amount exceeds the carrying amount of the CGU (including goodwill).

The recoverable amounts of the fast food chain CGU are determined using value in use approach, and this is determined by discounting the future cash flows expected to be generated from the continuing use of the CGUs covering a period of 5 years.

The key assumptions used in the determination of the recoverable amount of the food and fast food CGU are as follows:

	Group 2022 %
Food	
Growth rates	5.1% - 30.1%
Gross profit margin	25.8% - 30%
Discount rate	13.7%

Fast food chain	Group 2023	2022
Growth rates	**15.6% - 40.7%**	20.5% - 40%
Gross profit margin	**50.5% - 56%**	54.2% - 58.9%
Discount rate	**7.2%**	13.7%

17. Goodwill On Consolidation *(Cont'd)*

The values assigned to the key assumptions represent management's assessment of future trends in the CGU and are based on both external sources and internal historical data.

A reasonable possible change of the key assumptions will change the recoverable amount of the CGU as follows:

	Group
	2022
Food	RM'000
Effects on profit/(loss) for the year	
Reduction in growth rates by 5%	(8,829)
Reduction in gross profit margin rate by 5%	(12,461)
Increase in discount rate by 1%	(328)

	Group
Fast food chain	2022
Effects on profit/(loss) for the year	
Reduction in growth rates by 5%	(43,344)
Reduction in gross profit margin rate by 5%	(30,716)
Increase in discount rate by 1%	6,269

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

In the current financial year, management believes that there is no reasonably possible change in the above key assumptions applied that is likely to materially cause the respective cash-generating unit carrying amount to exceed its recoverable amount.

18. Intangible Asset

	Group	
	2023	2022
License Fee	**RM'000**	RM'000
Cost		
At beginning of financial year	**8,559**	-
Acquisition of a subsidiary	**-**	7,316
Addition	**1,583**	1,243
At end of financial year	**10,142**	8,559
Accumulated amortisation		
At beginning of financial year	**2,235**	-
Acquisition of a subsidiary	**-**	2,016
Addition	**831**	219
At end of financial year	**3,066**	2,235
Carrying amount	**7,076**	6,324

19. Trade And Other Receivables

		Group	
		2023	2022
	Note	**RM'000**	RM'000
Trade receivables		**32,700**	26,400
Less: Allowance for impairment losses	19(a)	**(751)**	(1,853)
		31,949	24,547
Other receivables		**81,947**	69,663
Less: Allowance for impairment losses	19(a)	**(64,050)**	(62,052)
		17,897	7,611
Amounts owing by associates		**100,912**	101,831
Less: Allowance for impairment losses	19(a)	**(33,495)**	(33,495)
		67,417	68,336
Goods and Services Tax recoverable		**38**	97
Deposits		**28,354**	11,653
Prepayments		**3,141**	12,319
		148,796	124,563

		Company	
		2023	2022
	Note	**RM'000**	RM'000
Amounts owing by subsidiaries		**229,482**	152,793
Less: Allowance for impairment losses			
At beginning of financial year		**(79,603)**	(80,293)
Additions during the financial year	6	**(55,892)**	(6,190)
Reversal during the financial year	6	**238**	-
Written off		**-**	6,880
At end of financial year		**(135,257)**	(79,603)
		94,225	73,190
Deposits		**5**	5
Dividend receivable		**870**	-
		95,100	73,195

19. Trade And Other Receivables *(Cont'd)*

(a) The reconciliation of movements in the impairment losses on trade and other receivables is as follows:

	Note	Group 2023 RM'000	Group 2022 RM'000
Trade receivables			
At beginning of financial year		**1,853**	1,569
Charge for the financial year	6	**-**	314
Reversal during the financial year	6	**(806)**	-
Written off		**(343)**	-
Exchange difference		**47**	(30)
At end of financial year		**751**	1,853
Other receivables			
At beginning of financial year		**62,052**	57,414
Charge for the financial year	6	**821**	3,747
Reversal during the financial year	6	**-**	(281)
Exchange difference		**1,177**	1,172
At end of financial year		**64,050**	62,052
Amounts owing by associates			
At beginning of financial year		**33,495**	33,849
Reversal during the financial year	6	**-**	(354)
At end of financial year		**33,495**	33,495
		98,296	97,400

(b) Trade receivables are non-interest bearing and the normal trade credit terms range from 7 to 120 days (2022: 7 to 120 days). Other credit terms are assessed and approved on a case-by-case basis.

(c) Included in the trade receivables are retention sums on Sale and Purchase Agreements totalling RM6,095,000 (2022: RM3,874,000). The retention sums are due upon expiry of the defect liability period stated in the respective Sale and Purchase Agreements. The remaining defect liability period range from 8 to 24 (2022: 8 to 24) months.

(d) Included in other receivables is an amount owing by a related party of RM18,027,000 (2022: RM17,507,000), which is unsecured, bears average interest at 2.5% (2022: 2.5%) per annum and payable upon demand in cash and cash equivalents. As at the reporting date, an accumulated impairment loss of RM16,452,000 (2022: RM16,187,000) is recognised in the financial statements.

(e) Included in other receivables is an overpayment of rental to be refunded from a related party, which amounted to RM16,977,000 (2022: RM17,013,000). As at the reporting date, an accumulated impairment loss of RM15,074,000 (2022: RM14,628,000) is recognised in the financial statements.

19. Trade And Other Receivables *(Cont'd)*

(f) The amounts owing by associates represent balances arising from advances, which are unsecured, repayable on demand in cash and cash equivalents and interest-free except for gross advances of RM54,384,000 (2022: RM54,384,000), which bear interest at 4.7% (2022: 4.7%) per annum and are repayable on demand. As at the reporting date, an accumulated impairment loss of RM33,495,000 (2022: RM33,495,000) is recognised in the financial statements.

(g) The amounts owing by subsidiaries represent balances arising from advances and payments made on behalf by the Company, are unsecured, repayable on demand in cash and cash equivalents and interest-free except for amounts totalling RM3,600,000 (2022: RM8,000,000), which bear interest ranging from 7.96% to 8.84% (2022: 7.5% to 7.75%) per annum.

(h) In the previous financial year, included in deposits is an amount of RM571,000 paid for the purchase of property, plant and equipment.

(i) The ageing analysis of trade receivables of the Group is as follows:

	Group			
2023	**Gross Amount RM'000**	**Individual Impairment RM'000**	**Collective Impairment RM'000**	**Carrying Amount RM'000**
Current (Not past due)	**23,262**	**-**	**(12)**	**23,250**
1 to 30 days past due	**2,292**	**-**	**(25)**	**2,267**
31 to 60 days past due	**5,344**	**-**	**(30)**	**5,314**
61 to 90 days past due	**467**	**-**	**(19)**	**448**
More than 90 days	**670**	**-**	**-**	**670**
Credit impaired	**665**	**(445)**	**(220)**	**-**
	32,700	**(445)**	**(306)**	**31,949**
2022				
Current (Not past due)	18,722	-	(113)	18,609
1 to 30 days past due	1,618	-	(6)	1,612
31 to 60 days past due	1,357	-	(2)	1,355
61 to 90 days past due	497	-	(4)	493
More than 90 days	2,477	-	1	2,478
Credit impaired	1,729	(423)	(1,306)	-
	26,400	(423)	(1,430)	24,547

20. Contract Assets/(Liabilities)

		Group	
	Note	**2023 RM'000**	2022 RM'000
Contract assets			
- accrued billings in respect of property development costs	20(a)	**27,231**	46,567
Contract liabilities			
- customer loyalty programme	20(b)	**(238)**	(842)
- cash voucher	20(c)	**(5)**	-
		(243)	(842)

20. Contract Assets/(Liabilities) *(Cont'd)*

	Note	Group 2023 RM'000	2022 RM'000
(a) At beginning of financial year		**46,567**	24,872
Property development revenue recognised in profit or loss during the financial year		**76,410**	77,122
Billings to customers during the financial year		**(95,746)**	(55,427)
At end of financial year		**27,231**	46,567
Represented by:			
Contract assets		**27,231**	46,567
Contract liabilities		**-**	-
		27,231	46,567

i. The contract assets represent the timing differences in revenue recognition and the milestone billings in respect of the property development activities.

ii. Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied at the reporting date are as follows:

	Group 2024 RM'000	2025 RM'000
Property development revenue	21,228	11,437

(b) The contract liabilities relate to loyalty programme where retail customers accumulate points for purchases made which entitle them to discounts and monetary benefits on future purchases.

(c) The contract liabilities relate to cash vouchers issued that is expected to be redeemed. The contract liabilities will be recognised as revenue when the cash vouchers are used for the purchases or when redemption occurs or upon expiry of the redemption period.

21. Right To Recover Returned Goods And Refund Liabilities

In accordance of MFRS 15, Revenue from Contracts with Customers, an asset for a right to recover returned goods is recognised in relation to sales of goods with a right to return.

These are measured by reference to the former carrying amount of the sold inventories less any expected costs to recover those inventories and any potential decreases in the value to the Group of the returned goods. For goods that are expected to be returned, instead of revenue, a refund liability is recognised.

22. Contract Costs

Costs to obtain customer contracts primarily comprise 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.

23. Deposits, Bank Balances And Cash

	Group		Company	
	2023	2022	**2023**	2022
	RM'000	RM'000	**RM'000**	RM'000
Term deposits with licensed banks	**48,550**	98,637	**9,680**	980
Bank balances and cash	**90,224**	69,775	**722**	47
	138,774	168,412	**10,402**	1,027

(a) The effective annual interest rate of term deposits during the financial year are ranging as follows:

	Group		Company	
	2023	2022	**2023**	2022
	%	%	**%**	%
Term deposits with licensed banks	**1.50 - 3.75**	0.10% to 2.23%	**1.55 - 2.95**	-

The maturity periods for deposits range from 1 to 365 days (2022: 1 to 365 days).

(b) Included in bank balances and cash of the Group are funds held under the Housing Development Accounts amounting to RM27,344,000 (2022: RM17,677,000) 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 a subsidiary involved in the property development activities.

(c) Included in term deposits is an amount of RM3,265,000 (2022: RM6,891,000) pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 33(d).

24. Assets Classified As Held For Sale

		Group	
		2023	2022
	Note	**RM'000**	RM'000
At beginning of financial year		**-**	309
Classified as held for sale during the financial year			
- Property, plant and equipment	10	**17,674**	-
- Investment properties	11	**165**	-
		17,839	-
Disposal during the financial year		**-**	(309)
At end of financial year		**17,839**	-

(a) The carrying amount of the assets is the same as their carrying amounts before they were classified as held for sale.

In the previous financial year, a subsidiary of the Company had dispose a piece of leasehold land with factory building with a carrying value of RM309,000 for a total consideration of RM2,450,000. The disposal was completed on 21 October 2022 with incidental cost to sell of RM272,000.

(b) On 7 November 2022, a subsidiary of the Company entered into Sale and Purchase Agreement to dispose a piece of leasehold land and the buildings erected thereon together with the fixtures and fittings with a carrying value of RM17,674,000 for a total consideration of RM41,000,000. The disposal was completed on 14 September 2023.

25. Share Capital

	Group/Company			
	2023 No. of Shares ('000)	2022 No. of Shares ('000)	**2023 Amount RM'000**	2022 Amount RM'000
Issued and fully paid-up				
At beginning of financial year	**3,149,209**	2,932,561	**93,866**	3,152,866
Addition: Private placement	**76,608**	216,648	**4,218**	11,000
Less: Capital reduction	**-**	-	**-**	(3,070,000)
At end of financial year	**3,225,817**	3,149,209	**98,084**	93,866

(a) The owners of the Company are entitled to receive dividends 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.

(b) In the current financial year, the Company increased its issued and paid-up share capital from RM93,866,585 to RM98,084,107 resulting from the issuance of 76,608,300 new ordinary shares for a total cash consideration of RM4,217,522 pursuant to the private placement as below:

No.	Allotment Date	No. of Issued Shares	Price per Share	Total Cash Consideration (RM)
1.	19 July 2022	50,000,000	0.0496	2,480,000
2.	7 September 2022	26,608,300	0.0653	1,737,522

The new ordinary shares issued rank pari-passu in all respects with the existing ordinary shares of the Company.

26. Reserves

	Group	
	2023 RM'000	2022 RM'000
Exchange translation reserve	**60,095**	(10,747)
Fair value reserve	**1,285**	172
Revaluation reserve	**897,078**	-
	958,458	(10,575)

(a) The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment of the Group in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(b) 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.

(c) The revaluation reserve represents the increase in the fair value of freehold land and buildings of the Group (net of deferred tax, where applicable) presented under property, plant and equipment and its share in the revaluation reserve of an associate's freehold land and buildings.

27. Borrowings

	Group		Company	
	2023	2022	**2023**	2022
	RM'000	RM'000	**RM'000**	RM'000
Non-current				
Term loans				
- secured	**205,692**	214,670	**-**	-
Revolving credits				
- secured	**21,854**	23,054	**-**	-
- unsecured	**10,336**	17,336	**-**	3,600
Hire-purchase	**2,453**	3,636	**-**	-
Total non-current borrowings	**240,335**	258,696	**-**	3,600
Lease liabilities	**79,976**	70,347	**-**	-
	320,311	329,043	**-**	3,600
Current				
Bank overdrafts				
- secured	**8,064**	3,217	**-**	-
Term loans				
- secured	**511,997**	465,779	**-**	-
Revolving credits				
- secured	**31,200**	33,095	**-**	-
- unsecured	**27,750**	32,583	**3,600**	4,400
Hire-purchase	**3,458**	3,087	**-**	-
Total current borrowings	**582,469**	537,761	**3,600**	4,400
Lease liabilities	**10,772**	9,339	**-**	-
	593,241	547,100	**3,600**	4,400
Total borrowings	**913,552**	876,143	**3,600**	8,000

	Group	
	2023	2022
	RM'000	RM'000
(a) The maturities of non-current term loans and revolving credits are as follows:		
Between 1 year to 5 years	**221,750**	237,403
More than 5 years	**16,132**	17,657
	237,882	255,060

27. Borrowings *(Cont'd)*

(b) Details of hire-purchase and lease liabilities are as follows:

	Note	Group 2023 RM'000	Group 2022 RM'000
At beginning of financial year		**86,409**	67,721
Acquisition of a subsidiary	32	**-**	18,854
Addition	33(a)	**9,511**	8,800
Interest expense recognised in profit or loss	7	**4,307**	3,439
Changes due to lease modification	10	**9,502**	3,705
Covid-19 related rent concessions		**-**	(57)
Derecognisation due to lease modification		**-**	(1,642)
Exchange difference		**6,019**	(4,481)
Repayment of principal		**(14,782)**	(6,491)
Repayment of interest expense		**(4,307)**	(3,439)
At end of financial year		**96,659**	86,409
Analysed by:			
Current liabilities		**14,230**	12,426
Non-current liabilities		**82,429**	73,983
		96,659	86,409

(c) The weighted average effective annual interest rates of borrowings during the financial year are as follows:

	Group 2023 %	Group 2022 %	Company 2023 %	Company 2022 %
Bank overdrafts	**8.2**	7.2	**-**	-
Revolving credits	**7.2**	6.6	**7.8**	7.5
Term loans	**5.0**	4.3	**-**	-
Hire-purchase	**3.2**	6.1	**-**	-
Lease liabilities	**4.3**	4.1	**-**	-

(d) The banking facilities of certain subsidiaries are secured by the following:

(i) fixed charges over certain property, plant and equipment, shares held in a quoted and unquoted subsidiaries and term deposits of the Group as disclosed in Notes 10, 12 and 23;

(ii) floating charges over all the other assets of certain subsidiaries;

(iii) a corporate guarantee of the Company; and

(iv) a corporate guarantee of certain subsidiaries.

27. Borrowings *(Cont'd)*

(e) The Group and Company are required to comply with financial covenants such as interest service cover ratio, loan to value ratio, tangible net worth threshold, debt service cover ratio, gearing ratio, cash flow cover ratio and net borrowing to earnings before interest, taxes, depreciation and amortisation ratio as defined in the respective facility agreements. For the financial year ended 30 June 2023, the Group and the Company have complied with these requirements saved as disclosed below.

As at 30 June 2023, included in the borrowings of the Group are term loan amounting to approximately RM491,018,000 obtained for the purpose of working capital. Based on the terms of the Facility Agreement, the Group is required to comply with the following financial covenants, based upon the results achieved in a foreign subsidiary, Plaza on Hyde Park Limited:

(i) Interest service cover ratio exceeding 1.25:1,
(ii) Loan to value not exceeding 60%, and
(iii) Tangible net worth not less than RM300 million.

The Group failed on the interest service cover ratio during the current financial year. The Group have obtained a waiver of this covenant. The term loan is classified as a current liability as it is due for repayment within 12 months.

Based on the terms of the Facility Agreement, the Group is required to comply with the following financial covenants, based upon the results achieved in a foreign subsidiary, County Hotels Limited:

(i) Interest service cover ratio, adjusted by 4% of revenues, not exceeding 200%,
(ii) Cashflow cover exceeding 110%, and
(iii) Net borrowing ratio to EBITDA not exceeding 400%.

The Group failed on the interest service cover ratio for term loan amounting to approximately RM4,046,000 during the current financial year. The bank reserves the right to demand immediate repayment from the Group as the waiver has not been obtained. The term loan is classified as a current liability as it is due for repayment within 12 months.

28. Provision For Restoration Cost

		Group	
		2023	2022
	Note	**RM'000**	RM'000
At beginning of financial year		**4,316**	3,430
Acquisition of a subsidiary		**-**	1,275
Provision made during the financial year		**1,151**	171
Recognised in right-of-use assets	10	**369**	-
Recognised in profit or loss	7	**64**	66
Reversal during the financial year	7	**(979)**	(600)
Written off during the financial year	7	**(7)**	(26)
At end of financial year		**4,914**	4,316
Analysed between:			
- Non-current portion		**3,028**	4,316
- Current portion		**1,886**	-
		4,914	4,316

28. Provision For Restoration Cost *(Cont'd)*

Provision for restoration costs is made based on the estimated cost of restoring the rented premises and leased retail stores arising from the use of such premises and in accordance to the stipulations in the tenancy agreements.

Provision for restoration costs is classified as non-current liabilities unless the tenancy agreement, for which the restoration is required, expired within 12 months after the reporting date.

29. Employee Benefits

		Group	
		2023	2022
	Note	**RM'000**	RM'000
At beginning of financial year		**1,843**	1,806
Exchange difference		**-**	6
Provision during the financial year	7	**47**	216
Writeback during the financial year	7	**(119)**	(103)
Paid during the financial year		**(192)**	(82)
At end of financial year		**1,579**	1,843
Analysed between:			
- Non-current portion		**750**	997
- Current portion		**829**	846
		1,579	1,843

Provision is made for employee entitlements accumulated as a result of employees rendering services up to the reporting date. These benefits include annual leave and retirement gratuity.

Liabilities arising in respect of annual leave and retirement gratuity are measured at their nominal amounts.

30. Deferred Tax Assets/Liabilities

		Group	
		2023	2022
	Note	**RM'000**	RM'000
At beginning of financial year		**(882)**	2,779
Acquisition of a subsidiary		**-**	(4,099)
Recognised in profit or loss	8	**(409)**	394
Recognised in other comprehensive income		**145,518**	-
Exchange difference		**8,552**	44
At end of financial year		**152,779**	(882)

(a) The amounts, determined after appropriate offsetting, are as follows:

Deferred tax liabilities, net	**158,383**	5,037
Deferred tax assets, net	**(5,604)**	(5,919)
	152,779	(882)

30. Deferred Tax Assets/Liabilities *(Cont'd)*

(b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax liabilities

Group	Property, Plant and Equipment RM'000	Set Off of Tax RM'000	Total RM'000
At 1 July 2021	5,142	(201)	4,941
Acquisition of a subsidiary	95	-	95
Recognised in profit or loss	(73)	-	(73)
Reclassification	28	-	28
Exchange difference	46	-	46
At 30 June 2022/1 July 2022	**5,238**	**(201)**	**5,037**
Recognised in other comprehensive income	**145,518**	**-**	**145,518**
Recognised in profit or loss	**(747)**	**(31)**	**(778)**
Reclassification	**(246)**	**271**	**25**
Exchange difference	**8,581**	**-**	**8,581**
At 30 June 2023	**158,344**	**39**	**158,383**

Deferred tax assets

Group	Provisions RM'000	Unutilised Tax Losses and Capital Allowances RM'000	Inventories RM'000	Set Off of Tax RM'000	Total RM'000
At 1 July 2021	(1,605)	(458)	(300)	201	(2,162)
Acquisition of a subsidiary	(306)	(3,888)	-	-	(4,194)
Recognised in profit or loss	47	420	-	-	467
Reclassification	-	(28)	-	-	(28)
Exchange difference	-	6	(8)	-	(2)
At 30 June 2022/1 July 2022	**(1,864)**	**(3,948)**	**(308)**	**201**	**(5,919)**
Recognised in profit or loss	**97**	**241**	**-**	**31**	**369**
Reclassification	**246**	**1**	**(1)**	**(271)**	**(25)**
Exchange difference	**-**	**(3)**	**(26)**	**-**	**(29)**
At 30 June 2023	**(1,521)**	**(3,709)**	**(335)**	**(39)**	**(5,604)**

The deferred tax assets have been recognised by certain subsidiaries on the basis of their previous history of recording profits and to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

(c) The Group has not recognised deferred tax assets in the financial statements in respect of the following items:

	Group 2023 RM'000	Group 2022 RM'000
Unutilised tax losses	**1,063,554**	1,065,749
Unutilised capital allowances	**23,625**	23,421
Other deductible temporary differences	**646,504**	646,047
	1,733,683	1,735,217

30. Deferred Tax Assets/Liabilities *(Cont'd)*

(c) The Group has not recognised deferred tax assets in the financial statements in respect of the following items: *(cont'd)*

The deferred tax assets are not recognised in respect of these items as the relevant subsidiaries are uncertain of the extent that is probable that future taxable profit will be available against which the above deductible temporary differences can be utilised.

For the Malaysia entities, the unused tax losses are allowed to be utilised for 10 consecutive years of assessment while unabsorbed capital allowances and other deductible temporary differences are allowed to be carried forward indefinitely. The use of tax losses of subsidiaries in other countries are subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the subsidiaries operate.

31. Trade And Other Payables

		Group		Company	
		2023	2022	**2023**	2022
		RM'000	RM'000	**RM'000**	RM'000
Non-current					
Amount owing to a subsidiary	(a)	**-**	-	**15,000**	15,000
Amount owing to a related company		**-**	4,001	**-**	-
		-	4,001	**15,000**	15,000
Current					
Trade payables	(b)	**52,238**	50,155	**-**	-
Other payables	(c)	**60,178**	26,689	**164**	320
Accrued expenses		**33,314**	45,946	**-**	-
Advances from customers		**4,331**	6,492	**-**	-
Amounts owing to subsidiaries	(d)	**-**	-	**469,831**	579,780
Amounts owing to associates	(e)	**127,758**	109,977	**-**	-
		277,819	239,259	**469,995**	580,100
Total trade and other payables		**277,819**	243,260	**484,995**	595,100

(a) The amount owing to a subsidiary represents a loan granted by a subsidiary which is unsecured. The amount owing at the end of the reporting period bore interest rate of 6.2% (2022:6.2%) per annum. The amount owing is repayable within 36 months or such other extended period to be mutually agreed by the subsidiary and the Company, or in the event that the Corus Hotel Hyde Park in London, England is sold, within 30 days from the date the Company receives the proceeds of the sale, whichever is the earlier.

(b) Trade payables are non-interest bearing and the normal trade credit terms range from 14 to 120 days (2022: 14 to 120 days).

(c) In previous financial year, included in other payables of the Group is a provision for service charges of RM411,000 brought against a subsidiary of the Group.

(d) The amounts owing to subsidiaries represent balances arising from advances received from subsidiaries which are unsecured, repayable on demand in cash and cash equivalents and interest-free except for amounts owing to two subsidiaries of RM173,905,000 (2022: amount owing to two subsidiaries of RM169,805,000), which bears interest ranging from 5.70% to 6.45% (2022: 5.47% to 6.20%) per annum.

31. Trade And Other Payables *(Cont'd)*

(e) The amounts owing to associates represent balances arising from advances received by certain overseas subsidiaries from associates, which are unsecured, repayable on demand in cash and cash equivalents and interest-free except for amount totalling RM117,124,000 (2022: RM100,257,000), which bears interest at 5.59% (2022: 2.10%) per annum.

32. Acquisition of a subsidiary

In the previous financial year, Pan Malaysia Corporation Berhad ("PMC"), a 61.07%-owned subsidiary of the Company, acquired 51% equity interests in A & W (Malaysia) Sdn Bhd. The acquisition of this subsidiary is to enable the Group to expand and diversify its revenue and earnings base from mainly chocolate and confectionary business into the rapidly growing quick service restaurant business.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

	Group 2022 RM'000
Property, plant and equipment	55,742
Intangible asset	5,300
Deferred tax assets	4,099
Inventories	2,007
Trade and other receivables	10,666
Deposits, bank balances and cash	8,163
Trade and other payables	(41,885)
Lease liabilities	(18,854)
Term loans	(17,812)
Overdrafts	(2,806)
Net identifiable assets acquired	4,620
Less: Non-controlling interests, measured at the proportionate share of the fair value of the net identifiable assets	(2,264)
Add: Goodwill attributed to non-controlling interests	6,961
Goodwill on acquisition	10,458
Total purchase consideration	19,775
Less: Transfer of treasury shares by PMC	(8,204)
Cash and bank balances of a subsidiary acquired, net of bank overdraft	(5,357)
Net cash outflow from the acquisition of a subsidiary	6,214

(a) The goodwill is attributable mainly to the control premium paid. In addition, the purchase consideration also included benefits derived from the expected revenue growth of the subsidiary, its future market development as well as a customer list. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible asset. The goodwill is not deductible for tax purposes.

(b) The subsidiary has contributed revenue of RM27,965,890 and profit after taxation of RM483,751 to the Group since the date of acquisition.

If the acquisition was effective at the beginning of the previous financial year, the Group's revenue and loss after taxation for the current financial year would have been RM432,486,000 and RM19,036,000 respectively.

There were no acquisitions of new subsidiaries in the current financial year.

33. Cash Flow Information

(a) The cash disbursed for the purchase of property, plant and equipment is as follows:

	Note	Group 2023 RM'000	Group 2022 RM'000
Property, plant and equipment			
Cost of property, plant and equipment purchased	10	**67,215**	22,581
Addition of new lease liabilities	33(b)	**(9,511)**	(8,800)
Deposits made for future purchases	19(h)	**-**	571
Modification of lease liabilities	33(b)	**(9,502)**	(3,705)
Lease incentive received		**1,728**	-
		49,930	10,647

(b) The reconciliations of liabilities arising from financing activities are as follows:

	Note	Term Loans RM'000	Revolving Credits RM'000	Hire-Purchase RM'000	Lease Liabilities RM'000	Total RM'000
Group						
At 1 July 2022		**680,449**	**106,068**	**6,723**	**79,686**	**872,926**
Changes in financing cash flows						
Proceeds from drawdown		**13,261**	**-**	**-**	**-**	**13,261**
Repayment of principal		**(20,933)**	**(14,928)**	**(3,884)**	**(10,898)**	**(50,643)**
Repayment of interest		**(34,647)**	**(6,367)**	**(422)**	**(3,885)**	**(45,321)**
		(42,319)	**(21,295)**	**(4,306)**	**(14,783)**	**(82,703)**
Non-cash changes						
Acquisition of new leases	27(b) & 33(a)	**-**	**-**	**3,072**	**6,439**	**9,511**
Exchange difference		**44,912**	**-**	**-**	**6,019**	**50,931**
Modification of lease liabilities		**-**	**-**	**-**	**9,502**	**9,502**
Interest expense recognised in profit or loss		**34,647**	**6,367**	**422**	**3,885**	**45,321**
		79,559	**6,367**	**3,494**	**25,845**	**115,265**
At 30 June 2023		**717,689**	**91,140**	**5,911**	**90,748**	**905,488**

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. Cash Flow Information *(Cont'd)*

(b) The reconciliations of liabilities arising from financing activities are as follows: *(Cont'd)*

	Term Loans RM'000	Revolving Credits RM'000	Hire-Purchase RM'000	Lease Liabilities RM'000	Total RM'000
Group					
At 1 July 2021	714,817	120,943	1,173	66,548	903,481
Changes in financing cash flows					
Proceeds from drawdown	9,480	-	-	-	9,480
Repayment of principal	(27,561)	(14,875)	(1,087)	(5,404)	(48,927)
Repayment of interest	(26,267)	(6,630)	(190)	(3,249)	(36,336)
	(44,348)	(21,505)	(1,277)	(8,653)	(75,783)
Non-cash changes					
Acquisition of new leases	-	-	3,050	5,750	8,800
Acquisition of a subsidiary	17,812	-	3,587	15,267	36,666
Covid-19 related rent concessions	-	-	-	(57)	(57)
Derecognisation due to lease modification	-	-	-	(1,642)	(1,642)
Exchange difference	(34,099)	-	-	(4,481)	(38,580)
Modification of lease liabilities	-	-	-	3,705	3,705
Interest expense recognised in profit or loss	26,267	6,630	190	3,249	36,336
	9,980	6,630	6,827	21,791	45,228
At 30 June 2022	680,449	106,068	6,723	79,686	872,926

	Revolving Credits	
	2023 RM'000	2022 RM'000
Company		
At beginning of financial year	**8,000**	10,000
Changes in financing cash flows		
Repayment of principal	**(4,400)**	(2,000)
Repayment of interest	**(450)**	(677)
	(4,850)	(2,677)
Non-cash change		
Interest expense recognised in profit or loss	**450**	677
At end of financial year	**3,600**	8,000

(c) The total cash outflows for leases as a lessee are as follows:

	Group	
	2023 RM'000	2022 RM'000
Interest paid on lease liabilities and hire-purchase	**4,307**	3,439
Payment of short-term leases	**14,834**	709
Payment of lease liabilities and hire-purchase	**14,782**	6,491
	33,923	10,639

33. Cash Flow Information *(Cont'd)*

(d) The cash and cash equivalents comprise the following:

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Term deposits with licensed banks		**48,550**	98,637	**9,680**	980
Bank balances and cash		**90,224**	69,775	**722**	47
Money market fund	15	**13,152**	6,505	**-**	-
Bank overdrafts		**(8,064)**	(3,217)	**-**	-
		143,862	171,700	**10,402**	1,027
Less: Term deposits with tenure of more than 3 months		**(8,136)**	(12,487)	**-**	-
Term deposits pledged with licensed banks	23(c)	**(3,265)**	(6,891)	**-**	-
		132,461	152,322	**10,402**	1,027

34. Operating Segments Of The Group

Malayan United Industries Berhad has six core reportable business segments that are organised and managed separately according to the nature of products and services, which requires different business and marketing strategies. The reportable segments are summarised as follows:

Retailing	-	Operating department and specialty stores, and through associates: (i) use and sub-licensing of trademarks and copyright; and (ii) design, manufacture, sourcing, distribution and sale of garments and accessories.
Hotel	-	Holding of hotel properties and hotel operations.
Food	-	Manufacture, sale and marketing of chocolates, confectionery and related products.
Fast Food Chain	-	Operating chain of restaurants.
Property	-	Property development and investment, sale of oil palm fresh fruit bunches.
Financial Services	-	Through its associate, stockbroking and asset management. The Group has discontinued recognising share of further results as its share of losses has exceeded the Group's interest in the associate.
Others	-	Investment activities and others including property investment and licensing of a trademark through an associate. The revenue is inter-segment and eliminated on consolidation.

The accounting policies of operating segments are the same as those described in the summary of significant accounting policies. The Group evaluates performance on the basis of profit or loss from operations before tax not including non-recurring losses, such as impairment losses.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the current and previous financial years.

Segment assets exclude tax assets and assets used primarily for corporate purposes.

Segment liabilities exclude tax liabilities and liabilities used primarily for corporate purposes.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

34. Operating Segments Of The Group *(Cont'd)*

(i) Business segments

2023	Retailing RM'000	Hotel RM'000	Food RM'000	Fast Food Chain RM'000	Property RM'000	Others RM'000	Elimination RM'000	Total Group RM'000
REVENUE								
External revenue	32,006	122,004	59,057	186,887	83,031	-	-	482,985
Inter-segment revenue	-	-	-	-	72	4,772	(4,844)	-
Total revenue	32,006	122,004	59,057	186,887	83,103	4,772	(4,844)	482,985
Represented by:								
Revenue recognised at a point in time								
Sales of goods	15,310	-	59,057	-	-	-	-	74,367
Sales of food and beverage	-	-	-	186,887	-	-	-	186,887
Hotel operations	-	24,716	-	-	-	-	-	24,716
Property development	-	-	-	-	3,601	-	-	3,601
Commissions from concessionaire sales	16,696	-	-	-	-	-	-	16,696
Sales of oil palm fruits	-	-	-	-	2,460	-	-	2,460
Revenue recognised over time								
Hotel operations	-	97,288	-	-	-	-	-	97,288
Property development	-	-	-	-	76,410	-	-	76,410
Property rental income	-	-	-	-	632	-	(72)	560
Management fee	-	-	-	-	-	4,772	(4,772)	-
	32,006	122,004	59,057	186,887	83,103	4,772	(4,844)	482,985
RESULTS								
Segment results (external)	(3,025)	68,255	(3,885)	(939)	13,174	(4,859)	-	68,721
Interest income	355	15	234	30	1,266	1,675	-	3,575
Profit/(Loss) from operations before impairment loss on financial assets	(2,670)	68,270	(3,651)	(909)	14,440	(3,184)	-	72,296
Impairment reversal/(loss) on financial assets *(refer note 6)*	(265)	187	619	-	-	(556)	-	(15)
Profit/(Loss) from operations after impairment loss on financial assets	(2,935)	68,457	(3,032)	(909)	14,440	(3,740)	-	72,281
Finance costs	(2,311)	(35,566)	(89)	(5,753)	(155)	(10,020)	-	(53,894)
Share of results of associates	9,181	-	-	-	-	(5,071)	-	4,110
Share of results of joint venture	-	-	(5)	-	-	-	-	(5)
Profit/(Loss) before taxation	3,935	32,891	(3,126)	(6,662)	14,285	(18,831)	-	22,492
Taxation	(1,235)	2,681	43	(1,967)	(5,910)	(329)	-	(6,717)
Profit/(Loss) after taxation	2,700	35,572	(3,083)	(8,629)	8,375	(19,160)	-	15,775

34. Operating Segments Of The Group *(Cont'd)*

(i) Business segments *(Cont'd)*

2023	Retailing RM'000	Hotel RM'000	Food RM'000	Fast Food Chain RM'000	Property RM'000	Others RM'000	Elimination RM'000	Total Group RM'000
ASSETS								
Segment assets	84,299	1,240,693	73,692	145,439	457,803	401,904	-	2,403,830
Investments in associates	9,387	-	-	-	-	220,467	-	229,854
Investments in joint venture	-	-	135	-	-	-	-	135
Unallocated corporate assets								10,076
Consolidated total assets								2,643,895
LIABILITIES								
Segment liabilities	52,546	819,591	15,435	130,747	37,165	143,513	-	1,198,997
Unallocated corporate liabilities								158,672
Consolidated total liabilities								1,357,669
OTHER SEGMENT INFORMATION								
Additions to non-current assets other than financial instruments and deferred tax assets	3,414	6,895	667	49,335	226	450	-	60,987
Depreciation	(3,108)	(19,052)	(2,207)	(19,068)	(807)	(327)	-	(44,569)
Amortisation of intangible asset	-	-	-	(831)	-	-	-	(831)
Other material non-cash items:								
- Fair value gain on:								
- investment in unquoted preference shares	-	-	-	-	-	49,306	-	49,306
- Gain on disposal of property, plant and equipment	-	45,506	-	-	-	15	-	45,521
- Inventories written down	(115)	-	(1,172)	-	-	-	-	(1,287)
- Gain/(Loss) in foreign exchange (unrealised)	-	-	207	-	-	(15,927)	-	(15,720)
- Net Impairment reversal/(loss) on:								
- investment in preference shares of an associate	-	-	-	-	-	(28,110)	-	(28,110)
- property, plant and equipment	(2,641)	17,977	-	(1,950)	(4,027)	-	-	9,359
- right-of-use assets	(340)	-	-	-	-	-	-	(340)
- reversal of provision for restoration cost	979	-	-	-	-	-	-	979
- Reversal of inventories previously written down	(1,681)	-	-	-	-	-	-	(1,681)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

34. Operating Segments Of The Group *(Cont'd)*

(i) Business segments *(Cont'd)*

2022	Retailing RM'000	Hotel RM'000	Food RM'000	Fast Food Chain RM'000	Property RM'000	Others RM'000	Elimination RM'000	Total Group RM'000
REVENUE								
External revenue	24,982	120,487	51,398	54,835	87,577	-	-	339,279
Inter-segment revenue	-	-	-	-	72	6,622	(6,694)	-
Total revenue	24,982	120,487	51,398	54,835	87,649	6,622	(6,694)	339,279
Represented by:								
Revenue recognised at a point in time								
Sales of goods	13,607	-	51,398	-	-	-	-	65,005
Sales of food and beverage	-	-	-	54,835	-	-	-	54,835
Hotel operations	-	40,484	-	-	-	-	-	40,484
Property development	-	-	-	-	6,472	-	-	6,472
Commissions from concessionaire sales	11,375	-	-	-	-	-	-	11,375
Sales of oil palm fruits	-	-	-	-	3,498	-	-	3,498
Revenue recognised over time								
Hotel operations	-	80,003	-	-	-	-	-	80,003
Property development	-	-	-	-	77,122	-	-	77,122
Property rental income	-	-	-	-	557	-	(72)	485
Management fee	-	-	-	-	-	6,622	(6,622)	-
	24,982	120,487	51,398	54,835	87,649	6,622	(6,694)	339,279
RESULTS								
Segment results (external)	(1,422)	11,661	(5,711)	1,948	23,641	(10,034)	-	20,083
Interest income	357	14	199	-	904	1,286	-	2,760
Profit/(Loss) from operations before impairment reversal/(loss) on financial assets	(1,065)	11,675	(5,512)	1,948	24,545	(8,748)	-	22,843
Impairment reversal/(loss) on financial assets *(refer note 6)*	(2,119)	(314)	-	-	-	(993)	-	(3,426)
Profit/(Loss) from operations after impairment reversal/(loss) on financial assets	(3,184)	11,361	(5,512)	1,948	24,545	(9,741)	-	19,417
Finance costs	(2,276)	(27,896)	(134)	(999)	(370)	(6,863)	-	(38,538)
Share of results of associates	4,964	-	-	-	-	(4,519)	-	445
Share of results of joint venture	-	-	(10)	-	-	-	-	(10)
Profit /(Loss) before taxation	(496)	(16,535)	(5,656)	949	24,175	(21,123)	-	(18,686)
Taxation	(986)	32	62	-	(5,847)	(106)	-	(6,845)
Profit/(Loss) after taxation	(1,482)	(16,503)	(5,594)	949	18,328	(21,229)	-	(25,531)

34. Operating Segments Of The Group *(Cont'd)*

(i) Business segments *(Cont'd)*

2022	Retailing RM'000	Hotel RM'000	Food RM'000	Fast Food Chain RM'000	Property RM'000	Others RM'000	Elimination RM'000	Total Group RM'000
ASSETS								
Segment assets	24,486	513,932	77,069	110,230	330,468	196,475	-	1,252,660
Investments in associates	6,377	-	-	-	-	179,131	-	185,508
Investments in joint venture	-	-	140	-	-	-	-	140
Unallocated corporate assets								8,361
Consolidated total assets								1,446,669
LIABILITIES								
Segment liabilities	58,209	789,595	12,941	91,341	25,852	149,423	-	1,127,361
Unallocated corporate liabilities								5,640
Consolidated total liabilities								1,133,001
OTHER SEGMENT INFORMATION								
Additions to non-current assets other than financial instruments and deferred tax assets	1,105	3,271	561	13,277	180	23	-	18,417
Depreciation	(3,120)	(10,675)	(2,448)	(6,584)	(601)	(274)	-	(23,702)
Amortisation of intangible asset	-	-	-	(219)	-	-	-	(219)
Other material non-cash items:								
- Fair value gain on preference shares	-	-	-	-	-	4,064	-	4,064
- Gain/(loss) on disposal of:								
- non-current asset held for sale	-	-	1,869	-	-	-	-	1,869
- property, plant and equipment	-	164	-	-	3	-	-	167
- Inventories written down	(142)	-	(382)	-	-	-	-	(524)
- Gain/(Loss) in foreign exchange (unrealised)	-	-	255	(182)	-	14,982	-	15,055
- Loss on derecognition of winding up subsidiaries	-	-	-	-	-	(2,537)	-	(2,537)
- Property, plant and equipment written off	(7)	(1,312)	-	-	-	-	-	(1,319)
- Impairment loss on:								
- goodwill	-	-	(1,310)	-	-	-	-	(1,310)
- investment in preference shares of an associate	-	-	-	-	-	(18,077)	-	(18,077)
- property, plant and equipment	(1,600)	-	-	-	-	-	-	(1,600)
- Reversal of provision of service charge	-	1,738	-	-	-	-	-	1,738

34. Operating Segments Of The Group *(Cont'd)*

(ii) Geographical segments

	Revenue		Assets Employed		Capital Expenditure	
	2023	2022	**2023**	2022	**2023**	2022
	RM'000	RM'000	**RM'000**	RM'000	**RM'000**	RM'000
Malaysia	**379,000**	227,184	**1,289,585**	887,917	**54,548**	15,395
Asia-Pacific	**7,329**	4,714	**86,144**	32,269	**9**	3
Australia	**560**	485	**27,460**	5,231	**-**	-
North America	**-**	-	**181,705**	176,375	**-**	-
United Kingdom	**96,096**	106,896	**1,059,001**	344,877	**6,429**	3,019
Total	**482,985**	339,279	**2,643,895**	1,446,669	**60,986**	18,417

(iii) Major customers

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.

I. Financial Risk Management Policies

(a) Market Risk

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk as a result of its normal operations, both external and intra-group where the currency denomination differs from the functional currencies of the operating entities. The currencies giving rise to this risk are primarily Singapore Dollar (SGD), British Pound (GBP), United States Dollar (USD) and Hong Kong Dollar (HKD). The policy of the Group is to minimise the exposure of overseas operating subsidiaries to transaction risk by matching local currency income against local currency costs.

The Group is also exposed to foreign currency risk in respect of its overseas investments.

35. Financial Instruments *(Cont'd)*

I. Financial Risk Management Policies *(Cont'd)*

(a) Market Risk *(Cont'd)*

(i) Foreign Currency Risk *(Cont'd)*

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:

Foreign Currency Exposure

2023	SGD RM'000	GBP RM'000	USD RM'000	HKD RM'000
Financial assets				
Trade and other receivables	**1,547**	**7,154**	**1,193**	**12,698**
Deposits, bank balances and cash	**7,275**	**22,361**	**13,075**	**4,962**
Investment in unquoted shares	**10,928**	**-**	**-**	**-**
Investment in unquoted preference shares	**-**	**-**	**218,925**	**-**
Other investments	**5,373**	**-**	**5,805**	**-**
	25,123	**29,515**	**238,998**	**17,660**
Financial liabilities				
Borrowings	**-**	**(561,596)**	**-**	**-**
Trade and other payables	**(903)**	**(40,890)**	**(127,428)**	**(803)**
	(903)	**(602,486)**	**(127,428)**	**(803)**
Net financial assets/(liabilities)	**24,220**	**(572,971)**	**111,570**	**16,857**
Less: Net financial (assets)/liabilities denominated in the respective entities' functional currencies	**(19,009)**	**572,971**	**117,122**	**(16,853)**
Currency Exposure	**5,211**	**-**	**228,692**	**4**
2022				
Financial assets				
Trade and other receivables	834	10,751	736	931
Deposits, bank balances and cash	9,223	24,365	20,224	7,746
Investment in unquoted shares	7,918	-	-	-
Investment in unquoted preference shares	-	-	177,590	-
Other investments	4,117	-	6,520	-
	22,092	35,116	205,070	8,677
Financial liabilities				
Borrowings	-	(522,938)	-	-
Trade and other payables	(2,489)	(41,723)	(107,196)	(386)
	(2,489)	(564,661)	(107,196)	(386)
Net financial assets/(liabilities)	19,603	(529,545)	97,874	8,291
Less: Net financial (assets)/liabilities denominated in the respective entities' functional currencies	(16,099)	529,545	100,856	7,595
Currency Exposure	3,504	-	198,730	15,886

35. Financial Instruments *(Cont'd)*

I. Financial Risk Management Policies *(Cont'd)*

(a) Market Risk *(Cont'd)*

(i) Foreign Currency Risk *(Cont'd)*

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of the Group to a reasonably possible change in the SGD, GBP, USD and HKD against the respective functional currencies of the Group entities, with all other variables held constant:

			Group	
			2023	2022
Effects on loss after taxation			**RM'000**	RM'000
SGD/RM	-	strengthened by 10%	**+396**	+266
	-	weakened by 10%	**-396**	-266
GBP/RM	-	strengthened by 10%	**-**	-
	-	weakened by 10%	**-**	-
USD/RM	-	strengthened by 10%	**+17,381**	+15,103
	-	weakened by 10%	**-17,381**	-15,103
HKD/RM	-	strengthened by 10%	**+1**	+1,207
	-	weakened by 10%	**-1**	-1,207

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from borrowings with variable rate. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The Group's fixed rate receivables and term deposits are carried at amortised cost. Therefore, they are not subject to interest rate risk as defined in MFRS 7 since neither carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 27.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group if interest rates at the end of each reporting period changed by 0.5% with all other variables held constant:

	Group	
	2023	2022
Effects on profit/(loss) after taxation	**RM'000**	RM'000
- increased by 0.5% (2022: 0.5%)	**-3,287**	-2,955
- decreased by 0.5% (2022: 0.5%)	**+3,287**	+2,955

35. Financial Instruments *(Cont'd)*

I. Financial Risk Management Policies *(Cont'd)*

(a) Market Risk *(Cont'd)*

(iii) Equity Price Risk

Equity price risk is the risk that the fair value or future cash flow of financial instruments will fluctuate because of changes in market price in equity instruments. 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.

Sensitivity analysis for equity price risk

The following table details the sensitivity analysis to a reasonably possible change in the prices of the quoted investments at the end of the reporting period, with all other variables held constant:

	Group	
	2023	2022
Effects on profit/(loss) after taxation	**RM'000**	RM'000
- increased by 5% (2022: 5%)	**+1,405**	+1,207
- decreased by 5% (2022: 5%)	**-1,405**	-1,207
Effects on other comprehensive income		
- increased by 5% (2022: 5%)	**+129**	+107
- decreased by 5% (2022: 5%)	**-129**	-107

(b) Credit Risk

Credit risk is the risk that a counterparty is unable to pay its debts or meet its obligations. The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

It is the policy of the Group to monitor the financial standing of these counterparties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade and other receivables, details of which are disclosed in Note 19. For other financial assets (including quoted investments, deposits, bank balances and cash and derivatives), the Group minimises credit risks by dealing exclusively with high credit rating counter parties.

The Company's exposure to credit risk arises principally from loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

Exposure to credit risk

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

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries as disclosed under the `Maturity Analysis' of item (c) below, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

35. Financial Instruments *(Cont'd)*

I. Financial Risk Management Policies *(Cont'd)*

(b) Credit Risk *(Cont'd)*

Credit risk concentration profile

Management believes that concentration of credit risk is limited due to the large number of receivables of the Group and of the Company who are dispersed over a broad spectrum of industries and businesses other than:

- amounts owing by associates of RM67,417,000 (2022: RM68,336,000), which contributes 45.3% (2022: 54.9%) of receivables of the Group; and
- amounts owing by subsidiaries of RM94,225,000 (2022: RM73,190,000), which represents 99.1% (2022: 100%) of receivables of the Company.

The exposure of credit risk for trade receivables net allowance for impairment losses, as at the end of the reporting period by geographical region was:

	Group	
	2023	2022
	RM'000	RM'000
Malaysia	**29,557**	21,941
United Kingdom	**1,189**	1,652
United States	**-**	-
Hong Kong	**1,110**	837
Singapore	**93**	117
	31,949	24,547

Assessment of impairment losses

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 costs, 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 they are still subject to enforcement activities.

A financial asset is credit impaired when any of the following events that have a detrimental impact on the estimated future cash flows of the financial asset have occured:
- Significant financial difficulty 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; and
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 120 days due.

35. Financial Instruments *(Cont'd)*

I. Financial Risk Management Policies *(Cont'd)*

(b) Credit Risk *(Cont'd)*

Assessment of impairment losses (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.

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.

For certain large customer or customers with a high risk of default, the Group assesses the risk of loss of each customer individually based on their financial information, past trends of payments and external credit rating, where applicable.

The Group considers any receivables having financial difficulty or with significant balances outstanding for more than 120 days, are deemed credit impaired.

The expected loss rates are based on the payment profiles of sales over a period of 12 months from the measurement date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts.

Export sales made are generally accompanied by letters of credit or advance payments and therefore, there is minimal exposure to credit risk. Furthermore, outstanding trade receivables are largely collected within the credit term.

For property development, 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.

The information about the exposure to credit risk and movements in the loss allowances calculated under MFRS 9 for trade receivables is disclosed in Notes 19(a) and 19(i).

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

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 is more than 30 days past due in making a contractual payment.

35. Financial Instruments *(Cont'd)*

I. Financial Risk Management Policies *(Cont'd)*

(b) Credit Risk *(Cont'd)*

Assessment of impairment losses (Cont'd)

Other Receivables *(Cont'd)*

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 having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. Other receivables 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 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).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Based on the assessment performed, the identified impairment loss is disclosed in Note 19(a).

Deposits, Bank Balances and Cash

The Group considers these banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by Government agencies. At the end of the reporting period, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Amounts Owing By Subsidiaries and Amounts Owing By Associates (Non-trade Balances)

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

35. Financial Instruments *(Cont'd)*

I. Financial Risk Management Policies *(Cont'd)*

(b) Credit Risk *(Cont'd)*

Assessment of impairment losses (Cont'd)

Amounts Owing By Subsidiaries and Amounts Owing By Associates (Non-trade Balances) *(Cont'd)*

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

The Group and the Company considers loans and advances to ultimate holding company and subsidiaries have low credit risks. The Group and 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 Group and 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.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

Amounts Owing By Subsidiaries (Non-trade Balances)

Company **2023**	**Gross amount RM'000**	**12-month loss allowance RM'000**	**Lifetime loss allowance RM'000**	**Carrying amount RM'000**
Low credit risk	**64,797**	**-**	**-**	**64,797**
Credit impaired	**164,685**	**-**	**(135,257)**	**29,428**
	229,482	**-**	**(135,257)**	**94,225**
2022				
Low credit risk	56,533	-	-	56,533
Credit impaired	96,260	-	(79,603)	16,657
	152,793	-	(79,603)	73,190

Amounts Owing By Associates (Non-trade Balances)

Group **2023**	**Gross amount RM'000**	**Lifetime loss allowance RM'000**	**Carrying amount RM'000**
Significant increase in credit risk	**100,912**	**(33,495)**	**67,417**
2022			
Significant increase in credit risk	101,831	(33,495)	68,336

The movements in the loss allowances are disclosed in Note 19.

35. Financial Instruments *(Cont'd)*

I. Financial Risk Management Policies *(Cont'd)*

(b) Credit Risk *(Cont'd)*

Assessment of impairment losses (Cont'd)

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 from the management of working capital of the Group. It is the risk that the Group will encounter difficulty in meeting its financial obligation when due.

The Group actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The Group seeks to achieve a balance between certainty of funding and a flexible, cost-effective borrowing structure. This is to ensure that at the minimum, all projected borrowing needs are covered by committed facilities and also to ensure that the amount of debt maturing in any one year is within the means of the Group to repay and refinance.

Maturity Analysis

The table below summarises the maturity profile of the financial liabilities at the end of each of the reporting period based on contractual undiscounted cash flows (including interest payment computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

Group	**Contractual interest rate %**	**Carrying amount RM'000**	**Contractual undiscounted cash flow RM'000**	**On demand or within one year RM'000**	**One to five years RM'000**	**Over five years RM'000**
2023						
Non-derivative financial liabilities						
Trade and other payables	**-**	**277,819**	**277,819**	**277,819**	**-**	**-**
Borrowings	**3.1% - 10.5%**	**913,552**	**1,037,850**	**629,188**	**274,253**	**134,409**
		1,191,371	**1,315,669**	**907,007**	**274,253**	**134,409**
2022						
Non-derivative financial liabilities						
Trade and other payables	-	243,260	243,260	243,260	-	-
Borrowings	2.9% - 9.5%	876,143	1,008,648	582,048	300,346	126,254
		1,119,403	1,251,908	825,308	300,346	126,254

35. Financial Instruments *(Cont'd)*

I. Financial Risk Management Policies *(Cont'd)*

(c) Liquidity Risk *(Cont'd)*

Maturity Analysis (Cont'd)

Company	Contractual interest rate %	Carrying amount RM'000	Contractual undiscounted cash flow RM'000	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000
2023						
Non-derivative financial liabilities						
Trade and other payables	**0.0% - 6.45%**	**484,995**	**488,347**	**471,487**	**16,860**	**-**
Borrowings	**7.96% - 8.84%**	**3,600**	**3,698**	**3,698**	**-**	**-**
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	**-**	**-**	**770,520**	**770,520**	**-**	**-**
		488,595	**1,262,565**	**1,245,705**	**16,860**	**-**
2022						
Non-derivative financial liabilities						
Trade and other payables	0.0% - 6.2%	595,100	596,371	580,286	16,085	-
Borrowings	7.5%-7.75%	8,000	8,562	4,868	3,694	-
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	-	739,210	739,210	-	-
		603,100	1,344,143	1,324,364	19,779	-

The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.

II. Capital Management

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as going concerns whilst maximising the return to shareholders through the optimisation of the debt and equity ratios. The overall strategy of the Group remains from that in the previous financial year.

The Group and the Company monitor capital using gearing ratio, which is the amount of borrowings divided by total equity. The Group's and the Company's policy is to keep the gearing ratio within manageable levels.

Capital represents equity attributable to the owners of the Company and non-controlling interests.

	Group		**Company**	
	2023	2022	**2023**	2022
	RM'000	RM'000	**RM'000**	RM'000
Total debts	**913,552**	876,143	**28,100**	27,000
Total equity	**1,286,226**	313,668	**498,632**	273,171
Gearing ratio	**0.71**	2.79	**0.06**	0.10

35. Financial Instruments *(Cont'd)*

II. Capital Management *(Cont'd)*

The Group and Company are required to comply with financial covenants such as interest service cover ratio, loan to value ratio, tangible net worth threshold, debt service cover ratio, gearing ratio, cash flow cover ratio and net borrowing to earnings before interest, taxes, depreciation and amortisation ratio as defined in the respective facility agreements as disclosed in Note 27(e).

III. Categories of Financial Instruments

	Group			
Financial assets	**Amortised cost RM'000**	**Fair value through profit or loss RM'000**	**Fair value through other comprehensive income RM'000**	**Total RM'000**
2023				
Investment in unquoted preference shares	**-**	**218,925**	**-**	**218,925**
Other investments	**-**	**25,873**	**3,386**	**29,259**
Short-term investments	**-**	**11,090**	**-**	**11,090**
Trade and other receivables	**117,263**	**-**	**-**	**117,263**
Deposits, bank balances and cash	**138,774**	**-**	**-**	**138,774**
	256,037	**255,888**	**3,386**	**515,311**
2022				
Investment in unquoted preference shares	-	158,160	-	158,160
Other investments	-	9,697	11,784	21,481
Short-term investments	-	13,103	-	13,103
Trade and other receivables	100,494	-	-	100,494
Deposits, bank balances and cash	168,412	-	-	168,412
	268,906	180,960	11,784	461,650

	Company	
Financial assets	**2023 RM'000**	2022 RM'000
Amortised cost		
Trade and other receivables	**94,225**	73,190
Deposits, bank balances and cash	**10,402**	1,027
	104,627	74,217

	Group		Company	
Financial liabilities	**2023 RM'000**	2022 RM'000	**2023 RM'000**	2022 RM'000
Amortised cost				
Borrowings	**913,552**	876,143	**3,600**	8,000
Trade and other payables	**277,819**	243,260	**484,995**	595,100
	1,191,371	1,119,403	**488,595**	603,100

35. Financial Instruments *(Cont'd)*

IV. Gains or Losses Arising from Financial Instruments

	Group		Company	
	2023	2022	**2023**	2022
	RM'000	RM'000	**RM'000**	RM'000
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss	**49,702**	4,463	**-**	-
<u>Equity Investments at Fair Value Through Other Comprehensive Income</u>				
Net gains/(losses) recognised in profit or loss and other comprehensive income	**(564)**	(368)	**-**	-
<u>Amortised Cost</u>				
Net gains/(losses) recognised in profit or loss	**3,560**	(666)	**(54,967)**	6,870
Financial liabilities				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	**(53,894)**	(38,538)	**(11,111)**	(10,727)

V. Fair Value Information

(i) Fair values of financial instruments carried at fair value

(a) Quoted investments

The fair value of quoted investments is determined by reference to the exchange quoted market bid prices at the close of the business at the end of the reporting period.

(b) Unquoted shares

The fair value of unquoted shares is determined to approximate the net assets of the investee as it is immaterial in the context of the financial statements.

(c) Unquoted preference shares

In the previous financial year, the fair value of unquoted preference shares is determined using discounted cash flow approach based on the pre-tax cash flow projections that approved by management based on the following significant unobservable inputs:

- Discount rate of 9.46%;
- Redemption at the subscription price paid; and
- 30% of the shares will be redeemed in 2024, 15% of the shares will be redeemed in 2025, 15% of the shares will be redeemed in 2028, 5% of the shares will be redeemed in 2030, 15% of the shares will be redeemed in 2037 and 20% of the remaining shares will be redeemed in 2038.

35. Financial Instruments *(Cont'd)*

V. Fair Value Information *(Cont'd)*

(i) Fair values of financial instruments carried at fair value *(Cont'd)*

(c) Unquoted preference shares *(Cont'd)*

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

	2022 RM'000
Effects on loss after taxation	
Increase in discount rate by 1%	**-5,801**
Reduction in discount rate by 1%	**+6,259**
Early redemption by one year	**+15,000**
Delay redemption by one year	**-13,691**

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

As at the end of the current reporting period, the fair value of unquoted preference shares is determined based on references to the net assets of the investee.

The change in the valuation technique is necessitated by a significant event. As at the end of current reporting period, the management of investee has an intention to dispose its licensing rights, resulting in the investee transitioning into a dormant company. As a result, the Management believes that the valuation approach based on the net assets of the investee is reasonable and appropriate.

After the reporting period, the Management has obtained a quotation from a buyer. On 28 September 2023, the Management has completed the transaction.

(d) Money market fund

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.

(e) Other fund

The fair value of investment in other fund is based on the fund manager's statement at the reporting date.

(ii) Fair values of financial instruments not carried at fair value

(a) Financial instruments that are not carried at fair values and whose carrying amounts are a reasonable approximation of fair values.

The carrying amounts of financial assets and liabilities, such as trade and other receivables, trade and other payables, term loans and revolving credits are reasonable approximation of fair value, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

35. Financial Instruments *(Cont'd)*

V. Fair Value Information *(Cont'd)*

(iii) Fair value hierarchy

The following tables set out the financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair value and carrying amounts shown in the statements of financial position.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value					
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total fair value**	**Carrying amount**
2023	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Group										
Financial assets										
Investments at fair value through other comprehensive income										
- Quoted shares in Malaysia	**3,386**	**-**	**-**	**3,386**	**-**	**-**	**-**	**-**	**3,386**	**3,386**
Investments at fair value through profit or loss										
- Money market fund in Malaysia	**-**	**13,152**	**-**	**13,152**	**-**	**-**	**-**	**-**	**13,152**	**13,152**
- Other fund in Malaysia	**-**	**11,090**	**-**	**11,090**	**-**	**-**	**-**	**-**	**11,090**	**11,090**
- Unquoted preference shares outside Malaysia	**-**	**-**	**218,925**	**218,925**	**-**	**-**	**-**	**-**	**218,925**	**218,925**
- Unquoted shares outside Malaysia			**12,721**	**12,721**	**-**	**-**	**-**	**-**	**12,721**	**12,721**
Financial liabilities										
Other financial liabilities										
- Term loans and revolving credits	**-**	**-**	**-**	**-**	**-**	**808,829**	**-**	**808,829**	**808,829**	**808,829**

During the financial year ended 30 June 2023, there were no transfer between Level 1 and Level 2 fair value measurements.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. Financial Instruments *(Cont'd)*

V. Fair Value Information *(Cont'd)*

(iii) Fair value hierarchy *(Cont'd)*

The following tables set out the financial instruments carried at fair value and those not carried at fair values for which fair value is disclosed, together with their fair value and carrying amounts shown in the statements of financial position. *(Cont'd)*

	Fair value of financial instruments carried at fair value				**Fair value of financial instruments not carried at fair value**					
2022	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**	**Total fair value RM'000**	**Carrying amount RM'000**
Group										
Financial assets										
Investments at fair value through other comprehensive income										
- Quoted shares in Malaysia	2,822	-	-	2,822	-	-	-	-	2,822	2,822
Investments at fair value through profit or loss										
- Money market fund in Malaysia	-	6,505	-	6,505	-	-	-	-	6,505	6,505
- Other fund in Malaysia	-	13,103	-	13,103	-	-	-	-	13,103	13,103
- Unquoted preference shares outside Malaysia	-	-	158,160	158,160	-	-	-	-	158,160	158,160
- Unquoted shares outside Malaysia	-	-	12,154	12,154	-	-	-	-	12,154	12,154
Financial liabilities										
Other financial liabilities										
- Term loans and revolving credits	-	-	-	-	-	786,517	-	786,517	786,517	786,517

During the financial year ended 30 June 2022, there were no transfer between Level 1 and Level 2 fair value measurements.

36. Contractual Commitments

	Group 2023 RM'000	2022 RM'000
Capital commitments		
Property, plant and equipment	**2,006**	571
Other contractual commitments:		
Investment in limited partnership	**2,482**	2,296

37. Significant Events During The Financial Year

(a) During the financial year, the Company issued 76,608,300 new ordinary shares for a total cash consideration of RM4,217,522 pursuant to the private placement as below:

No.	Allotment Date	No. of Issued Shares	Price per Share	Total Cash Consideration (RM)
1.	19 July 2022	50,000,000	0.0496	2,480,000
2.	7 September 2022	26,608,300	0.0653	1,737,522

The new ordinary shares issued rank pari-passu in all respects with the existing ordinary shares of the Company.

The status of utilisation of the accumulated proceeds from private placement as at 30 June 2023 are as below:

Utilisation Purposes	Proposed Utilisation	As at 30 June 2023		
		Total proceeds raised	Actual Utilisation	Unutilised Balance
	RM'000	RM'000	RM'000	RM'000
		(A)	(B)	(A) - (B)
Repayment of bank borrowings and related costs	18,087	14,271	14,271	-
Working capital	800	800	800	-
Expenses for the Private Placement	175	147	147	-
Total	19,062	15,218	15,218	-

(b) On 8 July 2022, A & W (Malaysia) Sdn Bhd, a 51%-owned subsidiary of PMC, had incorporated an indirect new subsidiary namely A & W (East) Sdn Bhd ("A & W East"). The total issued and paid up capital is RM100 divided into 100 ordinary shares of RM1 each. The principal activity of A & W East is to operate a chain of restaurants in East Malaysia.

(c) On 19 July 2022, Metrojaya Berhad ("MJB") had incorporated an indirect new subsidiary namely Someshinybrand Sdn Bhd ("SSB"). The total issued and paid up capital is RM2 divided into 2 ordinary shares of RM1 each. The principal activity of SSB is to developing, promoting, expanding and exploiting the Laura Ashley brand and products.

(d) On 22 August 2022, Belsfield LLP, an indirect 61.11%-owned limited liability partnership of the Company held via its subsidiaries, had entered into a conditional asset purchase agreement with Belsfield Propco Limited and Belsfield Opco Limited for the disposal of the business of operating the trade of the 62-room hotel erected on 1 lot of freehold land in Windermere, Cumbria, England, the UK for a cash consideration of up to GBP15,100,000 (equivalent to RM82,503,380). The disposal has been approved by shareholders at an EGM convened on 28 November 2022 and has been completed on 12 December 2022.

37. Significant Events During The Financial Year *(Cont'd)*

(e) On 19 September 2022, MUI Property Services Sdn Bhd, a wholly-owned dormant subsidiary of the MUI Properties Berhad ("MUIP"), which is in turn a 72.27%-owned subsidiary of the Company, was placed under members' voluntary winding-up pursuant to Section 439 (1) (b) of Companies Act 2016 with no material effect on the earnings and net assets of the Group for the financial year ended 30 June 2023.

(f) MJB, a 97.41%-owned subsidiary of the Company will subject to the requisite approvals being obtained from all relevant authorities, undertake a selective capital reduction ("SCR") pursuant to Section 116 of the Companies Act 2016 via the reduction of its issued and paid-up share capital from RM128,802,792.00 comprising 124,921,000 ordinary shares of MJB ("MJB Shares") to RM128,479,705.30 comprising 121,690,133 MJB Shares by way of cancellation of 3,230,867 MJB Shares held by the shareholders of MJB ("Entitled Shareholders"), other than Libertyray (M) Sdn Bhd, Ample Line Sdn Bhd and Regal Classic Sdn Bhd, whose names appear in the record of depository as at the close of business on an entitlement date to be determined by the Board of Directors of MJB. This will be effected via a capital repayment of RM0.10 in cash for each existing MJB Share held by the Entitled Shareholders amounting to RM323,086.70. Upon completion, MJB will be a wholly-owned subsidiary of the Company. The proposal has been approved by MJB's shareholders at its AGM held on 9 December 2021.

On 23 August 2022, the High Court of Malaya had granted an order confirming the SCR pursuant to Section 116 of the Companies Act 2016. The SCR became effective upon the lodgement of a copy of the sealed Court Order with the Registrar of Companies pursuant to Section 116(6) of the Companies Act 2016 on 27 September 2022. A capital repayment of RM0.10 in cash for each existing MJB share held had been made on 31 October 2022 to the Entitled Shareholders whose names appear on the Record of Depositors on 21 October 2022 other than Libertyray (M) Sdn Bhd, Ample Line Sdn Bhd and Regal Classic Sdn Bhd. The SCR has been completed arising from the payment.

(g) On 5 October 2022, Oriental Omega Sdn Bhd, a wholly-owned subsidiary of the Company, disposed its 43,000,000 ordinary shares representing 5.57% of the total issued share capital of PMC to Fortress Opportunistic Growth Fund for a total cash consideration of RM6,450,000 ("First Disposal"). Following the First Disposal, Malayan United Industries Berhad ("MUIB") and its subsidiaries now hold a total of 428,146,200 ordinary shares of PMC representing about 55.50% equity interest in PMC.

(h) On 25 October 2022, the Company incorporated a new direct wholly-owned subsidiary namely Muiltiverse Holdings Pte Ltd in Singapore. The total issued share capital is SGD1 divided into 1 ordinary share. Its principal activity is an investment holding company.

(i) On 7 November 2022, Network Foods Industries Sdn Bhd, an indirect wholly-owned subsidiary of PMC, had entered into a Sale and Purchase Agreement with Amazing Blitz Sdn Bhd for the disposal of the leasehold land held under H.S.(D) 324738, Pt[-], Mukim Damansara, Daerah Petaling, Negeri Selangor measuring approximately 24,295.208 square meters and the buildings erected thereon together with the fixtures and fittings for a total disposal consideration of RM41,000,000. The disposal has been completed on 30 August 2023.

(j) On 24 November 2022, MJB had incorporated an indirect wholly-owned subsidiary namely MJ East Ventures Sdn Bhd (MJEV). The total issued share capital is RM2 divided into 2 ordinary shares. The principal activity of MJEV is to developing, promoting and expanding Metrojaya brands in East Malaysia.

(k) On 30 November 2022, the Company incorporated a new indirect joint venture company namely M Kingdom Holdings Pte Ltd in Singapore. The total issued share capital is USD2 divided into 2 ordinary shares. Its principal activity is an investment holding company in special purpose vehicles to be set up to carry out various projects relating to Web 3.0 venture businesses including, but not limited to digital ventures, assets and marketplace platforms in the Southeast Asia region.

(l) On 9 December 2022, M Kingdom Holdings Pte Ltd has incorporated a new direct wholly-owned subsidiary namely Tree Time Ventures Sdn Bhd in Malaysia. The total issued share capital is RM2 divided into 2 ordinary shares. Its principal activity is agriculture farming and investment.

37. Significant Events During The Financial Year *(Cont'd)*

(m) On 6 January 2023, Pan Malaysia Holdings Berhad, a 68.32%-owned subsidiary of the Company, announced that its associate companies, Pan Malaysia Capital Berhad ("PM Capital") and PM Asset Management Sdn Bhd had entered into share sale and purchase agreements with NewParadigm Capital Ventures Sdn Bhd to dispose of the entire issued and paid-up share capital of PM Securities Sdn Bhd, PCB Asset Management Sdn Bhd and Miranex Sdn Bhd for a total cash consideration of RM90,000,003 ("Disposal"). PM Capital has obtained the shareholders' approval for the Disposal during the Extraordinary General Meeting held on 8 February 2023.

(n) On 11 January 2023, Danau Gelombang Sdn Bhd, a dormant indirect wholly-owned subsidiary of PMC, was placed under members' voluntary winding up pursuant to Section 439(1)(b) of Companies Act 2016, with no material effect on the earnings and net assets of the Group for the financial year ended 30 June 2023.

(o) On 27 February 2023, Oriental Omega Sdn Bhd disposed its 33,500,000 ordinary shares representing 4.34% of the total issued share capital of PMC to Fortress Opportunistic Growth Fund and Fortress Capital Asset Management (M) Sdn Bhd for a total cash consideration of RM6,030,000 ("Second Disposal"). Following the Second Disposal, the Company and its subsidiaries now hold a total of 394,646,200 ordinary shares of PMC representing about 51.15% equity interest in PMC.

(p) On 31 May 2023, Novimax (M) Sdn Bhd, a dormant wholly-owned subsidiary of MUIB, has at its Extraordinary General Meeting obtained approval from the sole shareholder to commence member's voluntary winding-up pursuant to Section 439(1)(b) of Companies Act 2016. The winding-up will not have any material financial or operational effect on the MUIB Group for the financial year ended 30 June 2023.

(q) On 26 June 2023, LVH Hospitality Management Limited, a wholly-owned subsidiary of London Vista Hotel Limited, which in turn is a wholly-owned subsidiary of MUI Media Ltd and which in turn is a wholly-owned subsidiary of MUIB, entered into a share purchase agreement with Cesuco Trading Limited ("Cesuco") for the disposal of 1,000 ordinary shares representing the entire issued share capital of Flamepro Limited for a total disposal consideration of GBP1,750,000. Cesuco is a wholly-owned subsidiary of MUIP, which in turn is an indirect 72.27%-owned subsidiary of MUIB. The disposal has been completed on 3 July 2023.

38. Significant Events Occurring After The Financial Year

(a) On 1 August 2023, PMC had entered into a conditional share sale agreement with Wah Kong Corporation Sdn Bhd for the disposal of 85% equity interest in Network Foods International Ltd ("NFIL") and its subsidiaries excluding Network Foods (Hong Kong) Ltd for a disposal consideration of RM24,220,929 to be satisfied entirely in cash and it is pending completion.

(b) On 8 September 2023, PMC entered into a sale and purchase agreement with Inter Mark Resources Sdn Bhd to acquire the remaining 49% equity interest comprising 30,380,000 ordinary shares in A & W (Malaysia) Sdn Bhd for a purchase consideration of RM69,454,595 to be satisfied via a combination of cash payment of RM41,672,757 and the issuance of 111,127,352 new ordinary shares of PMC at RM0.25 per share amounting to RM27,781,838.

(c) On 8 September 2023, PMC proposes to undertake the proposed diversification of the existing business of PMC and its subsidiaries to include the undertaking and provision of food and beverage services and related activities.

(d) On 28 September 2023, Laura Ashley (North America), Inc., a subsidiary of Regent Corporation, which is an associate of the Group, entered into an asset purchase agreement to dispose of its licensing rights for a consideration of $13,667,080. A reasonable estimate of the effect on our financial statements cannot be made as of this date.

39. Contingent Liabilities

		Group	
		2023	2022
		RM'000	RM'000
(a)	Bank guarantees issued by a subsidiary to third parties	**377**	266

The bank guarantees issued by a subsidiary to third parties are for the construction of civil infrastructures in the property development sector. No provision is recognised on the above matter as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

(b) Associate

On 13 February 2006, Regent Corporation ("Regent"), an associate of the Group, was selected by the State of South Carolina ("State") for a nexus investigation. The State completed its investigation and issued a proposed assessment in the amount of approximately USD16,000,000 for income taxes and license fees due, including interest and penalties. The management of Regent believes that the amounts due are considerably less. In 2007, Regent submitted a formal protest to the State asserting its position that Regent owes less than USD600,000.

Regent believes that an adverse settlement could be as high as USD3,535,084 at 30 June 2023 and accordingly, has accrued such amount which is reported as license fees payable in its accompanying consolidated statements of financial position. The estimate of its financial effects, the indication of the uncertainties relating to the amount or timing of any outflow and the possibility of any reimbursement is not disclosed as it is not practicable to do so.

(c) Subsidiaries

During the financial year ended 30 June 2021, London Vista Hotel Limited and its certain subsidiaries ("LVH Group"), the indirect subsidiaries of the Company in the United Kingdom ("UK"), received notification from The Pension Regulator ("TPR") in the UK in respect of pension liability of another UK group, on the basis that LVH Group is supposedly connected with or an associate of that other party, for the purposes of pensions legislation. LVH Group has, through its legal advisers, replied that it is not connected with or an associate of that other party. The financial exposure to LVH Group, if any, is currently unknown. The estimate of its financial effect, indication of the uncertainties relating to the amount or timing of any outflow and the possibility of any reimbursement is not disclosed as it is not practicable to do so.

40. Material Litigation

On 14 February 2023, the Company received an Originating Summons ("Action") and Notice of Application for Interim Injunction ("Injunction Application"), having the same suit number of WA-24NCC-73-02/2023 filed in Kuala Lumpur High Court by Chan Weng Fui ("the Plaintiff") against MUIB, the current entire Board of Directors of MUIB and 10 others (collectively known as "the Defendants").

The Company categorically denies any impropriety alleged/insinuated by the Plaintiff through the Action. In this regard, the Company has engaged its legal counsel to defend the Company against the Action and to oppose the Injunction Application filed by the Plaintiff.

40. Material Litigation *(Cont'd)*

The Company's position is that the alleged claims made by the Plaintiff are without merit. The Company shall take all necessary steps to vigorously defend itself against the various claims and shall pursue all legal recourse available stemming from the Action as appropriate.

On 25 September 2023, the Plaintiff filed a Notice of Discontinuance. All court dates originally fixed were thereby vacated.

41. Related Party Disclosures

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related party could be individuals or other parties.

The Company has controlling related party relationship with its direct and indirect subsidiaries and the following:

(i) A corporate shareholder of the Company in which a director of the Company has financial interests;
(ii) Associates and joint venture of the Group as disclosed in Note 43; and
(iii) Key management personnel (including Directors).

(b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2023	2022	**2023**	2022
	RM'000	RM'000	**RM'000**	RM'000
Corporate Shareholder:				
Interest income	**809**	484	**-**	-
Associates:				
Concessionaire commission	**101**	73	**-**	-
Interest expense	**6,121**	1,955	**-**	-
Management fees	**165**	126	**-**	-
Subsidiaries:				
Dividend income	**-**	-	**164,636**	1,758
Interest income	**-**	-	**459**	680
Interest expense	**-**	-	**10,661**	10,050
Repayments	**-**	-	**3,419**	23,970

(c) Material balances with related parties at the end of the reporting period are disclosed in Notes 19 and 31.

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

41. Related Party Disclosures *(Cont'd)*

(d) Compensation of key management personnel

	Group		Company	
	2023	2022	**2023**	2022
	RM'000	RM'000	**RM'000**	RM'000
Short term employee benefits	**6,392**	6,244	**430**	409
Defined contribution plan	**315**	346	**-**	-
	6,707	6,590	**430**	409

42. Comparative Information

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

	Group	
	As Previously Reported	**As Restated**
	RM'000	**RM'000**
Statements of Financial Position (Extract):		
Non-Current Liabilities		
- Provision for restoration cost	2,896	4,316
Current Liabilities		
- Trade and other payables	240,679	239,259

43. SUBSIDIARIES AND ASSOCIATES OF MALAYAN UNITED INDUSTRIES BERHAD

At 30 June 2023

		Subsidiary	*Equity Interest (Nominal)* 2023 %	2022 %	*Principal Activities*	*Country of Incorporation*
*	1.	Acquiline Sdn Bhd	**100**	100	Investment holding	Malaysia
*	2.	Ample Line Sdn Bhd	**100**	100	Investment holding	Malaysia
*	3.	Ascada Sdn Bhd	**100**	100	Investment holding	Malaysia
*	4.	Continental Capitals Sdn Bhd	**100**	100	Investment holding	Malaysia
*	5.	Corus Hospitality Sdn Bhd	**100**	100	Inactive	Malaysia
*	6.	Corus Hotels Sdn Bhd	**100**	100	Investment holding	Malaysia
*	7.	Creative Vest (M) Sdn Bhd	**100**	100	Investment holding	Malaysia
*	8.	Farrago Sdn Bhd	**100**	100	Investment holding	Malaysia
*	9.	Fuchsia Enterprises Limited	**100**	100	Investment holding	British Virgin Islands
*	10.	Libertyray (M) Sdn Bhd	**100**	100	Investment holding	Malaysia
*	11.	London Vista Hotel Limited	**100**	100	Investment holding & hotel operations	United Kingdom
*	12.	Loyal Design Sdn Bhd	**100**	100	Investment holding	Malaysia
+	13.	Malayan United Management Sdn Bhd	**100**	100	Management services	Malaysia
*	14.	Malayan United Security Services Sdn Bhd	**100**	100	Security services	Malaysia
*	15.	Marco Polo Trading Sdn Bhd	**100**	100	Investment holding	Malaysia
+	16.	Metrojaya Berhad	**100**	97.41	Investment holding	Malaysia
+	17.	Ming Court Hotel (KL) Sdn Bhd	**100**	100	Hotel operations	Malaysia
*	18.	Ming Court Hotels International Sdn Bhd	**100**	100	Inactive	Malaysia
*	19.	M Kingdom Holdings Pte Ltd	**50**	-	Investment holding	Singapore
*	20.	MUI Asia Limited	**100**	100	Investment holding	Hong Kong
*	21.	MUI Capital Sdn Bhd	**100**	100	Investment holding & money lending	Malaysia
*	22.	MUI China Limited	**100**	100	Investment holding	Hong Kong
*	23.	MUI Enterprises Limited	**100**	100	Investment holding	Hong Kong
*	24.	MUI Enterprises Sdn Bhd	**100**	100	Investment holding	Malaysia
*	25.	MUI Media Ltd	**100**	100	Investment holding	British Virgin Islands
*	26.	MUI Philippines, Inc	**100**	100	Investment holding	Philippines
+	27.	MUI Properties Berhad	**72.27**	72.27	Investment holding	Malaysia
*	28.	MUI Singapore Private Limited	**100**	100	Investment holding	Singapore
*	29.	Muiltiverse Holdings Pte Ltd	**100**	-	Investment holding	Singapore
*	30.	Natloyal (M) Sdn Bhd	**100**	100	Property investment	Malaysia
*	31.	Novimax (M) Sdn Bhd	**100**	100	Investment holding	Malaysia
*	32.	Oriental Omega Sdn Bhd	**100**	100	Investment holding	Malaysia
+	33.	Pan Malaysia Corporation Berhad	**51.15**	61.07	Investment holding	Malaysia
+	34.	Pan Malaysia Holdings Berhad	**68.32**	68.32	Investment holding	Malaysia
*	35.	Regal Classic Sdn Bhd	**100**	100	Investment holding	Malaysia
*	36.	Tarrega Holdings Sdn Bhd	**100**	100	Investment holding	Malaysia
+	37.	Tree Time Ventures Sdn Bhd	**50**	-	Investment holding	Malaysia
*	38.	Two Holdings Sdn Bhd	**100**	100	Property investment	Malaysia
*	39.	United Review (M) Sdn Bhd	**100**	100	Investment holding	Malaysia

43. SUBSIDIARIES AND ASSOCIATES OF MALAYAN UNITED INDUSTRIES BERHAD *(Cont'd)*

At 30 June 2023

		Associate	*Equity Interest (Nominal)* 2023 %	2022 %	*Principal Activities*	*Country of Incorporation*
*	1.	Asia Pacific Media Corporation	**50**	50	Inactive	U.S.A.
*	2.	Asian Capital Equities, Inc	**20**	20	Inactive	Philippines
*	3.	The Benjamin Barker Group Pte. Ltd	**20**	20	Design, sourcing, distribution & sale of clothing and accessories	Singapore
*	4.	Farrago Holdings, Inc	**40**	40	Investment holding	Philippines
*	5.	Mansara International Limited	**35**	35	Investment holding	British Virgin Islands
Ω *	6.	Pan Malaysia Capital Berhad	**46.19**	46.19	Investment holding	Malaysia
*	7.	Regent Corporation	**49**	49	Investment holding	U.S.A.
*	8.	Zhaodaola Limited	**26.25**	26.25	Inactive	Bermuda

Subsidiaries of Regent Corporation
(The list comprises major subsidiaries only)

		Subsidiary	*Equity Interest (Nominal)* 2023 %	2022 %	*Principal Activities*	*Country of Incorporation*
*	1.	Laura Ashley (North America), Inc	**100**	100	Licensing and sub-licensing trademarks and copyright designs	U.S.A.
*	2.	Regent Carolina Corporation	**100**	100	Resort operation & property investment	U.S.A.
*	3.	Regent Park Corporation	**100**	100	Property investment	U.S.A.

Subsidiaries of Pan Malaysia Capital Berhad
(The list comprises major subsidiaries only)

		Subsidiary	*Equity Interest (Nominal)* 2023 %	2022 %	*Principal Activities*	*Country of Incorporation*
*	1.	PCB Asset Management Sdn Bhd	**100**	100	Research & fund management services	Malaysia
*	2.	PM Securities Sdn Bhd	**100**	100	Stock & sharebroking & corporate advisory services	Malaysia
*	3.	Pan Malaysia Equities Sdn Bhd	**100**	100	Property & investment holding	Malaysia

43. SUBSIDIARIES OF MUI PROPERTIES BERHAD

At 30 June 2023

		Subsidiary	*Equity Interest (Nominal)* 2023 %	2022 %	*Principal Activities*	*Country of Incorporation*
*	1.	Appreplex (M) Sdn Bhd	**100**	100	Investment holding	Malaysia
*	2.	Bahtera Muhibbah Sdn Bhd	**100**	100	Investment holding	Malaysia
*	3.	Cesuco Trading Limited	**100**	100	Investment holding	Hong Kong
*	4.	CSB Sdn Bhd	**100**	100	Investment holding	Malaysia
*	5.	CSB Holdings Sdn Bhd	**100**	100	Property investment	Malaysia
*	6.	Elegantplex (M) Sdn Bhd	**100**	100	Investment holding	Malaysia
+	7.	Happy Fuel Sdn Bhd	**60**	60	Operate petrol station and trading of petroleum products	Malaysia
*	8.	Heritage Challenger (M) Sdn Bhd	**100**	100	Investment holding	Malaysia
*	9.	Indanas Sdn Bhd	**100**	100	Investment holding	Malaysia
*	10.	Integrated Mark (M) Sdn Bhd	**100**	100	Investment holding	Malaysia
*	11.	Lambaian Maju Sdn Bhd	**100**	100	Investment holding	Malaysia
*	12.	Lunula Pty Limited	**100**	100	Property investment	Australia
*	13.	Malayan United Realty Sdn Bhd	**100**	100	Property investment & investment holding	Malaysia
*	14.	Ming Court Hotel (Vancouver) Ltd	**100**	100	Investment holding	Canada
*	15.	MUI Carolina Corporation	**100**	100	Property investment & development	U.S.A.
*	16.	MUI Investments (Canada) Ltd	**100**	100	Investment holding	Canada
*	17.	MUI Plaza Sdn Bhd	**100**	100	Investment holding	Malaysia
☼*	18.	MUI Property Services Sdn Bhd	**100**	100	Property services	Malaysia
*	19.	Peristal Enterprise Sdn Bhd	**100**	100	Investment holding	Malaysia
*	20.	Portico Sdn Bhd	**100**	100	Property development	Malaysia
*	21.	Prescada Sdn Bhd	**100**	100	Investment holding	Malaysia
*	22.	Unique Octagon Sdn Bhd	**100**	100	Investment holding	Malaysia
+	23.	West Synergy Sdn Bhd	**60**	60	Property investment & development	Malaysia

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

43. SUBSIDIARIES AND JOINT VENTURE OF PAN MALAYSIA CORPORATION BERHAD

At 30 June 2023

		Subsidiary	*Equity Interest (Nominal)* 2023 %	2022 %	*Principal Activities*	*Country of Incorporation*
+	1.	A & W (Malaysia) Sdn Bhd	**51**	51	Fast food chain operator	Malaysia
+	2.	A & W (East) Sdn Bhd	**51**	-	Operating a chain of restaurants	Malaysia
*	3.	Baiduri Pertama Sdn Bhd	**100**	100	Investment holding	Malaysia
*	4.	GCIH Trademarks Limited	**100**	100	Licensing of trademarks	Hong Kong
*	5.	Pan Malaysia Ventures Sdn Bhd	**100**	100	Investment holding	Malaysia
*	6.	Jomuda Sdn Bhd	**100**	100	Investment holding	Malaysia
*	7.	Megafort Sdn Bhd	**100**	100	Investment holding	Malaysia
*	8.	Megawise Sdn Bhd	**100**	100	Money lending licence	Malaysia
*	9.	Network Foods International Ltd	**100**	100	Investment holding	Singapore
*	10.	Pan Malaysia Management Sdn Bhd	**100**	100	Inactive	Malaysia
*	11.	Pan Malaysia-Singapore Holdings (Pte) Ltd	**100**	100	Investment holding	Singapore
*	12.	PMRI Investments (Singapore) Pte Ltd	**100**	100	Investment holding	Singapore
*	13.	Taraf Sanjung (M) Sdn Bhd	**100**	100	Investment holding	Malaysia
*	14.	Tunas Juara Sdn Bhd	**100**	100	Investment holding	Malaysia

		Joint Venture	*Equity Interest (Nominal)* 2023 %	2022 %	*Principal Activities*	*Country of Incorporation*
*	1.	Baker & Cook (M) Sdn Bhd	**50**	50	Operating food and beverage outlet	Malaysia

Subsidiaries of Network Foods International Ltd

		Subsidiary	*Equity Interest (Nominal)* 2023 %	2022 %	*Principal Activities*	*Country of Incorporation*
*	1.	Network Foods Distribution Pte Ltd	**100**	100	Warehousing and distribution of chilled products, confectionery products and snack foods	Singapore
@ *	2.	Network Foods (Hong Kong) Limited	**100**	100	Distribution of chocolate products and other food and beverage products	Hong Kong
Δ +	3.	Network Foods Industries Sdn Bhd	**100**	100	Manufacturing and trading of consumer chocolate products	Malaysia
Δ +	4.	Network Foods (Malaysia) Sdn Bhd	**100**	100	Marketing and distribution of chocolates, confectionery and beverage products	Malaysia
*	5.	Quintrinox Pte Ltd	**100**	100	Investment holding	Singapore

Subsidiary of Pan Malaysia Corporation Berhad which is not consolidated

		Subsidiary	*Equity Interest (Nominal)* 2023 %	2022 %	*Country of Incorporation*
Δ◊ *	1.	Danau Gelombang Sdn Bhd	**100**	100	Malaysia
Δ ♪	2.	Tiffany Enterprise Sdn Bhd	**100**	100	Malaysia

43. SUBSIDIARIES OF PAN MALAYSIA HOLDINGS BERHAD

At 30 June 2023

		Subsidiary	*Equity Interest (Nominal)* 2023 %	2022 %	*Principal Activities*	*Country of Incorporation*
*	1.	Golden Carps Pte Ltd	**100**	100	Inactive	Singapore
*	2.	Grandvestment Company Limited	**100**	100	Dormant	Hong Kong
+	3.	Pengkalen Holiday Resort Sdn Bhd	**100**	100	Operating a hotel	Malaysia

Subsidiaries of Pan Malaysia Holdings Berhad which are not consolidated

	Subsidiary	*Equity Interest (Nominal)* 2023 %	2022 %	*Country of Incorporation*
1.	Asia Entertainment Network Sdn Bhd	**60**	60	Malaysia
2.	Office Business Systems (Malacca) Sdn Bhd	**41.67**	41.67	Malaysia
3.	Office Business Systems (Penang) Sdn Bhd	**64.10**	64.10	Malaysia
4.	Office Business Systems Sdn Bhd	**64.10**	64.10	Malaysia
5.	Pengkalen Building Materials Sdn Bhd	**100**	100	Malaysia
6.	Pengkalen Electronics Industries Sdn Bhd	**67**	67	Malaysia
7.	Sensor Equipment Sdn Bhd	**64.10**	64.10	Malaysia
8.	Technitone (M) Sdn Bhd	**64.10**	64.10	Malaysia

43. SUBSIDIARIES OF METROJAYA BERHAD

At 30 June 2023

		Subsidiary	*Equity Interest (Nominal)* **2023** **%**	2022 %	*Principal Activities*	*Country of Incorporation*
+	1.	EIC Clothing Sdn Bhd	**100**	100	Operating of specialty stores	Malaysia
#+	2.	Laura Ashley (SEA) Sdn Bhd	**100**	100	Operating of specialty stores	Malaysia
+	3.	Living Quarters Sdn Bhd	**100**	100	Operating of specialty stores	Malaysia
*	4.	Metro Multiples Sdn Bhd	**100**	100	Investment holding	Malaysia
*	5.	Millionmart Sdn Bhd	**100**	100	Investment holding	Malaysia
*	6.	MJ Cape Cod Sdn Bhd	**100**	100	Operating of specialty stores	Malaysia
+	7.	MJ Department Stores Sdn Bhd	**100**	100	Operating of department stores	Malaysia
+	8.	MJ East Ventures Sdn Bhd	**100**	-	Operating of concept stores	Malaysia
*	9.	MJ Properties Sdn Bhd	**100**	100	Property investment and investment holding	Malaysia
*	10.	MJ Reject Shop Sdn Bhd	**100**	100	Dormant	Malaysia
+	11.	MJ Reject Shop (2002) Sdn Bhd	**100**	100	Operating of specialty stores	Malaysia
*	12.	MJ Somerset Bay Sdn Bhd	**100**	100	Operating of specialty stores	Malaysia
*	13.	Someshinybrand Sdn Bhd	**80**	-	Scout for all licensing opportunities and to operate the brand	Malaysia

43. SUBSIDIARIES OF LONDON VISTA HOTEL LIMITED

At 30 June 2023

		Subsidiary	*Equity Interest (Nominal)* 2023 %	2022 %	*Principal Activities*	*Country of Incorporation*
*	1.	Corus Hotels Limited	**100**	100	Investment holding & hotel operations	United Kingdom
*	2.	Belsfield LLP	**61.11**	61.11	Dormant	United Kingdom
*	3.	County Hotels Group Limited	**100**	100	Dormant	United Kingdom
*	4.	County Hotels Limited	**61.11**	61.11	Hotel operations	United Kingdom
*	5.	Delaquest Limited	**100**	100	Hotel operations	United Kingdom
*	6.	Dionball Limited	**100**	100	Dormant	United Kingdom
*	7.	Echostand Limited	**100**	100	Dormant	United Kingdom
♦*	8.	Flamepro Limited	**100**	100	Hotel operations	United Kingdom
*	9.	LVH Hospitality Management Limited	**100**	100	Investment holding	United Kingdom
*	10.	Patrolmake Limited	**100**	100	Dormant	United Kingdom
*	11.	Plaza On Hyde Park Limited	**100**	100	Hotel operations	United Kingdom
*	12.	The Imperial Crown Hotel Limited	**100**	100	Dormant	United Kingdom
*	13.	The Regency Hotel Hospitality Limited	**100**	100	Dormant	United Kingdom

\+ *Subsidiaries audited by Crowe Malaysia PLT.*

* *Subsidiaries and associates not audited by Crowe Malaysia PLT.*

Ω *Associate where its financial statements contained an unqualified modified auditor's report due to the appropriateness of the going concern assumption in the preparation of its financial statements.*

☼ *Placed under members' voluntary winding up on 19 September 2022.*

\# *The auditor's report on the financial statements of this subsidiary contained disclaimer opinion as there are uncertainties that may cost significant doubt on the ability of this subsidiary to continue as going concern.*

♦ *Disposed to Cesuco Trading Limited, a wholly-owned subsidiary of MUI Properties Berhad on 3 July 2023.*

♪ *Placed under members' voluntary winding up on 28 June 2022 and had held its final meeting on 5 July 2023 to conclude its members' voluntary winding up. It will be dissolved on the expiration of 3 months from the date of the lodgement of the Return by Liquidator relating to final meeting.*

◊ *Placed under members' voluntary winding up on 11 January 2023 and had held its final meeting on 6 September 2023 to conclude its members' voluntary winding up. It will be dissolved on the expiration of 3 months from the date of the lodgement of the Return by Liquidator relating to final meeting.*

Δ *The companies are currently held Megafort Sdn Bhd, a wholly-owned subsidiary of Pan Malaysia Corporation Berhad.*

@ *The entire equity in Network Foods (Hong Kong) Limited has been distributed to PMRI Investment (Singapore) Pte Ltd by way of dividend in specie. The transfer of shares has been completed on 7 September 2023.*

PROPERTIES OWNED BY THE GROUP

As At 30 June 2023

Location, Description and Usage	*Approximate Land Area Sq. Metres*	*Approximate Age of Building Years*	*Carrying Amount RM'000*
MALAYSIA			
Federal Territory of Kuala Lumpur			
1 lot of freehold land with a 13-storey hotel, known as Corus Hotel Kuala Lumpur, Jalan Ampang, Kuala Lumpur (Date of last revaluation: August 2022)	6,010	38	298,922
1 lot of freehold land at Section 43, Jalan Mayang, Kuala Lumpur, held for development. (Date of acquisition: May 1981)	1,478	-	36,099
1 lot of freehold land with 2 units of double-storey buildings at 189, Jalan Ampang, Kuala Lumpur (Date of acquisition: August 1991) (Date of last revaluation: August 2022)	3,540	30	79,614
1 lot of freehold land with a 10-unit, four storey building at 191, Jalan Ampang, Kuala Lumpur (Date of acquisition: July 2007) (Date of last revaluation: August 2022)	3,056	28	55,756
State of Selangor Darul Ehsan			
6 lots of freehold land at Seksyen 3, Pekan Batu Tiga, Mukim Damansara, Selangor Darul Ehsan (Date of last revaluation: December 1982)	771	-	165
Balance of freehold land held for residential development known as Vila Sri Ukay at Mukim of Hulu Kelang, Selangor Darul Ehsan (Date of acquisition: April 1995)	2,182	-	430
1 lot of leasehold industrial land with a factory and office building at Persiaran Raja Muda, Shah Alam, Selangor Darul Ehsan (Lease expires in 2071) (Date of acquisition: September 1996)	10,800	52	6,625
1 lot of leasehold industrial land with factory and office building at Lot 614, Tapak Perusahaan Shah Alam, Persiaran Raja Muda, Shah Alam, Selangor Darul Ehsan (Lease expires in 2068) (Date of acquisition: July 2009)	24,295	55	17,674

Location, Description and Usage	*Approximate Land Area Sq. Metres*	*Approximate Age of Building Years*	*Carrying Amount RM'000*
State of Selangor Darul Ehsan			
1 unit of freehold semi-detached factory at HSM 11307 Lot No PT35408 Locality of Pekan Batu Tiga, Mukim of Damansara, District of Petaling and state of Selangor (Date of acquisition: September 2019) (Date of last revaluation: March 2023)	1,010	8	4,729
1 unit of freehold imtermediate terraced shop office at HSD 172970 Lot No PT15579 Mukim of Beranang, District of Ulu Langat and state of Selangor (Date of acquisition: September 2021) (Date of last revaluation: March 2023)	178	3	2,209
State of Pulau Pinang			
1 unit of residential suite at Lot No. B-31-3, Southbay Plaza, Pulau Pinang (Date of acquisition: February 2013) (Date of last revaluation: March 2023)	159 (built-up area)	7	919
3 units of leasehold shoplots at 2B 1.02, 1.03 & 2.02, Komtar, Georgetown (Lease expires in 2080) (Date of acquisition: December 1995)	553	37	*
*fully impaired			
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)	4,313,193	-	141,476
4 lots of leasehold land with a hotel known as Corus Paradise Resort Port Dickson at Lots 286, 288, 289 and 848, Batu 3 1/2, Jalan Pantai, Port Dickson, Negeri Sembilan Darul Khusus (Lease expires in 2059/2087) (Date of acquisition: September 1996) (Date of last revaluation (excluding leasehold land): August 2022)	55,760	28	37,293
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	-	30,307
1 lot of freehold petrol station land, Pekan Jemima, District of Port Dickson, Negeri Sembilan. (Date of last revaluation: June 2023)	3,891	-	1,670

PROPERTIES OWNED BY THE GROUP (Cont'd)

Location, Description and Usage	*Approximate Land Area Sq. Metres*	*Approximate Age of Building Years*	*Carrying Amount RM'000*
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) (Date of last revaluation: March 2023)	583 (built-up area)	23	2,228
AUSTRALIA			
1 lot of freehold land with building at no. 20, Kirby Court, West Hobart, Tasmania (Date of acquisition: October 1996) (Date of last revaluation: February 2023)	24,970	45	26,028
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	28	2,795
HONG KONG			
1 unit of leasehold industrial lot together with 1 unit of car parking space at Kingsford Industrial Building, nos. 26-32 Kwai Hei Street, Kwai Chung, New Territories (Lease expires in 2047) (Date of acquisition: September 1996)	771	44	11,494
UNITED KINGDOM			
1 lot of freehold land with a 66-room hotel known as Chace Hotel at London Road, Toll Bar End, Coventry CV3 4EQ (Date of acquisition: November 2001) (Date of last revaluation: March 2023)	13,240	171	10,257
1 lot of leasehold land with a 124-room hotel known as St James' Hotel at St James Square, Grimsby DN31 1EP (Leases expires in 2071) (Date of acquisition: November 2001)	3,709	71	536
1 lot of freehold land with a 82-room hotel known as Burnham Beeches Hotel at Grove Road, Burnham, Buckinghamshire SL1 8DP (Date of acquisition: November 2001) (Date of last revaluation: March 2023)	31,830	296	62,303
1 lot of freehold land with a 388-room hotel known as Corus Hotel Hyde Park at Lancaster Gate, London W2 3LG (Date of acquisition: February 2001) (Date of last revaluation: March 2023)	2,010	151	991,541
TOTAL			**1,821,070**

ANALYSIS OF SHAREHOLDINGS

As At 3 October 2023

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

Substantial Shareholders
as per Register of Substantial Shareholders

	Name	Direct Interest No. of Shares	%	Deemed Interest No. of Shares	%
1.	KKP Holdings Sdn Bhd	-	-	1,335,355,289	41.40
2.	Soo Lay Holdings Sdn Bhd	-	-	1,335,355,289	41.40
3.	Tan Sri Dato' Khoo Kay Peng	-	-	1,335,355,289	41.40
4.	Cherubim Investment (HK) Limited	297,848,487	9.23	81,239,433	2.52
5.	Norcross Limited	300,154,836	9.30	81,239,433	2.52
6.	Bonham Industries Limited	411,764,706	12.76	-	-
7.	KKP Enterprises Sdn Bhd	244,347,827	7.57	-	-

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

	Direct Interest No. of Shares	%	Deemed Interest No. of Shares	%
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	2,780	7.84	79,052	0.00
100 to 1,000 shares	5,530	15.60	4,296,803	0.13
1,001 to 10,000 shares	17,468	49.27	79,876,322	2.48
10,001 to 100,000 shares	7,801	22.00	283,557,607	8.79
100,001 to less than 5% of issued shares	1,869	5.27	1,615,391,036	50.08
5% and above of issued shares	4	0.01	1,242,616,372	38.52
Total	**35,452**	**100.00**	**3,225,817,192**	**100.00**

ANALYSIS OF SHAREHOLDINGS (Cont'd)

30 Largest Registered Shareholders

	Name	*No. of Shares*	*%*
1.	Bonham Industries Limited	411,764,706	12.76
2.	Kenanga Capital Sdn Bhd - Securities Account for Cherubim Investment (HK) Limited for Soo Lay	297,848,487	9.23
3.	RHB Nominees (Asing) Sdn Bhd OSK Capital Sdn Bhd for Norcross Limited	288,655,352	8.95
4.	KKP Enterprises Sdn Bhd	244,347,827	7.57
5.	Pan Malaysian Industries Berhad	81,239,433	2.52
6.	UOB Kay Hian Nominees (Asing) Sdn Bhd - For UOB Kay Hian Pte Ltd	80,539,567	2.50
7.	Plenary Investments Pte Ltd	67,038,800	2.08
8.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Securities Account for Toh Hong Chye	60,000,000	1.86
9.	CGS-CIMB Nominees (Tempatan) Sdn Bhd - Securities Account for Chan Weng Fui	48,620,000	1.51
10.	Chin Teck Plantations Berhad	46,315,600	1.44
11.	Seong Thye Plantations Sdn Bhd	46,315,600	1.44
12.	PM Nominees (Tempatan) Sdn Bhd - Securities Account for Yu Kuan Chon	30,464,500	0.95
13.	Kenanga Nominees (Tempatan) Sdn Bhd - Securities Account for Lim Kuan Gin	26,000,625	0.81
14.	Ho Kat Sin	20,000,000	0.62
15.	Teo Kwee Hock	19,273,100	0.60
16.	Lim Siang Hee	16,322,100	0.51
17.	Tee Chee Chiang	15,060,100	0.47
18.	Citigroup Nominees (Tempatan) Sdn Bhd - For OCBC Securities Private Limited	14,937,068	0.46
19.	Maybank Nominees (Tempatan) Sdn Bhd - Tan Yoke Chun	14,495,000	0.45
20.	CGS-CIMB Nominees (Tempatan) Sdn Bhd - Securities Account for Sim Cheng Cheng	12,000,000	0.37
21.	Norcross Limited	11,499,484	0.36
22.	Amsec Nominees (Tempatan) Sdn Bhd - Securities Account - Ambank (M) Berhad for Chan Sow Keng	10,500,000	0.33
23.	HSBC Nominees (Asing) Sdn Bhd - For BNP Paribas Singapore Branch	10,123,644	0.31
24.	Amsec Nominees (Tempatan) Sdn Bhd - Securities Account For Ong Yoong Nyock	10,000,000	0.31
25.	Hit Yu Guan	10,000,000	0.31
26.	Maybank Nominees (Tempatan) Sdn Bhd - Securities Account for TNTT Realty Sdn Bhd	10,000,000	0.31
27.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd - Securities Account for Teo Siew Lai	9,754,000	0.30
28.	Public Nominees (Tempatan) Sdn Bhd - Securities Account for Yu Chong Choo	9,069,800	0.28
29.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Securities Account for Lim Teck Huat	9,033,300	0.28
30.	Hu Xin	7,938,000	0.25
	Total	**1,939,156,093**	**60.14**

FORM OF PROXY

Malayan United Industries Berhad
Registration No.: 196001000140 (3809-W)
Incorporated in Malaysia

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 MALAYAN UNITED INDUSTRIES 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 52nd Annual General Meeting ("AGM") of the Company to be held virtually through live streaming from the Broadcast Venue at Ballroom 1, Level 1, Corus Hotel Kuala Lumpur, Jalan Ampang, 50450 Kuala Lumpur on Thursday, 7 December 2023 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 RM382,700.		
2.	To approve Directors' Benefits (other than Directors' Fees) of up to RM88,000.		
3.	To re-elect Mr Andrew Khoo Boo Yeow as Director of the Company.		
4.	To re-elect Dato' Dr Tan Kee Kwong 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 authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 and waiver of pre-emptive rights.		
7.	Proposed renewal of authority for the purchase of own shares by Malayan United Industries 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.)

Seal

____
Signature

Signed this ____________ day of ________________ 2023.

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 52nd AGM. **No Members or proxies shall be allowed to be physically present at the Broadcast Venue on the day of the 52nd 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 24 November 2023 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 52nd 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
Malayan United Industries Berhad
(Registration No.: 196001000140 (3809-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