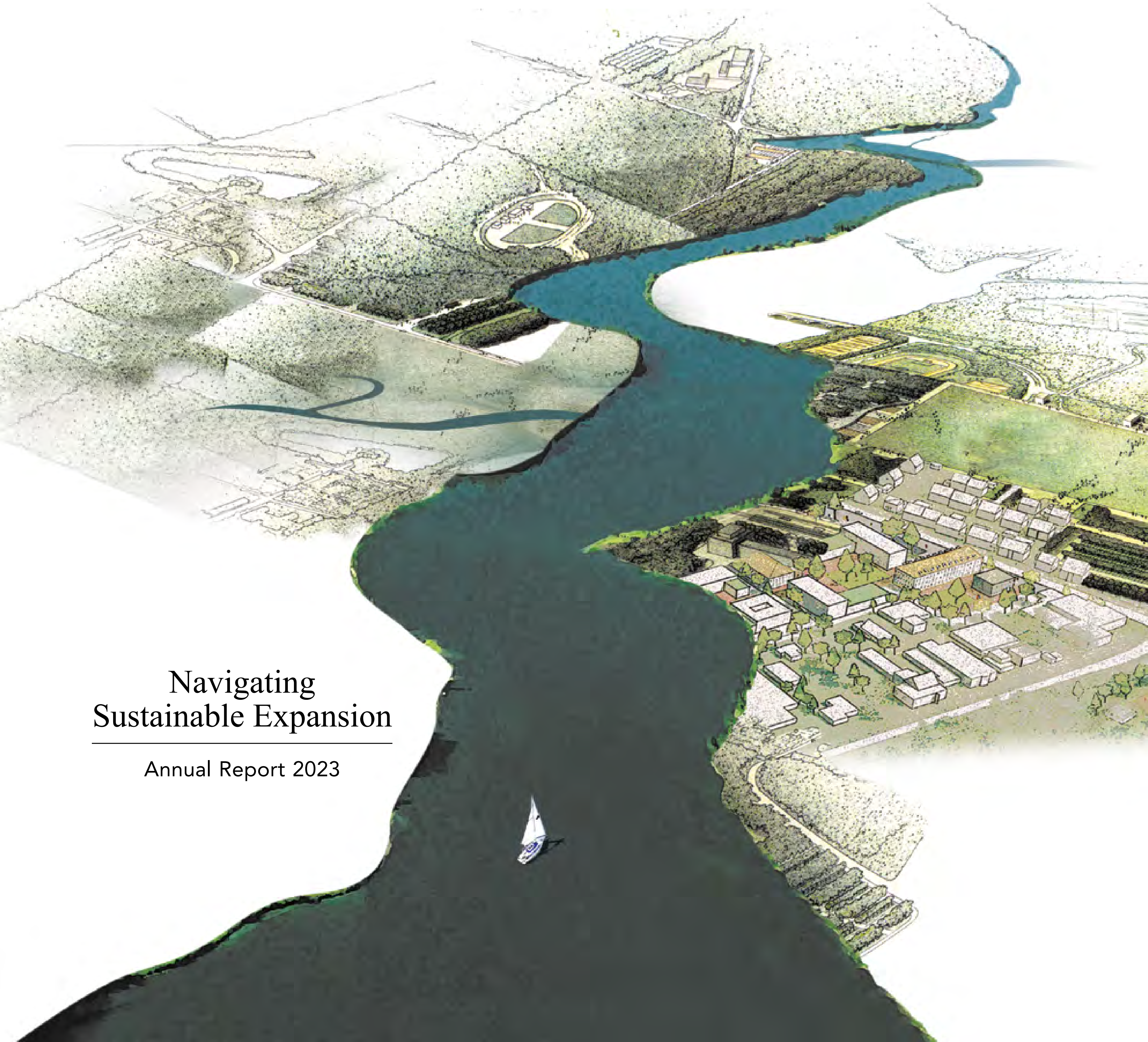
LAGENDA
PROPERTIES



Navigating Sustainable Expansion

Annual Report 2023

23rd

ANNUAL GENERAL MEETING

MEETING PLATFORM:

Fully virtual basis through online meeting platform at https://web.vote2u.my (Domain registration number with MYNIC: D6A471702)

DATE AND TIME:

Monday
24 June 2024
10:30 a.m.

ABOUT US

We are listed on the Main Market of Bursa Malaysia Securities Berhad and started our journey in affordable housing development in early 2018. We are focused on our core expertise of developing self-sustainable townships, prioritising community-based facilities & public amenities that meets the needs of most Malaysian home buyers under the B40 and the M40 income groups. Although affordably priced, all our homes are landed properties and Lagenda's townships provides facilities and amenities that would benefit and enhance the residents' lifestyle.

Our current two (2) major affordable housing township projects are Bandar Baru Setia Awan Perdana in Sitiawan, Perak and Lagenda Teluk Intan in Teluk Intan, Perak which has a combined development area of 2,000 acres and 20,000 affordable homes. We believe our model is highly scalable and will continue to expand our business blueprint in other states of Malaysia to achieve our vision of being a Nationwide Affordable Township Developer. Our next imminent targets are Kedah, Pahang and Johor. Our deliberate landbanking strategies will ensure that we are able to launch at least one new township per year to deliver long term sustainable growth.

VISION

To be the preferred affordable housing developer for Malaysians

MISSION

I. To provide affordable housing solutions for the underserved market.

II. To create a self-sustaining township with comprehensive community and public amenities.

III. To enhance stakeholders' value by being a long-term, sustainable, reputable and affordable housing developer in Malaysia.

IV. To embrace quality and innovation while committing to uphold ESG principles.

Inside This Report

Navigating Sustainable Expansion

We navigate through strategic planning as we develop housing to mark our journey towards sustainable expansion. Just as a ship navigates through the right path, we will lead the industry with foresight and purpose. We will commit to steer the course towards navigating growth with our unparalleled quality, leaving a lasting impact as we move forward.

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Online Version

www.lagendaproperties.com

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LAGENDA PROPERTIES BERHAD

Property Development

- 100% Blossom Eastland Sdn Bhd
  - 100% Maxitanah Sdn Bhd
  - 100% Opti Vega Sdn Bhd
  - 100% Taraf Nusantara Sdn Bhd
    - 100% Lagenda Tapah Sdn Bhd
  - 100% Triprise Sdn Bhd
- 100% LPB Development Sdn Bhd
  - 70% Lagenda Mersing Sdn Bhd
  - 50% BDB Lagenda Sdn Bhd

Construction

- 100% LPB Construction Sdn Bhd
- 100% Rantau Urusan (M) Sdn Bhd
- 50% Lagenda Inta Sdn. Bhd.

Building Materials Supply

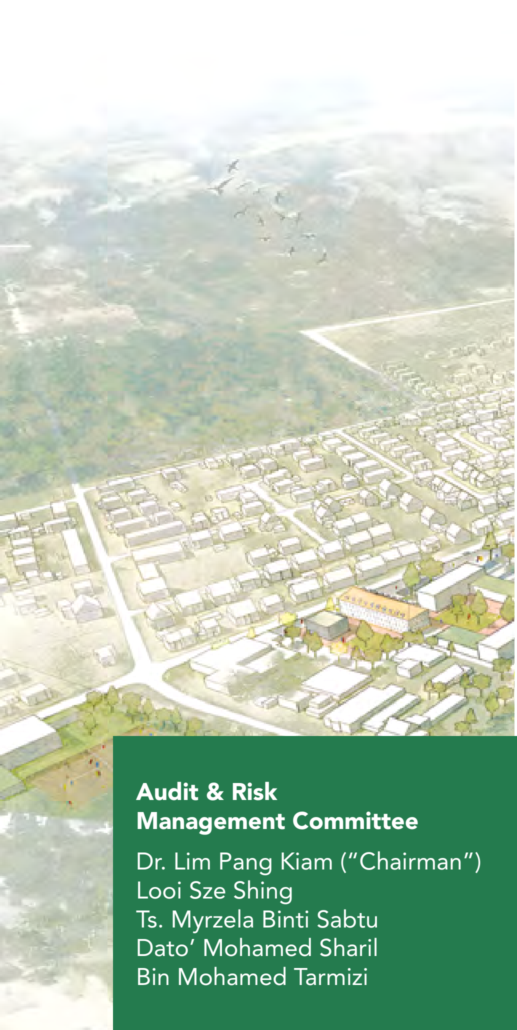
- 100% Yik Wang Trading Sdn Bhd
  - 100% Sitiawan Bolts & Nuts Hardware Sdn Bhd

Others

- 100% Lagenda Harta Sdn. Bhd. (formerly known as Lagenda Property 1 Sdn Bhd)
- 100% Lagenda Sentral Sdn. Bhd. (formerly known as Lagenda Property 2 Sdn Bhd)
- 100% Lagenda International Sdn Bhd
  - 100% Lagenda Perth Pty Ltd
- 50% Seed Homes Lagenda Sdn Bhd*
- 15% Northern Solar Sdn. Bhd.

** Company incorporated after 31 December 2023.*

BOARD OF DIRECTORS



Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj. Ahmad Badaruddin (Retired)
Independent Non-Executive Chairman

Dato' Doh Jee Ming
Managing Director

Dr. Lim Pang Kiam
Independent Non-Executive Director

Looi Sze Shing
Independent Non-Executive Director

Ts. Myrzela Binti Sabtu
Independent Non-Executive Director

Dato' Mohamed Sharil Bin Mohamed Tarmizi
Independent Non-Executive Director

Audit & Risk Management Committee

Dr. Lim Pang Kiam ("Chairman")
Looi Sze Shing
Ts. Myrzela Binti Sabtu
Dato' Mohamed Sharil
Bin Mohamed Tarmizi

Nomination & Remuneration Committee

Dato' Mohamed Sharil
Bin Mohamed Tarmizi ("Chairman")
Looi Sze Shing
Ts. Myrzela Binti Sabtu

Company Secretaries

Siew Suet Wei (MAICSA 7011254)
Lim Yen Teng (LS0010182)
Liew See See (MAICSA 7062468)

Auditors

Moore Stephens
Associates PLT (AF002096)
Chartered Accountants
Unit 3.3A, 3rd Floor,
Surian Tower
No. 1, Jalan PJU7/3,
Mutiara Damansara
47810 Petaling Jaya, Selangor
Tel: 603-7724 1033
Fax: 603-7733 1033

Registered Office

5-9A, The Boulevard Offices
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Wilayah Persekutuan
Tel: 603-2282 6331

Share Registrar

Insurban Corporate Services Sdn Bhd
No. 149, Jalan Aminuddin Baki
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel: 603-7729 5529
Fax: 603-7728 5948

Principal Bankers

CIMB Bank Berhad
AmBank (M) Berhad

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad
Stock Code: 7179
Stock Name: LAGENDA

Website

https://lagendaproperties.com/

Dear Shareholders,

"I am honoured to address you again as Chairman of Lagenda Properties Berhad ("Lagenda"). The year 2023 was a period of transition and dynamic shifts. Through unwavering commitment and a clear vision, we navigated the evolving landscape with resilience and vision, achieving commendable financial results while laying the groundwork for even greater accomplishments in the years to come.

On behalf of the Board of Directors of Lagenda, I am pleased to present the annual report and audited financial statements of Lagenda for the financial year ended 31 December 2023 ("FY2023")".

Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj. Ahmad Badaruddin (Retired)
Independent Non-Executive Chairman

Bridging the Housing Gap

The need for affordable housing in Malaysia remains a pressing concern. This deficit extends beyond mere numbers; it represents a gap in opportunity, a barrier to upward mobility, and a challenge to social stability. At Lagenda, crafting truly affordable housing transcends mere business - it's a calling that drives our every step. We build homes focusing on affordability, weaving together well-designed spaces, vibrant communities, and sustainable practices.

A prominent concern in the residential market is the widely discussed issue of property overhang. The underlying challenge is a shortage of affordable landed housing, leading to a surplus of unsold higher-end and high-rise properties. Data substantiates this, with the highest number of transactions in the landed property sector involving units priced below RM300,000.00.

With demand consistently surpassing supply across most states in the nation, Lagenda identifies significant growth opportunities. Our strategic approach to multi-state expansion caters to current demands and establishes a robust foundation for sustained and long-term growth.

Commendable Performance and Commitment to Reward Shareholders

We delivered a commendable performance in FY2023, with revenue totalling RM834.9 million and profit after tax and minority interest of RM148.3 million. Our focus in FY2023 has been on bolstering operational capabilities for multi-state expansion, resulting in upfront costs, including higher administrative expenses. With selected projects successfully transitioning to the Industrialised Building systems (IBS) construction method, we expect an acceleration in construction speed in the coming months. This, coupled with several projects reaching mid-development cycle, will ramp up revenue recognition in the coming quarters.

We remain committed to providing consistent returns for our shareholders, evidenced by a dividend pay-out of 6.5 sen per share in FY2023, representing a payout ratio of 37%. Adopting a dividend policy of at least 25% of profit after tax and minority interest provides stability for our shareholders while enabling continued business growth through strategic investments.

Further details of Lagenda and its subsidiaries' ("the Group") financial performance for FY2023 are provided in the Management Discussion and Analysis section of this Annual Report.

Governance & Sustainability at Our Core

At Lagenda, strong governance is not merely a box to tick, but the very bedrock upon which successful and sustainable businesses are built. Effective governance surpasses mere compliance, evolving into creating an environment where transparency, accountability, and ethical conduct serve as the guiding principles for every decision made. For us, sound governance is a daily practice, manifested in how we manage resources, engage with shareholders, and build our communities.

In June 2023, we achieved a significant milestone by being included in the prestigious FTSE4GOOD Bursa Malaysia Index and FTSE4Good Bursa Malaysia Shariah Index. This recognition is a testament to our dedicated pursuit of ethical business practices, environmental responsibility, and positive social impact. Lagenda sees this inclusion not only as an acknowledgement of our past efforts but as a commitment to strive for excellence in governance continually.

Our core business is entwined in Environmental, Social and Governance ("ESG"), as Lagenda focuses on developing affordable townships that are sustainable and inclusive. Lagenda has long been dedicated to integrating ESG principles into every aspect of its operations. This inclusion validates our continuous efforts to embed positive and sustainable impacts across the organisation and the communities it serves.

Sustainability is not just an external validation, but an integrated part of our operations including the planning of our townships. This holistic approach ensures responsible and long-lasting growth, leaving a positive legacy for generations. Through governance and sustainability, we aim to build not just homes, but thriving communities where well-being can flourish for all. Moving forward, we will continue to integrate sustainability into our business strategies, embedding it into our decision-making processes and fostering a culture of responsibility across all levels of the organisation. We will proactively seek opportunities to contribute positively to society, minimise our environmental footprint, and ensure the well-being of our employees and the communities in which we operate.

In our relentless pursuit of sustainability, we have taken significant strides in our ESG efforts. For the year under review, we are proud to announce the installation of 4,075 rainwater harvesting tanks across our townships, which not only conserves water but also reduces our carbon footprint by minimizing the need for water transportation and treatment. Additionally, our commitment to waste reduction has led us to recycle more than 3,000 kg of waste at our Kuala Lumpur Office and Bandar Baru Setia Awan Perdana township, diverting it from landfills and contributing to a circular economy.

Furthermore, alongside our reporting of greenhouse gas (GHG) emissions in Scope 1 and Scope 2 disclosures, we have begun to record our Scope 3 GHG emissions, recognizing the importance of addressing indirect emissions from our value chain. By identifying and quantifying these emissions, we aim to develop targeted strategies to reduce our environmental impact and mitigate climate change. These initiatives underscore our dedication to sustainability and our determination to create a more resilient and environmentally friendly future for all stakeholders.

The Sustainability Report set out from pages 024 to 075 comprehensively details our sustainability performance, key highlights and achievements for the year under review.

Awards & Achievements

Lagenda's unwavering dedication to excellence has been acknowledged through numerous prestigious awards received throughout the year. At The Edge Billion Ringgit Club Awards 2023, we were honoured to receive recognition for the highest growth in profit after tax and highest return on equity over three years within the property sector, specifically under the RM3 billion market capitalisation category. Additionally, Lagenda was named as a recipient of several accolades at the Star Property Awards 2023, notably for our contributions to Government-Assisted Housing Initiatives in Bandar Baru Setia Awan Perdana and Lagenda Teluk Intan. These esteemed awards serve as both a validation of our efforts and a catalyst for further achievements in the years ahead.

Navigating Ahead

As we step into 2024, we do so with renewed optimism and purpose. Our robust financial position, expanded land bank, and unwavering commitment to responsible development give us the confidence to face the future with conviction. We will continue to build upon our core strengths, explore innovative housing solutions, and solidify our position as a preferred developer in the affordable housing market.

Overall, the Malaysian property market is expected to see a positive year in 2024 with the Government's initiatives to boost home ownership amid a stable interest rate environment. Given our focus on affordable housing and that a significant portion of our buyers are first-time homeowners, we foresee sustained demand resilience. The robust take-up rates for our homes underscore our townships' enduring appeal and affirm our strategic approach effectiveness. Our commitment remains steadfast in adapting to market dynamics, addressing customer needs, and capitalizing on opportunities to ensure sustainable growth.

Acknowledgements & Conclusion

In closing, I extend my heartfelt appreciation to all stakeholders who have contributed to Lagenda's continued success. Our sincere thanks go to our valued homebuyers for entrusting us with their dreams of homeownership, and to our suppliers and contractors for their unwavering dedication to excellence. The collective efforts of our Board of Directors, management, and employees have been pivotal in shaping our achievements, and I commend them for their passion and tireless commitment.

To our shareholders, your continued support and confidence in Lagenda are the cornerstones of our progress. We remain steadfast in our commitment to delivering sustainable value and building communities that stand the test of time.

As we look ahead, we are energised by the opportunities that lie before us. Lagenda is poised to embark on another year of growth, innovation, and shared success. Together, we will continue to build not just homes but vibrant, inclusive townships that contribute to a better future for all.

Thank you for being an integral part of our journey, and we eagerly anticipate the continued success and growth that the future holds for Lagenda.

Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (Retired)

Independent Non-Executive Chairman

ADMIRAL TAN SRI DATO' SERI PANGLIMA DR. AHMAD KAMARULZAMAN BIN HJ. AHMAD BADARUDDIN (RETIRED)

Independent Non-Executive Chairman

Date Joined:
14 January 2022

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Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj. Ahmad Badaruddin (R) ("Admiral Kamarul") retired as the 12th Chief of The Royal Malaysian Navy on the 30th of March 2019, having served King and country for 42 years.

Admiral Kamarul graduated with distinction and honours from the Fu Hshing Kang Political Warfare College, Republic of China, before completing his Masters in Defense Studies & International Relations at the National University Malaysia.

Admiral Kamarul subsequently furthered his corporate education, completing the Advance Management Program (AMP) at Harvard Business School, Harvard University USA, and the Executive Leadership Program in Business Management at Kenan-Flagler Business School, University of North Carolina, USA. He also holds a Master of Business Administration (MBA) from the University of Strathclyde Business School, UK.

During his tenure as Chief of the Navy, Admiral Kamarul established strategic political and corporate relationships internationally, attending and speaking at international defence and corporate conferences. He has vast knowledge in strategic risk management, cyber security, transformation strategy, international diplomacy and corporate management.

He is also the Chairman of TRC Synergy Bhd and sits on the boards of T7 Global Bhd, Affin Money Brokers Sdn Bhd, and holds interests in several private companies in food security, healthcare, corporate advisory, construction, trading and logistics.

In recognition of his outstanding contribution and unwavering dedication, Admiral Kamarul has been honored with prestigious awards and titles, both locally and internationally. These include the Excellent Grade of The Order of King Abdulaziz from the Kingdom of Saudi Arabia, the Nishan-e-Imtiaz (Military) from Pakistan, the Order of Legion d'Honneur from France, and the Darjah Kebesaran Panglima Setia Mahkota (PSM) from the Yang di-Pertuan Agong.

Admiral Kamarul has been conferred with an Honorary Doctorate in Management from both UNITAR International University and University Malaysia Terengganu in recognition of his exemplary leadership.

Admiral Kamarul does not have any family relationship with any director and/or major shareholder of the Company nor any conflict of interest with the Company. He has no convictions for any offences within the past 5 years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

He does not hold any shares in the Company.

DATO' DOH JEE MING

Managing Director

Date Joined:
20 December 2017

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Dato' Doh Jee Ming ("DDJM") brings extensive expertise and experience in property development and construction. As the Group's Managing Director, he is hands-on and involved with all aspects of our operations. His active participation has been instrumental to the Group's success. Additionally, DDJM is a business owner of several private limited companies in Malaysia.

DDJM holds a Master of Business Administration from the International Teaching University of Georgia in 2017. He is also a life corporate member of the Perak Chinese Chamber of Commerce and Industry.

He is a major shareholder of the Company and holds 10,500,800 ordinary shares directly and 469,554,636 ordinary shares indirectly via his indirect interest in Doh Capital Sdn Bhd (formerly known as Doh Properties Holdings Sdn Bhd) through Setia Awan Plantation Sdn Bhd, and Lagenda Land Sdn Bhd, a major shareholder of the Company.

Save as disclosed herein, he does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest with the Company. He also does not hold any directorship in any other public or publicly listed company and has no convictions for any offences within the past 5 years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

DR. LIM PANG KIAM

Independent Non-Executive Director,
Chairman of Audit & Risk Management Committee

Date Joined:
1 March 2021

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Dr Lim Pang Kiam obtained a Bachelor of Science (Honours) in Housing, Building and Planning and a Master of Science in Planning from Universiti Sains Malaysia in 1988 and 1989 respectively. In 2020, he also obtained a Doctor of Philosophy in Business Administration from SEGi University, Kota Damansara.

He is a Certified Financial Planner, a title by the Financial Planning Association of Malaysia which he has held since 2002. He is also a Credit Risk Management specialist whereby he was awarded the designation as a Certified Risk Professional from the Bank Administration Institute for Certification in USA in 2003. He has been a member of the Council of the Asian Institute of Chartered Bankers (formerly known as Institute of Bankers Malaysia) since 1999. He is a fellow member of the Chartered Institute of Management Accountants ("CIMA") and the Institute of Corporate Director Malaysia ("ICDM"). He is also a member of the MIA, the Chartered Global Management Accountant ("CGMA") and the ASEAN Chartered Professional Accountants ("ASEAN CPA").

He has been in the banking industry for over 15 years holding various senior positions which include banking operation, commercial and corporate banking and investment banking. He left the banking industry in 2004 to become business owner and held several executive and non-executive directorships in public and private limited companies in Malaysia.

He currently sits on the Board of Inta Bina Group Berhad, Engtex Group Berhad, K.Seng Seng Corporation Berhad and SDS Group Berhad.

He does not have any family relationship with any director and/or major shareholder of the Company nor any conflict of interest with the Company. He has no convictions for any offences within the past 5 years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

He does not hold any shares in the Company.

LOOI SZE SHING

Date Joined:
28 June 2019

Independent Non-Executive Director,
Member of Audit & Risk Management Committee,
Member of Nomination & Remuneration Committee

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Ms. Looi Sze Shing is an Accountant by profession and graduated from Sunway University. She is a fellow member of the Association of Chartered Certified Accountants, a member of the Malaysia Institute of Accountants and ASEAN Chartered Professional Accountants.

She is currently the Finance Director of Mechmar Boilers Sdn Bhd. Prior to this, she was Audit Manager at H L Hong & Co. from 2003 to 2009.

She does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest with the Company. She also does not hold any directorship in any other public or publicly listed company and has no convictions for any offences within the past 5 years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial.

She does not hold any shares in the Company.

TS. MYRZELA BINTI SABTU

Date Joined:
27 February 2023

Independent Non-Executive Director,
Member of Audit & Risk Management Committee,
Member of Nomination & Remuneration Committee

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Ts. Myrzela Binti Sabtu ("Ts. Myrzela") has 36 years of extensive expertise in real estate development, the construction industry, asset management, and fund administration. She has held pivotal roles with three (3) prominent developers and served as a board member for development companies in Malaysia, Australia, and the United Kingdom from March 2019 to January 2022. Currently, she serves as an Independent Non-Executive Director for two (2) Malaysian companies primarily engaged in real estate development and plantation operations. She has extensive experience in leading, planning, strategizing, project management real estate investments, development, procurement, land administration, public networking, sales & marketing and facilities management.

She additionally holds roles as an Industry Advisory Panel in Universiti Teknologi Malaysia (UTM) for Faculty of Land Management (2020-2025) and Industry Advisory Panel for Universiti Teknologi MARA (UiTM) for Construction Management, Kolej Pembinaan Alam Bina (2023 – 2025).

She obtained her Diploma in Building from Universiti Teknologi MARA in 1984 and Bachelor in Science (Hons) in Building from Leeds Beckett University, United Kingdom in 1988. She obtained her Masters in Project Management from Open University Malaysia in 2023. Ts. Myrzela is also a Muslim Women Coach on Leadership for Muslim Women Coach Malaysia.

She does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest with the Company. She also does not hold any directorship in any other public or publicly listed company and has no convictions for any offences within the past 5 years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

She does not hold any shares in the Company.

DATO' MOHAMED SHARIL BIN MOHAMED TARMIZI

Independent Non-Executive Director,
Member of Audit & Risk Management Committee,
Chairman of Nomination & Remuneration Committee

Date Joined:
3 April 2023

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Dato' Sharil Tarmizi has a broad range of experience in legal and financial advisory practise and has deep experience in both corporate and regulatory areas. A law graduate, he started his career in Malaysia as an advocate and solicitor of the High Court of Malaya, practising with Azman Davidson & Co and later, Zaid Ibrahim & Co. He also possesses uniquely diverse experience in both the public and private sectors. In 2009, he joined Malaysian Communication and Multimedia Commission (MCMC) as its Chief Operating Officer. Subsequently, he was appointed to the position of Chairman and Chief Executive Officer of MCMC from 2011 to 2014.

Dato' Sharil Tarmizi also has very extensive international experience in the technology, media and communications (TMT) space and is active in the technology startup scene. He is a Senior Advisor to Quantephi Sdn Bhd, a boutique investment advisory firm in Malaysia licensed by the Securities Commission, Malaysia and a Senior Advisor to Asean Advisory Pte Ltd, a specialist advisory and consulting firm based in Singapore. He is also on the Board of Pos Malaysia Berhad, the Board of Lotus Cars UK, the Board of Amanat Lebuhraya Rakyat Berhad and a Member of the Advisory Board of the APNIC Foundation Limited (Australia).

Dato' Sharil Tarmizi qualified as a Barrister-at-Law of Gray's Inn, London, United Kingdom and graduated with a LLB (Hons) from the University College of Wales, Aberystwyth.

He does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past 5 years (other than traffic offences, if any), nor any public sanction or penalty imposed by regulatory bodies during the financial year.

He does not hold any shares in the Company.

CHUA SENG HOOI, ANDY

Executive Director

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Date Joined:

2 October 2023

Qualification:

- Advance Diploma in Marketing Management, University of Wales, United Kingdom
- Postgraduate Diploma, Information Technology in Business, University of Lincoln, United Kingdom

Working Experience:

Mr. Chua Seng Hooi (Andy) commenced his career in the financial sector with a Singaporean bank before transitioning to property development in 1994. Since then, he has accumulated diverse experience across various departments within several companies, holding senior positions at notable entities such as IOI Properties Berhad, Mines Resort Berhad, and Mah Sing Berhad. Most recently, he served as the Executive Director at Guocoland (Malaysia) Berhad.

With over 28 years of professional experience, Andy has been instrumental in driving revenue and profitability across a broad spectrum of operations, encompassing projects ranging from landed homes to commercial offices, retail centers, townships, and mixed integrated developments. His leadership has extended internationally, with ventures in countries including Singapore, Hong Kong, China, South Korea, Japan, Australia, UAE, Bahrain, and the United Kingdom.

Currently, Andy oversees all operational functions within the Group.

CHEAH LYE AIK

Head, Project Development

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Date Joined:

16 January 2020

Qualification:

- Bachelor of Science (Honours) HBP (Planning), Universiti Sains Malaysia
- Master of Science Town Planning, Universiti Sains Malaysia

Working Experience:

With over 24 years of dedicated experience as a town planner, Mr. Cheah possesses a comprehensive skill set encompassing site appraisals, budgeting, project management, local demography understanding, market research, data analysis, teamwork, leadership, communication, and time management. He has been a corporate member of the Malaysian Institute of Town Planners since 2001 and served as the Chairman of the Malaysian Institute of Planners (Northern Branch) from 2015 to 2018.

Mr. Cheah joined Lagenda in 2020 as the General Manager and has since ascended to his current role as the Head of Project Development. In his capacity, he oversees all aspects of project development across our portfolio of projects.

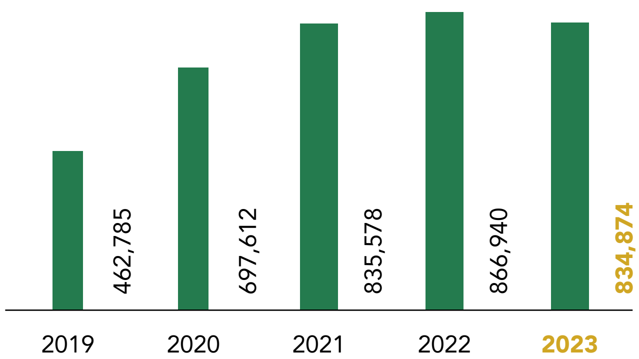
Save as disclosed below, none of the senior management personnel has:

a) any directorship in public companies and listed issuers;
b) any family relationship with any directors and/or major shareholders of the Company;
c) any conflict of interest with the Company;
d) any conviction for offences (other than traffic offences) in the past 5 years; and
e) any public sanction or penalty imposed by any relevant regulatory bodies during the financial year.

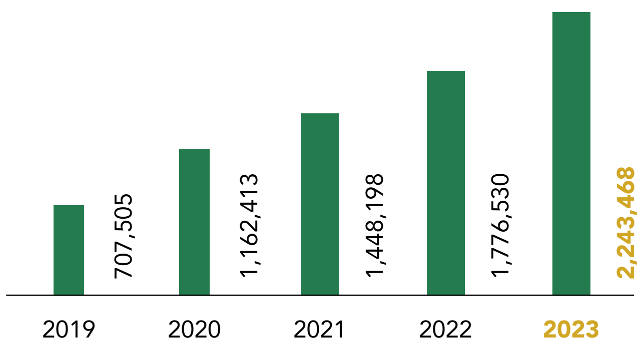
5 YEARS GROUP FINANCIAL HIGHLIGHTS

Financial Year Ended	Audited 31-Dec 2023	Audited 31-Dec 2022	Audited 31-Dec 2021	Audited 31-Dec 2020	Audited 31-Dec 2019
Financial Results					
Revenue (RM'000)	**834,874**	866,940	835,578	697,612	462,785
Profit Before Taxation (RM'000)	**212,556**	251,501	279,079	215,943	140,191
Profit Attributable To Owners of The Parent (RM'000)	**148,325**	178,257	201,506	142,487	96,060
Dividend Per Share (sen)	**6.50**	6.50	6.50	2.50	Nil
Financial Position					
Total Cash And Cash Equivalents (RM'000)	**321,466**	441,796	229,363	214,280	69,201
Total Assets (RM'000)	**2,243,468**	1,776,530	1,448,198	1,162,413	707,505
Total Borrowings (RM'000)	**309,626**	386,202	204,799	226,180	95,418
Share Capital (RM'000)	**333,171**	333,171	314,551	220,520	50,500
Reserve (RM'000)	**(16,829)**	(8,630)	(1,700)	(5.864)	-
Equity Attributable to Owners of The Parents (RM'000)	**1,101,849**	1,016,149	880,628	618,538	311,895
Financial Position					
Basic Earnings Per Share (sen)	**0.18**	0.21	0.25	0.57	0.40
Net Assets Per Share (RM)	**1.32**	1.21	1.10	2.53	1.35
Return On Equity (%)	**13.46**	17.54	22.88	22.04	30.80
Gearing Ratio (times)	**0.28**	0.38	0.23	0.36	0.30

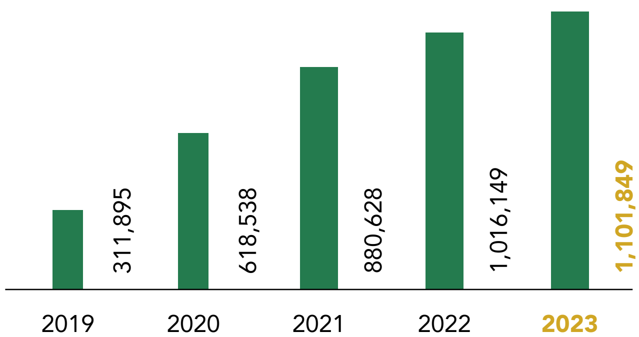
REVENUE RM'mil



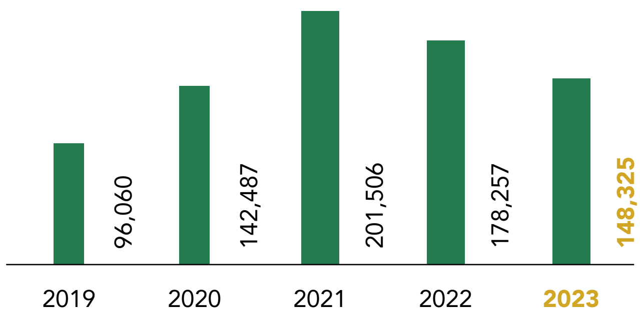
TOTAL ASSETS RM'mil



EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENTS RM'mil



PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENTS RM'mil



Dear Shareholders,

I am delighted to share Lagenda's remarkable journey and achievements for FY2023. As we forge ahead in our mission to be the preferred nationwide affordable housing developer, I am immensely proud of the strides we have made to redefine the landscape of affordable living in Malaysia.

We recognise the challenges many Malaysians face in securing affordable landed property, and Lagenda remains steadfast in its commitment to address this issue. Our dedication to making homeownership a reality for more Malaysians is unwavering. Lagenda's major townships, designed carefully, go beyond mere structures; they are vibrant communities with integrated lifestyle facilities. These amenities are crafted to foster healthy, communal activities, reinforcing our vision of creating enjoyable and sustainable living environments that positively impact the lives of individuals and families alike.

The previous year was a period of significant advancement as we maintained our focus on expansion, launching our inaugural project in Johor and actively replenishing our landbanks to fuel future growth. In this Management Discussion & Analysis, we invite you to explore a comprehensive review of our financial and operational performance over the past year. This will offer insights into our key accomplishments, the obstacles we encountered, the opportunities that arose, and most importantly, the strategic initiatives that will propel us into a future brimming with potential.

1. OVERVIEW OF LAGENDA

Lagenda is an affordable housing and integrated township developer listed on the Main Market of Bursa Malaysia Securities Berhad. We focus on developing self-sustainable townships which prioritise community-based facilities & public amenities that meet the needs of Malaysian home buyers within the B40 and the M40 household income group classifications.

A home is a necessity and most of our buyers are first-time home buyers. Demand for affordable landed housing remains resilient at the right prices. To ensure affordability, the prices of our homes are reverse engineered based on the B40 and M40 household income groups in the different districts where our townships are located. Our major townships provide facilities and amenities such as a clubhouse, swimming pool, gymnasium, futsal courts, multipurpose hall, football fields and badminton courts to enhance socialisation and community building for our residents. We continue to record healthy take-up rates with our focus on lifestyle and a competitive pricing strategy.

Aside from property development, Lagenda is also supported by an internal construction arm and building materials supply division, enabling us to optimise cost and maintain price competitiveness. A key component is Lagenda's in-house construction arm, which undertakes a portion of our construction works to ensure that we are not wholly reliant on external subcontractors. Our building materials supply division purchases construction materials in bulk directly from manufacturers or wholesalers, which eliminates the need for intermediaries and allows for better cost management. This can help us manage the pricing of our homes, keeping them affordable, while sustaining healthy profit margins.

2. REVIEW OF OPERATING ACTIVITIES

Property Launches and Sales

Throughout the year, Lagenda launched nearly 3,500 homes with a collective Gross Development Value ("**GDV**") of RM722.0 million. Among the notable launches were Phases 4B and 4C of Bandar Baru Setia Awan Perdana (Perak), Phase 3B in Lagenda Teluk Intan (Perak), Phase 3A of Darulaman Lagenda in Sungai Petani (Kedah), and Phase 1 of Lagenda Suria in Mersing (Johor).

Building upon the success witnessed in Kedah in 2022, our expansion continued in 2023, marking our presence in Johor with the first launch of 608 units in Lagenda Suria. Our homes were again met with high demand and a take-up rate of over 95% of units within four months of the launch. This success serves as a testament to the enduring allure of our townships and validates our strategic approach, confirming that we are on the right path to replicate our achievements. Johor is a vibrant state holding immense potential, and we are delighted with the response received for our maiden launch.

FY2023 stood out as a significant milestone for Lagenda, as we surpassed the RM1 billion mark in confirmed sales for the first time. Achieving a remarkable RM1.04 billion in confirmed sales represents a noteworthy 33% increase compared to the previous year's figure of RM788.0 million. This outstanding performance underscores the robust demand for our affordable and meticulously planned townships, reaffirming our commitment to delivering quality homes that cater to the diverse needs of Malaysians. With our multi-state expansion strategy, we are no longer solely dependent on a single state. In FY2023, 56% of confirmed sales were derived from Perak, 41% from Kedah and 3% from Johor. We expect strong momentum to continue into 2024, driven by launches across five states.

2. REVIEW OF OPERATING ACTIVITIES (Cont'd)

Township Updates

We remain confident in our ability to deliver mid to long-term growth. We see opportunities to expand our presence in our existing township and new areas as most Malaysians continue to prioritise affordable living spaces with accompanying facilities. With our competitive pricing strategy, we continue to register high take-up rates in our major townships. Demand for housing by the B40 group is resilient as long as the price remains affordable.

Details of our key townships are set out below:

Bandar Baru Setia Awan Perdana ("BBSAP")

BANDAR BARU
SETIA AWAN PERDANA

BBSAP is a well-planned township and thought-out development that has transformed the Manjung district in Perak. Its strategic location adjacent to the West Coast Expressway ("WCE") allows easy access to the city centre of Kuala Lumpur, a 155 km drive away, and Pangkor Island, only 25 km away.

Equipped with comprehensive infrastructure and community facilities, such as schools, government offices, upcoming commercial developments, supermarkets, and other amenities, BBSAP is a self-sustaining township. This township offers an upscale lifestyle with premium facilities, including a clubhouse, gymnasium, and an Olympic-sized swimming pool. We have also established community garden facilities that cater to the needs of the local community, promote recreational activities, and provide better access to food resources.

BBSAP will be developed in four (4) major phases to deliver over 14,000 houses. As of the end of FY2023, we had launched over 12,000 units in this township.

As of 31 December 2023, this development recorded an overall take-up rate of 97% for Phases 1D to 4A and a total average take-up of 83% after taking into account the newer Phases 4B and 4C.

Lagenda Teluk Intan ("LTI")

LAGENDA
TELUK INTAN

LTI is the first and largest affordable township in Teluk Intan. It is strategically accessible within 5 km of the WCE to its west and 6 km from the town centre.

This affordable township development comprises a variety of facilities and amenities that are slated to change the landscape of Teluk Intan. It is equipped with complete community facilities such as an exclusive clubhouse and well-equipped security to ensure the community's safety is not compromised.

This township to be developed over six (6) major phases, delivering over 13,000 units of houses upon completion. As of the end of FY2023, we had launched over 6,000 units in this township.

As of 31 December 2023, this development had a take-up of 99% for Phases 1 and 2 and a total average take-up of 85% after taking into account the newer Phases 3A and 3B.

2. REVIEW OF OPERATING ACTIVITIES (Cont'd)

Township Updates (Cont'd)

Lagenda Tropika

LAGENDA TROPIKA
TAPAH

Lagenda Tropika is an affordable township located in Tapah that is surrounded by nature. The township is strategically located within 10 km of the town centre, offering ample amenities such as a hospital, health clinic, schools, and supermarket. Lagenda Tropika features a range of facilities, including a football field, playground, kindergarten, cycling track and jogging tracks. It consists of 1,777 units of homes.

As of 31 December 2023, this development has a take-up rate of 86%.

Darulaman Lagenda

DARULAMAN LAGENDA
SUNGAI PETANI

Darulaman Lagenda, a joint venture with Bina Darulaman Bhd to build the largest affordable housing township in Sungai Petani, Kedah, with over 2,500 homes to be built over two (2) phases. It is strategically located in a mature neighbourhood in Sungai Petani. The primary access is via the North-South Expressway PLUS through the Sungai Petani exit. This township is surrounded by various community facilities such as a hospital, school and commercial areas.

As of 31 December 2023, we had successfully launched close to 2,000 units in this new township and received an overwhelming response, with 95% of the units taken up.

Lagenda Suria

Lagenda SURIA
MERSING

Lagenda Suria is an affordable township with a total land size of 431 acres in Mersing, Johor. The township is strategically located in a mature neighbourhood that is easily accessible to various amenities such as schools, polytechnics, health facilities, attractions, a supermarket, and a wet market.

We successfully launched more than 600 units in Phase 1A of this new township in October 2023. As of February 2024, we had achieved a take-up rate of more than 90%.

Land banking and Other Corporate Activities

One of Lagenda's key strengths is our ability to monetise our landbank, ensuring long-term, sustainable growth efficiently. With our relatively quick gestation period, active land banking is important to ensure constant replenishment and a steady pipeline of new launches. We are meticulous in our land banking strategy, prioritising locations with high development potential and strong financial metrics like return on equity and overall project profitability. Land banking, in our context, extends beyond mere land acquisition and may take diverse forms, including joint ventures or the acquisition of development rights. We remain flexible in exploring alternative structures that align with our financial requirements.

2. REVIEW OF OPERATING ACTIVITIES (Cont'd)

Land banking and Other Corporate Activities

Acquisition of 1,075 acres in Kulai, Johor

In February 2023, our 70% owned subsidiary, Lagenda Mersing Sdn. Bhd. entered into a conditional Sale and Purchase Agreement with an indirect subsidiary of Permodalan Nasional Berhad to acquire 1,075 acres of land in Kulai, Johor. This land is strategically located within the proximity of multiple industrial parks and the region's economic hub of Johor Bahru, just 18 km away from Senai International Airport with its associated logistics and industrial hubs and 39 km away from Johor Bahru city centre.

Lagenda plans to develop a large-scale, affordable, and self-sustaining township, which will span over 12,000 residential units accompanied by commercial portions with an estimated GDV of RM4.0 billion, subject to final planning and approval at a later stage. This large-scale township is anticipated to benefit not only future homeowners but also Johor-based industries and, by extension, the state as a whole. This acquisition was completed in February 2024 with the first launch expected by the end of 2024.

Development Rights Agreement for 148 acres in Kota Tinggi, Johor

In January 2024, Lagenda's wholly owned subsidiary, Opti Vega Sdn Bhd, inked a development rights agreement ("**DRA**") with Intact Corporate Approach Sdn Bhd for a 148-acre parcel in Kota Tinggi, Johor, boasting a GDV of RM576.0 million. The purchase consideration for this development right is RM85.0 million.

This development is located approximately 8 km from our Kulai land mentioned above. It encompasses the construction of double-story terraced houses and commercial shop lots, with an anticipated development period spanning three (3) to four (4) years. A key driver behind this transaction is the expeditious monetisation made possible by the land's pre-existing planning permission approval, reducing the typical two (2) year timeline from acquisition to launch to just six (6) months. Our inaugural launch is scheduled for the first half of 2024, contributing to the fortification of Lagenda's presence in Johor and aligning with the forthcoming development of our flagship affordable township in Kulai by year-end. The DRA also allows Lagenda to acquire an additional 232 acres, offering flexibility for potential expansion. This acquisition was completed in January 2024 with the first launch expected in the first half of 2024.

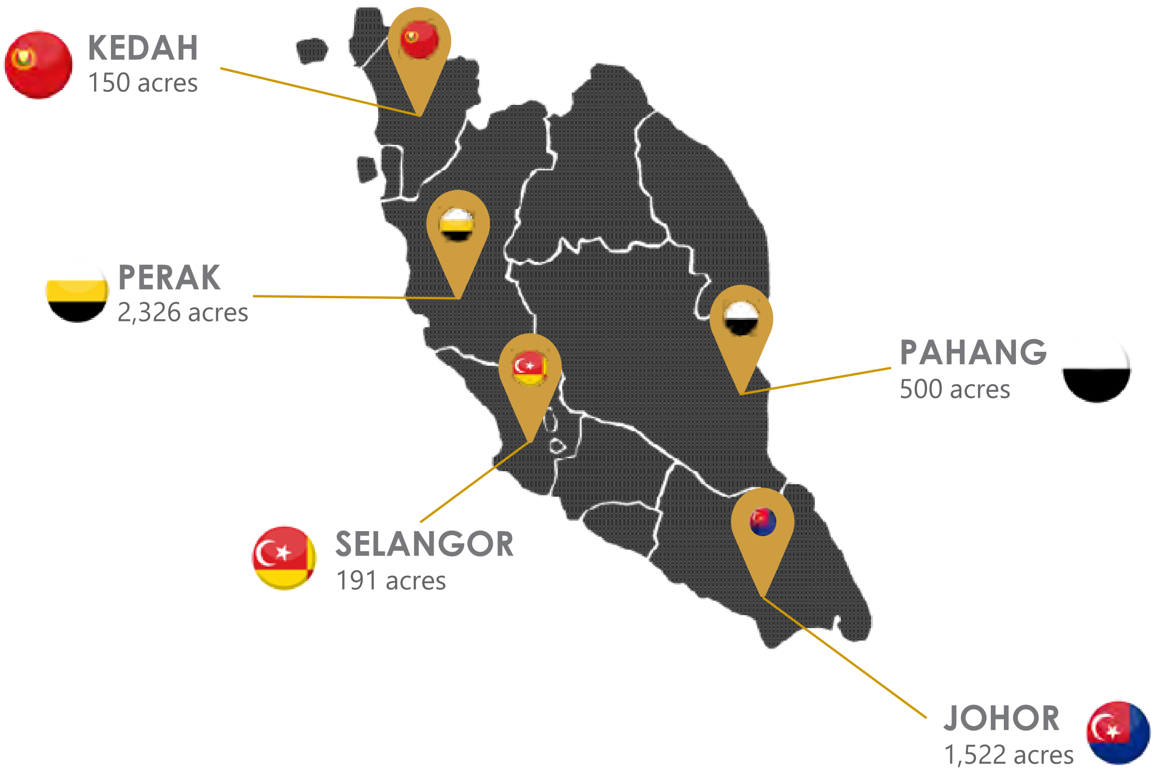
Joint Venture with Sime Darby Property Berhad for 249 acres in Gurun, Kedah

In January 2024, we signed a shareholders' agreement with Sime Darby Property Berhad ("**SDP**") to set up Seed Homes Lagenda Sdn Bhd ("**Seed Homes Lagenda**"), a 50:50 joint venture to develop affordable homes. The joint venture will leverage SDP's over 50 years of presence and track record, its extensive and strategic land bank, and Lagenda's highly scalable model of developing self-sustainable affordable townships. The partnership is expected to be long-term, aiming to benefit both companies while bolstering Malaysia's growing affordable housing market and fostering increased homeownership.

Seed Homes Lagenda is set to embark on its first affordable township project in Gurun, Kedah, by acquiring 249 acres of land from SDP. Anticipated to yield over 3,000 affordable homes, this development capitalises on its strategic location and spillover effects of the potential industrial growth in Gurun. The GDV for this first project is anticipated to be between RM750.0 to RM850.0 million with a targeted launch in early 2025. We have experienced resounding success in our first township in Kedah through Darulaman Lagenda, and will capitalise on this demand to expand our presence via this joint venture. It will also allow both Lagenda and SDP to exchange ideas, knowledge, and experience to provide innovative solutions and expertise to the affordable housing segment.

2. REVIEW OF OPERATING ACTIVITIES (Cont'd)

Land banking and Other Corporate Activities (Cont'd)



Upon the transactions mentioned above completing, we will have a total remaining landbank of nearly 4,700 acres with an estimated GDV of RM13.0 billion. With a sizable landbank now in hand throughout five states in the Peninsular, we will be ramping up momentum over the next few years to strengthen further our reputation as one of the most formidable affordable housing developers in Malaysia. Lagenda has a scalable business model and aims to achieve higher efficiency in each of our township developments. We will continue to evolve our township development model based on previous development frameworks, market insight and knowledge gained.

In Johor, we currently have a sizable remaining landbank of approximately 1,500 acres of land with an estimated GDV of RM5.6 billion. This expansion reflects our positive outlook on this vibrant state and its potential. We believe there is vast untapped demand for affordable housing in Johor, where many households still need homeownership. Additionally, we can acquire another 200 acres in Johor, providing us with flexibility and the opportunity to expand our presence in this promising market further.

2. REVIEW OF OPERATING ACTIVITIES (Cont'd)

Land banking and Other Corporate Activities

Acquisition of 3Damansara Office Tower

In September 2023, we announced the acquisition of a twelve-storey office building known as the 3Damansara Office Tower, which was completed in December 2024. The office tower acquisition aligns with Lagenda's growth strategy, as we are currently in expansion mode and have increased our headcount. The location of the 3Damansara Office Tower (which will subsequently be renamed as Lagenda Tower) is strategic, as it sits between our key projects in the northern states (Kedah and Perak) and our oncoming sizable projects in Johor.

Notably, the 3Damansara Office Tower enjoys a prime position at the intersection of the SPRINT and LDP highways. This prime location not only enhances Lagenda's brand visibility and reputation but also positions us favourably to attract top talent. Ultimately, for us to keep providing affordable housing to the underserved market, we need to attract capable talents within the industry and a centralised location will allow us to achieve this and foster a sense of unity amongst our employees and stakeholders. Furthermore, ongoing negotiations with several other interested tenants are underway. We are confident in achieving an occupancy rate of at least 80% within a year of completing the acquisition, including the space occupied by our team. We have done a stress test and are confident that the transaction will be a positive addition to Lagenda through an additional income stream.

This acquisition is part of our broader corporate strategy to support our expansion plan in the affordable housing sector. It serves the dual purpose of providing a central headquarters for our growing workforce. Our commitment to affordable housing remains unwavering and is at the core of Lagenda's mission. We are just beginning an exciting journey, considering the substantial shortage of affordable housing across most states, which will continue to drive strong demand in the foreseeable future.

2. REVIEW OF OPERATING ACTIVITIES (Cont'd)

Awards & Recognition

Lagenda takes pride in our commitment towards excellence. Our unwavering focus on achieving growth has led us to receive the following accolades in FY2023:

The Edge Billion Ringgit Club Corporate Awards 2023

1. Property Sector Below RM3 Billion Market Capitalisation (Highest Growth in Profit After Tax Over Three Years)

2. Property Sector Below RM3 Billion Market Capitalisation (Highest Return on Equity Over Three Years)

Star Property Awards 2023

Excellence
1. The Government-Assisted Homes Award
Best National Homeownership Initiative – Northern
Project: Bandar Baru Setia Awan Perdana Phase 1D

Honours
2. The Government-Assisted Homes Award
Best National Homeownership Initiative
Project: Lagenda Teluk Intan Phase 1

These awards serve as a testament to the hard work and dedication of our employees and management team, who consistently strive to deliver unparalleled value to our stakeholders. Receiving these awards not only validates our efforts but also motivates us to continue raising the bar and setting new benchmarks for ourselves as we aim to pursue even greater success in the future.

3. REVIEW OF FINANCIAL PERFORMANCE

Revenue

In FY2023, we reported revenue of RM834.9 million, which was 3.7% lower than our previous year's revenue. During the first half of 2023, we transitioned from traditional construction methods to Industrialised Building Systems ("**IBS**") for our newer projects in Teluk Intan and Kedah. This led to a temporarily slower construction pace, which was expected as we got used to the new IBS system. Owing to this, revenue recognition was lower than in the previous financial year. However, we are now moving towards full implementation of IBS in these projects, and we expect to see an acceleration in construction speed. We have also seen a sequential improvement in revenue in each quarter as the year progressed.

With projects reaching the mid-development cycle in 2024, there will be faster revenue recognition compared to 2023 when most projects were in the early stages. As of 31 December 2023, Lagenda's unbilled sales stood at RM732.4 million, while outstanding bookings reached RM268.3 million, providing future revenue visibility.

Profitability & Dividends

With the lower revenue, gross profit for the year was RM302.3 million compared to RM319.8 million in FY2022. Nonetheless, we maintained a robust gross profit margin of 36.2%. In FY2023, our focus has been on fortifying operational capabilities, and laying the groundwork for a multi-state expansion. With this, we incurred some upfront costs in preparation for multi-state project launches in the coming quarters. This includes higher administrative costs as we build manpower to prepare for a significantly higher launch volume in 2024. We reported profit after tax and minority interest of RM148.3 million compared to RM178.3 million in the preceding year. Our net profit margin for the year was 17.7%.

Lagenda is committed to generating consistent returns for our shareholders and building a sustainable business model that benefits all stakeholders. The total dividend pay-out in FY2023 was 6.5 sen per share, aggregating to RM54.4 million, representing a payout ratio of 36%. We are committed to rewarding shareholders for their continuous support subject to our profitability, capital expenditure requirements and overall liquidity position. During the year, we adopted a dividend policy of at least 25% of profit after tax and minority interest, which we believe will provide more certainty and stability for our shareholders while also enabling us to continue investing in the growth of our business.

3. REVIEW OF FINANCIAL PERFORMANCE (Cont'd)

Balance Sheet and Cashflow

Our balance sheet remains strong. As of 31 December 2023, we were in a net cash position with a low gross gearing ratio of 0.28 times. Total assets increased from RM1.8 billion in FY2022 to RM2.2 billion in FY2023, while net cash generated from operations for FY2023 was RM94.33 million.

4. RISK FACTORS AND MITIGATING STEPS

Labour Issues

Throughout the pandemic-affected period from March 2020 to June 2022, limitations on foreign labour recruitment and the departure of skilled workers to their home countries significantly reduced the available labour pool. Although the Malaysian government reinstated foreign worker recruitment in the latter half of 2022, the impact of this policy reversal would only be fully realised well into 2023. Consequently, the shortage of available workers had a notable impact on the overall progress of projects for many property developers. This labour scarcity also led to a substantial increase in labour costs, further contributing to elevated operating expenses.

In FY2023, we expanded the usage of IBS, especially for our newer phases, such as Lagenda Teluk Intan Phase 3 and Darulaman Lagenda in Kedah. Our use of IBS will significantly reduce the reliance on labour in the future. IBS is also suitable for our large-scale townships as it improves consistency and speed and reduces construction time, making it an ideal solution for mass developments with standardised designs.

Landbank Replenishment

The availability of land is a vital capital for property development. Hence, continued replenishment of land banks through the acquisition of strategic parcels is often a prerequisite in sustaining the property development business model. In FY2023, Lagenda has embarked on the strategy to expand its landbank outside of Perak, as we are on a journey to expand our footprint to other states where the demand for affordable housing is still unmet. With these, it would bring Lagenda's remaining landbank to almost 4,700 acres with an estimated GDV of RM13.0 billion.

Duration for Regulatory Approvals

The property development industry is subject to a complex and time-consuming approval process, influenced by government policies, evolving regulatory frameworks, and bureaucratic procedures. With operations spanning multiple states, governed by distinct regulatory bodies, the approval process becomes more intricate. Resource constraints within regulatory bodies, public objections, environmental concerns, and community disputes can further contribute to prolonged approval timelines. These uncertainties introduce potential challenges, impacting project schedules, increasing holding costs, and posing threats to overall project profitability.

To address this risk, Lagenda proactively engages with regulatory authorities and monitors policy changes. Lagenda also closely observes regulatory environments in target locations, employing risk management measures to navigate potential delays effectively.

Raw Material Costs

Thus far, we have not faced significant impact from rising commodity prices as we are building single-storey landed terrace houses which use much less raw materials such as steel bars than high-rise structures. During the peak of the commodity price wave, we adjusted the prices of our future launches to cushion this impact and preserve our profit margins. As our homes are very competitively priced, the marginally higher selling prices will not impact its affordability to the B40 group when spread over the loan instalment period hence we are confident that demand will not be affected.

Climate Change and Environmental, Social and Governance ("ESG")

As global concerns about climate change intensify, regulatory frameworks and public expectations are evolving, impacting the real estate industry. ESG considerations are also increasingly becoming key metrics for investment decisions, and failure to meet evolving environmental and social standards could result in reputational damage and financial repercussions. Lagenda's ability to secure financing, attract investors, and maintain stakeholder trust may be jeopardised if it is perceived as not aligning with responsible and sustainable business practices.

4. RISK FACTORS AND MITIGATING STEPS (Cont'd)

Climate Change and Environmental, Social and Governance ("ESG") (Cont'd)

Lagenda recognises these risks and is committed to integrating sustainable practices into its operations, ensuring compliance with emerging regulations, and enhancing resilience against the physical impacts of climate change. With our continued focus on ESG initiatives, we were included as a constituent of the FTSE4GOOD Bursa Malaysia Index and FTSE4GOOD Bursa Malaysia Shariah Index. Moving forward, we plan to further integrate ESG elements into our core affordable housing business, particularly focusing on the renewable energy sector, where our vast townships present an ideal canvas for innovative solar projects.

Other Market Factors

While the demand for affordable homes in Malaysia remains strong, location, quality, sustainability of townships and product mix are equally important considerations for home purchasers. We remain cautious and actively conduct market research and analysis to ensure our development remains financially feasible and fits the requirements of our targeted segment. Careful and methodological feasibility studies, due diligence and risk analysis are undertaken to ensure all factors are considered in our development to minimise the risks.

We will continue to monitor the key risks and take appropriate measures to manage them adequately. The details of the risk management are set out in the Statement of Risk and Internal Control on pages 89 to 91 in this Annual Report.

5. SUSTAINABILITY & RESPONSIBLE BUSINESS

Lagenda is steadfast in our commitment to upholding ESG principles in our business operations.

Our commitment to sustainability is multi-faceted, encompassing environmental responsibility, ethical governance, and gender diversity. A recent review of our whistleblowing policy and guidelines has demonstrated its effectiveness, resulting in zero bribery and corruption cases and zero cybersecurity breaches in FY2023. These outcomes underscore our dedication to upholding the highest business ethics and transparency standards.

In terms of governance, we are proud to announce that 33% of our board of directors are women, reflecting our ongoing initiatives to promote gender diversity and equality within our organisation.

On the environmental front, we have taken significant steps to mitigate our carbon footprint and enhance community green spaces. In FY2023, we planted 27,337 trees across various townships, contributing to local biodiversity and improving air quality. Additionally, we have begun recording our Scope 3 greenhouse gas emissions to gain a comprehensive understanding of our indirect environmental impacts. Furthermore, we rolled out the Road-to-Decarbonisation Programme, a strategic initiative aimed at reducing our carbon emissions and transitioning towards a more sustainable and environmentally friendly operational model.

With all our efforts, as mentioned previously, we are pleased to have been included in the FTSE4GOOD Bursa Malaysia Index and FTSE4GOOD Bursa Malaysia Shariah Index in FY2023. This inclusion underscores our dedication to upholding high ESG standards and validates our ongoing efforts to integrate sustainability into the core of our business operations. Our journey towards sustainability is continuous, and we are committed to building upon our achievements, improving our ESG performance, and driving positive change within our organization and the communities we serve.

The Sustainability Statement of this Annual Report provides further details about how we are progressively embedding our ESG focus within our business strategies.

6. FUTURE PROSPECTS

2024 is poised to be a vibrant and exciting year for Lagenda as we plan to launch over 8,000 units of affordable homes, more than doubling the figure from 2023. We are ramping up to commence launches in two new states, Selangor and Pahang, expanding our presence to five states by year-end. This nationwide presence allows us to cater to a broader range of buyers and contribute to the housing needs of communities across Malaysia.

We have been diligently fortifying our operational capabilities throughout the past year, laying the groundwork for multi-state expansion, and strategically replenishing our landbank to fuel future growth. This robust foundation positions Lagenda perfectly to capitalise on exciting opportunities in the future.

7. ACKNOWLEDGEMENTS & APPRECIATION

On behalf of the Board, I extend our heartfelt gratitude to our valued homebuyers, esteemed business associates, collaborative partners, and dedicated shareholders for your relentless support throughout 2023. To Team Lagenda, your unwavering commitment, resilience, and hard work have played a pivotal role in shaping our financial successes and facilitating our operational expansion.

Reflecting on the past year fills me with immense pride and appreciation for our collective achievements. Despite our challenges, we remained resolute in our mission – to redefine affordable living in Malaysia. Together, we have built thriving communities, delivered exceptional value, and empowered countless families to achieve their dream of homeownership. We are incredibly proud of what we have accomplished but even more excited about the opportunities ahead. The future trajectory holds the promise of greater success for Lagenda, and we are poised for the exciting journey that lies ahead.

Dato' Doh Jee Ming
Managing Director

CREATING SUSTAINABILITY VALUE

ABOUT THIS STATEMENT

Lagenda is pleased to present our Sustainability Statement ("Statement"), which showcases our sustainability and governance journeys and discloses all strategic efforts in managing our Economic, Environmental and Social ("EES") agendas.

We aim to provide a comprehensive and balanced view of our non-financial and ESG performance, in line with our commitment to upholding stakeholder trust through transparency.

Reporting Period

This statement covers activities during the reporting period commencing from 1 January 2023 to 31 December 2023 or FY2023. We have included comparative data from previous years as required to track year-on-year progress.

Reporting Scope and Boundary

The reporting scope and boundary cover major business operations and activities over which we have direct management control. We recognise that our value chain may have significant sustainability impacts; thus, we commit to cascading sustainability practices to our stakeholders, including suppliers and business partners.

Reporting Framework

This Statement has been prepared in reference to the following standards:

- Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities");
- Bursa Sustainability Reporting Guide and Toolkits 2022 (3rd Edition);
- Global Reporting Initiative ("GRI") Standards 2021 Core Option;
- Malaysian Code on Corporate Governance 2021 ("MCCG");
- Bursa Malaysia's Illustrative Sustainability Report ("ISR");
- The United Nations' Sustainable Development Goals ("UN SDGs");
- Task Force on Climate-Related Financial Disclosures ("TCFD");
- The Greenhouse Gas Protocol (GHG Emissions);
- FTSE4Good Sustainability Index; and
- Lagenda's Sustainability Framework.

Report & Data Quality

The content of this report is guided closely by the GRI Reporting Principles, covering four key areas:

Stakeholder Inclusiveness

This Statement identifies the needs and expectations of key internal and external stakeholders on EES matters that are important to our business. This ensures that the report is relevant and responsive to the needs of stakeholders.

Sustainability Context

Where relevant, this Statement places sustainability matters within a wider context when managing our sustainability performance, with reference to UN SDGs as well as climate-related risks and opportunities as emphasised by the TCFD Recommendations.

Materiality

This Statement empirically identifies, prioritises and defines the most key sustainability topics of the Group through surveys, the results of which are validated by the Board. The survey results are presented in the Materiality Assessment section of this Statement.

Completeness

This Statement includes the complete reporting boundary and sustainability topics that are relevant and material to the Group and our stakeholders. This enables stakeholders to assess our performance and EES impacts during the reporting period.

All data in this Statement has been internally sourced, verified and validated by the respective business division based on the GRI principles of accuracy, balance, clarity, comparability, reliability, and timeliness. The Group is cognisant that data gathering is still required for certain indicators. We are implementing better data gathering and management mechanisms for improved reporting accuracy going forward.

ABOUT THIS STATEMENT (Cont'd)

Statement of Use

The Board, as the Group's highest decision-making body, acknowledges its responsibility for the following statement of use. The information reported for FY2023 has been prepared in accordance with the GRI Standards.

The Board approved this Sustainability Statement on 15 April 2024.

Membership of Associations

The Group is a member of the following professional bodies and industry associations:

- Corporate Member of FIABCI International Real Estate Federation Malaysia (Malaysian Chapter); and
- Member of Real Estate and Housing Developers Association Malaysia.

Assurance

Lagenda has undertaken independent auditing and assurance for financial data presented in this report, where the figures can be cross-referenced with the Financial Statements. However, Lagenda has not acquired third-party assurance for non-financial and sustainability-related data. Nevertheless, to increase the credibility of this Statement, we have in FY2023 established our sustainability database related to diversity, energy management and GHG emissions, water consumption and biodiversity. For future green or sustainability-linked financing and/or capital, the Group shall, when necessary, explore external assurance for the whole or part of this Statement. Our key operations and internal control documentation adhere to ISO 9001 standards and has been audited internally, highlighting areas where improvements are required. We remain committed to enhancing our data and documentation to strengthen our disclosures moving forward, including procuring the involvement of third parties for assurance.

Forward-Looking Statements

This Statement contains forward-looking statements that discuss Lagenda's targets, future plans, operations and performance based on reasonable and current assumptions and factors. The Group advises readers to refrain from solely relying on such statements as our business is subject to risks and uncertainties beyond our control. Actual results may differ.

Accessibility

This Statement can be accessed via our corporate website, www.lagendaproperties.com under the Sustainability section. The website also contains updates on our ongoing ESG activities and relevant policies.

Feedback and Enquiries

As the Group seeks to continuously improve its sustainability reporting to deliver a meaningful disclosure of its ESG performance, we appreciate questions, comments, and suggestions from our stakeholders.

Please direct your inquiries to:

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liewseesee@lagendaprops.com

Ms. Brenda Tan Pei Jian
brenda.tan@lagendaprops.com

Tel: +605 688 7179

PERFORMANCE HIGHLIGHTS

ECONOMIC & GOVERNANCE

Direct economic value generated of **RM835 million**

4,700 acres of remaining landbank with an estimated GDV of RM13.0 billion

100% of the procurement budget expended on local suppliers

Enhanced Sustainability Committee Governance

Reviewed & reaffirmed the **Whistleblowing Policy & Guidelines**

ZERO
i. Cases of bribery and corruption
ii. Cases of cybersecurity breaches

SOCIAL

More than **2,339,000** manhours, with Zero Lost Time Injuries ("LTI")

Close to **RM300,000** invested in communities, education, sports, and the environment

9% increase in Total Workforce

ZERO Fatalities

80% Customer Satisfaction Score

33% Female Directors on the Board

ENVIRONMENT

5R Campaign awareness and recycling infrastructure facilitation

4,075 units of rainwater harvesting tanks installed

Rolled out the **Road-to-Decarbonisation Programme**

Began recording **Scope 3 GHG emissions**

More than **3,000kg** of Waste Recycled at KL Office, and Bandar Baru Setia Awan Perdana Townships

Community Garden initiatives

241,812 square metres of landscape area developed

27,337 Trees Planted across townships

RECOGNITIONS

SUSTAINABLE DEVELOPMENT GOALS

Lagenda's commitment to sustainability is deeply rooted in its alignment with the United Nations Sustainable Development Goals (UN SDGs). The company has dedicated efforts to embracing 14 of these goals, recognising them as essential pillars for driving positive change and fostering sustainable development. By integrating these SDGs into its strategy, Lagenda aims to contribute meaningfully to global efforts to advance critical dimensions of sustainability.

FTSE4Good

The FTSE4Good Bursa Malaysia Index measures the performance of public-listed companies that demonstrate strong ESG practices against international benchmarks, whereas the FTSE4Good Bursa Malaysia Shariah Index is designed to track constituents that are shariah-compliant, in accordance with the Shariah Advisory Council's screening methodology. Lagenda is honoured to be a constituent of both indices.

AWARDS

The Edge Billion Ringgit Club Corporate Awards 2023

Property Sector Below RM3 Billion Market Capitalisation (Highest Return on Equity Over Three Years)

The Edge Billion Ringgit Club Corporate Awards 2023

Property Sector Below RM3 Billion Market Capitalisation (Highest Growth in Profit After Tax Over Three Years)

StarProperty Awards 2023 - Honours

The Government-Assisted Homes Award
Best National Homeownership Initiative
Project: Lagenda Teluk Intan Phase 1

StarProperty Awards 2023 – Excellence
The Government-Assisted Homes Award
Best National Homeownership Initiative – Northern
Project: Bandar Baru Setia Awan Perdana Phase 1D

EMBRACING SUSTAINABILITY

Our Approach to Sustainability

We focus on generating a positive impact and seek to ensure sustainability in our operations by adhering to Triple Bottom Line ("TBL") principles - People, Planet, and Prosperity. This framework guides all our actions and aligns with the Global and National Sustainability Agendas.

OUR TAGLINE	Redefining Affordable Living			
OUR VISION	To be Malaysia's preferred affordable housing developer			
MISSION STATEMENT	**01** To provide affordable housing solutions for the underserved market	**02** To create a self-sustaining township with comprehensive community and public amenities	**03** To enhance stakeholders' value by being a long-term, sustainable, reputable and affordable housing developer in Malaysia	**04** To embrace quality and innovation while commiting to uphold ESG principles

STREAMLINES WHAT SUSTAINABILITY MEANS TO LAGENDA

SUSTAINABILITY PRINCIPLES

GOVERNANCE

Prosperity	**People**	**Planet**
Driving Continuous Improvement towards Sustainability	Advocating Positive Social Impact	Advancing Enviromental Stewardship

FORMULATION OF STRATEGY/ PROGRAMME/ ACTION

KEY PROGRAMME OR ACTION PLANS

OUR ALLIGNMENT & REPORTING FRAMEWORK

FTSE4Good | GRI | IFRS® | TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES | Supporting: SUSTAINABLE DEVELOPMENT GOALS

We will continue to integrate sustainability into our business strategies, embed it into our decision-making processes and foster a culture of responsibility across all levels of the organisation.

EMBRACING SUSTAINABILITY (Cont'd)

Sustainability Journey

Sustainability is a journey for us, and we know we can go further. We will continue to address matters that can close gaps in our sustainability practices and drive our sustainability journey forward.

2018

- Aligned with 3 SDGs
- Produced inaugural sustainability statement based on Main Market Listing Requirement; reporting boundary limited to poultry business
- Established the Sustainability Commitee
- Aligned with GRI

2019

- Redefined alignments with 2 SDGs
- Transitioned from poultry-based operations to property development
- Reassessed material matters after business transition

2020

- Aligned with 6 SDGs
- Formalised the following:
  - Anti-Bribery and Anti-Corruption Policies & Guidelines
  - Whistleblowing Policy and Guidelines
  - Code of Conduct and Ethics
  - Sustainability Steering Commitee
  - Sustainability Working Commitee

2021

- Aligned with 10 SDGs
- Produced 2-Years Sustainability Roadmap and Action Plan prior to inclusion in FTSE4Good Index Series
- Produced ESG key performance indicators ("KPI") and targets for selected material topics
- Formalised Quaility Policy

2022

- Maintained commitment to 10 SDGs
- Formalised sustainability-related policies
- Added new KPI
- Adopted SASB disclosure standards and TCFD
- Formalised Enterprise Risk Management Framework
- Set net-zero target

2023

- Aligned with 14 SDGs
- Developed sustainability database with Bursa Malaysia's Common Sustainability indicators
- Included in the FTSE4Good Index Series
- Achieved 3-star ESG rating amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
- Commenced disclosure of Scope 3 GHG emissions (limited employees's commuting)
- Rolled out 5R recycling progamme

Moving Forward

At Lagenda, we have fully embraced the concept of sustainability throughout all facets of our operations. We intend to adopt sustainability as a strategic imperative and a key central focus in the years ahead.

Moving forward, we are dedicated to, amongst others, advancing the adoption of renewable energy sources, with a particular emphasis on harnessing the power of solar energy across our projects. By prioritizing solar power, we aim to reduce our carbon footprint and contribute positively to the transition toward cleaner energy alternatives.

Our emphasis extends to advocating for further community engagement and support, with an aim to empower residents to embrace and sustain eco-friendly lifestyles. This involves fostering meaningful connections with local communities to instil a shared sense of responsibility towards environmental stewardship. Together, we can create a more sustainable future for generations to come.

EMBRACING SUSTAINABILITY (Cont'd)

Sustainability Scorecard 2023

The scorecard summarises the key outcomes and achievements for the year, encompassing the sustainability aspects of our business and the agenda of UN SDGs. As shared in our Sustainability Statement of 2022, our KPIs have been restructured in accordance with our sustainability pillars.

The sustainability principles, strategies, performance targets and indicators remain the same for FY2023. Actual achievements during the year have exceeded our established performance targets. Lagenda recognises that sustainability management is a continuous process and strives to refine our goals and performance indicators as we go along.

Pillar 1

Driving Continuous Improvement towards Sustainability
TBL Impact Area: Prosperity

Material Matters	KPI	Progress
Anti-Corruption and Ethical Conduct	• Zero incidents of corruption cases	• Conducted risk assessment exposure related to anti-corruption and bribery at the Group level • 100% local suppliers screened through ABAC along with an evaluation form and interview process • No corruption cases recorded in FY2023
Risk Management & Mitigation	• Maintain 100% risk management functions and processes	• Maintain 100% risk management functions and processes; conducted a risk assessment for the Group
Efficient Supply Chain	• 100% procurement spending on local suppliers	• 100% procurement spending on local suppliers
Affordable Housing	• Provide over 35,000 affordable homes by the end of FY2030	• More than 20,000 homes provided since 2016
Product Quality and Responsibility	• Respond to 100% of customer complaints within 15 days with the incorporation of a communication monitoring system • Improve Customer Satisfaction Score	• 100% of customer complaints responded to within 15 days • 80% Customer Satisfaction Score for FY2023
Landbank	• Minimum of 2,800 acres at the end of each financial year	• Close to 4,700 acres in 5 states (Johor, Selangor, Kedah, Pahang and Perak) of Peninsular Malaysia

EMBRACING SUSTAINABILITY (Cont'd)

Sustainability Scorecard 2023 (Cont'd)

Material Matters	KPI	Progress
Pillar 2 Pillar 2: Advocating Positive Social Impacts **TBL Impact Area**: People		
Human and Labour Rights	• Adhere to Human Rights and Employment Policy in line with Employment Act 1995	• Adopted Human Rights and Employment Policy • Communicated the Human Rights Policy to all employees through the internal portal • Revised Company Policy in accordance with amendments to the Employment Act
Occupational Safety and Health	• Workplace safety • Achieve an average of 20 hours of safety training for each site employee per year	• Zero fatality and injury • Zero Lost Time Injury rate • Achieved an average of 26 hours of safety training for each site employee
Talent Retention and Development	• Deploy a total of 4,000 training hours annually • Integrate succession planning throughout the organisation	• Deployed a total of 522 training hours for employees' skills and personal development, with an average of 14 training hours per employee
Local Community Development	• Conduct a minimum of 15 community activities per year	• Organised and contributed to more than 20 community engagement activities, with a total expenditure of approximately RM300,000
Diversity and Equal Opportunity	• Maintain 30% of female board representation, in line with the Malaysian Code on Corporate Governance 2021 ("MCCG") • Ensure diversity, equality, and inclusivity ("DEI") are applied, per the Human Rights Policy and Employment Policy	• 33% of female board representation • 141 job opportunities created in FY2023.

EMBRACING SUSTAINABILITY (Cont'd)

Sustainability Scorecard 2023 (Cont'd)

Material Matters	KPI	Progress
Pillar 3 Advancing Environmental Stewardship **TBL Impact Area**: Planet		
Pollution and Environmental Compliance	• 80% environmental compliance as stipulated by authorities	• 2 environmental-related non-compliance for which rectification works were immediately undertaken
Waste Management and Recycling	• Minimum of 20% of construction waste diverted from landfill • Promote recycling centres/points located throughout our township • Engage with organisations/ authorities to promote the Community Garden programme	• Diverted more than 3,000 kg of waste from landfills • Promoted our 5R initiative (Reduce, Reuse, Recycle, Recover and Repurpose) at our operational building and BBSAP township • Engaged with MPM to commercialise harvested vegetables led by residents at BBSAP township
Energy Consumption	• Record lower energy intensity by employing 100% LED lighting at operational buildings	• Developed energy inventory data for monitoring purposes • Recorded 940,180 kWh of electricity consumption across operational buildings, a year-on-year increase due to adjustments to our data collection process, where more data points were used.
Water Consumption	• Install more than 3,000 units of rainwater harvesting systems in our townships by 2025	• Installed 4,075 units of rainwater harvesting systems across the townships • Recorded 11,610m^3 of water consumption across operational buildings
Climate Change and Emissions	• Install 1,000 units of residential solar PV systems in 5 years • Reduce GHG emissions by 10% by 2025 and 45% by 2030 • Embark on carbon neutrality and net zero emissions targets	• Solar installations to yield an expected 5,700kg of carbon avoidance • Developed GHG inventory for monitoring purposes • Recorded Scope 3 GHG emissions (employees commuting to work)
Biodiversity	• Plant more than 30,000 plants across all developments by 2025 • Achieve a 5% increase in trees that have significant conservation value	• Adopted Biodiversity Policy • Planted a total of 27,337 trees across all developments • Planted 1,454 trees of vulnerable and endangered species

EMBRACING SUSTAINABILITY (Cont'd)

Our Material Matters

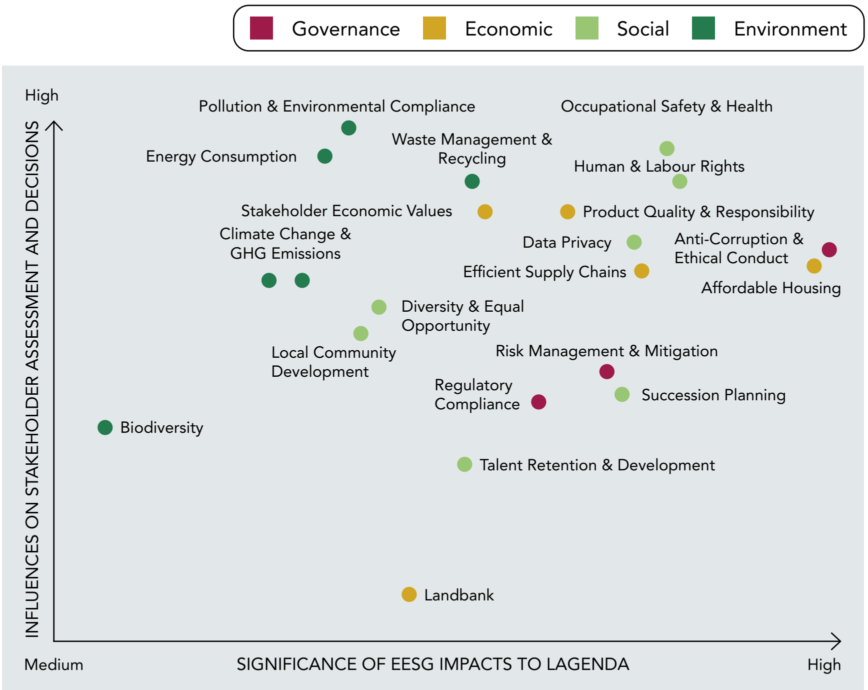
We recognise the need to channel our finite resources to address our most material sustainability matters. This helps us meet our stakeholders' expectations as our business landscape continues to evolve.

We conduct a comprehensive materiality assessment that encompasses the following process:

- **Evaluation**: We review our past reports to determine if our material matters remain relevant and if their prioritisation has changed.
- **Comparative Analysis**: We benchmark against industry peers, considering common and industry-specific topics/matters aligned with international standards to ensure their relevance.
- **Input from Stakeholders**: We gather feedback from the Management and the Board to better understand expectations and allow for the proposal of new material matters.
- **Prioritisation**: We rank material matters based on their importance to our stakeholders (if any changes exist).
- **Review and Validation**: We review and validate the outcome and determine the frequency of undertaking materiality assessments.

In FY2023, our Management reviewed the material matters that guided our sustainability efforts in the previous year and determined that all 21 sustainability matters remained relevant.

In this statement, we provide comprehensive disclosure on all 21 topics regarding how we performed in addressing them. Additionally, we have indicated our relevant plans going forward and continued to refer to our Materiality Matrix to determine our ESG risks, opportunities and value creation to our stakeholders.



The top-right quadrant of the chart shows the material topics or matters that are most important to us and our stakeholders to be:

- **Economic and Governance**
  - Anti-Corruption & Ethical Conduct
  - Affordable Housing
  - Stakeholder Economic Values
  - Product Quality & Responsibility
  - Efficient Supply Chains
  - Risk Management & Mitigation
  - Regulatory Compliance
- **Environment**
  - Waste Management & Recycling
- **Social**
  - Occupational Health and Safety
  - Human & Labour Rights
  - Data Privacy
  - Succession Planning

In the current evaluation, we acknowledge that some topics may not be ranked as 'Highly Material'. However, we remain committed to disclosing our management approach and required disclosures for all topics in accordance with both the GRI Standards and non-GRI frameworks. In response to the growing need for double materiality and a more integrated approach, we are pleased to announce that we are initiating such disclosures to meet stakeholder demands.

EMBRACING SUSTAINABILITY (Cont'd)

Stakeholder Engagement

Lagenda's key stakeholder groups include regulatory bodies, business partners, fund providers, customers, employees, the local community, suppliers, media, and non-governmental organisations ("NGOs"). These groups were identified based on their levels of influence over and dependence on our business. We maintain constructive channels of communication through both formal and informal means regarding our needs and expectations.

Stakeholder Group	Needs and Expectations	Engagement Channels	Relevant Material Matters
Regulatory Bodies Priority: Critical Management Approach: Manage Closely	• Standards and certifications • Government policies • Gather audit findings and reports • Economic issues • Compliance with laws and regulations	• Inspections by local authorities when required • Periodic meetings for policy discussions • Periodic reporting for regulatory requirements and compliance • Collaborations with government agencies for community welfare, education and sustainability or CSR-related programmes • Participation in corporate and CSR events	• Regulatory compliance • OSH • Stakeholder economic values • Risk management and mitigation
Employees Priority: Critical Management Approach: Manage Closely	• Career development • Competency training • Safety at the workplace • Compensation and employee benefits • Results-driven rewards • Continuous engagement • Work-life balance	• Training/on-the-job training programmes • Annual corporate activities and teambuilding exercises • Monthly emails • Memos via intranet • Induction programme for new hires • Employee Engagement Survey	• OSH • Human and labour rights • Talent retention and development • Diversity and equal opportunity • Anti-corruption and ethical conduct • Data privacy • Waste management and recycling
Customers Priority: Very High Management Approach: Keep Satisfied	• Compliance with laws and regulations • Standards and certification • Government policies • Gather audit findings and reports • Economic issues	• Events and roadshows • Advertisements, billboards and marketing campaigns • Project launches • Social media presence • Sales brochures • Enquiry forms on website • Defect Feedback Form • Sales previews and launches • Customer Satisfaction Survey	• Product quality and responsibility • Local community development • Regulatory compliance • Stakeholder economic values
Suppliers Priority: High Management Approach: Keep Informed	• Transparent procurement practices • Transparent and fair pricing • Timely pay-outs • Payment terms • Contract terms and conditions	• Quarterly suppliers' registration update • Periodic contact through telephone and email • Supplier surveys • Quarterly meetings • Project updates when required	• Efficient supply chains • Regulatory compliance • Risk management and mitigation • Anti-corruption and ethical conduct

EMBRACING SUSTAINABILITY (Cont'd)

Stakeholder Engagement (Cont'd)

Stakeholder Group	Needs and Expectations	Engagement Channels	Relevant Material Matters
Local Communities Priority: Medium Management Approach: Monitor	• Social issues • Environmental impacts • Safety and health • Employment opportunities • Social and charity events • Sponsorships	• Events and roadshows • Community engagement activities and CSR programmes • Quarterly financial announcements • Media announcements and project launches when required • Annual Report • Company website updates throughout the year • Annual festive celebrations	• Local community development • Climate change and emissions • Indirect economic value • Local procurement
Fund Providers Priority: High Management Approach: Keep Informed	• Periodic reporting • Loan covenant compliance reporting • Timely repayment • Periodic communication	• Annual General Meeting and Annual Report • Corporate announcements • Media announcements and project launches when required • Monthly marketing and promotional events • Company website updates throughout the year	• Affordable housing • Regulatory compliance • Product quality and responsibility • Risk management and mitigation
Media Priority: High Management Approach: Keep Informed	• Impact of operations on the surrounding environment and communities • Corporate governance • Strong relationships • Accuracy of information	• Corporate announcements • Periodic media announcements • Annual Report • Company website updates throughout the year • Project launches when required	• Affordable housing • Stakeholder economic values • Local community development
Business Partners Priority: Very High Management Approach: Keep Satisfied	• Group's performance • Growth/business opportunities • Governance practices • Current and future project development • Share price performance • Company's prospects	• Corporate announcements • Media announcements and Annual Report • Company website updates throughout the year • Monthly marketing and promotional events • Project launches, meetings and briefings as and when required	• Affordable housing • Regulatory compliance • Stakeholder economic values

SUSTAINABILITY GOVERNANCE

Sustainability governance at Lagenda is anchored upon the structure of our Sustainability Steering Committee ("SSC"), which ensures accountability for all identified sustainability matters, strategies, and performance.

The SSC is led by our Managing Director, who is supported by our Management team. In FY2023, we sought to further improve our sustainability governance by renewing the composition of our SSC through the inclusion of a public relations team.

ESG topics, including biodiversity, climate change, human rights, OSH, and other material sustainability matters, are periodically escalated to the SSC and Board for review and deliberation. This approach positions the Board to oversee the Group's ESG plans. The SSC provides the Board with all recommendations on addressing material issues. The SSC coordinates the direction of our sustainability strategies before conveying this information to the SWG.

We are currently gathering enthusiastic Green Champions from the Sustainability Working Group to form a Subunit. These talented individuals will set the pace for advocating sustainability among their working peers.

BOARD OF DIRECTORS

- Provide oversight on the Group's ESG plans, programmes and initiatives
- Provide advices on the Group's sustainability roadmap and strategy
- Reviews the effectiveness of the Group's sustainability strategies

SUSTAINABILITY STEERING COMMITTEE

- Oversee the SWG's execution of programmes, initiatives and progress
- Makes recommendations to the Board on sustainability strategies and initiatives
- Review sustainability data and progress of operational units

SUSTAINABILITY WORKING COMMITTEE

- Collect and monitor data on our ESG performance
- Assist the SSC in preparing sustainability disclosures
- Assist in the execution of programmes and initiatives

Key Initiatives Arising from the 2022 Sustainability Steering Committee Meetings

The ESG discourse at the SSC level revolves around developing a framework for our ESG programmes and initiatives. In FY2023, we focused on operationalising the sustainability TBL by initiating programmes that offer good value for money and cost-saving opportunities for the long run. The SSC led the rollout of our 5R Campaign through its initiatives, solar installation and innovation research in technology and construction.

Moving forward, our SSC will continue to emphasise capacity-building, awareness, quality training, and on-ground initiatives to deliver greater benefits to our surrounding communities while addressing our environmental and social impacts.

BUSINESS ETHICS & CORPORATE GOVERNANCE

(Material Matters: Ethical Conduct and Corporate Integrity, Anti-corruption, Regulatory Compliance, Risk Management and Data Privacy)

As a responsible property developer, we operate with high standards of conduct and integrity, guided by various group-wide measures, policies and procedures. We believe that having good business ethics and governance reduces non-compliance risk whilst increasing our credibility and brand value. The following sections highlight our efforts in managing material matters related to governance.

Ethical Conduct and Corporate Integrity

Our Board, Senior Management and employees are required to comply with our Code of Conduct and Ethics ("Code"), which outlines ethical business practices for our Group. The Code sets out the expected norms, values and behaviours with which representatives of Lagenda are to conduct their professional engagements with stakeholders, especially vendors, suppliers, contractors and business partners.

The Code clarifies conflicts of interest, rules of engagement between employees and superiors on corrupt or unethical practices, and more. In essence, the Code stipulates what constitutes unacceptable behaviour or practices at the workplace.

The Board periodically reviews the Code to ensure it remains relevant and appropriate. The Code is made available for employees through the Group's website https://lagendaproperties.com/wp-content/uploads/2023/02/Code-of-Conduct-Ethics.pdf and Viva Engage, our internal communication platform. A copy is also shared with new joiners during their orientation. In FY2023, we communicated the Code through Viva Engage to all our employees.

Commitment to Good Corporate Governance

We maintain accountability and transparency by adopting best practices in internal mechanisms and procedures, the Bursa Main Market Listing Requirements and the MCCG.

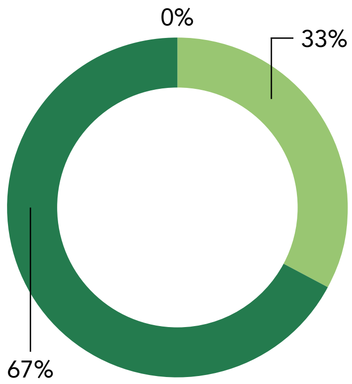
We adhere to the three main principles of the MCCG, i.e.:

1. Board Leadership and Effectiveness;
2. Effective Audit and Risk Management; and
3. Integrity in Corporate Reporting and Meaningful Relationships with Stakeholders.

Our prudent stance on corporate governance sees us complying strictly with MCCG Practices 4.1-4.5, which outlines the Board's involvement in sustainability processes.

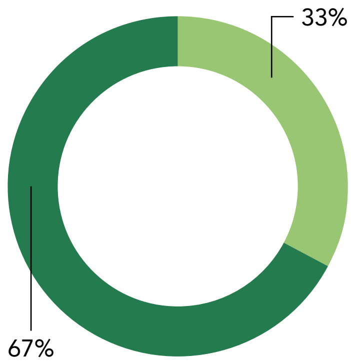
Lagenda's Board largely comprises independent non-executive directors. The Group maintains its multi-ethnic board composition, and 33% of its composition is female.

Percentage of Directors by Age Group



Age below 30
Age between 31-50
Age between 51-65

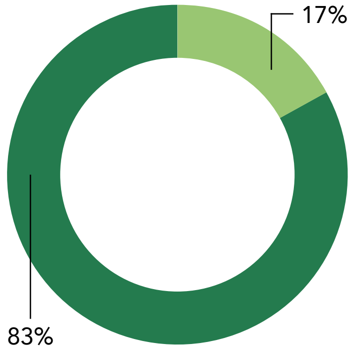
Percentage of Directors by Gender



Male
Female

Percentage of Independent and Non-Independent Director

Independent
Non-Independent



Further information on our MCCG adoption can be found in the Corporate Governance Overview Statement on page 76 as well as our standalone Corporate Governance Report FY2023.

BUSINESS ETHICS & CORPORATE GOVERNANCE (Cont'd)

Regulatory & Compliance Culture

Lagenda recognises that a strong compliance culture cultivates high standards of integrity and conduct, and it is based on the premise of shared responsibility, regardless of rank or title.

To ensure clear comprehension of the tenets of our policies, we provide briefings to all new hires during the onboarding process. All updates to our policies are communicated speedily to all staff via Viva Engage.

We also comply with all laws and regulations related to our business, including the National Land Code 1965, the Housing Development Act 1966, the Housing Affordable Housing Policy 2019, and the Town and Country Planning Act 1976.

Governance	Social	Environment
• Code of Conduct and Ethics • Anti-Bribery and Anti-Corruption Policies and Guidelines • Whistleblowing Policy and Guidelines • Board Charter • Directors' Fit and Proper Policy • Remuneration Policies and Procedures	• Employment Policy • Human and Labour Rights Policy • Dividend Policy	• Environmental Policy • Climate Change Policy • Biodiversity Policy

Anti-Bribery & Anti-Corruption Policies and Guidelines

Lagenda takes a strong stance of zero-tolerance against bribery or corruption. Lagenda is guided by the Anti-Bribery and Anti-Corruption ("ABAC") Policy & Guidelines that serve as procedures to prohibit bribery and corruption and prevent any loss or damage in the conduct of our business. A copy of the ABAC Policy is provided to new employees, suppliers, vendors and business partners and made publicly available on our corporate website. Its content is reviewed regularly to assess the adequacy of its implementation.

In FY2023, all new employees underwent anti-corruption training during their induction process and were informed of their responsibility in the Employee Handbook. They were required to confirm their understanding via our Induction Form. The Group is expanding the training to all employees and suppliers.

In this connection, Lagenda has established a Corruption Risk Management Framework, guided by ISO 37001:2016 and Guidelines on Adequate Procedures, as well as the requirements of the Malaysian Anti-Corruption ("MACC") Act 2009 (amended 2018), introduced via Section 4 of the MACC (Amendment) Act 2018. We also recognise the importance of due diligence procedures in evaluating the risk of corruption and bribery associated with key stakeholders. The procedures serve as a basis for making informed decisions about entering into any contractual arrangements or business dealings with them.

The following framework outlines our governance structure and policies, assessment process and integration of risk management into the Group's operations to promote continuous monitoring of all identified corruption risks.

Risk Identification	Risk Analysis	Risk Evaluation
• Identify business objectives or strategic goals and key processes • Identify key corruption risks	• Analyse the corruption scheme and root causes (cover both possible & actual) • Determine existing key controls	• Determine existing risk rating (likelihood & impact) • Risk profiling

In FY2023, a corruption risk assessment was conducted across Lagenda's operations to assess our exposure to corruption risk. The assessment results were presented to our Audit & Risk Management Committee Meeting. We are pleased to announce that in FY2023, we had no known instances of bribery or corruption with our suppliers, who were assessed against our ABAC Policy and due diligence criteria. We endeavour to report in good faith any attempted, suspected, and actual bribery and corruption activities at the earliest possible stage using our Whistleblowing Policy and Guidelines.

BUSINESS ETHICS & CORPORATE GOVERNANCE (Cont'd)

Gift-Giving and Acceptance

Lagenda recognises that corporate hospitality giving/acceptance, gift-giving, donations and sponsorship activities can help to maintain good rapport with our vendors, customers and government officials.

Our general principle on gift acceptance is to immediately refuse or return such gifts, or if accepted, to declare them to the Human Resources Department and/or the Managing Director's Office in a transparent manner. Meanwhile, purchases of gifts shall follow Clause 5.1 of Lagenda's ABAC Policy and Guidelines. Gifts that are given or received should not bear any impact on any decision or create expectations of favours to be returned.

Lagenda is an apolitical organisation. Therefore, we do not contribute to any political parties or politically related organisations.

Whistleblowing Channels

In line with good corporate governance practices, Lagenda established our Whistleblowing Policy and Guidelines to provide a structured mechanism for all staff to safely and confidentially report any wrongful activities, misconduct, corruption and instances of fraud, waste and abuse of any laws, rules and regulations that will affect our corporate image.

The reporting channel is stated clearly in the Whistleblowing Policy and Guidelines, accessible on our website https://lagendaproperties.com/wp-content/uploads/2023/02/Whistleblowing-Policy-Guidelines.pdf. We make every effort to protect the whistleblower's identity upon his/her making of disclosures in good faith with reasonable grounds.

In FY2023, we further strengthened our integrity and accountability by establishing a dedicated whistleblowing channel that allows all stakeholders to report or raise genuine concerns without fear of retaliation or intimidation.

In FY2023, no cases were received under our whistleblowing mechanism.

Risk Management

The Group's risks are comprised of strategic, financial, business, and operational risks.

We are aware of the risks pertaining to ESG matters, and understand how issues such as climate change, labour rights and OSH can significantly impact our business operations and disrupt our value-creation capabilities.

The linkage between our ESG issues and the Group's financial performance requires the integration of ESG risks into our enterprise risk management framework and ISO 9001:2015 Quality Management System for internal control. We are dedicated to ensuring strict and thorough compliance with ISO policies and standards by maintaining risk management functions and processes.

Additionally, the Group has established its Audit & Risk Management Committee, which oversees the Group's overall risk management and will continue to develop risk management initiatives that will help mitigate risks posed to the Group.

The Statement of Risk Management and Internal Control, which appears on pages 084 to 085 of this Annual Report, provides specific information on Lagenda's risk management and internal controls.

Data Privacy

In accordance with the Personal Data Protection Act 2010, we respect the confidentiality of personal information and treat all personal data with integrity, as outlined in our Code of Conduct and Employment Policy.

As Lagenda's business entails receiving, managing and storing large amounts of data, all employees and the Board are duty-bound to maintain the confidentiality of the information entrusted to them, except when disclosure is authorised by the Group's legal counsel or required by law. All Directors and employees have been advised to consult with the Group's legal counsel if they believe they have a legal obligation to disclose confidential information. Confidential information includes all non-public information that might be of use to competitors, or harmful to Lagenda or its customers, if disclosed. The obligation to preserve confidential information continues even after the cessation of their employment with the Group.

In FY2023, we received no complaints from customers, external organisations or regulatory bodies about any leak, theft or loss of our customer data.

Given the increasing demand for cybersecurity, in FY2023, we conducted penetration testing and vulnerability assessments on the Group's outsourced IT services provider and ensured that the overall security of Lagenda's IT systems met satisfactory standards.

PROSPERITY:
DRIVING CONTINUOUS IMPROVEMENT TOWARD SUSTAINABILITY

(Material Matters: Affordable Housing, Product Quality and Responsibility, Stakeholder Economic Values, Efficient Supply Chains, Landbank)

At Lagenda, we believe in prospering with a true value creation perspective where both our financial and non-financial performance levels are measured across the Sustainability TBL, showcasing impact on the Group and our stakeholders over the short, medium, and long term.

As detailed in the ensuing section, we are committed to creating and sustaining economic or financial value through our business model.

Direct Economic Value Generated and Distributed

Lagenda creates direct and indirect economic values through its business model for the organisation and our stakeholders. The financial success of the Group is shared with our shareholders through sustainable dividend payouts, thereby helping them to grow their financial resilience and promote socioeconomic development. We also believe that our financial sustainability is essential to generate enduring economic value that will have a lasting impact on the communities in which we operate.

Direct Economic Performance

	FY2023	FY2022	FY2021
Group revenue (RM'000)	**834,874**	866,940	835,578
Group profit before tax (RM'000)	**212,556**	251,501	279,079
Group profit after tax and minority interests (RM'000)	**148,112**	178,226	201,466
Total assets	**2,243,468**	1.,776,530	1,448,198
Earnings per share (sen)	**0.18**	0.21	0.25
Dividends (sen)	**6.50**	6.50	6.50
Dividends (RM million)	**54.43**	54.43	53.86
Dividend pay-out ratio to profits	**37%**	31%	27%
Gearing ratio (times)	**0.28**	0.38	0.23

Affordable Housing

Lagenda's vision is to be Malaysia's preferred affordable housing developer. While we are driven by our mission to provide affordable housing solutions for underserved markets, we understand that our responsibility extends beyond merely providing homes; it also encompasses creating self-sustaining townships with comprehensive community amenities, upholding the highest standards of quality and innovation to maximise the value we provide to our stakeholders.

Affordable housing is defined as housing, that is sufficient in quality and location and is not so expensive that it prevents its occupants from satisfying other basic living needs. In other words, the location, quality and build-up of a house is just as important as the financial affordability of the house. As defined by the World Bank and the United Nations, a house is deemed affordable if its price is not more than three times of the buyer's annual income. Using this yardstick, Lagenda aims to serve markets for which houses are characterised as unaffordable and severely unaffordable.

Our Group is committed to developing over 35,000 affordable homes in the next 5 to 10 years. This is in addition to the 25,000 homes that we have already built. Indeed, we aim to make a meaningful contribution to community welfare and support the aspirations of the Malaysian Government, whose 12th Malaysia Plan 2021-2025 targets to provide 500,000 units of affordable housing by 2025. We actively engage with the relevant authorities as we partner with the nation to engender equitable growth and shared prosperity through our range of affordable housing options.

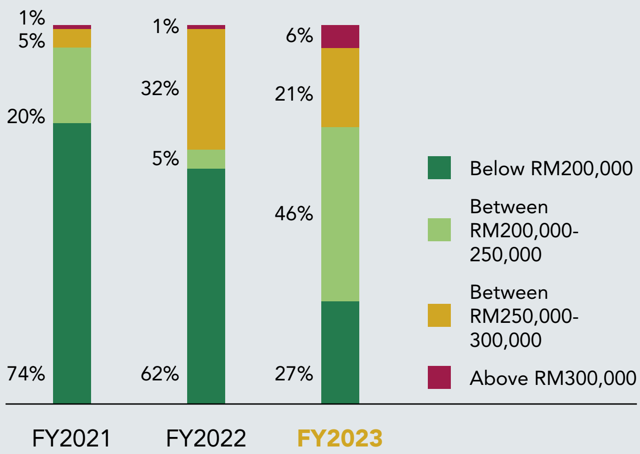
As at FY2023, a cumulative 97% of our products have been affordable housing priced below **RM300,000**.

PROSPERITY:
DRIVING CONTINUOUS IMPROVEMENT TOWARD SUSTAINABILITY (Cont'd)

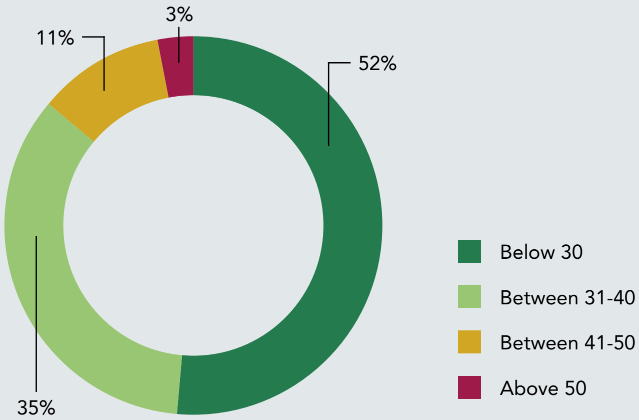
Price Range of our Products (2021-2023)

	Below RM200k	RM201k-250k	RM251k-300k	Above RM300k
Price Range (Nett)	53%	34%	11%	3%

Percentage of Confirmed Sales by Year & Price Range (%)

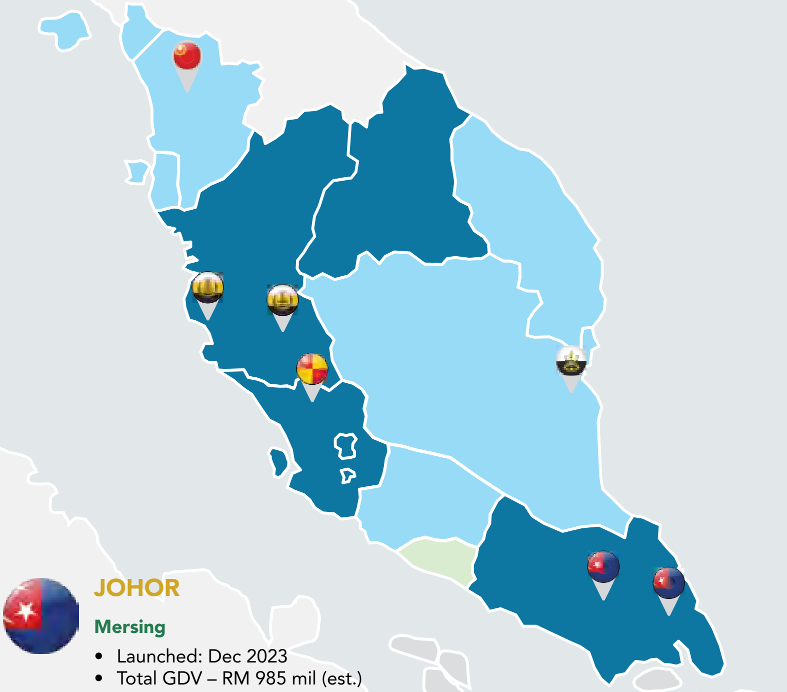


Age Group of Our Buyers from 2021-2023 (%)



As a provider of affordable homes, Lagenda plays a significant role in developing safe and comfortable abodes that are within reach of the lower- and middle-income segments of Malaysian society and are also mostly comprised of young people below the age of 30 (52%).

PROSPERITY:
DRIVING CONTINUOUS IMPROVEMENT TOWARD SUSTAINABILITY (Cont'd)



KEDAH

Sungai Petani

- Launched: Oct 2022
- Total GDV – RM660 mil (est.)
- Total Units – 2,600 (est.)
- Size – 230 acres (50% JV)

Gurun (Seeds Home Lagenda)

- Targeted Launch: 2025
- Total GDV – RM750 – 850m (est.)
- Total Units – 3,000 (est.)
- Size- 249 acres (50% JV)

PERAK

BBSAP, Setiawan

- Total GDV – RM3 bil
- Total Units – >14,000
- Size – 1,200 acres

LTI, Teluk Intan

- Total GDV – RM3 bil
- Total Units – 14,000
- Size – 1,700 acres

Tapah

- Launched: 2022
- Total GDV – RM2.3 bil (est.)
- Total Units – 10,800 (est.)
- Size – 997 acres

SELANGOR

Bernam Jaya

- Targeted Launch: 2024
- Total GDV – RM 550 mil (est.)
- Total Units – 2,000 (est.)
- Size – 191 acre

PAHANG

Penor

- Targeted Launch: 2024
- Total GDV – RM1.2 bil (est.)
- Total Units – 6,000 (est.)
- Size – 500 acres

JOHOR

Mersing

- Launched: Dec 2023
- Total GDV – RM 985 mil (est.)
- Total Units – 5,200 (est.)
- Size – 432 acres

Kulai

- Targeted Launch: End 2024
- Total GDV – RM4 bil (est.)
- Total Units – 12,000 (est.)
- Size – 1,075 acres

Kota Tinggi

- Targeted Launch: 2Q 2024
- Total GDV – RM576m (est.)
- Total Units – 1,500 (est.)
- Size – 112 acres + option for 139 acres

Affordability Rating
(House price-to-income ratio)

Severely unaffordable 5.1 & above

Johor, Perak, Sarawak, Sabah, Kelantan

Moderately unaffordable 3.1 to 4.0

None

Seriously unaffordable 3.1 to 5.0

Selangor, Kuala Lumpur, Pulau Pinang, Pahang, Terengganu, Kedah Negeri Sembilan, Perlis

Affordable 3.0 & below

Melaka

PROSPERITY:
DRIVING CONTINUOUS IMPROVEMENT TOWARD SUSTAINABILITY (Cont'd)

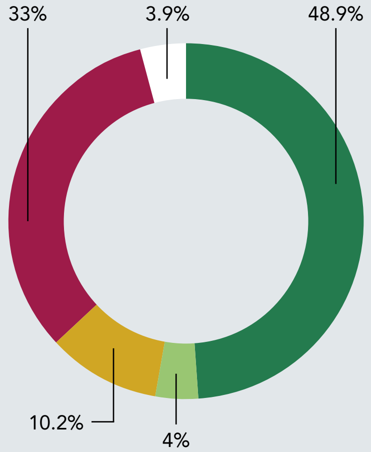
Landbank

We recognise that replenishing our landbank is an important step to ensuring our ability to construct a total of 35,000 affordable homes by end of FY2030. We are constantly expanding our landbank across the country in support of state and federal government initiatives to increase the supply of affordable homes.

Our sustained expansion is made possible by a specialized team committed to identifying cost-competitive land parcels ideally situated for affordable housing projects. This team excels in evaluating factors such as accessibility, current and prospective infrastructure, zoning regulations, environmental and social considerations, local demand, and anticipated construction costs.

For FY2023, we have increased our landbank to approximately 4,700 acres across five states in Peninsular Malaysia.

Remaining Land Composition FY2023



Local Community Infrastructure Investments and Services

Lagenda's contributions extend beyond building homes alone. We strive to support local communities through community service and enhancing public infrastructure. We offer amenities such as multi-purpose halls, badminton courts, event spaces, clubhouses, gymnasiums, Olympic-sized swimming pools, and other recreational facilities to foster community cohesion.

We also assist our residents in reducing their water consumption Rainwater harvesting tanks have been installed in our townships to promote safe water usage and water consumption. This signifies our commitment to sustainable water management practices, environmental conservation, and resilience to the challenges posed by climate change.

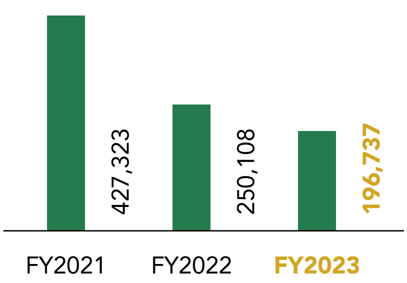
Efficient Supply Chain

We work with vendors from various industries to pursue for excellence in our products and services.

Our commitment to fostering a local supply chain not only enhances job creation and local wealth but also presents cost-efficiency and environmental benefits. By sourcing locally, we minimize energy consumption associated with transportation due to shorter routes.

In FY2023, Lagenda maintained its dedication to 100% local procurement with total expenditure of RM196.7 million.

Total Spending on Local Procurement (RM'000)



Lagenda mandates stringent criteria for suppliers seeking participation in our tender processes. These elevated standards encourage local suppliers to enhance the quality of their goods and services.

The Group uses an ISO-certified evaluation form to assess our contractors' performance annually and ensure their compliance with our standards. The assessment considers factors such as their financial stability, performance history, quality control and delivery times. Beyond ensuring ethical business conduct across its value chain, Lagenda is looking to expand its due diligence to encompass suppliers' social and environmental compliance through our policies on the environment and human rights, amongst others, and in accordance with ISO specifications.

PROSPERITY:
DRIVING CONTINUOUS IMPROVEMENT TOWARD SUSTAINABILITY (Cont'd)

Product Quality and Safety

At Lagenda, we prioritize the quality of our products and services to ensure complete customer satisfaction. Through our Quality Policy and robust Quality Management System, we are dedicated to delivering exceptional value and quality across all our affordable properties. We comply strictly with prevailing customer, statutory and regulatory requirements and commit to continuous improvement.

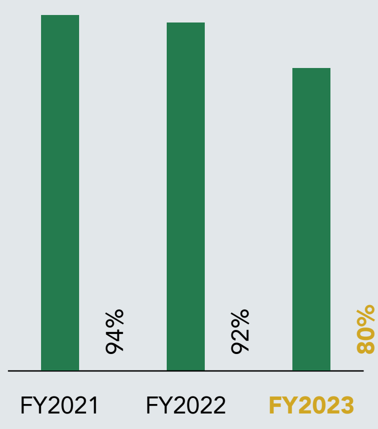
Customer Satisfaction

Lagenda proactively ensures that our developments and products adhere to the parameters outlined in our Quality Policy. Our annual customer satisfaction surveys and other feedback mechanisms closely monitor our performance in this aspect. Such platforms are crucial in helping us to determine areas for improvement. We also strive to satisfy customers' demands by resolving queries or issues efficiently.

In FY2023, we registered a commendable Customer Satisfaction Score of 80% , which was attributed to fewer customer responses. Our Customer Engagement team noted the issues highlighted by our customers and made the necessary rectifications with our vendors.

This proactive approach underscores our commitment to continuously enhancing the quality of our products or services and ensuring that our customers' needs and expectations are met effectively. By promptly addressing the issues raised by customers, we strive to foster stronger relationships with them and uphold our reputation for delivering exceptional experiences.

Customer Satisfaction Score



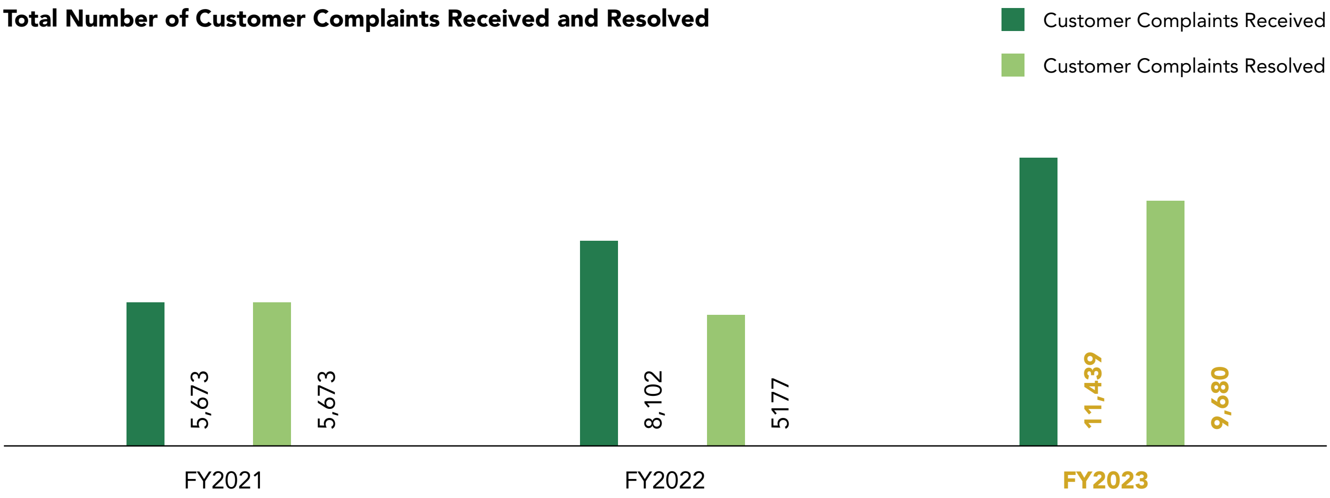
Defect Management

We devote considerable resources to ensuring effective defect management and monitoring. Lagenda provides a Defect Complaint Form for all customers where the Group will rectify all defects in our finished products at no cost to customers. The involvement of our vendors in this process helps to ensure that our management tracks and updates complaints on a quarterly basis.

In FY2023, we successfully resolved 9,680 complaints, constituting 85% of all complaints received. This marks a notable improvement over the previous fiscal year, where our resolved complaints ratio stood at only 64%. As part of our standard operating procedures, we prioritise responding to each complaint within 24 hours and resolving them within 30 days. This commitment underscores our dedication to enhancing customer service efficiency and satisfaction.

For FY2023, no recalls were made for any health and safety reasons.

Total Number of Customer Complaints Received and Resolved



PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT

(Material Matters: Human and Labour Rights, Occupational Safety and Health, Succession Planning, Diversity and Equal Opportunity, Local Community Development, Talent Retention and Development, Data Privacy (Regulatory Compliance)

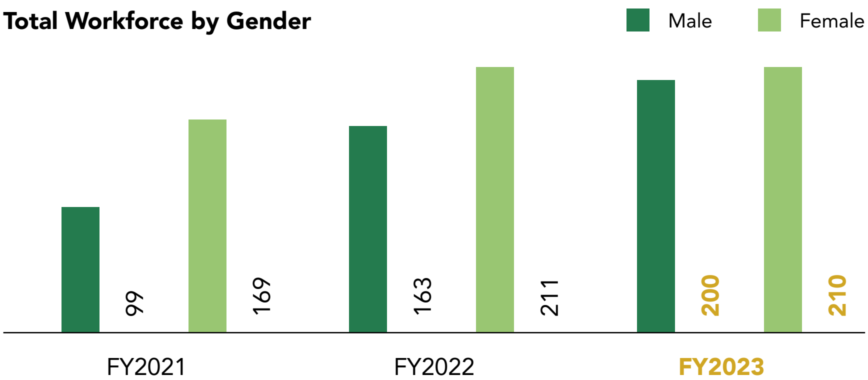
Creating a positive social impact is important to us as a responsible property developer. At the core of our operations is our most prized asset – our employees. We believe in empowering our staff by providing a safe and discrimination-free workspace and continually upgrading their competitive edge through training and professional development.

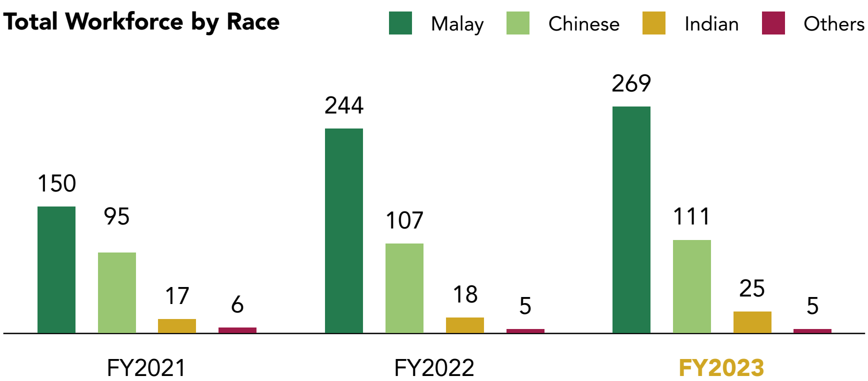
Diversity and Equal Opportunity

Lagenda is committed to fair employment and labour practices, guided by our Human Rights Policy, Employment Policy and national labour laws and regulations. We have zero tolerance for all forms of discrimination and have systems in place to ensure that our employees have equal career opportunities regardless of their race, religion, gender, physical disabilities, and nationality.

We continually and progressively monitor our employee composition data to ensure diversity and inclusion initiatives are effectively implemented and to identify improvement areas. Our workforce totalled 410 for FY2023, a 9% increase from the previous year's headcount. We have no differently-abled employees.

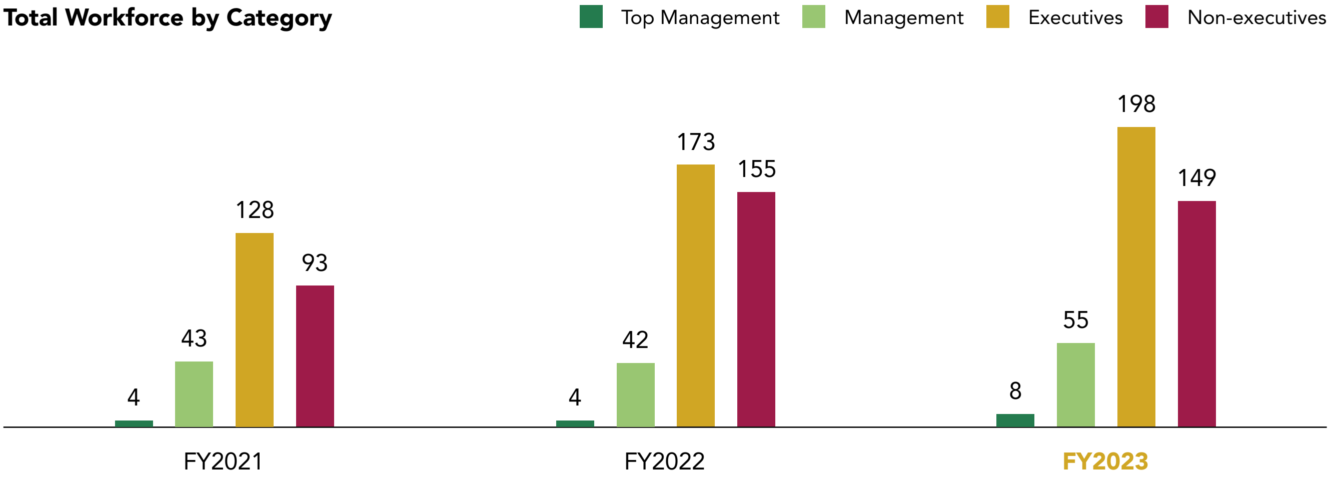
Our total workforce has been increasing from FY2021 to FY2023. In FY2023, we achieved an improved gender balance, with a composition of 51% female employees and 49% male employees.



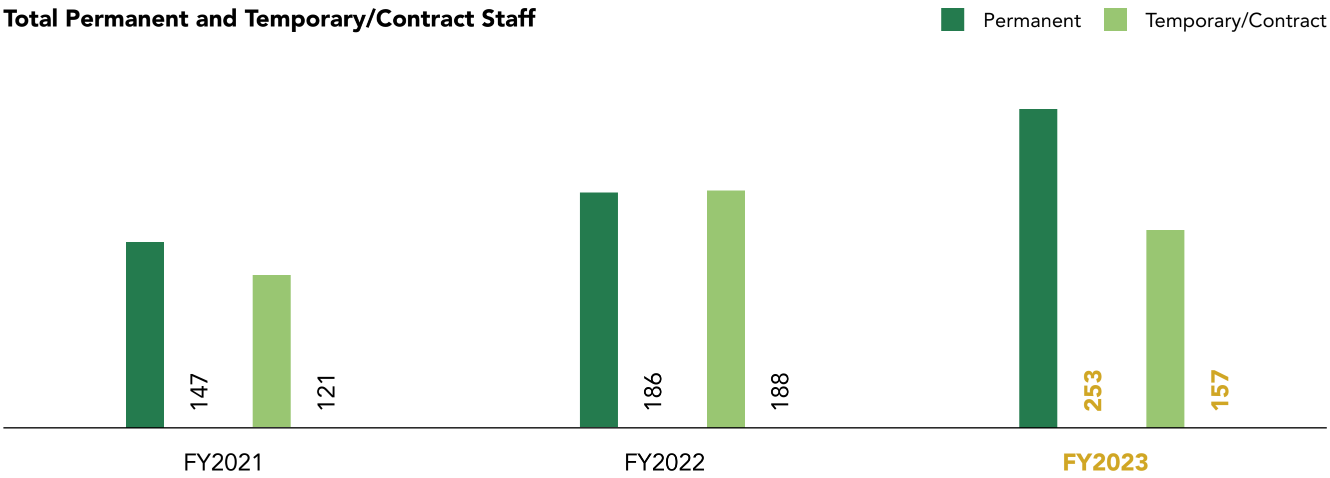


PEOPLE: ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

Total Workforce by Category



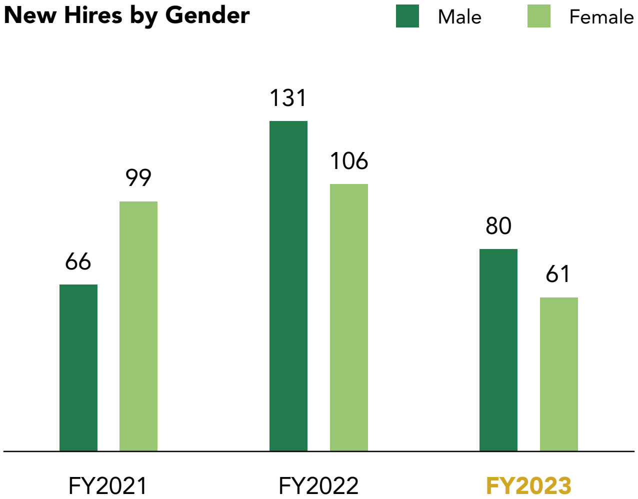
Total Permanent and Temporary/Contract Staff



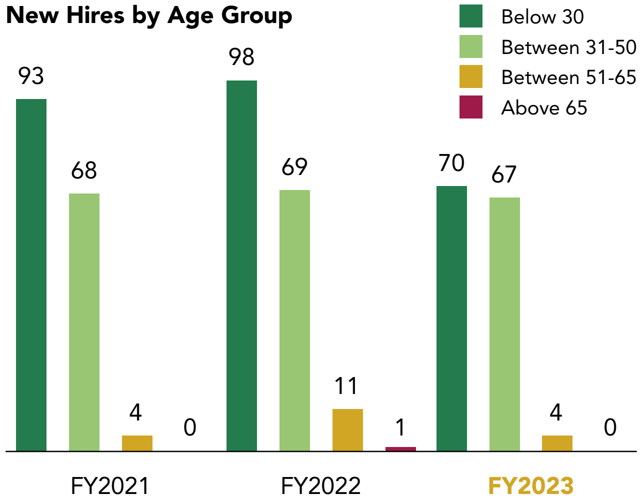
New Hiring

Equitable recruitment is one of our top priorities. Lagenda's operational footprint has grown over the last few years with new domestic projects and a notable expansion in our regional activities. To meet our enlarged manpower needs, the Group welcomed 141 new personnel to our family in FY2023.

New Hires by Gender



New Hires by Age Group

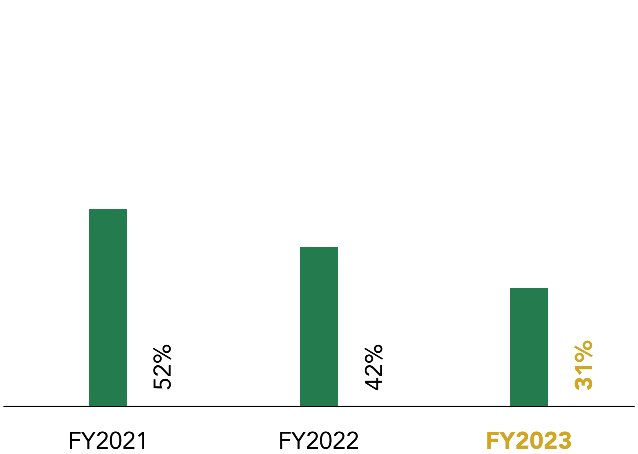


PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

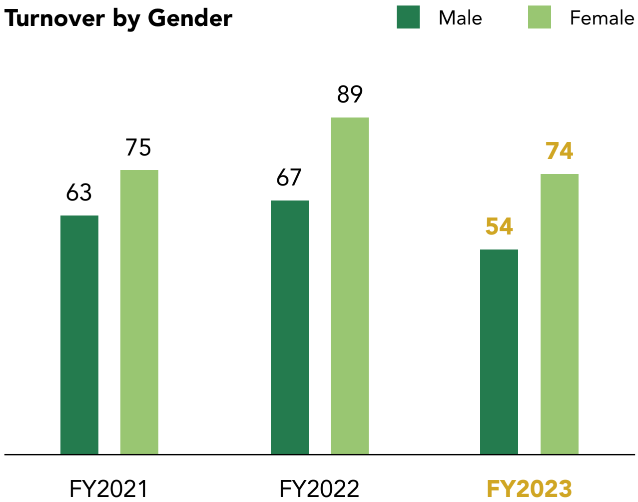
Employee Turnover

Despite the "Great Resignation", a global phenomenon in where the labour market experienced elevated turnover due to employees leaving to prioritise personal growth and well-being, our employee turnover rate in FY2023 fell by 11 percentage points compared to FY2022. The greater stability in our workforce reflects our strong commitment to retaining our talent.

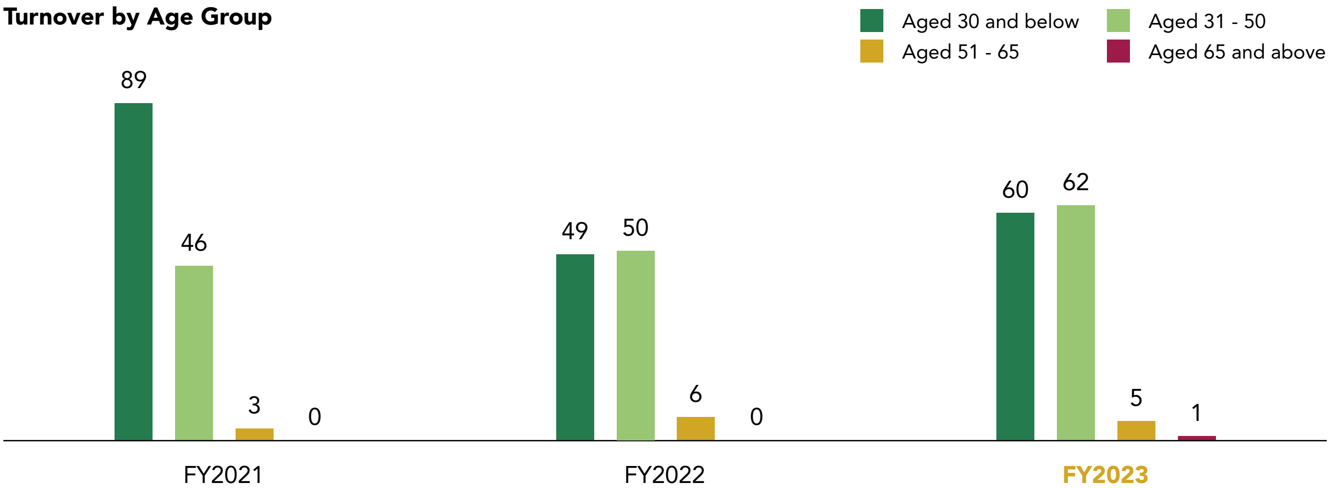
Employee Turnover Rate (%)



Turnover by Gender



Turnover by Age Group



PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

Employee Benefits

Lagenda provides competitive compensation packages to all employees directly employed by the Group. These packages, benchmarked against our industry peers, include salaries, bonuses, various types of leave, monetary and non-monetary rewards, and wellness packages that are essential to attract and retain talents in a competitive labour market.

The benefits we provide are in compliance with the Employment Act and match current market standards:

	FY2023	FY2022	FY2021
Total payments made to employees in terms of salaries, benefits (RM'000)	**26,910**	23,500	18,149
Total statutory payments made for employees' retirement benefits (EPF) (RM'000)	**7,554**	6,698	5,059
Total payments in medical assurance (SOCSO) for employees (RM'000)	**376**	276	203

Leaves	Allowances and subsidies
Annual, medical, prolonged illness, hospitalisation, marriage, maternity, paternity, compassionate (family, grandparents, in-laws), calamity	Childcare subsidy, business travel allowance, resettlement allowance, transport allowance, mobile phone, license reimbursement, outstation allowance, professional membership reimbursement

Insurance	Wellness	Others
Group Takaful	Outpatient, dental, optical, health screening, executive medical checkup	Parking facilities, annual increment and performance-based bonus

Revision to Employee Benefits and Labour Practices

In FY2023, we revised our employee benefits and labour practices to meet the requirements of the Employment Act (Amendment) 2022 which came into effect on 1 January 2023. Key changes included the reduction in weekly working hours from 48 hours to 45 hours.

Also in the year under review, Lagenda began offering employees flexibility regarding their working hours. We believe that this flexibility to choose when they start and finish their workday will provide them with greater work-life balance, increase their productivity and job satisfaction, and reduce employee turnover and absenteeism.

We also extended our maternity leave allocation from 60 days to 98 days and introduced paid paternity leave of seven consecutive days, among other things.

PARENTAL LEAVE	FY2023	FY2022	FY2021
Employees entitled to maternity and paternity leave	**437**	395	315
Employees who took paternity leave	**5**	7	5
Employees who took maternity leave	**6**	10	7

Employee Satisfaction

EMPLOYEE SATISFICATION (%)	FY2023	FY2022	FY2021
Employee satisfaction	**83%**	82%	N/A*

Note:
** Employee satisfaction monitoring commenced in FY2022.*

PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

Human and Labour Rights

Lagenda is committed to respecting human rights and avoiding the violation of the rights of others through our Human Rights Policy. In formulating this policy, we drew guidance from various sources, including the United Nations Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact Principles on Human Rights, the United Nations Guiding Principles on Business and Human Rights, the Industrial Relations Act 1967, and the Employment Act.

Our Policy is built on the following principles:

Protecting the Rights of Children

Preventing Forced Labour

Providing Equal Opportunities

Respecting Freedom of Association and the Right to Collective Bargaining

Eliminating Violence and Harrassment

We strive to uphold these fundamental principles in the areas where we operate. Where we do not have a controlling interest, we encourage our external stakeholders, including suppliers and contractors to uphold the same principles.

For FY2023, there were no cases or concerns about human rights violations or discrimination.

	FY2023	FY2022	FY2021
Number of confirmed discrimination incidents	0	0	0
Number of confirmed child labour incidents	0	0	0
Number of confirmed forced labour or compulsory labour incidents	0	0	0

Talent Retention and Succession Planning

Lagenda is committed to unleashing the potential of our employees through continuous training and development, succession planning and learning opportunities to advance their skillsets and professional careers. We determine their training needs throughout the year, especially during the annual performance appraisal exercise.

Lagenda makes annual contributions to the Human Resource Development Fund, which enables its employees to undertake all work-related training free of charge. Lagenda also allocates funding for other upskilling programmes, such as seminars, lectures, workshops, and professional courses.

In FY2023, a total of RM53,478 was expended on training development over 522 hours. Although there is a noticeable decrease in average training hours per employee compared to the previous year, it is important to note that the FY2022 data included internal sales training and new hire induction training. These were excluded from FY2023's calculation upon our assessment of their impact on the overall growth of Lagenda. In spite of this smaller number of training hours, we maintain our stand of not compromising on the provision of quality and effective training for our employees.

General Training Data

	FY2023	FY2022*	FY2021
Total training hours	522 hours	4,067 hours	637 hours
Total training spends	RM53,478	RM107,289	N/A
Total training hours per business unit	65 hours/ division	581 hours/ division	N/A
Total training spends per business unit	RM6,684.75	RM15,688.00	N/A
Average training hours per employee	14.10 hours	6.27 hours	3.91 hours
Average training days per employee	0.97	1.36	N/A
Average training spends per employee	1,445.35	707.15	N/A

Note
** Data included internal sales training and new hire induction training*

PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

Talent Retention and Succession Planning (Cont'd)

Our training development efforts provides our staff with a wide range of training programmes that serve to improve their technical, communication and leadership skills, amongst others.

Total Number of Employees Who Attended Training*

	FY2023	FY2022**	FY2021
Male	149	507	N/A
Female	289	2,406	N/A

Average Training Hours by Gender

	FY2023	FY2022**	FY2021
Male	4.2 hours	5.7 hours	7.6 hours
Female	8.7 hours	6.6 hours	4.9 hours

Average Training Hours Per Employee

	FY2023	FY2022**	FY2021
Management staff	11 hours	507 hours	N/A
Executives	13 hours	2,406 hours	N/A
Non-executives	9 hours	1,089 hours	N/A

Note
* *This data reflects how many times an employee has participated in training sessions, rather than the total number of employees who have attended training.*
** *Data included internal sales training and new hire induction training*

FY2023 Training Highlights	
1	OSH Performance Indicators
2	MIA Budget 2023: Key Updates & Changes for Corporate Accountants
3	Competency-Based Interviews
4	Seminar: Malaysian Property Development Process
5	Lifting Supervisor
6	Adobe Illustrator
7	Adobe After Effects
8	SSM National Conference 2023
9	National Tax Conference 2023
10	Bina IBS Conference
11	Malaysian Employment Laws Conference 2023
12	Seminar on Noise Hazard at Workplace 2023 - "SAY NO TO DEAFNESS"
13	Safety & Health Officer Transportation Seminar (SHOTS) 2.0 2023
14	ACCA Technical Symposium 2023
15	MAICSA Annual Conference 2023
16	Simposium (SIA) Penilaian Impak Sosial Bagi Projek Pembangunan 2023
17	Budget 2024: Key Updates & Changes for Corporate Accountants
18	ACCA Technical Symposium 2023
19	Tax Max - The 49th Series - Sustaining Growth For A Better Tomorrow
20	Webinar Perlaksanaan Pembangunan Lestari

PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

Occupational Safety and Health

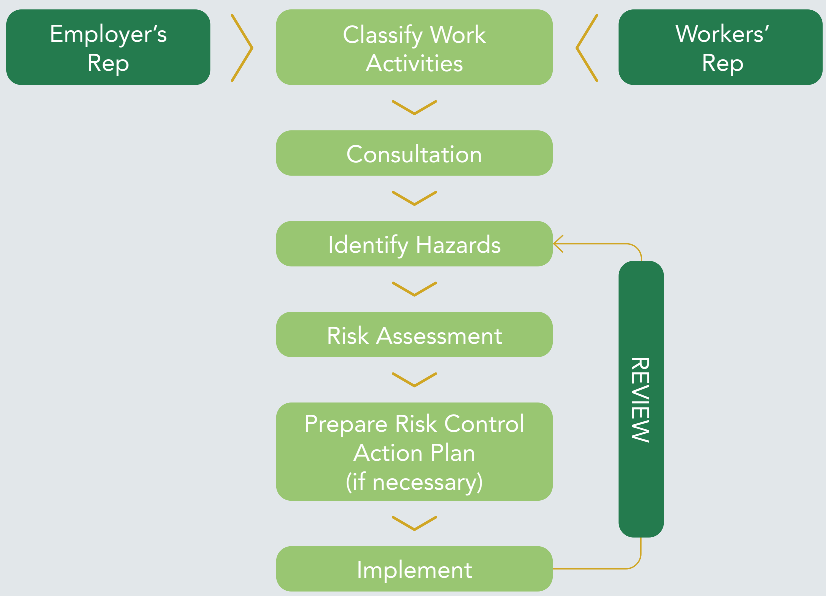
At Lagenda, we prioritize diligently implementing of health, safety, and environmental practices. Any Occupational Safety and Health (OSH) incident carries the potential to disrupt the progress of work at our operational sites significantly. Damages and delays from such incidents can impede project completion and escalate costs.

Our OSH implementation encompasses compliance with all applicable legal and regulatory requirements, prevention of accidents and environmental pollution at work sites, and proper investigation of incident reports at work sites. We also expect our employees, subcontractors and related parties to be trained and guided to implement best practices in safety and health as well as environmental preservation during their course of work.

HSE Governance

Our Head of Health and Safety Department is responsible for overseeing all OSH-related matters, especially on site. The team is guided by our Safety Policy; Hazard Identification, Risk Assessment and Risk Control ("HIRARC"); and ISO 9001 Quality Management System under the Procedure of General Site HSE Management. The Procedure involves identifying and assessing various hazards that may cause injury or harm to a person when exposed to these risks.

Flow chart of HIRARC Process



OSH Incident Investigation

OSH incident investigations form part of our general site management procedures, as incorporated in our ISO 9001 QMS. The procedures for such investigations are as follows:

a. Upon receiving an incident complaint from stakeholders, HSE personnel must respond and report the complaint to Management within 12 hours.
b. HSE personnel must investigate using the Incident Investigation Form.
c. Incident investigations must be verified by a Project Manager or a staff of higher authority.
d. A complete Incident Investigation Report must be forwarded to the head of department for final comment. The report must be closed within 96 hours from the incident. Extension of time for investigations can be accepted with reasonable justification.
e. The closed Incident Investigation Report must be forwarded to other relevant departments or management office (if required).
f. All Incident Investigation Reports must be filed in a timely fashion to enable the tabulation of our yearly statistics report.
g. The nearest Department of Occupational Safety and Health office must be notified within 7 days of any incident involving fatalities or serious body injuries, as specified in the First Schedule of the Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease ("NADOPOD").

PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

OSH Performance

The Group monitors our OSH performance through quarterly updates to the Management under the Board's oversight. In FY2023, we recorded zero Lost Time Injuries, fatalities, work injuries, property damage and other injuries over a total of 2,339,272 man-hours. We are committed to implementing new measures as necessary to enhance the safety of our workers further.

Employee Safety Data	FY2023	FY2022	FY2021
Total Man-Hours	**2,339,272**	4,716,189	3,253,397
Fatality Case	**0**	0	0
Lost Time Injury	**0**	0	0
Work Injury	**0**	0	0
Property Damage	**0**	0	0
Unsafe Act Unsafe Condition ("UAUC")*	**60**	334	81
Others	**0**	0	0

* UAUC are related to the way people handle their tasks by encompassing both the behaviours individuals exhibit while performing tasks (unsafe acts) and the environmental or situational factors that may contribute to accidents or incidents (unsafe conditions).

The reduction in man-hours was caused by the increase in completed construction works in FY2023.

Contractor Safety Data	FY2023	FY2022	FY2021
Fatality Case	**0**	0	0

OSH Training

With our motto of "Safety – Our Joint Responsibility", we regularly provide our employees with training and talks related to safety, thereby helping to ensure their health and safety on the job. Through our internal communication platform, OSH Department actively promotes safety awareness under the hashtag #safety4all.

In FY2023, 15 employees underwent external training related to lifting, safety and health, OSH performance indicators, noise hazards and construction. We achieved an average of 26 hours of safety training per site employee. Among the programmes conducted were:

- Basic Occupational First Aid
- Weekly Toolbox Meeting (conducted 4 times per month)
- Basic Rigger
- Safety Training for Pipe Threading Machine
- Training Working at Height and Ladder
- Emergency Response Plan
- Firefighting Training

Compliance with Social Regulations

Lagenda takes pride in upholding the safety, health and well-being of our employees. We comply with the Employment Act, Occupational Health Act 1994, Construction Development Board Act 1994, as well as guidelines on human rights and conflicts of interest, whilst staying abreast of changes to these.

In FY2023, we had zero incidents of human and labour rights issues. There has also been no human rights violation involving indigenous communities throughout Lagenda's operating history.

PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

Employee Engagement Activities

We believe that engaged employees lead to lower staff turnover, increased productivity and efficiency, and enhanced brand value. These are crucial for us to achieve sustainable growth for Lagenda and long-term value for our stakeholders.

01

Policy & Procedures Effectiveness

In FY2023, we conducted HR effectiveness assessments to determine the effectiveness of our information delivery. The assessments covered timely communication, meeting the needs of internal and external stakeholders, and seeking improvements in training and development in accordance with our objectives. Lagenda ensures a notice period of at least 3 days for any operational changes that may affect employees.

02

Internal Communication Channel

We use Viva Engage to disseminate important information on our programmes and activities to engage our employees effectively and efficiently. New hires are briefed on our policies and procedures through our 'Welcome Aboard' email.

03

Sports & Recreational Club

At Lagenda, we believe that life is not only about work but also about enjoying, playing and living. In FY2023, our Sports and Recreational Club organised sports and recreational activities such as body combat, high-intensity interval training, bowling, badminton and pound sessions.

04

Teambuilding Initiatives

We firmly believe that strong employee relationships form the bedrock for effective teamwork and job satisfaction. "Stand Together, Shine Together" has been the mantra of our teambuilding session. In line with our commitment to promoting strong employee relationships and effective teamwork, we organised teambuilding sessions this year. These sessions took place on August 4-5 and August 11-12 in Ipoh, providing our employees with opportunities to bond, collaborate, and engage in various team-building activities. By bringing our team members together in a supportive and inclusive environment, we aimed to strengthen interpersonal connections, enhance communication skills, and reinforce our collective commitment to achieving organisational goals. These sessions also served as valuable opportunities for employees to recharge, gain new insights, and return to work with renewed vigour and motivation.

05

Advocating Well-being

At Lagenda, we support the well-being of our people by promoting healthy dietary practices and the adoption of a healthy lifestyle. This year, Lagenda conducted the "Lose-to-Gain Challenge" with the objective of encouraging participants to either lose fat or gain muscle weight through proper exercise and dietary practices. Participants were evaluated based on how much body fat they lost and how much muscle mass they gained. We also held talks on general health and healthy dietary practices.

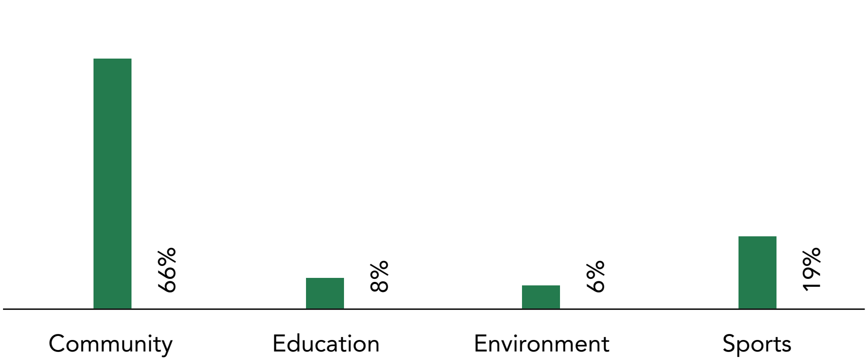
PEOPLE: ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

Community Engagement

We believe that growing alongside the communities we operate in is the most meaningful kind of growth. Our corporate website provides information about our ongoing contributions to the community.

In FY2023, Lagenda contributed RM277,689.00 to programmes related to education, community and environmental welfare, and sports.

CSR & ESG Contributions (%)



Below is a list of our key contributions in FY2023 to various beneficiaries such as residents, flood victims, the general community and other organisations.

CSR & ESG Contributions	Beneficiaries	Our Areas of Focus
Communities	2,400 people	• Increased quality of life • Closer community ties
Education	3 agencies/ associations	• Community awareness
Environment	350 people	• Fewer sicknesses • Environmental sustainability
Sports	8 agencies/ associations	• Awareness of the importance of healthy lifestyles • Greater inclusivity in sports

Community

ANNUAL GENERAL MEETING OF RESIDENTS' ASSOCIATION (RESIDENT 1)

We supported the Residents' Association in conducting their Annual General Meeting. This initiative has allowed the association to implement various collaborative programmes between the association and the developers, thus enhancing the quality of life within the community. Through effective communication, cooperation, and shared objectives, the association and developers were able to work together to address common challenges, explore opportunities for improvement, and implement projects that benefit residents and contribute to the overall well-being of the community.

EID AL-ADHA 2023

It has become a cherished tradition for us to join hands with our residents in performing qurban, a beautiful act where Muslims sacrifice and distribute meat to those in need. In FY2023, we celebrated the occasion with the residents of residents of Bandar Baru Setia Awan Perdana, Lagenda Teluk Intan, both in Perak, residents of Darulaman Lagenda, Kedah and residents of Lagenda Suria, Johor.

PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

Community (Cont'd)

RAMADHAN & RAYA CELEBRATION

Lagenda collaborated with Majlis Daerah Mersing to spread warmth and kindness by distributing 600 packets of *bubur lambok*, a beloved traditional dish, to residents in the surrounding areas. We also joined Lagenda Teluk Intan's residents in celebrating Hari Raya and extended our festivities to mark Hari Raya with the Pentadbir Tanah of Kedah State.

DONATION FOR FLOOD VICTIMS IN JOHOR

In FY2023, we extended donations to the flood victims in Johor. This contribution, used to provide assistance and relief, was our tangible way of showing our solidarity with our neighbours during such challenging times.

NATIONAL SPORTS TOURNAMENT (SUKNA) 20^{TH} EDITION

Lagenda extended our support to PLANMalaysia with a substantial contribution towards their participation in the esteemed 20th National Sports Tournament (SUKNA) Perancangan Bandar dan Desa Malaysia Championship 2023.

BEACH FUN RUN PROGRAMME 2023

Fostering fitness, fun, and community bonding, our support enabled participants to experience an enriching time at this event organised by the Manjung Municipal Council. This contribution underscores our commitment to promoting well-being and strengthening community ties through the exciting Teluk Batik extravaganza.

PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

Environmental

COMMUNITY GARDEN @ BBSAP

Our community garden at Bandar Baru Setia Awan Perdana was launched last year in collaboration with our residents, Majlis Perbandaran Manjung ("MPM"), and Jabatan Pertanian Perak.

Lagenda has been providing support in terms of gardening equipment, fertiliser and soils, while the capacity-building of communities has been closely guided by MPM.

This project is considered our first flagship sustainability initiative. We are continuously expanding the quantity of harvested vegetables and making this a prime community engagement avenue. Additionally, the community has entered a Memorandum of Understanding (MoU) with MPM and other stakeholders to commercialise their vegetable production.



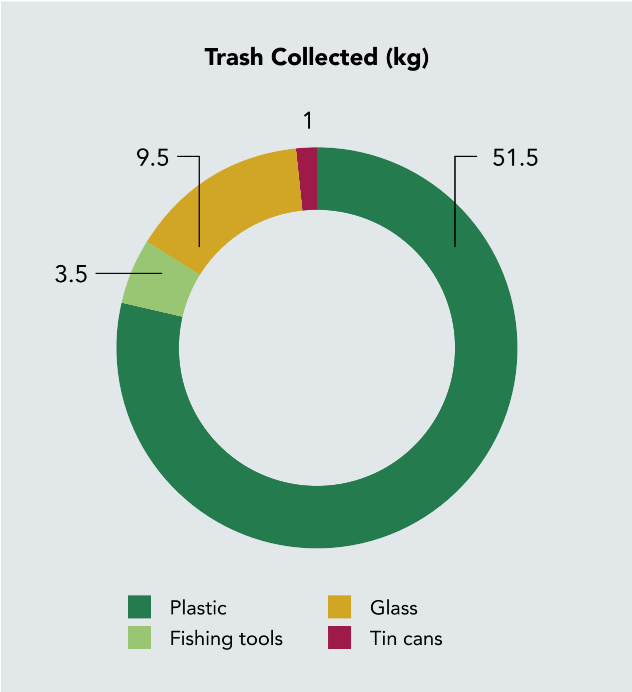
PANGKOR GREEN PROJECT: CONSERVATION DAY 2023

To promote environmental awareness and emphasise the importance of local flora and fauna, we participated in the Pulau Pangkor Conservation Day at Teluk Giam, Pulau Pangkor. We planted trees and cleaned the beach, which also involved using kayaks and diving equipment.

Impact Created:

- 13 participants from Lagenda
- 20 mangrove trees planted
- 66kg of trash collected





PEOPLE:
ADVOCATING POSITIVE SOCIAL IMPACT (Cont'd)

Education

NATIONAL MONTH PROGRAMME AND WELLNESS MONTH 2023

To commemorate the National Month Programme and Wellness Month, we made contributions to Teluk Intan Hospital to support their festivities held from 7 August to 22 September 2023.

NATIONAL DAY AND MALAYSIA DAY CELEBRATION

The National Day Celebration in Hilir Perak, organised by the Hilir Perak Land and District Office, was held from 13 July to 16 September 2023, encompassing the commemoration of Malaysia Day as well. The event served to honour the sacrifices of those who fought for the nation's independence and instil a sense of patriotism within the community.

HEALTH EDUCATION PROGRAMME ON DENGUE

We collaborated with Residents' Association 1 of Bandar Baru Setia Awan Perdana and the Perak State Health Department in organising a health education programme on dengue fever.

Attendees were reminded to:
- Ensure there are no containers or places in and around their homes that can become breeding grounds for aedes mosquitoes;
- Use insect repellent or wear long-sleeved shirts and long pants to protect themselves from aedes mosquito bites;
- Spray aerosolised insecticide in the house, especially behind curtains; and
- Seek immediate treatment for fevers so that dengue cases can be detected earlier.

PLANET:
ADVANCING ENVIRONMENTAL STEWARDSHIP

(Material Matters: Waste Management and Recycling, Pollution and Environmental Compliance, Energy Consumption, Water Consumption, Biodiversity)

The absence of proper environmental management efforts may lead to negative environmental and social impacts and disruptions to business operations. Lagenda is mindful of our responsibility to progressively advance in environmental stewardship by taking strategic steps to minimise our environmental impact while enhancing biodiversity development in our townships.

Pollution and Environmental Compliance

We adhere to the relevant environmental laws and regulations of the various jurisdictions in which we operate, per our Environmental Policy. Guided by this Policy, we endeavour to minimise our environmental impacts through the following commitments:

Comply with applicable environmental legislations and requirements	Minimise waste generation through improvements in construction efficiency and encourage recycling
Implement measures to minimise pollution arising from our operations	Implement initiatives to ensure efficient resource use, including building materials, water equipment and facilities
Collaborate with relevant stakeholders to increase awareness and environmental performance	Ensure all employees and contractors are aware of our Environmental Policy and their responsibility to act in accordance with it
Establish environmental objectives and targets to advance the Group's sustainability vision	Monitor and track our environmental performance

We are governed by the Environmental Quality Act 1974 and its subsequent regulations, standards and guidelines set by the Department of Environment ("DOE"). We comply with environmental standards and guidelines relevant to the proposed housing scheme, such as approval conditions for the Environment Impact Assessment ("EIA"), National Land Code 1965, Factories and Machineries Act 1967, and MASMA guidelines. At all sites, to control pollution from construction work, proponents must submit an EIA report to the DOE for approval, covering metrics such as quantity and types of effluent discharge as well as atmospheric emissions.

In FY2023, we received two fines related to environmental matters and have not been issued notices for site shutdowns due to poor environmental performance. We continue to monitor and mitigate these issues on a bi-monthly basis.

Resource and Waste Management

Lagenda is committed to reducing the environmental impacts caused by our consumption of resources. Our Group-wide Environmental Policy provides guidance on waste management principles and outlines the various responsibilities and actions that must be undertaken.

We have adopted the 5R approach to manage our waste responsibly:

REFUSE

- We are adopting the Industrialised Building System to reduce construction waste

REDUCE

- We make conscious efforts to reduce our electricity and water consumption

REUSE

- We harvest rainwater for landscape irrigation

RECYCLE

- We provide recycling facilities and establish an ecosystem of recycling in our townships and at operational buildings
- We have regular recycling and donation drives to promote the importance of recycling

REPURPOSE

- We undertake upcycling initiatives to repurpose useful materials

In FY2023, we focused on two enablers, i.e. awareness and education, and recycling infrastructure. Waste that can no longer by recycled, reused or converted into energy will be responsibly disposed of in accordance with the applicable regulations.

PLANET:
ADVANCING ENVIRONMENTAL STEWARDSHIP (Cont'd)

Resource and Waste Management (Cont'd)

5R Campaign: Recycling Day

In line with our 5R campaign, we organised a recycling event in our Bandar Baru Setia Awan Perdana township on 28 October 2023. Additionally, we conducted an eight-day donation and recycling drive at our operational building and collaborated with organisations such as Zero Waste Earth Store, Life Clothing Line and Upcycle4Better. These efforts helped strengthen our bonds with the community and increase the credibility of our resource and waste management commitments.

Waste Diverted from Landfills in FY2023

Recyclable Materials	Total Collected
Plastic	207.37kg
Paper	430.96kg
Aluminium and metal	13.96kg
E-waste, e.g., car batteries and printers	48.6kg
E-waste, e.g., laptops and phones	167 units
Used cooking oil	92.3kg
Glass	16.6kg
Fabrics	2,762.1kg

Embracing Circularity for Fabrics

In 2018, Malaysians dumped a shocking 195,300 tonnes of fabric waste, equivalent to 19 Eiffel Towers combined, as reported by SWCorp.

To reduce this environmental impact, Lagenda actively championed the 'zero waste to landfill' and 'circular economy' approaches. We encouraged our communities to recycle not just for rewards, but also for the environment. We also promoted the upcycling approach and recycling through refashioning through our provision of fabric bins around our townships.

In October 2023, we organised Totebagsewing class that embraced sustainability by utilizing recycled materials, inviting both residents and Lagenda staff to participate. With a focus on eco-conscious creativity, the workshop not only fostered a sense of community among participants but also instilled valuable skills in repurposing items. Through the guidance of skilled instructors, we learned the art of transforming discarded fabrics into functional and stylish tote bags, demonstrating the power of collective effort in promoting environmental responsibility within our community.

PLANET:
ADVANCING ENVIRONMENTAL STEWARDSHIP (Cont'd)

Scheduled Waste and Effluent Discharge

We are cognisant of the environmental impact of our activities at project sites, particularly on waterways. At all project sites, we actively monitor effluents from our silt traps to mitigate our impact on the surrounding waterways.

Field observations and measurements are conducted every three months with ad hoc measurements carried out as needed throughout the year. We have designed an environmental programme to minimise our impact on the environment, with mitigation plans in place to address serious and chronic environmental issues.

All our project sites are in compliance with the guidelines stipulated in the EIA under the Environmental Quality Act.

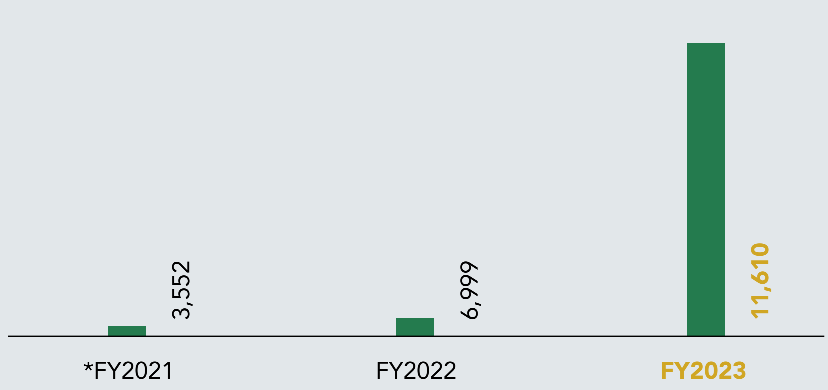
Water Consumption

Lagenda recognises the shared responsibility between the Group and our stakeholders to use water efficiently. We adopt sustainable practices across our operation and value chain, in line with Sustainable Development Goal 6 (Clean Water and Sanitation).

The municipal water supply primarily meets our water needs. We also draw water from other sources to reduce our reliance on municipal water and minimise potable water wastage. On this front, we have set a target of reducing our water consumption by 5% (baseline 2021) by 2025.

In FY2023, our water consumption increased from the previous year as we expanded the data collected to encompass more buildings and facilities in our reporting boundary. Excluding the new data, we have reduced our water consumption from 6,999 m³ to 6,592 m³.

Water Consumption (m3)



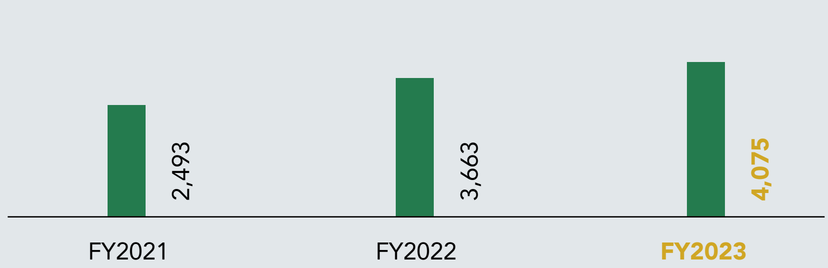
** Limited to Headquarters in Manjung*

Rainwater Harvesting

Our rainwater harvesting system provides us with a supplementary source of water for household, commercial, and landscaping irrigation use.

As FY2023, Lagenda has installed a cumulative total of 4,075 rainwater harvesting systems. This figure includes the 412 units installed in FY2023. We are committed to monitoring and evaluating the effectiveness of this initiative.

Rainwater Harvesting Systems Installed at Townships



PLANET:
ADVANCING ENVIRONMENTAL STEWARDSHIP (Cont'd)

Biodiversity

Lagenda recognises the impacts of our developments on our surrounding biodiversity and we are committed to taking the necessary steps to mitigate those impacts.

This commitment and principles of conduct are outlined in our Biodiversity Policy that can be accessed on our website https://lagendaproperties.com/sustainability/sustainability-governance/policies/. We have also set our biodiversity targets as below:

- Plant more than 30,000 plants across all developments by 2025
- Increase the number of trees from species that have significant conservation value by 5%

Trees Planted with High Conservation Value

In FY2023, a total of 3,369 trees of various species were planted at several project locations such as Bandar Baru Setia Awan Perdana, Lagenda Teluk Intan, Bemban Indah, and Taman Harmonis. These trees were planted to fulfil the requirement of having reserved green space making up at least 10% of our townships.

No. of Trees Planted	FY2023	FY2022	FY2021
Trees planted at our townships (cumulative)	27,337	23,968	18,728

Of the 3,369 trees planted, 43% were assessed to be from vulnerable and endangered species listed in the IUCN Red List of Threatened Species. These trees thus have high conservation value.

No. of Trees Planted (IUCN List)	FY2023	FY2022	FY2021
Endangered species	0	65	355
Vulnerable species	1,454	292	0
Low Risk: Conservation Dependent	0	8	331
TOTAL	**1,454**	**365**	**686**

Landscape Developed

Lagenda carefully selects land that requires minimal intervention in its environmental profile. This involves the assessment of long-term land productivity, where Lagenda only permits land conversion from non-primary forests and unproductive land with low threats to biodiversity.

Our townships were built on monoculture farms, unproductive land with low biodiversity quality.

In FY2023, we developed 241,812 m^2 of green area, focusing on Bandar Baru Setia Awan Perdana and Lagenda Teluk Intan.

Year	Landscape Developed (m^2)
FY2023	241,812
FY2022	145,687
FY2021	137,537

PLANET:
ADVANCING ENVIRONMENTAL STEWARDSHIP (Cont'd)

Energy Consumption

In line with our climate commitments and Environmental Policy, we continued to enhance our monitoring practices and implemented the following initiatives to reduce our energy consumption and emissions:

1. Installed light-emitting diode (LED) lighting at our townships and operational buildings; and
2. Ensured electrical appliances in unoccupied spaces were switched off during off-peak periods.

We are actively reducing our reliance on fossil fuels and promoting sustainability within Lagenda. As part of this initiative, 15% of Lagenda's car fleet now comprises hybrid/mild hybrid cars to lower our fuel consumption.

We also recognise the need to address our growing electricity demand as our operations expand. We are expediting the first phase of our solar energy project at our operational buildings. This phase will generate approximately 70kWp of renewable energy and reduce around 10% of our overall electricity consumption.

Our fuel usage in FY2023 was twice that of FY2022. This increase was due to adjustments to our data collection process, where more data points were used.

Energy Consumption	FY2023	FY2022	FY2021
Total Fuel Consumption (litres)	**113,851**	77,675	-
a. Petrol (litres) b. Diesel (litres)	**62,280** **51,571**	47,751 29,924	-
Electricity Consumption (kWh)	**940,180**	645,374	233,594*

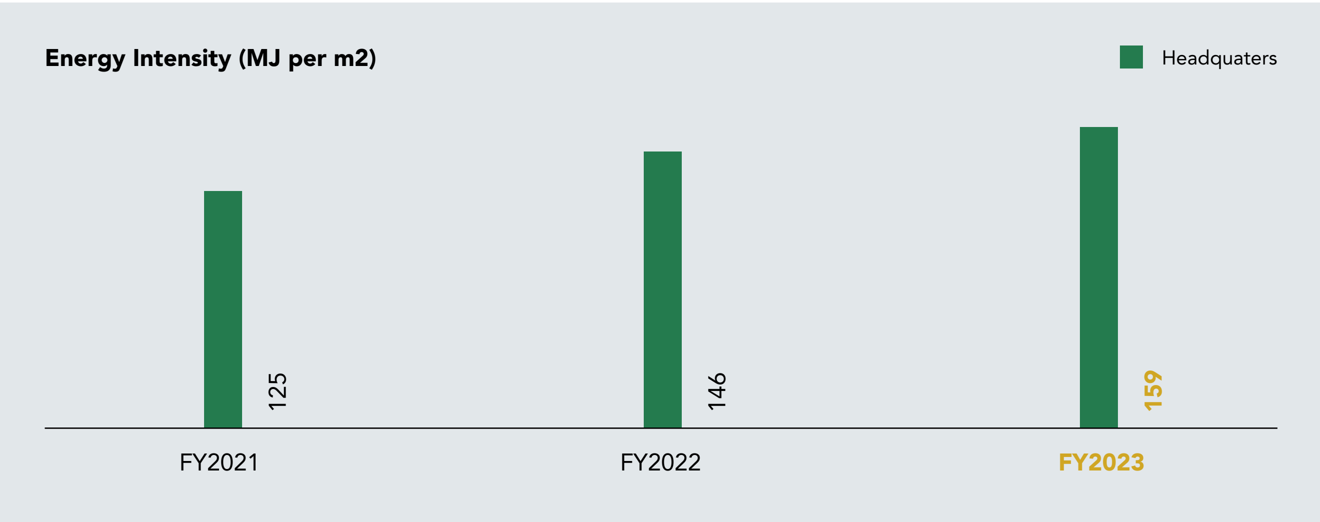
Note:

**Limited to Headquarters in Manjung*

Energy Intensity

We closely monitor the energy performance of Lagenda's headquarters by using the energy intensity formula (energy used per square metre of the building).

We have plans to extend the energy intensity quantification to our other facilities and buildings going forward.



OUR TRAJECTORY TO CARBON NEUTRALITY

(Material Matters: Energy Consumption, Climate Change and Emissions, Biodiversity)

As a property developer, Lagenda is aware of our responsibility to address the climate crisis. We carefully consider our mitigation and adaptation strategies to reduce our carbon emissions, as guided by our Climate Change Policy.

In line with the 12th Malaysia Plan, to achieve carbon neutrality by 2050, Lagenda pledges to reduce our carbon emissions intensity by 10% (baseline 2021) by 2025, and to achieve a 45% reduction by FY2023. We are currently improving our carbon-tracking process to ensure a more accurate assessment of our achievement in this area.

Lagenda has adopted recommendations from the Taskforce on Climate-Related Financial Disclosures in the four areas of Governance, Strategy, Risk Management, and Metrics and Target.

01

Governance

To disclose Lagenda's governance surrounding climate-related risks and opportunities to the Board.

02

Strategy

To disclose Lagenda's governance surrounding climate-related risks and opportunities to the Management and the Board.

03

Risk

To disclose Lagenda's governance surrounding climate-related risks and opportunities, which entails oversight on climate change as well as assessment and management of climate-related risks and opportunities.

04

Metric & Target

To discuss the metrics and targets used to manage and assess the relevant climate-related risks and opportunities. This could include disclosure of Scope 1, Scope 2, and eventually Scope 3 GHG emissions.

Governance

Our SSC helps keep the Board informed about sustainability matters, which includes climate change. Our Senior Management members sit on the SSC, thereby helping to ensure the efficient development of effective strategies that focus on climate risks and opportunities. The Board maintains oversight on sustainability-related matters and is instrumental in providing critical insights for the development of our climate-related strategies.

OUR TRAJECTORY TO CARBON NEUTRALITY (Cont'd)

Strategy

In FY2023, we developed a high-level strategy to drive our climate action. Our strategy focused on supporting a low-carbon economy, reducing our carbon footprint, managing emerging climate risks by reducing our GHG emissions, and increasing the resilience of our business by capitalising on climate risks and opportunities.

These risks and opportunities, in line with the TCFD, are reported as follows:

RISKS

Transitional Risks refer to risks associated with the transition to a lower-carbon economy with the following considerations:

Policy and legal actions	• Reduction of GHG emissions through increased government-mandated reporting requirements, actions and commitments • Carbon pricing or carbon tax imposed on properties and the construction sector both nationally and internationally
Technology changes	• Cost to incorporate renewable energy into the affordable housing/ township segment • Scalability, compatibility, and accuracy of digitalisation across departmental functions due to the need for seamless workflow integration, effective communication channels, and efficient data management.
Reputational risk	• Growing pressure from stakeholders regarding corporate responsibility for climate actions
Physical risk a) Acute - these refer to risks that are event-driven, including increased severity of extreme weather events, such as floods. The Group is cognisant of acute risks when selecting its business locations and project sites.	• Operational disruptions • Extreme weather conditions can cause delays in project completion, lack of availability of suitable land, and damage to completed properties, resulting in financial loss
b) Chronic – these risks refer to longer-term shifts in climate patterns, such as increasing temperatures, seawater levels, and droughts.	• Increased energy costs to cool our workspaces • Risks to health and well-being of employees • Increased operational disruptions • Delays in project completion

OPPORTUNITIES

Resource efficiency	• Accelerates the adoption of more sustainable practices, e.g. use of more efficient modes of transport • Reduced operating costs by improving resource utilisation efficiency across the business • Lower waste generation
Resilience	• Increased employee awareness of climate change • Higher participation in renewable-energy programmes and adoption of energy-efficiency measures • Greater innovation in identifying suitable substitutes for resources required
Regulatory	• Greater ability to seek regulatory and governmental support for incentives to encourage the adoption of more sustainable practices

OUR TRAJECTORY TO CARBON NEUTRALITY (Cont'd)

Strategy (Cont'd)

FINANCIAL IMPACTS

Revenue and expenditure	• Improved profitability from lower operating costs and greater productivity due to improved employee health and satisfaction • Good return on investments in green and low-emissions technologies
Assets	• Reduced liabilities and potential for delays associated with greenfield areas by exploring unproductive oil palm land

Risk

Climate-related risks are evaluated within our enterprise risk management and internal control framework provided by our Internal Audit Department. Procedures as well as the results of the framework's implementation are presented to the Management and Board twice a year.

Metric and Targets: Climate Change & GHG Emissions

We have been monitoring our Scope 2 GHG emissions since FY2021. Since FY2021, we have expanded not just our tracking and reporting to encompass Scope 1 emissions, but also our monitoring activities to cover all our operational buildings. In FY2023, we began tracking and reporting Scope 3 emissions for employee commuting. Also documented are the past three years' resource footprints that contributed to climate change, including our water and energy consumption.

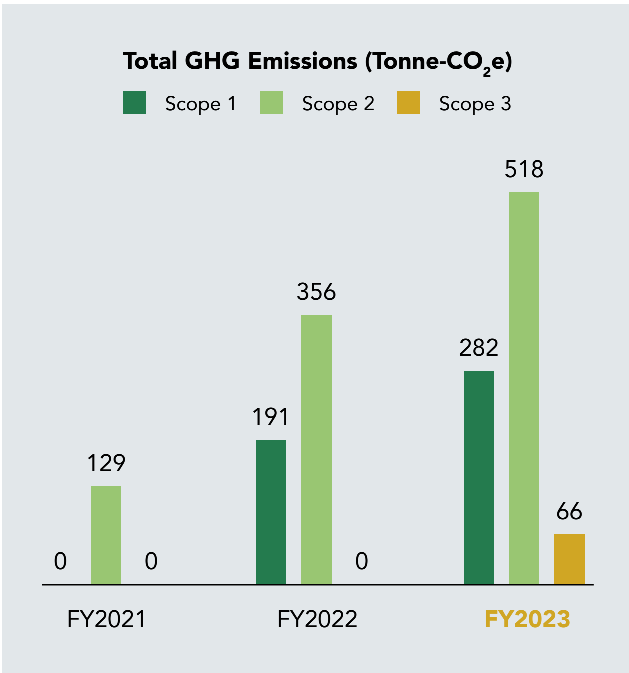
This target to reduce our emissions has been applied to our flagship township at Bandar Baru Setia Awan Perdana through our solar photovoltaic installation that will lower electricity consumption by approximately 47% and reduce about 10% of our overall Scopes 1 and 2 GHG emissions.

The chart below shows how our activities contribute to GHG emissions in each scope.

Direct Emissions	Indirect Emissions
Scope 1 Direct emissions from our consumption of fossil fuels	**Scope 2** Direct emissions from the generation of our purchased energy
	Scope 3 All indirect emissions not included in Scope 2, e.g. employees' commutes

All GHG emissions comprise CO_2, CH4, and N2O, as mentioned in the GHG Protocol and the IPCC Fifth Assessment Report 2014 (AR5). The emissions factor for energy usage is 0.551 kgCO2e/kWh, according to the UNFCC Harmonised Grid Emissions Factors 2022.

Lagenda's Scope 3 GHG emissions are calculated using the Greenhouse Gas Protocol's Technical Guidance for Calculating Scope 3 Emissions in Category 7 (Employee Commuting).



In FY2023, we measured our efficiency and intensity performance using ratios of financial performance to specific environmental indicators.

OUR TRAJECTORY TO CARBON NEUTRALITY (Cont'd)

Metric and Targets: Climate Change & GHG Emissions (Cont'd)

		FY2023	FY2022	FY2021
Revenue	RM'000	**834,874**	866,940	835,578
GHG emissions intensity (Scopes 1, 2 and 3)	$kgCO_2e$/ RM' million	**0.001**	-	N/A
GHG emissions intensity (Scopes 1 and 2 only)	$kgCO_2e$/ RM' million	**0.001**	0.0006	N/A

In order to achieve our climate resilience goals, we have partnered with a solar energy provider to explore the potential of installing solar photovoltaic panels on our operational buildings, commencing with the clubhouse at our first township, Bandar Baru Setia Awan Perdana.

We are also exploring various actions to manage risks and opportunities, including:
- Reducing and removing GHG emissions, including sequestration obligations, and improving energy efficiency;
- Implementing climate-related procurement norms and principles to help manage GHG emissions from our supply chain; and
- Adopting and applying technologies to mitigate risks and create opportunities.

BURSA SUSTAINABILITY DISCLOSURE INDEX

COMMON INDICATOR		REFERENCE
C1) Anti-Corruption		
C1 (a)	Percentage of employees who have received training on anti-corruption by employee category	037
C1 (b)	Percentage of operations assessed for corruption-related risks	038
C1 (c)	Confirmed incidents of corruption and action taken	038
C2) Community/Society		
C2 (a)	Total amount invested in the community where the target beneficiaries are external to the listed issuer	054
C2 (b)	Total number of beneficiaries of the investment in communities	054
C3) Diversity		
C3 (a)	Percentage of employees by gender and age group, for each employee category	045-047
C3 (b)	Percentage of Directors by gender and age group	037
C4) Energy Management		
C4 (a)	Total energy consumption	062
C5) Health and Safety		
C5 (a)	Number of work-related fatalities	052
C5 (b)	Lost Time Incident rate	052
C5 (c)	Number of employees trained on health and safety standards	052
C6) Labour Practices and Standards		
C6 (a)	Total hours of training by employee category	049-050
C6 (b)	Percentage of employees who are contractors or temporary staff	046
C6 (c)	Total number of employee turnover by employee category	047
C6 (d)	Number of substantiated complaints concerning human rights violations	049
C7) Supply Chain Management		
C7 (a)	Proportion of spending on local suppliers	043
C8) Data Privacy and Security		
C8 (a)	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	039
C9) Water		
C9 (a)	Total volume of water used	060
C10) Waste Management		
C10 (a)	Total waste generated and breakdown of the following: • Total waste diverted from disposal • Total waste directed to disposal	059
C11) Emissions Management		
C11 (a)	Scope 1 emissions in tonnes of CO_2e	065
C11 (b)	Scope 2 emissions in tonnes of CO_2e	065
C11 (d)	Scope 3 emissions in tonnes of CO_2e (at least for the categories of business travel and employee commuting)	065

GRI CONTENT INDEX

Statement of use: Lagenda Properties Berhad has produced this Statement for the period 1 January 2023 to 31 December 2023 in accordance with the GRI Standards.

GRI Used: GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	REFERENCE PAGES
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	001-004
	2-2 Entities included in the organisation's sustainability reporting	003,024
	2-3 Reporting period, frequency and contact point	024
	2-4 Restatements of information	-
	2-5 External assurance	025
	2-6 Activities, value chain and other business relationships	024
	2-7 Employees	045-047
	2-8 Workers who are not employees	046
	2-9 Governance structure and composition	003
	2-10 Nomination and selection of the highest governance body	082
	2-11 Chair of the highest governance body	076-084
	2-12 Role of the highest governance body in overseeing the management of impacts	076-084
	2-13 Delegation of responsibility for managing impacts	076-084
	2-14 Role of the highest governance body in sustainability reporting	036
	2-15 Conflicts of interest	076-084
	2-16 Communication of critical concerns	076-084
	2-17 Collective knowledge of the highest governance body	076-084
	2-18 Evaluation of the performance of the highest governance body	076-084
	2-19 Remuneration policies	082
	2-20 Process to determine remuneration	082
	2-21 Annual total compensation ratio	-
	2-22 Statement on sustainable development strategy	-
	2-23 Policy commitments	-
	2-24 Embedding policy commitments	-
	2-25 Processes to remediate negative impacts	-
	2-26 Mechanisms for seeking advice and raising concerns	084
	2-27 Compliance with laws and regulations	076-084
	2-28 Membership associations	025
	2-29 Approach to stakeholder engagement	084
	2-30 Collective bargaining agreements	-

GRI CONTENT INDEX (Cont'd)

GRI STANDARD	DISCLOSURE	REFERENCE PAGES
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	033
	3-2 List of material topics	033
Economic Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	040
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	040
	201-2 Financial implications and other risks and opportunities due to climate change	063-065
	201-3 Defined benefit plan obligations and other retirement plans	048
	201-4 Financial assistance received from the government	Information not available
Market Presence		
GRI 3: Material Topics 2021	3-3 Management of material topics	Information not available
GRI 202: Market Presence 2016	202-1 Ratios of standard entry-level wage by gender compared to local minimum wage	Information not available
	202-2 Proportion of senior management hired from the local community	Information not available
Indirect Economic Impacts		
GRI 3: Material Topics 2021	3-3 Management of material topics	040
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	043
	203-2 Significant indirect economic impacts	041-043
Procurement Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	043
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	043
Anti-Corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	038
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	038
	205-2 Communication and training about anti-corruption policies and procedures	038
	205-3 Confirmed incidents of corruption and actions taken	038

GRI CONTENT INDEX (Cont'd)

GRI STANDARD	DISCLOSURE	REFERENCE PAGES
Anti-Competitive Behaviour		
GRI 3: Material Topics 2021	3-3 Management of material topics	Information not available
GRI 206: Anti-Competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Information not available
Materials		
GRI 3: Material Topics 2021	3-3 Management of material topics	058
GRI 301: Materials 2016	301-1 Materials used by weight or volume	059
	301-2 Recycled input materials used	059
	301-3 Reclaimed products and their packaging materials	Information not available
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	062
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	062
	302-2 Energy consumption outside of the organisation	Information not available
	302-3 Energy intensity	062
	302-4 Reduction in energy consumption	Not applicable. No energy reduction reported in FY2023
	302-5 Reductions in energy requirements of products and services	Not applicable. No energy reduction reported in FY2023
Water and Effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	060
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	063
	303-2 Management of water discharge-related impacts	060
	303-3 Water withdrawal	Information not available
	303-4 Water discharge	060
	303-5 Water consumption	060
Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	061
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable. Most of Lagenda's landbank is former monoculture farmland with low biodiversity Quality.
	304-2 Significant impacts of activities, products and services on biodiversity	Not applicable. Most of Lagenda's landbank is former monoculture farmland with low biodiversity Quality.
	304-3 Habitats protected or restored	061
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	061

GRI CONTENT INDEX (Cont'd)

GRI STANDARD	DISCLOSURE	REFERENCE PAGES
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	065
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	065
	305-2 Energy indirect (Scope 2) GHG emissions	065
	305-3 Other indirect (Scope 3) GHG emissions	065
	305-4 GHG emissions intensity	066
	305-5 Reduction of GHG emissions	Not applicable
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	058
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	059
	306-2 Management of significant waste-related impacts	058-059
	306-3 Waste generated	059
	306-4 Waste diverted from disposal	059
	306-5 Waste directed to disposal	059
Supplier Environmental Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Information not available
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Information not available
	308-2 Negative environmental impacts in the supply chain and actions taken	Information not available
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	045
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	046-047
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	048
	401-3 Parental leave	048
Labour/Management Relations		
GRI 3: Material Topics 2021	3-3 Management of material topics	048
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	048

GRI CONTENT INDEX (Cont'd)

GRI STANDARD	DISCLOSURE	REFERENCE PAGES
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	051
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	051-052
	403-2 Hazard identification, risk assessment, and incident investigation	051
	403-3 Occupational health services	Information not available
	403-4 Worker participation, consultation, and communication on occupational health and safety	Information not available
	403-5 Worker training on occupational health and safety	052
	403-6 Promotion of worker health	Information not available
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	051
	403-8 Workers covered by an occupational health and safety management system	052
	403-9 Work-related injuries	052
	403-10 Work-related ill health	Information not available
Training and Education		
GRI 3: Material Topics 2021	3-3 Management of material topics	049
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	049
	404-2 Programmes for upgrading employee skills and transition assistance programmes	050
	404-3 Percentage of employees receiving regular performance and career development reviews	Information not available
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	045
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	045-047
	405-2 Ratio of basic salary and remuneration of women to men	Information not available
Non-Discrimination		
GRI 3: Material Topics 2021	3-3 Management of material topics	049
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	049

GRI CONTENT INDEX (Cont'd)

GRI STANDARD	DISCLOSURE	REFERENCE PAGES
Freedom of Association and Collective Bargaining		
GRI 3: Material Topics 2021	3-3 Management of material topics	049
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Information not available
Child Labour		
GRI 3: Material Topics 2021	3-3 Management of material topics	049
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Information not available
Forced or Compulsory Labour		
GRI 3: Material Topics 2021	3-3 Management of material topics	Information not available
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Information not available
Security Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	Information not available
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Information not available
Rights of Indigenous Peoples		
GRI 3: Material Topics 2021	3-3 Management of material topics	Information not available
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Information not available
Local Communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	054
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	054-057
	413-2 Operations with significant actual and potential negative impacts on local communities	Not applicable
Supplier Social Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Information not available
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Information not available
	414-2 Negative social impacts in the supply chain and actions taken	Information not available

GRI CONTENT INDEX (Cont'd)

GRI STANDARD	DISCLOSURE	REFERENCE PAGES
Public Policy		
GRI 3: Material Topics 2021	3-3 Management of material topics	039
GRI 415: Public Policy 2016	415-1 Political contributions	Not applicable. Lagenda is an apolitical organisation andhence, has not made any contributions to any political parties in FY2023.
Customer Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	044
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	044
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	044
Marketing and Labelling		
GRI 3: Material Topics 2021	3-3 Management of material topics	Information not available
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Information not available
	417-2 Incidents of non-compliance concerning product and service information and labelling	Information not available
	417-3 Incidents of non-compliance concerning marketing communications	Information not available
Customer Privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	039
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	039

SUSTAINABILITY PERFORMANCE REPORT 2023

Indicator	Measurement Unit	2021	2022	2023
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	10.63	8.73	10.95
Executive	Percentage	68.09	44.44	51.82
Non-executive/Technical Staff	Percentage	21.28	44.44	37.23
General Workers	Percentage	0.00	2.39	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	100.00	100.00
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	-	507	11
Executive	Hours	-	2,406	13
Non-executive/Technical Staff	Hours	-	1,089	9
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	45.00	50.00	38.00
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	13	15	7
Executive	Number	32	53	57
Non-executive/Technical Staff	Number	74	42	64
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	-	-	15
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,480,000.00	400,000.00	277,689.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	-	2,400
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	0.00	2.00	2.20
Management Between 30-50	Percentage	65.00	80.00	78.70
Management Above 50	Percentage	35.00	18.00	19.10
Executive Under 30	Percentage	20.00	35.00	39.10
Executive Between 30-50	Percentage	76.00	60.00	57.90
Executive Above 50	Percentage	4.00	5.00	3.00
Non-executive/Technical Staff Under 30	Percentage	40.00	54.00	54.80
Non-executive/Technical Staff Between 30-50	Percentage	56.00	40.00	40.40
Non-executive/Technical Staff Above 50	Percentage	4.00	6.00	4.80
Gender Group by Employee Category				
Management Male	Percentage	77.00	55.00	62.30
Management Female	Percentage	33.00	45.00	37.70
Executive Male	Percentage	37.10	30.00	41.60
Executive Female	Percentage	62.90	70.00	58.40
Non-executive/Technical Staff Male	Percentage	27.10	60.00	52.70
Non-executive/Technical Staff Female	Percentage	72.90	40.00	47.30
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	83.00	83.00	67.00
Female	Percentage	17.00	17.00	33.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	66.70	66.70	33.00
Above 50	Percentage	33.33	33.33	67.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	233.59	645.37	940.18
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	3.552000	6.999000	11.610000

Internal assurance | External assurance | No assurance | (*)Restated

The Board is pleased to present this Corporate Governance Overview Statement ("CG Statement") and the application of the corporate governance practices of the Group pursuant to the three (3) main principles in the Malaysian Code on Corporate Governance ("MCCG") throughout the financial year ended 31 December 2023 ("FYE 2023").

PRINCIPLE		
A - Board Leadership and Effectiveness	B - Effective Audit and Risk Management	C - Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This statement provides a concise overview of the Group's corporate governance practices, highlighting key focus areas and outlining future priorities for ongoing governance enhancement.

In addition, this Statement is to be read in conjunction with the Company's CG Report for the FYE 2023 which containsdetails on the application of each of the Practices and the departures and alternative measures established withinthe Group. The CG report is available in the Company's website https://lagendaproperties.com and via announcement on the website of Bursa Malaysia Securities Berhad.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I Board Responsibilities

The Company is led by an experienced Board, with sound business acumen, and management skills. The Board promotes the long-term, sustainable success of the Group, generating value for shareholders while contributing to the broader community.

The responsibilities of the Board are outlined in the Company's Board Charter which documents the strategic intent, governance and structure of the Board and its committees, including the authority, matters reserved for the Board, guidance the Board's conduct and the Terms of Reference ("TOR") of the Board Committees. The responsibilities of the Board are inclusive of but not limited to:

i) Formulating the strategic direction and setting short-term and long-term plans for the Group.
ii) Promoting the best ethical corporate governance culture in the Group.
iii) Ensuring a sound reporting framework on management information systems and internal controls is in place.
iv) Identifying and managing the principal risks of the Group's operations and affairs.
v) Monitoring compliance with relevant laws & regulations and accounting standards within the corporate and business environment.
vi) Overseeing and reviewing business operations within a systematic and controlled environment.
vii) Monitoring the financial performance of the Group quarterly.
viii) Ensuring candidates of sufficient experience hold all senior management positions.
ix) Ensuring effective communication with its shareholders and stakeholders is in place.

The Group is led by an effective and experienced Board with the right mix of skills and balance to contribute to achieving the Group's objectives. The Directors collectively, with their different backgrounds and specialisations, bring with them a diverse wealth of experience and expertise in areas relevant to the group, such as business, finance, banking industry, property development, construction, and operations.

The Independent Non-Executive Directors of the Company play a key role in providing unbiased and independent views and advice and contributing their knowledge and experience toward formulating of policies and in the decision-making process. The Board structure ensures that no individual or Group of individuals dominates the Board's decision-making process. Although all the Directors have equal responsibility for the Company and the Group's operations, the role of the Independent Directors is particularly important in ensuring that the strategies proposed by the Managing Director are deliberated on and have taken into account the interest, not only of the Company, but also that of the shareholders, employees, customers, suppliers and the community.

To enhance its oversight function in specific responsibility areas, the Board has established three (3) Board Committees: the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC"), and Remuneration Committee ("RC"). On 10 April 2023, the Board agreed to merge the NC and RC into the Nomination and Remuneration Committee ("NRC").

All the Board Committees are chaired by Independent Non-Executive Directors. The Board retains collective oversight over the Board Committees. Notwithstanding the delegation of specific powers, the Board retains full responsibility for the strategic initiatives, direction and control of the Company and the Group. The ultimate responsibility for decision-making on all matters lies with the Board.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I Board Responsibilities (Cont'd)

BOARD OF DIRECTORS Responsible for effective oversight of the Group's objectives, business plan, financial performance governance structure that will help achieve strategic growth and deliver sustainable shareholders' value.	
ARMC	**NRC**
Oversees the Group's financial reporting process, related party transactions and conflict of interest situations, internal and external audit, and risk management matters.	Ensures that the Board and its Committees have the appropriate skills, knowledge, diversity, experience and remuneration to operate effectively.

For the effective functioning of the Board, the Board has established the following management committees to assist the Board in discharging various areas of its duties:

(i) Sustainability Steering Committee ("SSC")
(ii) Employees' Share Option Scheme ("ESOS") Committee

Each Committee operates within clearly defined TOR, which sets out the matters relevant to the functions, responsibilities and authorities of these committees.

Directors' Responsibilities on Sustainability of the Group

The Board has delegated the SSC to develop sustainability strategies, policies and statements for the Board's approval. The SSC comprises the Managing Director ("MD"), the head of department, and the relevant head of divisions.

Further information on sustainability is set out in the Sustainability Statement of this Annual Report.

Directors' Responsibilities in relation to the Financial Statements

The Board aims to provide and present a clear, balanced and comprehensive assessment of the Group's financial performance and prospects, primarily through the annual and quarterly financial statements to Shareholders as well as the Management Discussion and Analysis in this Annual Report. The Board is assisted by the ARMC to oversee the Group's financial reporting processes . It ensures its compliance with applicable financial reporting standards and regulatory requirements as well as the quality of its financial reporting. The financial statements are reviewed by the ARMC before recommending them to the Board for relevant announcement and issuance to shareholders. The Board ensures the integrity of the Group's financial reporting and fully recognises that accountability in financial disclosure forms an integral part of good corporate governance practices.

The Directors have ensured that the financial statements of the Group and the Company are drawn up in accordance with the requirements of the applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board and the provisions of the Companies Act, 2016. In preparing the financial statements, the Directors have selected and applied consistently suitable accounting policies and made a reasonable and prudent judgement and estimates.

Separation of Position of Chairman and Managing Director ("MD")

The Chairman's and MD's roles are distinct and separated to ensure a balance of power and authority, accountability, and independent decision-making.

The Company clearly distinguishes and separate roles between the Chairman and MD, with a clear division of responsibilities. The Board is headed by Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R), the Independent Non-Executive Chairman, who has wide exposure and vast strategic corporate experiences. As Chairman, he plays a vital role in leading and guiding the Board, creates a conducive environment geared towards building and growing Directors' oversight and effectiveness and ensures that the Board's decisions fairly reflect board consensus.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I Board Responsibilities (Cont'd)

Separation of Position of Chairman and Managing Director ("MD") (Cont'd)

The Chairman's responsibilities encompass the following:

- Leading the Board in its responsibilities for the business affairs of the Group and its oversight of Management.
- Overseeing the Board in the effective discharge of duties and responsibilities and ensuring adequacy and integrity of the governance process.
- The efficient organisation and conduct of the Board's functions and meetings and setting of the Board meeting agenda.
- Facilitating effective contribution from all Directors as well as promoting constructive and respectful relations amongst Board members and between Board and Management.

The MD has the authority and responsibility for the day-to-day management of the business and the implementation of policies, strategies and decisions adopted by the Board. The MD leads the Management and is responsible for ensuring the due execution of strategic goals, sustainability efforts, effective operations within the Group, and explaining, clarifying and informing the Board on key matters pertaining to the Group.

The Group continues to comply with Practice 1.3 of the MCCG 2021 with respect to the separation of roles between Chairman and MD.

Company Secretaries

The Company is supported by Company Secretaries who possess the requisite qualifications and are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016. The Company Secretaries play a significant role in supporting the Board for ensuring that all governance matters and Board procedures are followed and that applicable laws and regulations are complied with. The Company Secretaries also highlighted all compliance and governance issues that they felt ought to be brought to the Board's attention, monitored corporate governance developments and assisted the Board in applying governance practices to meet the Board's needs and stakeholders' expectations.

The Company Secretary is present at meetings to record deliberations, issues discussed and conclusions in discharging her duties and responsibilities and also provides a central source of guidance and advice to the Board and assists in determining board agenda, formulating governance, coordinating board assessment process and other board-related matters.

Access to Information and Advice

The Board meets on a quarterly basis, with additional meetings convened as and when necessary. The notices of Board and Board Committee meetings are sent out to the Directors via email at least 7 days before the meetings. Board papers are circulated to the Directors on a timely basis, at least 3 days in advance from the meeting date so that they have sufficient time to review and request further explanation and information, if necessary. The board papers are comprehensive and encompass both quantitative and qualitative factors so that informed decisions can be made.

Meeting papers on issues or corporate proposals that are deemed high level decision papers will only be presented to the Directors during the meeting itself. The MD, Management and external consultants also provide verbal explanations and briefings to enhance understanding of matters in relation to the Group's business and operations.

All Directors have access to the advice and service of the Company Secretaries. The Board, whether as a full board or in their individual capacity, may, upon approval of the Board of Directors, seek independent professional advice if required, in furtherance of their duties, at the Group's expense.

Board Charter

The Board is guided by a Board Charter which sets out the principles governing the Board of the Company and adopts the principles of good governance and practice in line with recommendations from MCCG 2021 and in accordance with applicable laws, rules and regulations in Malaysia.

The Board will review the Board Charter periodically and any amendments/ improvements shall be made thereto as of and when the Board deems appropriate and necessary.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I Board Responsibilities (Cont'd)

Code of Conduct and Ethics

The Code of Conduct and Ethics defines the standards of conduct that are expected of Directors and employees to help them make the right decision while performing their jobs to the highest standards of ethics, integrity and governance. The Code of Conduct and Ethics includes details such as policies and procedures for managing conflicts of interest as well as preventing abuse of power, corruption, insider trading and money laundering. The Board will periodically review the Code of Conduct and Ethics to ensure it remains relevant and appropriate.

Whistle-Blowing Policy

The Board encourages employees and external parties to report suspected or known misconduct, wrongdoings, corruption and instances of fraud, waste or abuse involving the resources of the Group. The Whistle-Blowing Policy established by the Group provides and facilitates a mechanism for any employee and external parties to report and disclose suspected malpractice or misconduct and to provide protection to employees or external parties who report allegations of such practices.

Anti-Bribery and Anti-Corruption Policies and Guidelines

In line with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018), the Board has adopted an Anti-Bribery and Anti-Corruption Policies and Guidelines. The policy sets out the Group's overall position to prevent bribery and corruption practices in relation to its business activities.

The policy will be reviewed periodically to ensure its relevance, as it was reviewed by the Board on 20 November 2023.

The Board Charter, Code of Conduct and Ethics, Whistle-Blowing Policy and Anti-Bribery and Anti-Corruption Policies and Guidelines are published on the Company's website at https://lagendaproperties.com for ease of access for reporting by employees of the Group and external parties.

Time Commitment, Board Meetings and Directors' Training Programmes

During the FYE 2023, five (5) Board meetings were held where the Board deliberated upon and considered a variety of matters including the Group's quarterly operations and financial results, major investments and strategic decisions, sustainability initiatives, business plans and any other strategic issues that may affect the Group's businesses. In the intervals between Board meetings, approvals are obtained via circular resolutions for exceptional matters requiring urgent Board decision-making which are then supported with information necessary for informed decision-making.

The Board meeting calendar schedule the meeting dates of the Board for each financial year were fixed in advance for the whole year to ensure that all Board meeting dates are booked and also to enable the Management's planning for the whole financial year. The Board is also mindful of the importance of devoting sufficient time and effort to discharge the relevant duties and responsibilities besides attending meetings of the Board and Board Committees.

The Board is satisfied with the level of time commitment given by Directors towards fulfilling their roles and responsibilities as Directors which is evidenced by their full attendance at all Board meetings in FYE 2023:

No.	Name of Directors	Position	No. of Meeting Attended
1.	Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)	Independent Non-Executive Chairman	5/5
2.	Dato' Doh Jee Ming	Managing Director	5/5
3.	Lim Pang Kiam	Independent Non-Executive Director	5/5
4.	Looi Sze Shing	Independent Non-Executive Director	5/5
5.	Ts Myrzela Binti Sabtu (Appointed on 27 February 2023)	Independent Non-Executive Director	4/4
6.	Dato' Mohamed Sharil Bin Mohamed Tarmizi (Appointed on 3 April 2023)	Independent Non-Executive Director	3/3

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I Board Responsibilities (Cont'd)

Time Commitment, Board Meetings and Directors' Training Programmes (Cont'd)

All the Directors have complied with the minimum attendance requirements as stipulated by the Main Market Listing Requirements ("MMLR") of Bursa Securities. None of the Directors of the Company hold more than five (5) directorships of listed companies as provided under Paragraph 15.06 of the MMLR.

The Board continues to evaluate and determine the training needs of its Directors to ensure continuing education to assist them in the discharge of their duties as Directors. The Directors will continue to update their knowledge and enhance their skills through appropriate continuing education programmes to keep them abreast with the current development of the industry as well as any new statutory and regulatory requirements. This will also enable the Directors to effectively discharge duties and sustain active participation in the Board deliberations.

The trainings and seminars attended by the Directors during the financial year under review are as follows:

Name of Directors	List of Training Attended	Date
Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)	Corporate Liability on Section 17A of Malaysian Anti-Corruption Commission Act 2009 – Affin Bank	07.04.2023
	Affin Conference Series 2023 – Affin Group	30.05.2023
	Advocacy Session for Directors and CEOs of Main Market ListedIssuers – Bursa Malaysia	22.08.2023
	Net Zero, TCFD Analysis, Climate Change Scenario Analysts – AGV Sustainability	05.12.2023
Dr. Lim Pang Kiam	Tax Incentives – Malaysian Institute of Accountants	14.03.2023
	2023 Budget Seminar – Malaysia Institute of Accountants	06.04.2023
	Anti-bribery and anti-corruption training – AI Smart Learning	05.08.2023
	Conflict of interest and governance of conflict of interest – Asia School of Business and MIT Sloan	15.08.2023
	Advocacy sessions for Directors and CEOs of Main Market Listed Issuers – Bursa Malaysia	19.09.2023
	(i) The Accountant's role in putting profit, people and planet onpar – ACCA (ii) Navigating ethics in the workplace - ACCA	21.11.2023 (2 sessions)
	(i) Role of Finance function in transitioning business to a low carbon economy – ACCA (ii) SMEs and SMPs: Skills and innovation for the future –ACCA	22.11.2023 (2 sessions)
	(i) Preparing for sustainability reporting – ACCA (ii) Realising the future of finance with generative AI – ACCA (iii) R&D: Harnessing the value of disclosures – ACCA (iv) Making tax and ethics work together for a just society – ACCA (v) Coping with change : Tune in, connect, respond – ACCA	23.11.2023 (5 sessions)
Dato' Doh Jee Ming	Enhanced Conflict of Interest (COI) Disclosure Requirements - Understanding and Navigating Its Changes Confirmation – Bursa Malaysia	17.10.2023
	Tax and Budget Webinar – Baker Tilly Malaysia	01.11.2023
Looi Sze Shing	"Huat" to Wear for Career Leaps – ACCA	19.01.2023
	How to improve your work-life balance: learning practical strategies for achieving more and reducing stress - ACCA 14.02.2023	14.02.2023
	ACCA Virtual Seminar - Post Budget 2023 (Remote Online Learning) – ACCA	14.03.2023

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I Board Responsibilities (Cont'd)

Time Commitment, Board Meetings and Directors' Training Programmes (Cont'd)

Name of Directors	List of Training Attended	Date
Looi Sze Shing (Cont'd)	Minimum Transfer Pricing 2023: Get Your Practical Guidance To Analyse Prepare and Writing The Complete Minimum TP Documentation – Synergy Tas Plt	13,14 & 15.09.2023
	Managing Cash, Profit & Value – Growth Institute Scale Impact & Reduce Drama	12.10.2023
	ACCA Virtual Seminar - Post Budget 2024 (Remote Online Learning)	06.11.2023
	Preparation and Implementation of 'e-Invoice' in Malaysia – ACCA	30.11.2023
Dato' Mohamed Sharil Bin Mohamed Tarmizi	Anti-Bribery and Anti-Corruption Training for Board of Directors and Chief Executive Officers – DRB-Hicom	20.06.2023
	Conflict of Interest ("COI") and Governance of COI webinar – Bursa Malaysia	05.09.2023
	APNIC Foundation Training – Kyoto	05.09.2023 to 08.09.2023
Ts Myrzela Binti Sabtu	International Women Day – DEI Conversation: Embrace Equity(online) - 30% Club, Securities Commission Malaysia, Bursa Malaysia, ICDM	07.03.2023
	FTSE4Good ESG Rating – The Why, The What & The How? - ICDM, ICDM Advocacy Dialogue	14.04.2023
	Webinar: Mandatory Accreditation Programme (MAP) – BursaMalaysia	11 & 12.05.2023
	Industry Advisor to UITM for Project Evaluation & Development for Final Year Student – BSc In Construction Management	13.07.2023
	ARCHIDEX – The 22nd International Architecture, Interior Design & Building Exhibition 2023, KLCC, Kuala Lumpur	26.07.2023
	BINA – IBS Through Digital Commercialisation 2023 – CIDB MALAYSIA, CIDB Convention Centre, Kuala Lumpur	8 & 9.08.2023
	Webinar: Advocacy Session For Main Market Listed Issuers – Bursa Malaysia	17.08.2023
	National Climate Governance Summit 2023, Best Practices and Initiatives To Support Climate Action: Energy, Efficiency and Circularity – Sasana Kijang, Bank Negara Malaysia	5 & 7.09.2023
	30% Club Malaysia Board Mentoring Celebration 2023 – Advancing Gender Parity - PWC & 30% Club Malaysia, ASB, BankNegara Malaysia	13.09.2023
	ICW International Construction Week 2023. Leading ESG in Construction, BuildingXpo , MITEC , Kuala Lumpur	14 & 15.11.2023

II Board Composition

During the FYE 2023, the Board continued to strengthen its board leadership and independence by ensuring that its composition reflected the requisite boardroom ingredients in terms of skill sets, experience and diversity.

The Board currently has six (6) members, comprising one (1) Executive Director and five (5) Independent Non-Executive Directors. The Chairman of the Board is an Independent Non-Executive Director, and the Board Chairman is not a member of the ARMC or NRC in line with Practice 1.4 of MCCG 2021. The current composition of the Board complies with Paragraph 15.02 of the MMLR of Bursa Securities and the Board has also applied Practice 5.2 of the MCCG 2021 that at least half of the Board comprises independent directors. The Board will continue to monitor and review the Board size and composition as may be needed.

With its diversity of qualifications and skills, and the governance structure of the Board and its Board Committees, the Board has been able to provide clear and effective collective leadership to the Group and to ensure that the highest standards of conduct and integrity are always at the core of the Group's undertakings.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II Board Composition (Cont'd)

During the FY2023 meetings, the INEDs participate fully during deliberations and fulfill crucial role in corporate accountability by providing independent, impartial, unbiased and objective views, opinions, advice and judgement in the evaluation of various issues on strategies, performance and resources. The INEDs do not participate in the daily management of the Group.

Board Committees

The Board is supported by relevant Board Committees, i.e. ARMC and NRC. These Committees play a significant part in reviewing matters within their defined roles and facilitating the Board's discharge of its duties and responsibilities. Each of these Committees has specific TOR, scope and authorities to review matters tabled to the Committees prior to decisions by the Board as a whole.

The TOR for the Board Committees will be reviewed as and when necessary to enhance governance practices in line with MCCG 2021 and the MMLR.

Nomination and Remuneration Committee

The NRC currently comprised of three (3) Independent Non-Executive Directors and is chaired by Dato' Mohamed Sharil Bin Mohamed Tarmizi who was appointed as the Chairman on 10 April 2023. The NRC is responsible for nominating to the Board individuals as Directors and for assessing the Directors on an ongoing basis.

The key activities undertaken by the NRC during the financial year are as follows:

(a) assessed the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director;

(b) reviewed the mix of skills, experience, boardroom diversity and other qualities, including core competence of the members of the Board;

(c) assessed and reviewed the independence and competency of Independent Directors to continue in office as an independent director of the Company;

(d) assessed the training needs of the Directors and collated training information from all Directors;

(e) reviewed the size and composition of the Board and Board Committees;

(f) considered the nomination of new membership of the Board;

(g) discussed the character, experience, integrity and competence of the Directors, chief executive or chief financial officer and to ensure they have the time to discharge their respective roles;

(h) nominating the Directors who are due for retirement and are eligible to stand for re-election at AGM; and

(i) reviewed the fees and benefits of Non-Executive Directors;

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I ARMC

The ARMC of the Company currently comprises four (4) Independent Non-Executive Directors. The ARMC is chaired by Dr. Lim Pang Kiam with vast and extensive knowledge in the banking industry, construction and related financial management expertise. The Committee also comprises members who are financially literate and can provide diverse perspectives that strengthen the quality of deliberations. The ARMC oversees the integrity of the financial statements, compliance with relevant accounting standards and the Group's risk management and internal controls.

The Company has complied with Practice 9.1 of the MCCG 2021 whereby the Chairman of the ARMC is not the Chairman of the Board and Step Up Practice 9.4 which stipulates that the ARMC should comprise solely of Independent Directors. The ARMC has a policy that requires a former key audit partner to observe a cooling-off period of at least 3 years before being appointed as a member of the ARMC and such practice was formalised and incorporated in the TOR of the ARMC.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

I ARMC (Cont'd)

Compliance with applicable financial reporting standards

The Directors aim to present a fair assessment of the Group's financial performance, position and prospects primarily through the quarterly reports to Bursa Securities as well as the Annual Report to shareholders.

The Board aims to ensure that it fulfils its responsibility in the area of financial reporting by appointing a suitably qualified Chief Financial Officer to oversee the financial reporting function. The ARMC also assists the Board in overseeing the Group's financial reporting process and the quality of its financial reporting. Towards this end, the ARMC meets to discuss and review the quarterly results and the year-end financial statements together with the Chief Financial Officer and the External Auditors, where applicable before the financial reports are recommended to the Board for approval and public release.

Suitability, objectivity and independence of the External Auditors

The External Auditors fulfill an essential role in giving assurance to the shareholders and other parties of the reliability of the financial statements of the Company. The Company has always maintained a formal and transparent relationship with the External Auditors to ensure the Company's compliance with applicable approved accounting standards and statutory requirements.

The ARMC is responsible for recommending the appointment or re-appointment of External Auditors. The Board has adopted a formalised External Auditor's Policy to enhance the External Auditors' assessment processes and procedures. The policy shall assess the performance, suitability, objectivity and independence.

The ARC recognizes that the regular provision of non-audit services by the External Auditors may lead to impairment of the External Auditors' independence and objectivity. The External Auditors are therefore not normally engaged for non-audit related services. However, the External Auditors may be engaged for services related to corporate exercises carried out by the Group from time to time, which are not regular in nature, for which the engagement of the External Auditors may be deemed to be more effective for the Group. The External Auditors have affirmed that members of their engagement team and the firm have complied with the relevant ethical requirements regarding independence in the conduct of their audit engagement.

An annual assessment on Moore Stephens Associates PLT ("MS") was conducted on 20 November 2023 in accordance with the criteria set out in the evaluation process. The ARMC was satisfied with the performance of MS and has recommended to the Board to put forth the proposal for the re-appointment of MS as External Auditors of the Company for the FY2024 to the shareholders for approval at the upcoming 23rd Annual General Meeting ("AGM"). The Board has received assurance from the External Auditors confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements for the year under review.

II Risk Management and Internal Control Framework

The Board remains committed to ensuring that its communications with shareholders continue to present a fair, balanced and understandable assessment of the Group and its prospects. The Board is responsible for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives.

The Board is assisted by the ARMC and Risk Management Working Group ("RMWG") to discharge the risk management function of the Group. The RMWG is responsible in implementing processes in identifying, evaluating, monitoring and reporting of risks and internal controls which arise from daily business activities of the Group and report directly to the ARMC whenever there are any significant risks and to mitigate the risks. The ARMC then will report directly to the Board for notation.

The Company engages with the Internal Auditors to review the operational procedures and processes to ensure the integrity of the system of internal control. Outsourcing the internal audit function, coupled with the fact that the Internal Auditors report directly to the ARMC helps to ensure that internal audit is carried out objectively and is independent from the Company's Management and the functions it audits.

The Board is cognizant of the fact that they are responsible for the adequacy and effectiveness of the Group's risk management and internal control system. The Board recognises the importance of good corporate governance and is committed to maintaining a sound and robust system of internal controls and risk management. This includes the

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

II Risk Management and Internal Control Framework (Cont'd)

establishment of an appropriate control environment and risk management framework, processes and structures, and a continuous review of the adequacy and integrity of the said systems.

The Statement on Risk Management and Internal Control furnished separately in this Annual Report provides an overview on the state of internal controls within the Group, intended to manage the risks.

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

I Communication with Stakeholders

The Board is committed in ensuring the Group continues to engage effectively with the shareholders or stakeholders to facilitate a mutual understanding of objectives. The Group has a number of formal channels in place to effectively communicate this information to all the shareholders and stakeholders. The Board primarily achieves this through the following activities; the annual report, announcements to Bursa Securities, quarterly reports, Group's website and investor relations.

The MD is the designated spokesperson for all matters related to the Group and dedicated personnel are tasked to prepare and verify material information for timely disclosure upon approval by the Board.

The Group maintains a website at www.lagendaproperties.com for shareholders and the public to access information on the Group for up-to-date information about the Company and its business as well as announcements made to Bursa Securities. Stakeholders can at any time seek clarification or raise queries through the corporate website with the primary contact details as stated.

II Conduct of General Meetings

The AGM is the principal forum for dialogue and interaction with the shareholders. The Board is committed to providing shareholders with comprehensive and timely information about the Group's activities and performance to enable investors make informed decisions. Shareholders are encouraged to attend General Meetings and use the opportunity to ask questions on resolutions being proposed and, on the progress, performance and future prospects of the Company. The Chairman and Board members, with the assistance of senior Management and External Auditors, where appropriate, are responsible to respond and provide explanations on matters raised. In accordance with the recommendations of the MCCG 2021, the Company gives its shareholders at least 28 days advance notice of the of the Company's AGM.

Statement On Compliance and CG Report

The Board will continue to strive for sound standards of corporate governance throughout the Group to comply with the principles and practices as set out in the MCCG 2021. As required under Paragraph 15.25(2) of MMLR of Bursa Securities, the Group's application of each Practice of the MCCG 2021 during the financial year and explanation for departure or alternative practice is set out in the Group's CG Report and can be downloaded at Company's website.

The Board approved this Corporate Governance Overview Statement on 15 April 2024

The Audit and Risk Management Committee ("ARMC") has been established by the Board primarily for the purpose of overseeing the accounting, financial reporting, related party transaction, external audit functions, internal control and risk management processes of the Group.

Main Responsibilities of the ARMC

- Assists the Board in overseeing the Group's financial reporting process and integrity of the financial and narrative reporting;
- Ensure the soundness and effectiveness of the Group's internal control and risk management framework;
- Evaluate and monitor the policies and procedures set-in-motion to ensure the independence and effectiveness of the internal and external auditors; and
- Reviewing related party transactions ("RPT") and conflict of interest situation that may arise within the Group.

Memberships of the ARMC and Meetings

The ARMC comprises of four (4) members which all are Independent Non-Executive Directors. The composition of the ARMC is in compliance with Paragraph 15.09 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and Step-up Practice 9.4 under Principle B of Malaysian Code on Corporate Governance 2021 ("MCCG 2021").

The members of the ARMC and details of their attendance at the ARMC Meetings during the financial year are as follows:

Members of the ARMC	No. of Meetings Attended
Chairman	
[(1)] Dr. Lim Pang Kiam, Independent Non-Executive Director	5/5
Members	
[(1)] Looi Sze Shing, Independent Non-Executive Director	5/5
[(2)] Ts Myrzela Binti Sabtu, Independent Non-Executive Director	4/4
[(3)] Dato' Mohamed Sharil Bin Mohamed Tarmizi, Independent Non-Executive Director	3/3

Notes
[(1)] *Member of the Malaysian Institute of Accountants*
[(2)] *Appointed on 27 February 2023*
[(3)] *Appointed on 10 April 2024*

The ARMC met five (5) times during the financial year under review. The Managing Director, and senior management staffs were invited to the ARMC meetings to discuss, explain and deliberate on the financial and business operation of the Group.

The outsource External Auditors and Internal Auditors were also invited to attend the ARMC meetings to present their findings and report on the financial results and operational issues. They also table the internal audit reports, audit findings and other matters which require the attention and approval of the ARMC.

During the year under review, the ARMC had two (2) private sessions with the External Auditors without the presence of executive Board members and Management of the Group to gather independent feedback and information with regards with the management which may require the attention of the ARMC.

All proceedings of the ARMC meetings were duly recorded and confirmed at the subsequent ARMC Meeting. Minutes of the ARMC meetings are included in the Board meeting agendas to keep the Board updated on the activities of the ARMC. The ARMC Chairman also briefed the Board on matters of significant concern raised in the ARMC meeting. The ARMC may also take action by way of circular resolutions in lieu of convening a formal meeting.

Terms of Reference ("TOR")

The TOR of the ARMC is aligned with the MMLR of Bursa Securities and the MCCG 2021. The TOR was revised on 20 November 2023 to include the amendments to the MMLR in relation to the conflict of interest.

The TOR is accessible to the public for reference on the Company's website at www.lagendaproperties.com.

Summary of activities

During the financial year, the ARMC carried out the following activities and had discharged its duties and functions to the best of their abilities in accordance with the TOR:

Area of Focus	Matters Reviewed and Considered
Financial Reporting	• In overseeing the Group's financial reporting processes, the ARMC reviewed and discussed the Group's unaudited quarterly financial statements and the audited financial statements at the quarterly ARMC meetings with regards to the financial performance of the Group. • In the review of the quarterly financial statements and the Annual Audited Financial statements, the ARMC remains focused and vigilant in ensuring the accuracy and the integrity of the financial reporting. The ARMC deliberated and analyzed with the Management and External Auditors to ensure that they are prepared in compliance with applicable financial reporting standards and regulatory requirements, before presentation to the Board for consideration and approval. • Reviewed and discussed the impact of any changes/adoption of new accounting standards, auditing and regulatory issues on the Group's financial reporting processes. • Reviewed and assessed the adequacy of the processes and controls in place for effective and efficient financial reporting and that reasonable estimates had been made in accordance with the requirements set out in the Malaysian Financial Reporting Standards.
Related Party Transaction	• The ARMC had reviewed on a quarterly basis the report of Recurrent Related Party Transactions ("RRPTs") of the Group presented by Management and ensured that these transactions are undertaken in the best interest of the Company, fair, reasonable, and on normal commercial terms as well as not detrimental to the interest of the minority shareholders.
Oversight Matters Relating to External Audit	• Reviewed and discussed with the external auditors, prior to the commencement of the audit, reviewing the audit planning memorandum which will include matters pertaining to the audit service team, scope of the work, significant risks and areas of key audit focus, internal control plan, technical updates, independent policies and procedures, timeline, etc. • Reviewed and discussed with the external auditors on major audit findings arising from the external audit and resolution of the findings, including key audit matters raised by the external auditors in their auditors' report. • The ARMC conducted private sessions with the external auditors without the presence of executive Board members and management personnel on 10 April 2023 and 20 November 2023. These sessions were held to enable the External Auditors to freely express their opinions and findings. • Reviewed, assessed and monitored the performance, suitability and independence of the external auditors. The ARMC undertook an annual assessment to assess the performance, suitability and independence of the external auditors based on, amongst others, the quality of service, sufficiency of resources, communication and interaction, as well as independence, objectivity and professional scepticism.

Summary of activities (Cont'd)

Area of Focus	Matters Reviewed and Considered
Oversight Matters Relating to External Audit (Cont'd)	• The ARMC has also reviewed the independence and suitability of the external auditors in the provision of non-audit services to the Company and the Group. In considering the nature and scope of the non-audit services and related fees, the ARMC was satisfied that they were not likely to impair their independence. Moore Stephens Associates PLT has also given their independence assurance throughout their audit works for FYE 2023. Pursuant thereto, ARMC has recommended to the Board for the re-appointment of Moore Stephens Associates PLT as External Auditors of the Company at the forthcoming Annual General Meeting based on their suitability, performance, objectivity, professionalism and independence. • Considered and recommended to the Board for approval of the audit fees payable. • Reviewed and approved the internal audit plan for year 2023 from the outsourced internal audit service provider, BDO Governance Advisory Sdn Bhd ("BDO") to ensure that the scope and coverage of the internal audit on the operations of the Group is adequate and major risk areas are audited accordingly in line with the latest development of the Group and the business environment. • Discussed and reviewed the internal audit reports presented by the Internal Auditors, BDO on two (2) cycles basis. The ARMC considered major findings and areas required improvements highlighted by the internal auditors and responses from management thereto, including follow-up on status of actions taken by Management to address issues raised in previous internal audit reports. • Reviewed the independence, competency, performance and effectiveness of the internal audit function. The ARMC was satisfied and approved the re-appointment of BDO as the internal audit service provider for the Group. • Discussed and approved the appointment of new Internal Auditors, Talent League Sdn Bhd for FYE2024.
Risk Management	• Assisted the Board in overseeing and reviewing the Group's Enterprise Risk Management ("ERM"), which reflects the framework for Enterprise-wide Risk Management and Internal Control System. Such a framework states the tolerance level for risk within the Group and processes in place to identify, assess and monitor key business risks arising from the existing environment and foreseeable future events. • Reviewed the adequacy and effectiveness of the Group's risk management process including the process in identifying, evaluating, approving and reporting risk. • Reviewed and discussed the activities and reports by the Risk Management Working Group on the Group's risk profile and the mitigation controls implemented to manage identified risks within the Group. • Reviewed and evaluated operational and financial performance of the Group to ensure that appropriate measures were taken to address any significant risks. • Oversaw the management in the design and implementation of a robust and effective system of internal controls in monitoring and managing risks within the Group.
Others	• Reviewed the Group Budget for FYE 2023 and its' recommendation to the Board for approval; • Reviewed the Terms of Reference and its' recommendation to the Board for approval; • Reviewed the ARMC Report and its' recommendation to the Board for inclusion in the Annual Report 2022; and • Reviewed the Statement on Risk Management and Internal Control and its' recommendation to the Board for inclusion in the Annual Report 2022.

Annual Performance Assessment of ARMC

The term of office, performance and effectiveness of the ARMC and its members are assessed annually by the Nomination & Remuneration Committee. Based on the assessment, the Board is satisfied that the ARMC and its' members have discharged their duties, functions and responsibilities in accordance with the ARMC's Terms of Reference.

The ARMC also conducted an annual review and evaluation in an effort to enhance and improve its processes of the control environment. The ARMC was assessed by its members based on five (5) key areas, namely composition and charter, committee process, external auditors, internal audit, financial statements and quarterly results.

INTERNAL AUDIT FUNCTION

The Company has outsourced the internal audit function to BDO Governance Advisory Sdn Bhd ("BDO") to assist the Group in discharging its duties and governance responsibilities of maintaining a sound internal control system. The cost incurred for the internal audit function in respect of FYE 2023 was approximately RM78,484.00.

The internal audit team of BDO is led by an Engagement Partner and assisted by a team with professional qualifications. During FYE 2023, the internal audit of the Group was carried out in accordance with a risk-based audit plan (as guided by the International Standards for the Professional Practice of Internal Auditing) approved by the ARMC.

The role of the internal audit function is to provide assurance to the ARMC in monitoring and managing risks and internal controls of the Group. A systematic and disciplined approach is used to evaluate the system of internal control of the Group so as to provide independent assurance on the adequacy and effectiveness of governance, risk management and internal control processes.

On a half yearly basis or more frequently as requested by the ARMC, BDO will present their audit reports which include their findings and recommendations for improvements to the ARMC for review and deliberation. During FYE 2023, the ARMC evaluated the adequacy of the responses, actions and measures taken/to be taken by the Management within the required timeframe in resolving the audit issues reported. BDO also carried out follow-up reviews to monitor the implementation of the said actions plans and measures reported to the ARMC. The ARMC Chairman then briefed the Board on any major findings in the internal audit reports.

In order for the internal audit function to carry out its responsibilities, it shall have unrestricted access to all records, properties and personnel of the Group. The following activities are carried out by the internal audit team during FYE 2023:

a) Prepared the annual internal audit plan for the approval of the ARMC.
b) Presented significant audit findings to the ARMC and Management identifying control weaknesses and issues as well as highlighting recommendations for improvements.
c) Conducted discussions with Management to identify significant concerns and risk areas for inclusion in the internal audit coverage.
d) Considered the concerns of the ARMC and Management when undertaking the respective audit work.
d) The internal audit fieldwork undertaken by BDO covered the following business processes:

    (i) Internal Control Review on Business Development;
    (ii) Internal Control Review on Health, Safety and Environment; and
    (iii) Internal Control Review on Human Resource Management

All findings and recommendations arising from audit work for FYE 2023 were tabled to the ARMC and the reviews were conducted based on the internal audit plan approved by the ARMC.

On 20 November 2023, the Board approved the change of Internal Auditor from BDO to Talent League Sdn Bhd.

The Board approved this ARMC Report on 15 April 2024.

The Statement on Risk Management and Internal Control ("SORMIC") for the FYE 2023 has been prepared in compliance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Principle B of the Malaysian Code on Corporate Governance 2017, with guidance from the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("SRMICG").

Responsibility of the Board

The Board affirms its overall responsibility over the Group's system of risk management and internal controls, which includes the existence of an appropriate internal control environment, and appropriate policy framework, and the constant review of its effectiveness and adequacy to ensure that the Group's assets and shareholders' interests are safeguarded. The system of internal control covers the areas of governance, risk management, financial strategy, fiduciary management, organisational, operational, regulatory and other required compliance and control. The Board recognises that this system is designed to manage and prevent rather than to eliminate such risks that may impede the achievement of the Group's policies, strategies and overall corporate objectives.

Accordingly, the Board, to the best of knowledge and belief, exists an ongoing process within the Group to identify, evaluate and manage the significant risks faced by the Group and they are regularly reviewed by the Board. The ongoing process, in accordance with the SRMICG, is place for the year under review and up to the date of this SORMIC for the inclusion in the Annual Report. Therefore, such a system may provide a reasonable but not an absolute assurance against any willful material misstatement or loss, contingencies, fraud or irregularities.

The ARMC, on behalf of the Board, receives reports from both internal and external auditors and regularly reviews and discusses with management the actions taken on identified risk management and internal control issues. The role of the ARMC is further elaborated in the ARMC Report on pages 85 - 88.

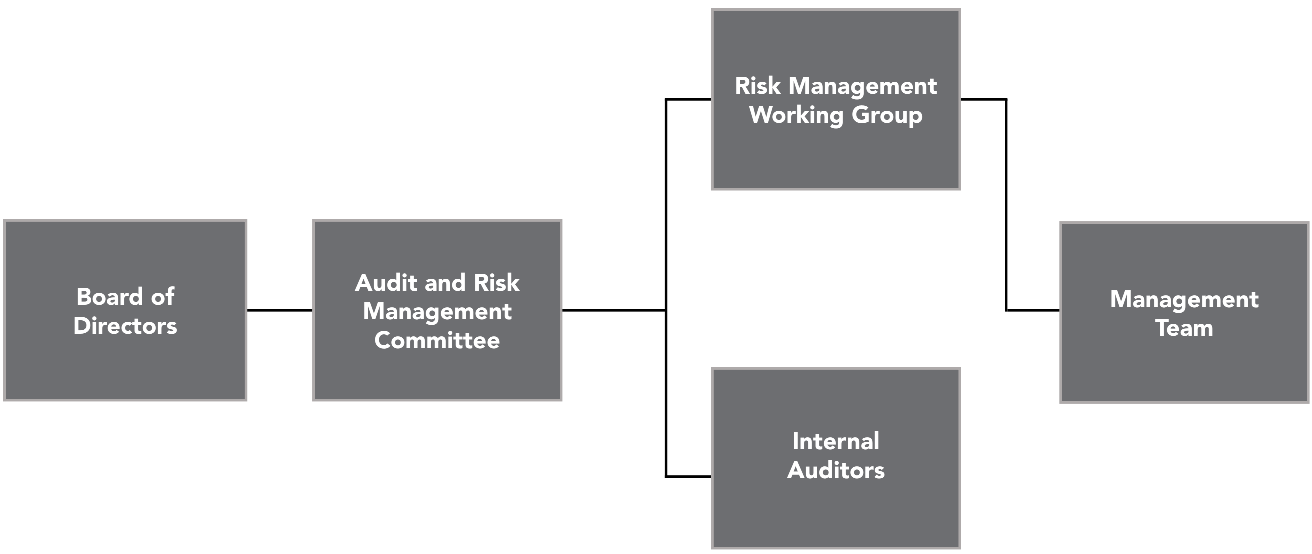
Enterprise Risk Management Framework

The Group embarked on risk management initiatives by establishing an Enterprise Risk Management Framework ("ERM"). It is the responsibility of the Board to ensure a proper risk management framework is in place and with good governance and to determine the nature and extent of risk which the Company and the Board are willing to take. In providing oversight of the ERM, the Board is assisted by the ARMC, the Risk Management Working Group ("RMWG"), and Internal Auditors to:

- Ensure that the Management maintains a sound and robust system of risk management identification and mitigation procedures and internal controls to safeguard the Group's assets and shareholders' interests; and

- Ascertain the nature and extent of risks the Company is prepared to embrace that may impact the Group's strategic objectives.

Risk Organization Structure



Enterprise Risk Management Framework (Cont'd)

In the course of deriving the principal risks, the following six (6) main stages involved:

Stage 1		Stage 2		Stage 3		Stage 4		Stage 5		Stage 6
Identifying Risk	→	Quantifying Risk	→	Responses to Risk	→	Risk Control Strategies	→	Monitoring of Risks and Controls	→	Periodic Review

The identification and rating of the current key business risks were conducted on the following departments during the FYE 2023:

- Contract Management
- Directors Office
- Finance Division
- Health, Safety and Environment
- Human Resource
- Investments and Investor Relations
- IT Services
- Procurement
- Project Construction Management
- Project Planning & Development
- Property Management & After Sales
- Sales Coordination and Credit Control
- Sales Division

Through these mechanisms, the risks identified were managed and monitored continuously, so that the potential impact of the risks (if they occur) may be mitigated to avoid any losses or damages to the Group. The risk responses have been formulated to address threats arising from significant risks to minimise the likelihood of such risks from occurring or reducing the impact of such risks if they occur.

Internal Control System

The Board is committed to evaluating, enhancing and maintaining the structure established to ensure effective control over the Group's business operation to safeguard the value and security of the Group's assets. The key elements of the Group's internal control framework include:

- A clear and defined organizational structure;
- A clear authority limit levels for all aspects of the business, formalised via the Group's limit of authority;
- ISO 9001:2015 Quality Management Systems has been implemented for the Company and documented the internal procedures and standard operating procedures. The management carries out internal quality audits, and an annual surveillance audit is conducted by an independent certification body to provide a high assurance of compliance;
- Documentation of standard operating procedures and ensuring that internal policies, processes and procedures are drawn up, reviewed and revised as and when required and necessary;
- Occupational safety and health ("OSH") guidelines, which include the formation of a safety committee to monitor OSH procedures and to address OSH issues that may arise from time to time;
- Board and ARMC meetings are scheduled regularly, that is at least four (4) times per year and the respective meeting papers are distributed on a timely basis to enable members to have access to all relevant information for reviews and queries to be raised;
- Regular group management meetings are held as and when necessary to raise issues, discuss, review and monitor the business development and resolve operational and management issues; and
- Code of Conduct and Ethics and Anti-Bribery and Anti-Corruption Policies and Guidelines which are extended to external parties dealing with the Group

The Board considers the overall system of internal control is satisfactory and has not resulted or incurred any material losses, contingencies or uncertainties that would require public disclosure. The Board will continue to review and implement measures to strengthen the internal control environment of the Group.

Internal Audit Function

The internal audit function is carried out by an independent service provider, BDO Governance Advisory Sdn Bhd, to assess the adequacy and effectiveness of the internal control system. The internal audit reviews are performed based on an internal audit plan which has been reviewed and approved by the ARMC. On 20 November 2023, the Board approved the change of Internal Auditor from BDO to Talent League Sdn Bhd for the FYE 2024.

The findings of the internal audit reviews include action plans to be taken by management to address the weaknesses identified, where enhancement opportunities are presented and reviewed by the ARMC at the quarterly meetings, which in turn reports them to the Board. Follow-up reviews may be conducted to report to the ARMC on the status of implementation of management follow-up action plans. Based on the internal audit reviews conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.

For the FYE 2023, the following 3 significant business functions were identified and selected for internal audit with the ARMC's concurrence:

Review Area	Description of scope
Business Development	• Due Diligence process for proposed development and approval process; • Business development strategies undertaken and relevant established KPI: and • Integration of sustainability factors into business development function.
Health, Safety and Environment	• Compliance with relevant HSE policies, acts and regulations, • Security measures over safeguarding of hazardous materials and premises. • Management monitoring of waste treatment, scheduled waste disposal, and emissions.
Human Resource Management	• To assess the adequacy and test the integrity of the system of internal controls; • To assess compliance to policies and procedures, and recommended best practices; and • To identify any potential areas for improvement in the effectiveness and efficiency of the processes (if any).

Assurance

The Board has received assurance from the Managing Director that the Group's risk management and internal control system is operating adequately and effectively in all material aspects.

Management's Role

The Management is responsible for implementing the Group's strategies and day-to-day running of the business. The organisation structure sets out a clear segregation of roles and responsibilities, lines of accountability and levels of authority to ensure effective and responsible stewardship. The Management assists the Board in implementing the policies approved by the Board, implementing risk control procedures and developing, operating and monitoring internal controls to mitigate and control identified risks.

Review of the statement by the External Auditors

Pursuant to paragraph 15.23 of the Bursa Malaysia Main Market Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report for FYE 2023. Based on their procedures performed, the External Auditors have reported that nothing has come to their attention that would cause 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 on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

Conclusion

The Board is of the view that the risk management and internal control system are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in this Annual Report. The Board continues to take proactive measures to sustain and, where required, to continuously improve the Group's risk management and internal control system in meeting the Group's corporate and strategic objectives.

The Board approved this Statement on Risk Management and Internal Control on 15 April 2024

Directors are legally responsible to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year.

In preparing those financial statements, the Directors ensured that:-

- they complied with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and Companies Act 2016 ("the Act");
- appropriate accounting policies are used and applied consistently;
- the going concern basis used in preparation of the financial statements are appropriate; and
- where judgements and estimates are made, they are reasonable and prudent.

The Directors are responsible to ensure that proper accounting records are kept and disclosed with reasonable accuracy at any time the financial position of the Group and of the Company and to ensure that the financial statements comply with MFRSs, IFRSs, the Act and the Main Market Listing Requirements of Bursa Securities.

The Directors have a general responsibility for taking such steps as are reasonably available to them to manage risks associated to the business of the Group, safeguard the Group's assets, to prevent and detect fraud and other irregularities.

This Statement was approved by the Board on 15 April 2024.

(i) Utilisation of Proceeds from Private Placement

There was no corporate proposal undertaken by the Company to raise proceeds during the financial year ended 31 December 2023.

(ii) Material Contracts Involving Directors and Major Shareholders

There were no material contracts entered into by the Group involving Directors' and major shareholders' interest which were still subsisting as at the end of the financial year or which were entered into since the end of the previous financial period.

(iii) Audit and Non-Audit Fees

The amount of audit and non-audit fees incurred for services rendered to the Group and to the Company by the external auditors and its affiliates in Malaysia for the financial year are as follows:

	Group (RM)	Company (RM)
Audit Fees	**388,500**	76,000
Non-Audit Fees	**54,000**	11,500

(iv) Contract Relating to Loans

During the financial year, there were no contracts relating to loans entered into by the Company and its subsidiaries involving the interests of major shareholders and/or Directors.

(v) Employees' Share Option Scheme ("ESOS")

At an Extraordinary General Meeting held on 28 June 2021, the Company's shareholders had approved the establishment of an employees' share option scheme ("ESOS") of not more than fifteen (15%) of the total number of issued ordinary shares of the Company at any one time during the tenure of the ESOS, to eligible Directors, employees and its non-dormant subsidiaries to subscribe for new ordinary shares in the Company under the ESOS. A total of 67,300,000 options with exercise price of RM1.44 and RM1.17 respectively were granted pursuant to the ESOS during FYE 2022.

The information in relation to the ESOS is as follows:

	FYE 2023
Total number of options offered	91,850,000.
Total number of options or shares granted	58,200,000
Total number of options exercised or shares vested	-
Total options or shares outstanding	-

Options or shares granted to the Directors and Senior Management:

	FYE 2023
Aggregate options or shares granted	14,000,000
Aggregate options exercised or shares vested	-
Aggregate option or shares outstanding	14,000,000

Options granted to Directors and Senior Management:

	FYE 2023
Aggregate maximum allocation in percentage	15.24
Actual percentage granted to them	24.05

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. From 21 November 2023, the Company has commence the provision of management consultancy services. The principal activities of its subsidiaries are disclosed in Note 11 to the financial statements.

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

RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	148,112	76,810
Attributable to:		
Owners of the Company	148,325	
Non-controlling interest	(213)	
	148,112	

DIVIDENDS

As disclosed in the last year's report, on 27 February 2023, the Board of Directors has declared a second interim single tier dividend of 3.5 sen per ordinary share for the financial year ended 31 December 2022, amounting to RM29,306,451, which was paid on 17 April 2023.

On 21 August 2023, the Board of Directors has declared an interim single tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2023, amounting to RM25,119,816, which was paid on 25 September 2023.

On 28 February 2024, the Board of Directors has declared a second interim single tier dividend of 3.5 sen per ordinary share for the financial year ended 31 December 2023, amounting to RM29,306,451. The entitlement date has been fixed on 18 April 2024, which is payable on 30 April 2024 and will be credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn. Bhd. This dividend will be accounted for in the equity as an appropriation of retained profits in the financial year ending 31 December 2024.

The Board of Directors does not recommend any final dividend in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUANCE OF SHARES OR DEBENTURES

Redeemable convertible preference shares ("RCPS")

As at 31 December 2023, the total number of RCPS remain unconverted amounted to 296,192,288.

The Company has not issued any shares and debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up any unissued shares of the Company during the financial year apart from the issuance of options pursuant to the Employee Share Option Scheme ("ESOS").

ESOS

The Company has granted a total of 87,050,000 share options under the ESOS plan which has a vesting period of five (5) years. These options are exercisable if the employee remains in service for three (3) years from the date of grant.

The salient features and other terms of the ESOS are disclosed in Note 22(i) to the financial statements.

Date of offer	Exercise price RM	At the beginning of the year Unit'000	Granted Unit'000	Forfeiture Unit'000	At the end of the year Unit'000
25 October 2021	1.44	74,600	-	(23,900)	50,700
03 February 2022	1.17	12,450	-	(4,050)	8,400
		87,050	-	(27,950)	59,100

Details of ESOS granted to Directors and employees of the Group are disclosed in Note 22(i) to the financial statements.

DIRECTORS OF THE COMPANY

The Directors in office since the beginning of the financial year to the date of this report are as follows :-

Dato' Doh Jee Ming *	
Looi Sze Shing	
Dr. Lim Pang Kiam	
Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)	
Myrzela Binti Sabtu	Appointed on 27 February 2023
Dato' Mohamed Sharil Bin Mohamed Tarmizi	Appointed on 3 April 2023
Mohamad Ali Bin Ariffin	Resigned on 27 February 2023
Dato' Doh Jee Chai	Resigned on 3 April 2023

* *This Director is also Director of subsidiaries included in the financial statements of the Group for the financial year.*

DIRECTORS OF THE SUBSIDIARIES OF THE COMPANY

Pursuant to Section 253(2) of the Companies Act 2016, the Directors who served in the subsidiaries (excluding Directors who are also Directors of the Company) since the beginning of the financial year to the date of this report are as follows: -

Ha Siok Ching	
Sau Yong Kiat	
Surulhuda Binti Md Tasir	
Lau Kok Lian	Appointed on 1 April 2023
Alfiyan Bin Mohd Yunus	Appointed on 2 August 2023
Jasrinderjit Singh Dhillon	Appointed on 1 August 2023
Meera Bhai A/P Kalimuthu	Resigned on 31 March 2023
Lee Wei Jin	Resigned on 1 August 2023

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interest of Directors in office at the end of financial year in shares or options over shares of the Company and its related corporations during the financial year were as follows: -

	<------------------------ Number of ordinary shares ------------------------>			
	At 01.01.2023 Unit	Bought Unit	Sold Unit	At 31.12.2023 Unit
Name of Directors				
The Company				
Direct interest:				
- Dato' Doh Jee Ming	2,300,800	-	-	2,300,800
Indirect interest:				
- Dato' Doh Jee Ming *	607,571,209	-	(34,816,573)	572,754,636

DIRECTORS' INTERESTS (Cont'd)

	<------------------------------ Number of RCPS			------------------------------>
	At 01.01.2023 Unit	Bought Unit	Conversion Unit	At 31.12.2023 Unit
Name of Directors				
The Company				
Indirect interest:				
- Dato' Doh Jee Ming ^	296,192,288	-	-	296,192,288

	<--------------- Number of options over ordinary shares			--------------->
	At 01.01.2023 Unit	Granted Unit	Forfeiture Unit	At 31.12.2023 Unit
Name of Directors				
The Company				
Direct interest:				
- Dato' Doh Jee Ming	4,800,000	2,400,000	-	7,200,000

* *Indirect interest pursuant to Section 8(4) of the Companies Act 2016 via Lagenda Land Sdn. Bhd. and Setia Awan Plantation Sdn. Bhd., which in turn holds 100% equity interest in Doh Capital Sdn. Bhd.*

^ *Indirect interest pursuant to Section 8(4) of the Companies Act 2016 via Lagenda Land Sdn. Bhd.*

Dato' Doh Jee Ming is deemed to have interest in the shares held by the Company over its subsidiaries by virtue of his substantial interest in shares: -

- via Setia Awan Plantation Sdn. Bhd., which in turn holds 100% equity interest in Doh Capital Sdn. Bhd.

- via Lagenda Land Sdn. Bhd.

None of the other Directors in office at the end of the financial year had any interest in shares of the Company or its related corporations during the financial year.

DIRECTORS' REMUNERATION AND BENEFITS

The amounts of fees and other benefits paid to or receivable by the Directors or past Directors of the Company and the estimated money value of any other benefits received or receivable by them otherwise than in cash from the Company and its subsidiaries for their services to the Company and its subsidiaries were as follows: -

	Company RM'000	Subsidiaries RM'000
Fees	390	-
Salaries and other emoluments	1,278	840
Contributions to defined contribution plan	630	420
Share options	204	-
Others	1	1
Benefits-in-kind	25	-
Total fees and other benefits	2,528	1,261

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than Directors' emoluments received or due and receivable as disclosed in Note 5(i) to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than as disclosed in Note 29 to the financial statements.

There were no arrangements during or at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:

   (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that no provision for doubtful debts was necessary; and

   (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their value 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.

(b) At the date of this report, the Directors are not aware of any circumstances:

   (i) which would render the amount written off for bad debts inadequate to any substantial extent or necessitate the provision for doubtful debts;

   (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading;

   (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

   (iv) not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements misleading.

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

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

   (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

OTHER STATUTORY INFORMATION (Cont'd)

(d) In the opinion of the Directors:

(i) no contingent or other liability has become enforceable, or likely to become enforceable, within the period of twelve months after the end of the financial year, which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;

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

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

(e) The total amount paid to or receivable by the auditors of the Company and its subsidiaries as remuneration for their services has been disclosed in Note 5 to the financial statements.

(f) There was no amount paid to or receivable by any third party in respect of the services provided to the Company or any of its subsidiaries by any Director or past Director of the Company.

(g) There was no indemnity given to or insurance effected for any Director, officer or auditor of the Group and of the Company.

HOLDING COMPANY

The Directors regard Lagenda Land Sdn. Bhd., a private limited liability company incorporated in Malaysia as the holding company.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Details of significant events during the financial year are disclosed in Note 35 to the financial statements.

EVENTS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Details of events subsequent to the end of the financial year are disclosed in Note 36 to the financial statements.

AUDITORS

The auditors, Messrs. Moore Stephens Associates PLT, have expressed their willingness to continue in office.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 15 April 2024.

DATO' DOH JEE MING

DR. LIM PANG KIAM

STATEMENT BY DIRECTORS

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

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements as set out on pages 105 to 184 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia, so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of their financial performance and cash flows for the financial year then ended.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 15 April 2024.

DATO' DOH JEE MING

DR. LIM PANG KIAM

STATUTORY DECLARATION

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

I, Dato' Doh Jee Ming, being the Director primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the financial statements as set out on pages 105 to 184 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed
at Kuala Lumpur in the Federal Territory
on 15 April 2024

DATO' DOH JEE MING

Before me,

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lagenda Properties Berhad, which comprise the statements of financial position as at 31 December 2023 and the statements of 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 material accounting policy information, as set out on pages 105 to 184

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the 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 Matter

Key audit matter 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.

Property development revenue and cost recognition

Revenue and cost from property development activities recognised during the financial year as disclosed in Notes 3 and 4 to the financial statements amounted to RM688,721,000 and RM408,229,000 respectively.

Property development revenue is recognised over the period of the project by reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation (i.e., by reference to the property development costs incurred to date as a percentage of the estimated total costs of development of the project).

Judgement is required in determining the progress of property development towards the complete satisfaction of the performance obligation, which includes relying on past experience and continuous monitoring of the budgeting process. The management's estimates and judgements affect the cost-based input method computations and the amount of revenue and costs recognised during the year.

We focused on this area because of the magnitude of the revenue and the costs recognised by the Group from these activities, which are based on significant estimates and judgements.

Key Audit Matter

<u>Property development revenue and cost recognition</u> (Cont'd)

Our audit performed and responses thereon

In addressing the matters above, we have performed the following audit procedures to assess the property development revenue and cost recognition: -

- Verified the contracted selling price of the property development units to the sale and purchase agreements ("SPA");
- Tested the operating effectiveness of the key controls in respect of the review and approval of project cost budgets to assess the reliability of these budgets and the determination of the extent of costs incurred to date;
- Verified the costs incurred to supporting documentation such as the sub-contractors' claim certificates and invoices from vendors;
- Performed site-visits for individually significant on-going projects to arrive at an overall assessment towards stage of completion;
- Checked reasonableness of the stage of completion based on actual costs incurred to date over the estimated total property development costs with architect certificates;
- Performed reasonableness test on accrued contractor costs incurred by the Group of which invoice/progress claim has yet to be received;
- Performed re-computation of percentage of completion and percentage of sales; and
- Examined material non-standard journal entries and other adjustments posted to revenue and cost of sales accounts.

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

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

The Annual Report is expected to be made available to us after the date of this Auditors' Report.

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the Annual Report 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 Annual Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of 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 also 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 judgment and maintain professional scepticism throughout the audit. We also: -

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

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

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

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with 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, related safeguards.

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 year and is therefore the key audit matter. 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 11 to the financial statements.

Other Matter

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

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)

STEPHEN WAN YENG LEONG
02963/07/2025 J
Chartered Accountant

Petaling Jaya, Selangor
Date: 15 April 2024

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	3	**834,874**	866,940	**82,800**	78,000
Cost of sales	4	**(532,572)**	(547,171)	**-**	-
Gross profit		**302,302**	319,769	**82,800**	78,000
Other income		**18,978**	28,986	**11,856**	14,333
Administrative expenses		**(57,820)**	(52,275)	**(14,581)**	(12,688)
Selling and marketing expenses		**(31,174)**	(27,144)	**-**	-
Other expenses		**(3,769)**	(2,582)	**-**	-
Profit from operations		**228,517**	266,754	**80,075**	79,645
Finance costs	5	**(18,299)**	(15,298)	**(2,472)**	(7,963)
Share of results of a joint venture, net of tax	12	**2,338**	45	**-**	-
Profit before tax	5	**212,556**	251,501	**77,603**	71,682
Income tax expense	6	**(64,444)**	(73,275)	**(793)**	(1,306)
Profit net of tax,representing total/ comprehensive income for the financial year		**148,112**	178,226	**76,810**	70,376
Total comprehensive income attributable to: -					
Owners of the Company		**148,325**	178,257	**76,810**	70,376
Non-controlling interests	11(b)	**(213)**	(31)	**-**	-
		148,112	178,226	**76,810**	70,376
Earnings per ordinary share attributable to Owners of the Company (RM):					
- Basic	7	**0.18**	0.21		
- Diluted	7	**0.13**	0.16		

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	8	**41,934**	17,227	**4,189**	3,787
Investment properties	9	**73,321**	23,652	**-**	-
Goodwill	10	**25,576**	25,576	**-**	-
Investments in subsidiaries	11	**-**	-	**832,173**	779,303
Investment in a joint venture	12	**2,883**	545	**500**	500
Other investment	14	**13,500**	-	**13,500**	-
Inventories	15	**529,985**	203,849	**-**	-
		687,199	270,849	**850,362**	783,590
Current assets					
Inventories	15	**700,881**	472,042	**-**	-
Trade receivables	16	**193,045**	245,413	**-**	-
Other receivables	17	**50,525**	68,630	**31,278**	54,870
Contract assets	18	**290,352**	277,800	**-**	-
Tax recoverable		**-**	-	**630**	599
Cash and cash equivalents	19	**321,466**	441,796	**12,794**	26,989
		1,556,269	1,505,681	**44,702**	82,458
TOTAL ASSETS		**2,243,468**	1,776,530	**895,064**	866,048
EQUITY AND LIABILITIES					
Equity					
Ordinary shares	20	**333,171**	333,171	**636,006**	636,006
Redeemable convertible preference shares ("RCPS")	21	**-**	-	**164,519**	164,519
Other reserves	22	**(16,829)**	(8,630)	**12,887**	11,645
Retained earnings		**785,507**	691,608	**27,810**	5,426
Equity attributable to Owners of the Company		**1,101,849**	1,016,149	**841,222**	817,596
Non-controlling interests	11(b)	**(204)**	9	**-**	-
Total Equity		**1,101,645**	1,016,158	**841,222**	817,596

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Liabilities					
Non-current liabilities					
Redeemable convertible preference shares ("RCPS")	21	**-**	-	**38,330**	45,336
Borrowings	23	**111,978**	188,605	**-**	-
Lease liabilities	24	**4,466**	4,469	**691**	406
Deferred tax liabilities	25	**1,632**	1,121	**70**	71
Trade payables	26	**7,504**	-	**-**	-
		125,580	194,195	**39,091**	45,813
Current liabilities					
Trade payables	26	**553,202**	178,811	**-**	-
Other payables	27	**259,630**	186,915	**14,488**	2,472
Contract liabilities	18	**4,284**	3,053	**-**	-
Borrowings	23	**190,388**	190,704	**-**	-
Lease liabilities	24	**2,794**	2,424	**263**	167
Tax payable		**5,945**	4,270	**-**	-
		1,016,243	566,177	**14,751**	2,639
Total Liabilities		**1,141,823**	760,372	**53,842**	48,452
TOTAL EQUITY AND LIABILITIES		**2,243,468**	1,776,530	**895,064**	866,048

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

	Note	Ordinary shares RM'000	Other Reserves RM'000	Distributable Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
		<--------------- Attributable to Owners of the Company --------------->					
		<------- Non-distributable ------->					
Group							
2023							
At 1 January 2023		**333,171**	**(8,630)**	**691,608**	**1,016,149**	**9**	**1,016,158**
Profit net of tax, representing total comprehensive income for the financial year		**-**	**-**	**148,325**	**148,325**	**(213)**	**148,112**
Transactions with Owners of the Company:							
Share options granted	22(i)	**-**	**1,242**	**-**	**1,242**	**-**	**1,242**
RCPS dividend paid/payable during the year	21,22	**-**	**(9,439)**	**-**	**(9,439)**	**-**	**(9,439)**
Dividend paid to shareholders	28	**-**	**-**	**(54,426)**	**(54,426)**	**-**	**(54,426)**
Foreign currency translation reserve		**-**	**(2)**	**-**	**(2)**	**-**	**(2)**
Total transactions with Owners of the Company		**-**	**(8,199)**	**(54,426)**	**(62,625)**	**-**	**(62,625)**
At 31 December 2023		**333,171**	**(16,829)**	**785,507**	**1,101,849**	**(204)**	**1,101,645**

		<--- Attributable to Owners of the Company --->					
		<--- Non-distributable --->					
	Note	Ordinary shares RM'000	Other Reserves RM'000	Distributable Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
Group (Cont'd)							
2022							
At 1 January 2022		314,551	(1,700)	567,778	880,629	(5)	880,624
Profit net of tax, representing total comprehensive income for the financial year		-	-	178,257	178,257	(31)	178,226
Transactions with Owners of the Company:							
Subscription of shares in a subsidiary by non-controlling interest	11(a)	-	-	-	-	45	45
Share options granted	22(i)	-	2,552	-	2,552	-	2,552
RCPS dividend paid/payable during the year	21,22	-	(9,482)	-	(9,482)	-	(9,482)
Dividend paid to shareholders	28	-	-	(54,427)	(54,427)	-	(54,427)
Conversion of Warrant B	20(ii)	18,620	-	-	18,620	-	18,620
Total transactions with Owners of the Company		18,620	(6,930)	(54,427)	(42,737)	45	(42,692)
At 31 December 2022		333,171	(8,630)	691,608	1,016,149	9	1,016,158

		<------------- Attributable to Owners of the Company ------------->				
		<----------------- Non-distributable ----------------->				
	Note	Ordinary shares RM'000	RCPS (Note 21) RM'000	Other Reserves (Note 22) RM'000	Distributable Retained Earnings RM'000	Total Equity RM'000
Company						
2023						
At 1 January 2023		**636,006**	**164,519**	**11,645**	**5,426**	**817,596**
Profit net of tax, representing total comprehensive income for the financial year		-	-	-	**76,810**	**76,810**
Transactions with Owners of the Company						
Share options granted	22(i)	-	-	**1,242**	-	**1,242**
Dividend paid to shareholders	28	-	-	-	**(54,426)**	**(54,426)**
Total transactions with Owners of the Company		-	-	**1,242**	**(54,426)**	**(53,184)**
At 31 December 2023		**636,006**	**164,519**	**12,887**	**27,810**	**841,222**

		<------------- Attributable to Owners of the Company ------------->				
		<----------------- Non-distributable ----------------->				
	Note	Ordinary shares RM'000	RCPS (Note 21) RM'000	Other Reserves (Note 22) RM'000	(Accumulated Losses)/ Retained Earnings RM'000	Total Equity RM'000
Company (Cont'd)						
2022						
At 1 January 2022		617,386	164,519	9,093	(10,523)	780,475
Profit net of tax, representing total comprehensive income for the financial year		-	-	-	70,376	70,376
Transactions with Owners of the Company:						
Conversion of Warrant B	20(ii)	18,620	-	-	-	18,620
Share options granted	22(i)	-	-	2,552	-	2,552
Dividend paid to shareholders	28	-	-	-	(54,427)	(54,427)
Total transactions with Owners of the Company		18,620	-	2,552	(54,427)	(33,255)
At 31 December 2022		636,006	164,519	11,645	5,426	817,596

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash flows from operating activities					
Profit before tax:		**212,556**	251,501	**77,603**	71,682
Adjustments for:					
Accretion of interest income on deferred other receivable		**-**	(656)	**-**	(656)
Bargain purchase on acquisition of a subsidiary		**-**	(7,750)	**-**	-
Depreciation of property, plant and equipment		**4,988**	3,427	**602**	302
Dividend income		**-**	-	**(82,800)**	(78,000)
Fair value adjustment of: -					
- investment properties		**-**	(730)	**-**	-
- derivative contract		**(3,482)**	2,141	**-**	-
Gain on disposal of:-					
- property, plant and equipment		**(166)**	(139)	**-**	-
- other investment		**-**	(1,462)	**-**	-
Gain on remeasurement of deferred other receivable		**-**	(219)	**-**	(219)
Gain on termination of lease contract					
- derecognition of right-of-use assets		**8**	-	**-**	-
- derecognition of lease liabilities		**(9)**	-	**-**	-
Interest expense		**18,299**	15,298	**2,472**	7,963
Interest income		**(5,734)**	(3,500)	**(2,965)**	(5,769)
Loss on remeasurement of financial liabilities		**-**	48	**-**	-
Share of results of a joint venture, net of tax		**(2,338)**	(45)	**-**	-
Share based payment expenses		**1,242**	2,552	**372**	921
Balance carried forward		**225,364**	260,466	**(4,716)**	(3,776)

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash flows from operating activities (Cont'd)					
Balance brought forward		**225,364**	260,466	**(4,716)**	(3,776)
Adjustments for: (cont'd)					
Unrealised loss/(gain) on foreign exchange		**3,672**	(3,569)	**-**	-
Lease incentive		**(60)**	-	**-**	-
Written off on: -					
- property, plant and equipment		**92**	-	**-**	-
- trade receivables		**4**	1	**-**	-
Written down on inventories		**-**	392	**-**	-
Operating profit/(loss) before changes in working capital		**229,072**	257,290	**(4,716)**	(3,776)
Changes in working capital:					
Inventories		**(564,107)**	(39,633)	**-**	-
Receivables		**73,765**	33,311	**(2,613)**	(606)
Payables		**441,152**	20,671	**(1,033)**	(16,326)
Contract assets/liabilities		**(11,321)**	(54,778)	**-**	-
Cash generated from/(used in) operations		**168,561**	216,861	**(8,362)**	(20,708)
Interest paid		**(17,702)**	(15,298)	**(39)**	(5,187)
Interest received		**5,734**	3,500	**2,921**	493
Income tax paid		**(62,318)**	(87,224)	**(885)**	(1,487)
Income tax refund		**60**	-	**60**	-
Net cash from/(used in) operating activities		**94,335**	117,839	**(6,305)**	(26,889)
Cash flows from investing activities					
Direct acquisition ofsubsidiaries, net of cash and cash equivalent acquired"	11(a)	**-**	(17,572)	**-**	-
(Advances to)/Repayment from subsidiaries		**-**	-	**(24,762)**	63,349
Balance carried forward		**-**	(17,572)	**(24,762)**	63,349

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Cash flows from investing activities (Cont'd)					
Balance brought forward		**-**	(17,572)	**(24,762)**	63,349
Advances to a joint venture		**(956)**	(1,419)	**(990)**	(1,385)
Repayment from a former associate		**-**	12,329	**-**	12,329
Dividend income received		**-**	-	**82,800**	128,500
Investment in:-					
- subsidiaries	11	**-**	-	**-**	(750)
- a joint venture	12	**-**	(500)	**-**	(500)
- other investment	14	**(2,025)**	-	**(2,025)**	-
Purchase of property,plant and equipment	8(ii)	**(17,541)**	(4,986)	**(424)**	(3,191)
Purchase of investment properties	9	**(49,669)**	-	**-**	-
Proceeds from disposal of: -					
- property, plant and equipment		**370**	146	**-**	-
- other investment		**-**	2,500	**-**	-
Deposits paid for lands held for future development		**(1,000)**	(33,020)	**-**	-
Proceeds from subscription of shares in a subsidiary by non-controlling interest		**-**	45	**-**	-
Net cash (used in)/from investing activities		**(70,821)**	(42,477)	**54,599**	198,352
Cash flows from financing activities					
Dividend paid to: -					
- RCPS holder	21	**(7,864)**	(7,903)	**(7,864)**	(7,903)
- shareholders	28	**(54,426)**	(54,427)	**(54,426)**	(54,427)
Advances from Directors' related companies	(iii)	**2,089**	429	**-**	285
Increase in fixed deposits pledged		**(44,008)**	(28,564)	**-**	-
(Repayment)/Drawdown of borrowings	(iii)	**(80,752)**	182,880	**-**	(112,313)
Repayment of principal portion of lease liabilities	(ii)(iii)	**(2,891)**	(2,529)	**(199)**	(171)
Proceeds from conversion of Warrant B	20(ii)	**-**	18,620	**-**	18,620
Net cash (used in)/from financing activities		**(187,852)**	108,506	**(62,489)**	(155,909)
Net movement in cash and cash equivalents		**(164,338)**	183,868	**(14,195)**	15,554
Cash and cash equivalents at beginning of financial year		**409,646**	225,778	**26,989**	11,435
Cash and cash equivalents at end of financial year	(i)	**245,308**	409,646	**12,794**	26,989

Note:

(i) Cash and cash equivalents comprise of the following: -

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Cash and bank balances	19	**209,481**	266,255	**12,770**	20,189
Short term investments	19	**35,447**	117,328	**24**	6,800
Fixed deposits with licensed banks	19	**76,538**	58,213	**-**	-
		321,466	441,796	**12,794**	26,989
Less:					
- Fixed deposits pledged	19(ii)	**(76,158)**	(32,150)	**-**	-
		245,308	409,646	**12,794**	26,989

(ii) Cash outflows for leases as a lessee are as follows: -

	Group 2023 RM'000	Group 2022 RM'000
Included in net cash from/(used in) operating activities		
Payment relating to short term lease rental	**(1,759)**	(1,222)
Interest paid in relation to lease liabilities	**(438)**	(309)
Included in net cash (used in)/from financing activities		
Payment for the principal portion of lease liabilities	**(2,891)**	(2,529)
	(5,088)	(4,060)

	Company 2023 RM'000	Company 2022 RM'000
Included in net cash from/(used in) operating activities		
Payment relating to short term lease rental	**(1,537)**	(1,157)
Interest paid in relation to lease liabilities	**(39)**	(24)
Included in net cash (used in)/from financing activities		
Payment for the principal portion of lease liabilities	**(199)**	(171)
	(1,775)	(1,352)

Note: (Cont'd)

(iii) Reconciliation of movement of liabilities to cash flows arising from financing activities: -

	Note	Lease liabilities RM'000	Borrowings RM'000	Amounts due to Directors' related companies RM'000
Group				
2023				
At beginning of the financial year		**6,893**	**379,309**	**478**
Payment for the principal portion of lease liabilities		**(2,891)**	**-**	**-**
Drawdown		**-**	**279,447**	**-**
Advances from		**-**	**-**	**7,367**
Repayment		**-**	**(360,199)**	**(5,278)**
Net changes in cash flow from financing activities		**(2,891)**	**(80,752)**	**2,089**
Addition of new lease	8(ii)	**3,327**	**-**	**-**
Lease incentive		**(60)**	**-**	**-**
Termination of lease contract		**(9)**	**-**	**-**
Unrealised loss on foreign exchange		**-**	**3,482**	**-**
Interest payable		**-**	**327**	**-**
Net changes in cash flow from operating activities		**-**	**-**	**2**
At end of the financial year		**7,260**	**302,366**	**2,569**
2022				
At beginning of the financial year		4,801	199,998	49
Payment for the principal portion of lease liabilities		(2,529)	-	-
Advances from		-	320,597	429
Repayment to		-	(137,717)	-
Net changes in cash flow from financing activities		(2,529)	182,880	429
Addition of new lease	8(ii)	4,621	-	-
Unrealised gain on foreign exchange		-	(3,569)	-
At end of the financial year		6,893	379,309	478

Note: (Cont'd)

(iii) Reconciliation of movement of liabilities to cash flows arising from financing activities: - (Cont'd)

	Note	Lease liabilities RM'000	Borrowings RM'000	Amounts due to Directors' related companies RM'000
Company				
2023				
At beginning of the financial year		**573**	**-**	**285**
Payment for the principal portion of lease liabilities		**(199)**	**-**	**-**
Advances from		**-**	**-**	**273**
Repayment to		**-**	**-**	**(273)**
Net changes in cash flow from financing activities		**(199)**	**-**	**-**
Net changes in cash flow from operating activities		**-**	**-**	**(12)**
Addition of new lease	8(ii)	**580**	**-**	**-**
At end of the financial year		**954**	**-**	**273**
2022				
At beginning of the financial year		181	112,313	-
Payment for the principal portion of lease liabilities		(171)	-	-
Advances from		-	-	285
Repayment to		-	(112,313)	-
Net changes in cash flow from financing activities		(171)	(112,313)	285
Addition of new lease	8(ii)	563	-	-
At end of the financial year		573	-	285

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

1. CORPORATE INFORMATION

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

The registered office of the Company is located at No. 5-9A, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, W.P. Kuala Lumpur.

The principal place of business of the Company is located at Level 4, No. 131, Persiaran PM2/1, Pusat Bandar Seri Manjung, Seksyen 2, 32040 Seri Manjung, Perak Darul Ridzuan.

The branch of business of the Company is located at G3A03, Block G, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor.

The Company is an investment holding company. From 21 November 2023, the Company has commence the provision of management consultancy services. The principal activities of its subsidiaries are disclosed in Note 11. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

The Directors regard Lagenda Land Sdn. Bhd., a private limited liability company incorporated in Malaysia as the holding company.

The financial statements were authorised for issue in accordance with a Board of Directors' resolution dated 15 April 2024.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Group and the Company have considered the new accounting pronouncements in the preparation of the financial statements.

(i) Accounting pronouncements that are effective and adopted during the financial year

The Group and the Company have adopted the following new accounting pronouncements that are mandatory for the current financial year: -

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform – Pillar Two Model Rules

The adoption of the above accounting pronouncements did not have any significant effect on the financial statements of the Group and of the Company except as described below.

The Group and the Company adopted amendments to MFRS 101 *Presentation of Financial Statements* and MFRS Practice Statement 2 *Disclosures of Accounting Policies* from 1 January 2023. The amendments require the disclosure of "material", rather than "significant" accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's and to the Company's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

2. BASIS OF PREPARATION (Cont'd)

(a) Statement of compliance (Cont'd)

(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted

The Group and the Company have not adopted the following accounting pronouncements that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company.

Effective for financial periods beginning on or after 1 January 2024

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-Current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121	Lack of Exchangeability

Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Group and of the Company upon their initial application.

(b) Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost convention except for those as disclosed in the accounting policy notes.

(c) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency.

(d) Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

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

2. BASIS OF PREPARATION (Cont'd)

(d) Significant accounting estimates and judgements (Cont'd)

(i) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis and at other times when such indication exists. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

(ii) Property development revenue

Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation (i.e., by reference to the property development costs incurred to date as a percentage of the estimated total costs of development of the contract). In making the estimate, management relies on opinion/service of experts, past experience and a continuous monitoring mechanism.

(iii) Impairment of investments in subsidiaries

The Company determines whether its investments in subsidiaries is impaired by evaluating the extent to which the recoverable amount of the investment in subsidiaries is less than its carrying amount. Discounted cash flows are used to determine the recoverable amount of which significant judgement is required in the estimation of the present value of future cash flows generated by respective subsidiaries which are regarded as stand-alone. Cash-generating Unit ("CGU"), which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of investment in subsidiaries as at the reporting date is disclosed in Note 11.

3. REVENUE

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Revenue from contracts with customers					
Property development	(i)	**688,721**	644,891	**-**	-
Furniture and fittings		**-**	1,763	**-**	-
Sales ofcompleted properties		**21,132**	59,342	**-**	-
Construction contract	(ii)	**11,135**	26,338	**-**	-
Trading of building materials		**112,363**	134,591	**-**	-
Food and beverages		**13**	15	**-**	-
Sales of land		**1,390**	-	**-**	-
Dividend income		**-**	-	**82,800**	78,000
Lease revenue	(iii)	**120**	-	**-**	-
		834,874	866,940	**82,800**	78,000
Timing of revenue recognition:					
Point in time		**134,898**	195,711	**82,800**	78,000
Over time		**699,976**	671,229	**-**	-
		834,874	866,940	**82,800**	78,000

<u>Unsatisfied long-term contracts</u>

The following table shows unsatisfied performance obligations resulting from property development revenue, construction contract revenue and lease revenue: -

(i) Property development revenue

	Group 2023 RM'000	Group 2022 RM'000
Total contracted revenue, net	**2,289,286**	2,015,172
Less: Property development revenue recognised, net	**(1,087,564)**	(983,346)
Less: Completed during the year	**(584,503)**	(559,934)
Aggregate amount of the transaction price allocated to property development revenue that are partially or fully unsatisfied as at 31December	**617,219**	471,892

3. REVENUE (Cont'd)

Unsatisfied long-term contracts (Cont'd)

The following table shows unsatisfied performance obligations resulting from property development revenue, construction contract revenue and lease revenue: - (Cont'd)

(ii) Construction contract revenue

	Group	
	2023 RM'000	2022 RM'000
Total contracted revenue	**442,849**	431,886
Less: Construction revenue recognised, net	**(9,087)**	(429,838)
Less: Completed during the year	**(431,886)**	-
Aggregate amount of the transaction price allocated to construction revenue that are partially or fully unsatisfied as at 31 December	**1,876**	2,048

(iii) Lease revenue

	Group	
	2023 RM'000	2022 RM'000
Total contracted revenue	**3,848**	-
Less: Lease revenue recognised, net	**(120)**	-
Aggregate amount of the transaction price allocated to lease revenue that are partially or fully unsatisfied as at 31 December	**3,728**	-

The remaining unsatisfied performance obligations are expected to be recognised as below: -

(i) Property development revenue

	Group	
	2023 RM'000	2022 RM'000
Within 1 year	**406,828**	305,860
Between 1 and 3 years	**210,391**	166,032
	617,219	471,892

(ii) Construction contract revenue

	Group	
	2023 RM'000	2022 RM'000
Within 1 year	**1,876**	2,048

3. REVENUE (Cont'd)

Unsatisfied long-term contracts (Cont'd)

The following table shows unsatisfied performance obligations resulting from property development revenue, construction contract revenue and lease revenue: - (Cont'd)

(iii) Lease revenue

	Group	
	2023 RM'000	**2022 RM'000**
Within 1 year	**1,590**	-
Between 1 and 3 years	**2,138**	-
	3,728	-

The Group has identified its Performance Obligation ("PO") towards its customers as follows: -

Property development revenue

Revenue from property development is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation (i.e., by reference to the property development costs incurred to date as a percentage of the estimated total costs of development of the contract). Payment is generally due 30 days upon issuance of invoice when right to payment for PO completed to date.

The Group also estimates total contract costs in applying the input method to recognise revenue over time. In estimating the total costs to complete, the Group considers the completeness and accuracy of its costs estimation, including its obligations to contract variations, claims and cost contingencies.

Furniture and fittings revenue

Revenue from sale of furniture and fittings are recognised at the point in time when control of the asset is transferred to the customer, usually on delivery and acceptance of the furniture and fittings.

Sale of completed properties

Sales of completed units are satisfied upon delivery of properties when the control of the properties has been transferred to purchasers. Payment is generally due 90 days after the Sale and Purchase Agreement is signed. Revenue is recognised at a point in time when the customer takes vacant possession of the property.

Construction contracts revenue

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work and claims. Under the terms of the contracts, the Group has an enforceable right to payment for performance completed to date and that the customer controls the assets during the course of construction by the Group and that the construction services performed does not create an asset with an alternative use to the Group.

Revenue from construction contracts is recognised progressively over time based on the percentage of completion by using the cost-to-cost method ("input method"), based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The Directors consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under MFRS 15. Work done is measured based on actual and expected cost incurred for project activities.

There is no significant financing component in construction contracts with customers as the period between the recognition of revenue under the percentage of completion and the milestone payment is generally within the normal business operating cycle. Payment is generally due 30 days from date when PO is satisfied.

3. REVENUE (Cont'd)

The Group has identified its Performance Obligation ("PO") towards its customers as follows: - (Cont'd)

Trading of building materials and hardware

Revenue from sale of building materials and hardware is satisfied upon delivery of goods where the control of the goods has been transferred to the customers at an amount that reflects the consideration to which the Group expected to be entitled in exchange for those goods, net of indirect taxes and discounts. Payment is generally due within 30 to 90 days from the date when PO is satisfied. Revenue is recognised at a point in time when customers have acknowledged the receipt of goods sold.

Sale of food and beverages

Revenue from sale of food and beverages is recognised at point in time upon delivery of foods and beverages to the customers, where all the payments are based on cash on delivery. Accordingly, transaction price is determined based on selling price of the goods.

Sale of land

Revenue from the sale of land is measured at fair value of the consideration received or receivable, net of returns and allowances and trade discounts. Revenue is recognised at a point in time upon signing of the sale and purchase agreement and the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the land. Payment is generally due within 90 days after the sales and purchase agreement is signed.

Lease revenue

Revenue from lease of investment properties is recognised over the period of the tenancy agreement by reference to the agreements entered. The aggregate cost of incentives provided to lessee is recognised as a reduction of lease revenue.

Dividend income

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

4. COST OF SALES

	Group	
	2023 RM'000	**2022 RM'000**
Property development costs	**408,229**	348,738
Furniture and fittings	**-**	2,080
Cost from sales of completed properties	**11,314**	46,497
Construction costs	**8,907**	23,651
Trading of building material costs	**103,627**	126,150
Clubhouse expenses	**146**	55
Sales of land costs	**305**	-
Lease expenses	**44**	-
	532,572	547,171

5. PROFIT BEFORE TAX

Profit before tax is arrived after charging/(crediting): -

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Auditors' remuneration:-					
- statutory audit		**389**	362	**76**	76
- other services		**54**	73	**12**	40
Accretion of interest on deferred other receivables		**-**	(656)	**-**	(656)
Bargain purchase on acquisition of a subsidiary		**-**	(7,750)	**-**	-
Depreciation of property, plant and equipment		**4,988**	3,427	**602**	302
Directors' remuneration	(i)	**4,935**	4,178	**2,503**	2,917
Employee benefits expense	(ii)	**29,462**	25,017	**7,051**	5,650
Finance costs: -					
- accretion of interest on contingent consideration		**-**	421	**-**	421
- accretion of interest on RCPS liability portion		**-**	-	**2,433**	2,777
- accretion of interest on deferred landowner's entitlement		**270**	203	**-**	-
- banker's acceptance		**319**	394	**-**	-
- lease liabilities		**438**	309	**39**	24
- term loan		**10,732**	10,904	**-**	4,467
- revolving credit		**6,540**	3,067	**-**	274
Fair value adjustment on: -					
- investment properties		**-**	(730)	**-**	-
- derivative contract		**(3,482)**	2,141	**-**	-
Gain on: -					
- disposal ofproperty, plant and equipment		**(166)**	(139)	**-**	-
- other investment		**-**	(1,462)	**-**	-
- remeasurement of deferred other receivable		**-**	(219)	**-**	(219)
Gain on termination of lease contract					
- derecognition of right-of-use assets		**8**	-	**-**	-
- derecognition of lease liabilities		**(9)**	-	**-**	-
Inventories written down		**-**	392	**-**	-
Interest income from: -					
- financial institution		**(5,337)**	(3,500)	**(333)**	(493)
- advances to subsidiaries		**-**	-	**(2,632)**	(5,276)
- buyer		**(397)**	-	**-**	-
Late payment charges		**(74)**	(651)	**-**	-
Loss on remeasurement of financial liabilities		**-**	48	**-**	-

5. PROFIT BEFORE TAX (Cont'd)

Profit before tax is arrived after charging/(crediting): - (Cont'd)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Lease incentive		**(60)**	-	**-**	-
Management fee income		**-**	-	**(7,877)**	(6,889)
Rental income		**(2,313)**	(2,743)	**(1,005)**	(790)
Unrealised loss/(gain) on foreign exchange		**3,672**	(3,569)	**-**	-
Short term lease for: -					
- office space		**1,610**	1,194	**1,537**	1,157
- equipment		**149**	28	**-**	-
Wages subsidy		**-**	(74)	**-**	-
Written off on: -					
- property, plant and equipment		**92**	-	**-**	-
- trade receivables		**4**	1	**-**	-

(i) Directors' remuneration

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Directors' remuneration				
Directors' fee	**524**	310	**390**	310
Salaries and other emoluments	**3,003**	2,130	**1,278**	1,290
Contribution to defined contribution plan	**1,153**	1,050	**630**	630
Share based payment	**248**	686	**204**	686
Others	**7**	2	**1**	1
	4,935	4,178	**2,503**	2,917
Estimated money value of benefits in-kind ("BIK")	**47**	25	**25**	25
Total including estimated money value of BIK	**4,982**	4,203	**2,528**	2,942

5. PROFIT BEFORE TAX (Cont'd)

Profit before tax is arrived after charging/(crediting): - (Cont'd)

(ii) Employee benefits expense

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Staff costs				
Salaries and other emoluments	**25,344**	20,400	**6,149**	4,792
Contribution to defined contribution plan	**2,805**	2,507	**679**	585
Share based payment	**994**	1,866	**168**	235
Others	**319**	244	**55**	38
	29,462	25,017	**7,051**	5,650
Estimated money value of benefits-in-kind ("BIK")	**24**	148	**9**	-
Total including estimated moneyvalue of BIK	**29,486**	25,165	**7,060**	5,650

Material accounting policy information

(i) Interest income

Interest income is recognised on a time proportion basis that reflects the effective yield on asset.

6. INCOME TAX EXPENSE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Income tax:				
Current financial year	**61,856**	77,058	**697**	459
Under/(over)provision in prior financial year	**2,077**	(3,982)	**97**	776
	63,933	73,076	**794**	1,235
Deferred tax (Note 25):				
Origination/(Reversal) of temporary differences	**325**	234	**(1)**	56
Under/(Over)provision in prior financial year	**186**	(35)	**-**	15
	511	199	**(1)**	71
Total income tax expense for the financial year	**64,444**	73,275	**793**	1,306

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable profit for the year.

6. INCOME TAX EXPENSE (Cont'd)

The reconciliations from the tax amount at statutory income tax rate to the Group's and to the Company's tax expense are as follows: -

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit before tax	**212,556**	251,501	**77,603**	71,682
Tax at the Malaysian statutory income tax rate of 24%	**51,014**	60,360	**18,625**	17,204
Prosperity tax of 33%	**-**	9,050	**-**	-
Tax effect on share of results of a joint venture	**561**	11	**-**	-
Income not subject to tax	**(2,632)**	(1,404)	**(20,126)**	(18,878)
Expenses not deductible for tax purpose	**13,288**	9,216	**2,197**	2,189
(Utilisation of previously unrecognised deferred tax assets)/Deferred tax assets not recognised	**(50)**	59	**-**	-
Under/(over)provision in prior financial year				
- income tax	**2,077**	(3,982)	**97**	776
- deferred tax	**186**	(35)	**-**	15
Income tax expense for the financial year	**64,444**	73,275	**793**	1,306

The Group has the following estimated unutilised tax losses and unabsorbed capital allowances available for set-off against future taxable profits: -

	Group	
	2023 RM'000	Restated 2022 RM'000
Unutilised tax losses	**261**	482
Unabsorbed capital allowances	**41**	236
	302	718

The comparative figures have been restated to reflect the actual carried forward unutilised tax losses and unabsorbed capital allowances. The availability of tax losses will be subject to Inland Revenue Board discretion and approval to offset against future taxable profit.

With effect from Year of Assessment ("YA") 2019, the unutilised tax losses in a year of assessment of the Company can only be carried forward for a maximum period of 10 consecutive YAs to be utilised against income from any business income.

7. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

Basic earnings per ordinary share for the financial year is calculated by dividing the profit after tax attributable to Owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2023	**2022**
Profit after tax attributable to Owners of the Company (RM'000)	**148,325**	178,257
Weighted average number of ordinary shares:		
Number of ordinary shares in issue at beginning of the financial year	**837,327**	822,431
Effect of weighted average number of ordinary shares issued during the financial year	**-**	14,190
	837,327	836,621
Basic earnings per share (RM)	**0.18**	0.21

Diluted earnings per ordinary share

The diluted earnings per ordinary share is calculated based on the adjusted consolidated profit for the financial year attributable to the Owners of the Company and the weighted average number of ordinary shares in issue during the financial year that have been adjusted for the dilutive effects of all potential ordinary shares.

	Group	
	2023	**2022**
Profit after tax attributable to Owners of the Company (RM'000) [Note (i)]	**148,325**	178,257
Weighted average number of ordinary shares:		
Issued ordinary shares at end of the financial year	**837,327**	836,621
Effect of dilutive potential ordinary shares ("RCPS")	**296,192**	296,192
Effect of dilutive potential ordinary shares ("ESOS 2")	**2,347**	2,838
	1,135,866	1,135,651
Diluted earnings per share (RM)	**0.13**	0.16

Note:

(i) No adjustment required as there is no coupon rate saving from RCPS liability portion arising from the reverse acquisition accounting as disclosed in Note 21.

8. PROPERTY, PLANT AND EQUIPMENT

	Freehold properties RM'000	Warehouse RM'000	Machinery RM'000	Furniture and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Office renovation RM'000	Leased properties RM'000	Total RM'000
Group									
2023									
Cost									
At 1 January	2,976	8	491	657	580	13,380	5,994	2,647	26,733
Additions	10,756	-	5,012	394	228	2,462	919	1,097	20,868
Transfer from inventories [Note 15]	9,131	-	-	-	-	-	-	-	9,131
Termination of lease contract	-	-	-	-	-	-	-	(67)	(67)
Expiry of lease contract	-	-	-	-	-	-	-	(283)	(283)
Disposal	(132)	-	-	-	(24)	(193)	(22)	-	(371)
Written off	-	-	-	-	-	-	(127)	-	(127)
At 31 December	22,731	8	5,503	1,051	784	15,649	6,764	3,394	55,884
Accumulated depreciation									
At 1 January	263	3	123	65	190	6,596	1,095	1,171	9,506
Charge for the financial year	228	-	291	114	71	2,567	706	1,011	4,988
Termination of lease contract	-	-	-	-	-	-	-	(59)	(59)
Expiry of lease contract	-	-	-	-	-	-	-	(283)	(283)
Disposals	(7)	-	-	-	(1)	(153)	(6)	-	(167)
Written off	-	-	-	-	-	-	(35)	-	(35)
At 31 December	484	3	414	179	260	9,010	1,760	1,840	13,950
Net carrying amount									
At 31 December	22,247	5	5,089	872	524	6,639	5,004	1,554	41,934

8. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Freehold properties RM'000	Warehouse RM'000	Machinery RM'000	Furniture and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Office renovation RM'000	Leased properties RM'000	Total RM'000
Group (Cont'd)									
2022									
Cost									
At 1 January	2,976	8	37	136	362	10,173	2,909	1,210	17,811
Additions	-	-	413	517	225	3,930	3,085	1,437	9,607
Reclassification	-	-	41	4	-	(45)	-	-	-
Disposals	-	-	-	-	(7)	(678)	-	-	(685)
At 31 December	2,976	8	491	657	580	13,380	5,994	2,647	26,733
Accumulated depreciation									
At 1 January	203	3	18	14	140	5,154	674	551	6,757
Charge for the financial year	60	-	82	50	50	2,144	421	620	3,427
Reclassification	-	-	23	1	-	(24)	-	-	-
Disposals	-	-	-	-	-	(678)	-	-	(678)
At 31 December	263	3	123	65	190	6,596	1,095	1,171	9,506
Net carrying amount									
At 31 December	2,713	5	368	592	390	6,784	4,899	1,476	17,227

8. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Leased properties RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings and renovation RM'000	Total RM'000
Company				
2023				
Cost				
At 1 January	**134**	**775**	**3,231**	**4,140**
Additions	**219**	**396**	**389**	**1,004**
At 31 December	**353**	**1,171**	**3,620**	**5,144**
Accumulated depreciation				
At 1 January	**28**	**195**	**130**	**353**
Charge for the financial year	**93**	**168**	**341**	**602**
At 31 December	**121**	**363**	**471**	**955**
Net carrying amount				
At 31 December	**232**	**808**	**3,149**	**4,189**
2022				
Cost				
At 1 January	-	345	41	386
Additions	134	430	3,190	3,754
At 31 December	134	775	3,231	4,140
Accumulated depreciation				
At 1 January	-	47	4	51
Charge for the financial year	28	148	126	302
At 31 December	28	195	130	353
Net carrying amount				
At 31 December	106	580	3,101	3,787

(i) Assets pledged as security

In addition to assets held under finance lease arrangements, the freehold land and buildings of the Group with a total carrying amount of RM616,000 (2022: RM630,000) have been pledged to licensed bank as securities for credit facilities granted to the Group as disclosed in Note 23.

(ii) Acquisition of property, plant and equipment

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash purchase of property, plant and equipment	**17,541**	4,986	**424**	3,191
Financed by lease arrangement	**3,327**	4,621	**580**	563
Total acquisition of property, plant and equipment	**20,868**	9,607	**1,004**	3,754

8. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(iii) Assets classified as right-of-use assets

	Motor vehicles RM'000	Leased properties RM'000	Total RM'000
Group			
2023			
Cost			
At 1 January	**11,272**	**2,647**	**13,919**
Additions	**2,447**	**1,097**	**3,544**
Termination of lease contract	**-**	**(67)**	**(67)**
Expiry of lease contract	**-**	**(283)**	**(283)**
Disposals	**(186)**	**-**	**(186)**
At 31 December	**13,533**	**3,394**	**16,927**
Accumulated depreciation			
At 1 January	**5,609**	**1,171**	**6,780**
Charge for the financial year	**2,220**	**1,011**	**3,231**
Termination of lease contract	**-**	**(59)**	**(59)**
Expiry of lease contract	**-**	**(283)**	**(283)**
Disposals	**(152)**	**-**	**(152)**
At 31 December	**7,677**	**1,840**	**9,517**
Net carrying amount			
At 31 December	**5,856**	**1,554**	**7,410**
2022			
Cost			
At 1 January	8,766	1,210	9,976
Additions	3,184	1,437	4,621
Disposal	(678)	-	(678)
At 31 December	11,272	2,647	13,919
Accumulated depreciation			
At 1 January	4,435	551	4,986
Charge for the financial year	1,852	620	2,472
Disposal	(678)	-	(678)
At 31 December	5,609	1,171	6,780
Net carrying amount			
At 31 December	5,663	1,476	7,139

8. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(iii) Assets classified as right-of-use assets (Cont'd)

	Motor vehicles RM	Leased properties RM	Total RM
Company			
2023			
Cost			
At 1 January	**680**	**134**	**814**
Additions	**396**	**219**	**615**
At 31 December	**1,076**	**353**	**1,429**
Accumulated depreciation			
At 1 January	**167**	**28**	**195**
Charge for the financial year	**127**	**93**	**220**
At 31 December	**294**	**121**	**415**
Net carrying amount			
At 31 December	782	232	1,014
2022			
Cost			
At 1 January	250	-	250
Additions	430	134	564
At 31 December	680	134	814
Accumulated depreciation			
At 1 January	38	-	38
Charge for the financial year	129	28	157
At 31 December	167	28	195
Net carrying amount			
At 31 December	513	106	619

The expenses charged to profit or loss during the financial year are as follows: -

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Depreciation of right-of-use assets	**3,231**	2,472	**220**	157
Interest expense of lease liabilities	**438**	309	**39**	24
Short-term leases	**1,759**	1,222	**1,537**	1,157
	5,428	4,003	**1,796**	1,338

(iv) Property ownership

As at the reporting date, the title of the freehold properties of RM10,738,000 is in the process of being registered in the name of the Group. On 19 March 2024, it has been successfully registered in the name of the Group.

8. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Depreciation

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Freehold properties	50 years
Warehouse	50 years
Machinery	4 – 10 years
Furniture and fittings	5 – 10 years
Motor vehicles	5 years
Office equipment	5 – 10 years
Office renovation	10 years, or over the lease terms
Leased properties	2 – 20 years

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period and adjusted as appropriate.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these property, plant and equipment.

(c) Recognition exemption – Right-of-use assets

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

9. INVESTMENT PROPERTIES

	Freehold land RM'000	Freehold properties RM'000	Leasehold land RM'000	Capital work in progress RM'000	Total RM'000
Group					
Fair value/cost					
2023					
At 1 January	**7,892**	**15,760**	**-**	**-**	**23,652**
Addition	**-**	**43,366**	**6,289**	**14**	**49,669**
At 31 December	**7,892**	**59,126**	**6,289**	**14**	**73,321**
Fair value					
2022					
At 1 January	7,707	15,215	-	-	22,922
Fair value adjustments	185	545	-	-	730
At 31 December	7,892	15,760	-	-	23,652

(i) Remaining leasehold period

The leasehold land has a remaining unexpired lease period of 871 years.

(ii) Property ownership

As at the reporting date, the title of the freehold properties of RM43,366,000 is in the process of being registered in the name of the Group. On 19 March 2024, it has been successfully registered in the name of the Group.

(iii) Assets pledged as security

The investment properties with total net carrying amount of RM9,042,000 (2022: RM8,967,000) have been pledged to a licensed bank for the banking facilities granted to the Group as disclosed in Note 23.

(iv) The following are recognised in profit or loss in respect of investment properties: -

	Group	
	2023 RM'000	2022 RM'000
Rental income	**2,074**	2,506
Direct expenses		
- Repair and maintenance	**(27)**	(19)
- Quit rent and assessment	**(50)**	(4)

The fair values were arrived by reference to market evidence of transaction prices for similar properties and were performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the lands being valued.

Fair values were determined based on comparison method with similar lands and properties that have been sold recently and those that are currently being offered for sale in the vicinity with appropriate adjustments made to reflect improvements and other dissimilarities and to arrive at the value of the subject lands and properties.

The fair value of the investment properties is categorised at Level 3 of the fair value hierarchy as certain inputs for the properties were unobservable, of which the most significant inputs into this valuation approach are location, size, age and condition of tenure and title restriction.

9. INVESTMENT PROPERTIES (Cont'd)

Material accounting policy information

(a) Recognition and measurement

Investment properties are measured initially at its cost. Cost includes expenditure that is directly attributable to the acquisition of the investment properties. The cost of self-constructed investment properties includes the cost of materials and direct labour, any other cost directly attributable to bringing the investment properties to a working condition for their intended use.

Investment properties are subsequently measured at fair value with any change therein recognised in profit or loss for the period in which they arise.

Capital work-in-progress is stated at cost less any accumulated impairment losses and includes borrowing cost incurred during the period of development.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific investment properties to which it relates. All other expenditure is recognised in profit or loss as incurred.

Capital work-in-progress is tested for impairment annually and whenever there is an indication that they may be impaired.

10. GOODWILL

	Group	
	2023 RM'000	2022 RM'000
Cost		
At 1 January/31 December	**25,576**	25,576

Goodwill acquired in a business combination is allocated, at acquisition date, to the cash-generating units ("CGUs") that are expected to benefit from the business combinations.

Impairment review on goodwill

Goodwill arising from business combinations has been allocated to four (2022: four) individual cash-generating units ("CGUs") for impairment testing and the breakdown of goodwill allocated to each CGU is as follows: -

	LPB Group RM'000	RUSB RM'000	YWT RM'000	SBNH RM'000	Total RM'000
Group					
2023/2022					
Goodwill	4,690	11,182	8,634	1,070	25,576

Property development segment (LPB Group)

The recoverable amounts of the CGU were based on fair value less costs of disposal calculations. The calculations were determined using projected cash flows for its secured land for future development project to derive its adjusted net assets.

The key assumptions used in the preparation of the projected cash flows are as follows:

(i) Industry discount rates of 7.83% (2022: 13.97%);
(ii) There will be no material changes in the development projects and principal activities of the subsidiary; and
(iii) There will not be any significant changes in the gross development value and cost, wages and other related costs, resulting from industrial dispute, adverse changes in economic conditions or other abnormal factors, which will adversely affect the operations of the CGU.

10. GOODWILL (Cont'd)

Impairment review on goodwill (Cont'd)

Property development segment (LPB Group) (Cont'd)

The sensitivity analysis is presented as follows: -

- An increase of 1 percentage point in the discount rate would have reduced the recoverable amount by approximately RM4.18 million (2022: RM6.15 million).

- An increase of 3 percentage point in the gross development costs would have reduced the recoverable amount by approximately RM9.23 million.

<u>Building construction segment (RUSB)</u>

The recoverable amounts of the CGU were based on fair value less costs of disposal calculations. The calculations were determined using projected cash flows for its secured construction contracts covered during its construction period to derive its adjusted net assets.

The key assumptions used in the preparation of the projected cash flows are as follows:

(i) Industry discount rates of 9.06% (2022: 13.88%);
(ii) There will be no material changes in the construction contracts of the subsidiary; and
(iii) There will not be any significant changes in the contracted sum and supply of raw materials, wages and other related costs, resulting from industrial dispute, adverse changes in economic conditions or other abnormal factors, which will adversely affect the operations of the CGU.

The sensitivity analysis is presented as follows: -

- An increase of 1 percentage point in the discount rate would have reduced the recoverable amount by approximately RM0.52 million (2022: RM0.87 million).

- An increase of 3 percentage point in the gross development costs would have reduced the recoverable amount by approximately RM5.93 million (2022: RM11.84 million).

<u>Trading of building materials and hardware segment (YWT)</u>

The recoverable amounts of the CGU were based on fair value less costs of disposal calculations. The calculations were determined using projected cash flows for a five-year period and by extrapolation using the growth rate based on historical experience, management's assessment of future trends and expectation of market development in the respective industries.

The key assumptions used in the preparation of the projected cash flows are as follows:

(i) Industry discount rates of 9.48% (2022: 13.43%);
(ii) There will be no material changes in the structure and principal activities of the subsidiary;
(iii) Projected revenue growth rate of 20% (2022: 15%) per annum and terminal value without growth rate;
(iv) There will not be any significant changes in the prices and supply of raw materials, wages and other related costs, resulting from industrial dispute, adverse changes in economic conditions or other abnormal factors, which will adversely affect the operations of the CGU; and
(v) Receivables and payables turnover period are estimated to be consistent with its historical normalised turnover period.

The sensitivity analysis is presented as follows:

- A decrease of 10 percentage point in the revenue and cost growth rate would have reduced the recoverable amount by approximately RM18.53 million (2022: RM4.25 million).

- A decrease of 1 percentage point (2022: 0.5 percentage point) in the budgeted gross margin would have reduced the recoverable amount by approximately RM49.68 million (2022: RM8.64 million).

- An increase of 1 percentage point in the discount rate would have reduced the recoverable amount by approximately RM11.68 million (2022: RM3.75 million).

10. GOODWILL (Cont'd)

Impairment review on goodwill (Cont'd)

<u>Trading of building materials and hardware segment (SBNH)</u>

The recoverable amounts of the CGU were based on fair value less costs of disposal calculations. The calculations were determined using projected cash flows for a five-year period and by extrapolation using the growth rate based on historical experience, management's assessment of future trends and expectation of market development in the respective industries.

The key assumptions used in the preparation of the projected cash flows are as follows:

(i) Industry discount rates of 9.12% (2022: 14.69%);
(ii) There will be no material changes in the structure and principal activities of the subsidiary;
(iii) Projected revenue growth rate of 12% (2022: 20%) per annum and terminal value without growth rate;
(iv) There will not be any significant changes in the prices and supply of raw materials, wages and other related costs, resulting from industrial dispute, adverse changes in economic conditions or other abnormal factors, which will adversely affect the operations of the CGU; and
(v) Receivables and payables turnover period are estimated to be consistent with the current financial year.

The sensitivity analysis is presented as follows:

- A decrease of 10 percentage point in the revenue and cost growth rate would have reduced the recoverable amount by approximately RM3.22 million (2022: RM1.53 million).

- A decrease of 1 percentage point in the budgeted gross margin would have reduced the recoverable amount by approximately RM3.45 million (2022: RM2.14 million).

- An increase of 1 percentage point in the discount rate would have reduced the recoverable amount by approximately RM1.67 million (2022: RM0.34 million).

During the financial year, the Group performed goodwill impairment testing and no impairment loss is required to be recognised.

Based on the above sensitivity analyses, the adverse situations contemplated would not cause the carrying values of the remaining CGUs to materially exceed their recoverable amounts, other than changes in prevailing operating environments, of which the impact is not ascertainable.

<u>Material accounting policy information</u>

Goodwill is allocated to cash generating units and is stated at cost less accumulated impairment losses, if any. Goodwill is not amortised but is tested for impairment annually and whenever there is an indication that they may be impaired. Impairment losses recognised are not reversed in subsequent periods.

Upon the disposal of investment in the subsidiary, the related goodwill will be included in the computation of gain or loss on disposal of investment in the subsidiary in the profit or loss.

11. INVESTMENTS IN SUBSIDIARIES

	Company	
	2023 RM'000	2022 RM'000
Unquoted shares		
At cost		
At beginning of the financial year	**773,093**	772,343
Addition	**52,000**	750
At end of the financial year	**825,093**	773,093
Capital contribution to subsidiaries		
At beginning of the financial year	**6,210**	4,580
Addition	**870**	1,630
At end of the financial year	**7,080**	6,210
Net carrying amount		
At end of the financial year	**832,173**	779,303

Capital contribution to subsidiaries represent share options granted by the Company to the Directors and employees of subsidiaries and is treated as additional investment in the subsidiaries, which is stated at cost less accumulated impairment losses.

The details of the subsidiaries are as follows: -

Name of Subsidiaries	Country of Incorporation	Principal Activities	Effective Equity Interest 2023	Effective Equity Interest 2022
LPB Development Sdn. Bhd. ("LPBD")	Malaysia	Property development	100%	100%
LPB Construction Sdn. Bhd. ("LPBC")	Malaysia	Building construction	100%	100%
Blossom Eastland Sdn. Bhd. ("BESB") *	Malaysia	Property development	100%	100%
Rantau Urusan (M) Sdn. Bhd. ("RUSB") *	Malaysia	Building construction	100%	100%
Lagenda Harta Sdn. Bhd. ("LHSB")	Malaysia	Property investment	100%	-
Lagenda Sentral Sdn. Bhd. ("LSSB")	Malaysia	Intended to engage in property investment	100%	-
Yik Wang Trading Sdn. Bhd. ("YWT") *	Malaysia	Trading of building materials and hardware	100%	100%
Lagenda International Sdn. Bhd. ("LINTSB") ^	Malaysia	Investment holding	100%	-
Held through LINTSB				
Lagenda Perth Pty Ltd. ("LPPL") ^	Australia	Proprietary company	100%	-
Held through YWT				
Sitiawan Bolts and Nuts Hardware Sdn. Bhd. ("SBNH")	Malaysia	Trading of building materials and hardware	100%	100%

11. INVESTMENTS IN SUBSIDIARIES (Cont'd)

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

Name of Subsidiaries	Country of Incorporation	Principal Activities	Effective Equity Interest 2023	Effective Equity Interest 2022
Held through BESB				
Taraf Nusantara Sdn. Bhd. ("TNSB")	Malaysia	Property development and construction works	100%	100%
Triprise Sdn. Bhd. ("TSB")	Malaysia	Property development, property management and other business management activities	100%	100%
Maxitanah Sdn. Bhd. ("MTSB")	Malaysia	Property development	100%	100%
Opti Vega Sdn. Bhd. ("OVSB")	Malaysia	Property development	100%	100%
Held through TNSB				
Lagenda Tapah Sdn. Bhd. ("LTSB")	Malaysia	Property development	100%	100%
Held through LPBD				
Lagenda Mersing Sdn. Bhd. ("LMSB")	Malaysia	Property development	70%	70%

^ *The management accounts are reviewed by Moore Stephens Associates PLT for consolidation purposes. LINTSB and LPPL was newly incorporated on 16 November 2023 and 21 November 2023 respectively.*

* *Ordinary shares of these subsidiaries have been pledged to a licensed bank as securities for credit facilities granted to the Group and to the Company as disclosed in Note 23. As at 31 December 2023, the Company has fully settled the outstanding facilities and currently pending the securities to be discharged.*

(a) Additions to investment in subsidiaries

2023

(i) Incorporation of subsidiaries

On 13 June 2023, the Company subscribed for 1 ordinary share representing an equity interest of 100% in both LHSB and LSSB for a total cash consideration of RM1, respectively.

On 16 November 2023, the Company subscribed for 2 ordinary shares representing an equity interest of 100% in LINTSB for a total cash consideration of RM2.

On 21 November 2023, the Company via LINTSB subscribed for 2 ordinary shares representing an equity interest of 100% in LPPL for a total cash consideration of AUD2.

(ii) Additional investment a subsidiary

On 29 December 2023, the Company had further subscribed 2,000,000 ordinary shares and 50,000,000 Redeemable Preference Shares ("RPS") in LHSB by way of capitalisation of debts of RM52,000,000 as disclosed in Note 17(iii). No changes to the Company's effective equity interest of 100% in LHSB.

11. INVESTMENTS IN SUBSIDIARIES (Cont'd)

(a) Additions to investment in subsidiaries (Cont'd)

2022

(i) Additional investments in subsidiaries

On 04 June 2022, the Company had further subscribed 749,999 ordinary shares in LPBC for a cash consideration of RM750,000. No changes to the Company's effective equity interest of 100% in LPBC.

On 30 August 2022, the Company via LPBD had further subscribed 105,000 ordinary shares in LMSB for a cash consideration of RM105,000. No changes to the Company's effective equity interest of 70% in LMSB.

During the financial year, the Company via TNSB acquired the remaining 50% equity interest of Lagenda Tapah Sdn. Bhd. ("LTSB") which was completed on 08 July 2022 via cash consideration of RM17,597,000. The details of total consideration have been disclosed in Note 13. For accounting purposes, the cut-off was taken on 31 July 2022.

The fair value of the identifiable assets and liabilities arising from the purchase price allocation ("PPA") of LTSB as at the date of completion was: -

	As at 31.07.2022 RM'000
LTSB	
Inventories	25,444
Cash and cash equivalents	25
Other payables	(122)
Fair value of net identifiable assets acquired	25,347

The effect of the acquisition on cash flows is as follows: -

	RM'000
Net cash flow arising from acquisition of a subsidiary	
Cash consideration	17,597
Less: Cash and cash equivalents from acquisition of a subsidiary	(25)
Net cash outflow on completion of acquisition of a subsidiary	17,572

The bargain purchase arising from the direct acquisition is as follows: -

	RM'000
Bargain purchase arising from direct acquisition	
Cash consideration	17,597
Less: Fair value of net identifiable assets acquired	(25,347)
Bargain purchase on consolidation (LTSB)	(7,750)

Purchase price allocation ("PPA")

During the financial year, the Group had performed PPA exercise for a newly acquired subsidiary, namely, LTSB.

(i) LTSB

The Group has recognised a bargain purchase of RM7,750,000 arising from the acquisition of LTSB which contributed from its future on-going development project sum which will then be allocated to inventories of the Group. The bargain purchase on acquisition of LTSB has been recognised in the statements of comprehensive income under the line item "Other income".

11. INVESTMENTS IN SUBSIDIARIES (Cont'd)

(b) Non-controlling interests in a subsidiary

The subsidiary of the Group that have non-controlling interests ("NCI") are as follows: -

	LMSB
2023	
NCI percentage of ownership and voting interest (%)	**30**
Carrying amount of NCI (RM'000)	**(204)**
Loss allocated to NCI (RM'000)	**(213)**
2022	
NCI percentage of ownership and voting interest (%)	30
Carrying amount of NCI (RM'000)	9
Carrying amount of NCI (RM'000)	(31)

The summarised financial information before intra-group elimination of the subsidiary that has NCI as at the end of each reporting period are as follows: -

	LMSB RM'000
At 31 December 2023	
Current assets	496,621
Current liabilities	(497,303)
Net liabilities	(682)

	LMSB RM'000
For the financial period ended 31 December 2023	
Loss for the financial year	710
Total comprehensive income	710
Cash flows (used in)/from	
Operating activities	(38,124)
Investing activities	(238)
Financing activities	39,466
At 31 December 2022	
Total assets	89,844
Total liabilities	(89,816)
Net assets	28
For the financial year ended 31 December 2022	
Loss for the financial year	104
Total comprehensive income	104
Cash flows (used in)/from	
Operating activities	(75,421)
Investing activities	(7,965)
Financing activities	83,633

11. INVESTMENTS IN SUBSIDIARIES (Cont'd)

Material accounting policy information

Reverse acquisition accounting

In previous years, the Company completed the acquisition of the entire equity interest in Blossom Eastland Sdn. Bhd. and its subsidiaries, i.e., Taraf Nusantara Sdn. Bhd. and Triprise Sdn. Bhd. ("Blossom Group") for a total consideration of RM593,604,357, satisfied through a combination of the issuance of 89,508,542 units of ordinary shares, 639,642,000 units of Redeemable Convertible Preference Shares ("RCPS") and 76,550,572 units of deferred RCPS to shareholders of Blossom Group. This transaction is treated as a reverse acquisition for accounting purpose as the shareholders of Blossom Group became the controlling shareholders of the Company upon the completion of the transaction. Accordingly, Blossom Group (being the legal subsidiaries in the transaction) is regarded as the accounting acquirer, and the Company (being the legal parent in the transaction) is regarded as the accounting acquiree.

The consolidated financial statements represent a continuation of the financial position, financial performance and cash flows of Blossom Group. Accordingly, the consolidated financial statements are prepared on the following basis: -

(a) the assets and liabilities of Blossom Group are recognised and measured in the consolidated statement of financial position of the Group at their pre-acquisition carrying amounts;

(b) the assets and liabilities of the Company are recognised and measured in the consolidated statement of financial position of the Group at their acquisition-date fair values;

(c) the retained earnings and other equity balances recognised in the consolidated financial statements are the retained earnings and other equity balances of Blossom Group immediately before the reverse acquisition;

(d) the amount recognised as issued equity interests in the consolidated financial statements is determined by adding to the issued equity of Blossom Group immediately before the Reverse Acquisition the fair value of the consideration effectively transferred based on the issue price of the Company's share. However, the equity structure appearing in the consolidated financial statements (i.e., the number and type of equity instruments issued) reflects the equity structure of the legal parent (i.e., the Company), including the equity instruments issued by the Company to effect the reverse acquisition;

(e) the consolidated statement of comprehensive income for the financial year ended 31 December 2020 reflects the full financial year results of Blossom Group together with the post-acquisition results of the Company; and

(f) the comparative figures presented in these consolidated financial statements are those of Blossom Group, except for its capital structure which is retroactively adjusted to reflect the legal capital of the accounting acquiree.

The consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity of the Group for the financial year ended 31 December 2020 refers to the Group which includes the results of Blossom Group from 1 January 2020 to 31 December 2020 and the post-acquisition results of the Company from the date of completion of the reverse acquisition to 31 December 2020.

The above accounting method applies only at the consolidated financial statements. In the Company's separate financial statements, investments in the legal subsidiaries (the Blossom Group) are accounted for at cost less accumulated impairment losses, if any, in the Company's statement of financial position. The initial cost of the investment in the Blossom Group is based on the fair value of the ordinary shares, RCPS and deferred RCPS issued by the Company as at the acquisition date.

In the Company's separate financial statements, investments in subsidiaries are measured at cost less any impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the profit or loss.

12. INVESTMENT IN A JOINT VENTURE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unquoted shares, at cost				
At beginning of the financial year	**545**	-	**500**	-
Addition	**-**	500	**-**	500
Share of post acquisition reserves	**2,338**	45	**-**	-
At end of the financial year	**2,883**	545	**500**	500

The details of the joint venture, which is incorporated in Malaysia are as follows: -

		Effective Equity Interest	
Name of Joint Venture	Principal Activity	2023	2022
Lagenda Inta Sdn. Bhd. ("LISB") *	Building construction	**50%**	50%

* *Not audited by Moore Stephens Associates PLT*

2022

On 26 January 2022, the Company entered into a shareholders' agreement with Inta Bina Group Berhad ("IBG"), and incorporated a joint venture company, Lagenda Inta Sdn. Bhd. ("LISB"). The Company has subscribed for 375,000 ordinary shares representing an equity interest of 50% in LISB for a total cash consideration of RM375,000. Subsequently, on 19 August 2022, the Company further subscribed 125,000 ordinary shares in LISB for a cash consideration of RM125,000. No changes to the Company's effective equity interest of 50% in LISB.

LISB is structured as a separate vehicle and provides the Company rights to the net assets of the entity. Accordingly, the Directors consider that the Company has joint control over LISB and has classified the investment in LISB as a joint venture.

The following table summarises the financial information of LISB, as adjusted for any differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Company's interest in LISB, which is accounted for using the equity method.

	2023 RM'000	2022 RM'000
Assets and Liabilities:		
Total assets	**33,002**	10,981
Total liabilities	**(25,459)**	(9,526)
Net assets	**7,543**	1,455

	01.01.2023 to 31.12.2023 RM'000	26.01.2022 to 31.12.2022 RM'000
Results:		
Profit for the financial year/period	**6,088**	456
Total comprehensive income	**6,088**	455

12. INVESTMENT IN A JOINT VENTURE

2022 (Cont'd)

	Group	
	2023 RM'000	**2022 RM'000**
Reconciliation:		
Group's share of net assets	**3,772**	728
Elimination of unrealised profits	**(889)**	(183)
Carrying amount in the statement of financial position	**2,883**	545
Group's share of results, net of tax	**2,338**	45

Material accounting policy information

Joint arrangement

A joint arrangement is classified as "joint venture" when the Group has rights only to the net assets of the arrangement. The Group accounts for its interest in the joint venture using the equity method. Investment in a joint venture is measured in the Group's and the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

13. INVESTMENT IN A JOINT OPERATION

The details of the joint operation, which is incorporated in Malaysia are as follows: -

		Effective Equity Interest	
Name of Joint Operation Company	**Principal Activity**	**2023**	**2022**
Held through LPBD			
BDB Lagenda Sdn. Bhd ("BDB")	Property development	**50%**	50%

2022

In previous years, TNSB entered into a Joint Development and Shareholders Agreement ("JDSA") with Tenaga Danawa Sdn. Bhd. ("TDSB") to jointly develop 4 parcels of lands held under Mukim Batang Padang, Daerah Batang Padang, Negeri Perak which measuring approximately 229.73 acres into a mixed development project. Subsequently, Lagenda Tapah Sdn. Bhd. ("LTSB") was incorporated on 16 October 2020 where TNSB holds 125,000 units of ordinary shares amounted to RM125,000 and TDSB holds the remaining 125,000 units of ordinary shares amounted to RM125,000. The Group has classified investment in LTSB as investment on joint operation as the Group has rights to the assets and obligations for the liabilities relating to the arrangement.

In the prior financial year, TNSB has paid an amount of RM2,000,000, being the advance payment by virtue of the clauses stipulated within the JDSA.

On 6 April 2022, there is an additional entitlement of RM3,023,000 pursuant to the supplemental agreement of the joint development arrangement.

On 23 June 2022, TNSB entered into a Deed of Revocation for the JDSA dated 21 September 2020 with TDSB; and made a full and final settlement of the landowner's entitlement of RM12,324,000, representing a 48% discount of the original landowner's entitlement negotiated based on a "Willing Buyer Willing Seller" basis.

The advance extended by TNSB to TDSB prior to the revocation amounting to RM2,000,000 was considered as part of the purchase consideration.

13. INVESTMENT IN A JOINT OPERATION (Cont'd)

2022 (Cont'd)

As of the reporting date, TDSB has transferred the remaining 50% of the paid-up share capital of LTSB, amounting to RM125,000 to TNSB. The acquisition of the entire equity interest in LTSB was completed on 31 July 2022 for a total investment cost at RM17,597,000 as disclosed in Note 11(a). Consequently, LTSB became wholly-owned subsidiary of TNSB as disclosed in Note 11.

On 25 March 2022, the Company via LPBD had further subscribed 125,000 ordinary shares in BDB for a cash consideration of RM125,000. No changes to the Company's effective equity interest of 50% in BDB.

Material accounting policy information

Joint arrangement

A joint arrangement is classified as "joint operation" when the Group has rights to the assets and obligations for the liabilities relating to an arrangement. The Group accounts for each of its share of the assets, liabilities and transactions, including its share of those held or incurred jointly with the other investors, in relation to the joint operation.

14. OTHER INVESTMENT

	Group/Company	
	2023 RM'000	2022 RM'000
Investment in unquoted shares, at fair value through profit or loss		
At beginning of the financial year	**-**	1,038
Addition	**13,500**	-
Disposal	**-**	(1,038)
At end of the financial year	**13,500**	-

2023

On 1 December 2023, the Group and the Company entered into a Share Sale and Purchase Agreement with third parties to invest 150,000 ordinary shares representing an equity interest of 15% for a total cash consideration of RM13,500,000. The investment is completed on 15 December 2023.

As at 31 December 2023, the Group and the Company has paid RM2,025,000 and the remaining outstanding amount is disclosed in Note 27(ii).

2022

In previous years, this represents investment in an on-going development with a fixed return of RM2,500,000 to be received two years from the commencement date of the development. During the financial year, the Group has received the fixed return of RM2,500,000 and recognised a gain of RM1,462,000 in the statements of comprehensive income.

The Group and the Company designated the investment in unquoted shares as fair value through profit or loss as it represents an investment that the Group and the Company intend to hold for short-term strategic purposes.

Material accounting policy information

At initial recognition, the Group and the Company irrevocably elect to present subsequent changes in the fair value of the investments in profit or loss. This election is made in an investment-by-investment basis.

15. INVENTORIES

		Group	
	Note	2023 RM'000	2022 RM'000
Non-current asset			
At cost:			
Lands held for future property development		**508,980**	183,170
At net realisable value:			
Lands held for future property development		**21,005**	20,679
		529,985	203,849
Current assets			
At cost:			
Property development costs	(i)	**634,069**	438,041
Unsold completed units	(ii)	**42,787**	32,889
Building materials and hardware		**1,269**	1,109
Food and beverages		**2**	3
Land held for sale		**22,754**	-
		700,881	472,042
Recognised in profit or loss as cost of sales:		**408,229**	348,738
Property development costs		**11,314**	46,497
Sale of completed units		**103,627**	126,150
Building materials and hardware		**7**	5
Food and beverages		**305**	-
Sales of land costs		**523,482**	521,390

15. INVENTORIES (Cont'd)

(i) Property development costs

	Group	
	2023 RM'000	2022 RM'000
Cumulative property development costs		
At beginning of the financial year		
Land costs	**304,518**	257,030
Development costs	**638,952**	660,227
	943,470	917,257
Cost incurred during the financial year		
Land costs	**214,239**	88,723
Development costs	**455,271**	344,365
Addition through acquisition of subsidiaries [Note 11(a)]*	**-**	7,750
Less:		
Transfer to lands held for future development	**(12,156)**	(19,512)
Transfer to inventories (unsold completed units)	**(21,320)**	(17,132)
Transfer to inventories (land held for sale)	**(22,754)**	-
Transfer to property, plant and equipment	**(9,023)**	-
Adjustments to completed projects during the financial year	**(365,937)**	(377,981)
At end of the financial year	**1,181,790**	943,470
Cumulative costs recognised in statements of comprehensive income		
At beginning of the financial year	**(505,429)**	(534,672)
Recognised during the financial year	**(408,229)**	(348,738)
Less:		
Adjustments to completed projects during the financial year	**365,937**	377,981
At end of the financial year	**(547,721)**	(505,429)
Property development costs at end of financial year	**634,069**	438,041

* In the prior financial year, the carrying amount of RM7,750,000 represents the fair value contributed from its on-going development project sum. The remaining inventories costs of RM17,694,000 have been capitalised in previous years upon application of proportionate consolidation for the investment in joint operation.

(ii) Unsold completed units

During the financial year, an unsold completed unit (i.e., residential properties) of RM108,000 has been transferred to property, plant and equipment as disclosed in Note 8.

15. INVENTORIES (Cont'd)

The titles to certain lands held for property development, unsold completed units and on-going property development are in the name of Directors' related company and third parties ("Landowner") with full power of attorney obtained by the Group. The titles to the on-going development, unsold completed units and lands held for property development will be directly transferred from landowner to the property purchasers.

Land held for property development and on-going development of the Group with the total net carrying amount of RM138,699,000 (2022: RM105,874,000) have been pledged to licensed banks for the banking facilities granted to the subsidiaries as disclosed in Note 23.

Land costs with net carrying amount of RM697,000 (2022: RM4,195,000) represent entitlements of the landowner pursuant to Joint Development Agreement entered by the Group to undertake property development projects.

Land costs with the net carrying amount of RM46,516,000 (2022: RM30,074,000) represent entitlements of the landowner pursuant to Development Rights Agreement entered by the Group to undertake property development projects.

Land costs with the net carrying amount of RM396,358,000 (2022: RM Nil) are in the process of being registered in the name of the Group.

Material accounting policy information

Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at 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. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its net realisable value.

Land held for property development is transferred to property development costs (under current assets) when the Group has the intention to develop or launch the project within the next twelve months, significant development work has been undertaken and is expected to be completed within the normal operating cycle of the Group or the developers.

Property development costs

Property development costs not recognised as an expense are recognised as an asset measured at the lower of cost and net realisable value. The asset is subsequently credited over to profit or loss and recognised as an expense when the control of the asset is transferred to the customer. It comprises all costs that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities.

Unsold completed properties

The cost of unsold completed properties is stated at the lower of cost and net realisable value. Cost includes the relevant cost of land and development expenditure.

Finished goods (construction materials and hardware)

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

The cost of inventories is measured based on weighted average cost formula, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Lands held for sale

The cost of lands held for sale is stated at the lower of cost and net realisable value. Cost includes the relevant cost of land and development expenditure.

Net realisable value

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

16. TRADE RECEIVABLES

	Note	Group 2023 RM'000	Group 2022 RM'000
Trade receivables			
- third parties		**157,179**	214,439
- Directors' related companies		**10,920**	13,501
- joint venture		**14,804**	2,593
- unbilled receivables	(i)	**8,780**	-
- retention sum	(ii)	**1,362**	14,880
		193,045	245,413

The normal credit term of trade receivables is 30 to 120 days (2022: 30 to 90 days).

(i) Unbilled receivables of the Group represent the amounts claimable for services rendered but are yet to be billed as at the reporting date.

(ii) Retention sum held by contract customers are due upon expiry of retention periods of 24 months after issuance of Certificate of Completion and Compliance.

17. OTHER RECEIVABLES

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current assets					
Other receivables					
- third parties		**22,151**	4,004	**7,098**	18
- Directors' related companies	(i)	**353**	2,644	**-**	-
- joint venture	(ii)	**2,375**	1,419	**2,375**	1,385
- subsidiaries	(iii)	**-**	-	**21,594**	49,970
Deposits	(iv)	**8,785**	46,571	**165**	2,405
Derivative assets	(v)	**1,341**	-		-
Contract costs: -					
- commission	(vi)	**10,986**	7,408	**-**	-
- direct acquisition of subsidiaries		**-**	1,544	**-**	-
Prepayments		**4,534**	5,040	**46**	1,092
		50,525	68,630	**31,278**	54,870

(i) These amounts represented rental income collectible on demand.

(ii) These amounts are non-trade in nature, unsecured, interest-free advances, which are collectible on demand.

(iii) Included in the amounts due from subsidiaries of the Company of RM7,744,000 (2022: RM35,595,000) are non-trade in nature, unsecured, with interest bearing at 5.50% (2022: 5.50%) per annum. The remaining balances represented balances not subject to interest and interest charged to subsidiaries which are collectible on demand. During the financial year, the Company has capitalised RM52,000,000 due from a subsidiary to investment in subsidiaries of the Company as disclosed in Note 11.

17. OTHER RECEIVABLES (Cont'd)

(iv) Included in deposits of the Group of RM4,200,000 (2022: RM40,513,000) were deposits paid for one (2022: four) sale and purchase agreements ("SPAs") for acquisition of lands. As at year end, the condition precedents of SPAs have yet to be fulfilled and remaining capital commitments are disclosed in Note 30.

Included in deposits of the Group of RM1,000,000 (2022: RM Nil) were deposits paid for the proposal to outright purchase/joint development of a development land and is refundable if the application is unsuccessful.

(v) In relation to fair value adjustment arising from the forward exchange contract that are used to manage the foreign currency exposure arising from the Group's borrowings denominated in currency other than the functional currency of the Group. The forward contract has maturity of 18 months.

	Group	
	2023 RM'000	2022 RM'000
Derivative at fair value through profit or loss		
- forward exchange contract	**1,341**	(2,141)

(vi) Contract costs represent costs to obtain contracts which relate to incremental salesperson and agent commission for obtaining property sales contracts which are expected to be recovered through revenue recognition by reference to the progress towards complete satisfaction of the performance obligation with contract customers. These costs are subsequently expensed off as selling and marketing expenses by reference to the performance completed to date, consistent with the revenue recognition pattern.

During the financial year, the total costs to obtain contracts recognised by the Group as selling and marketing expenses in profit or loss amounting to RM27,622,000 (2022: RM24,333,000).

18. CONTRACT ASSETS/(LIABILITIES)

		Group	
	Note	2023 RM'000	2022 RM'000
Property development	(i)	**290,352**	277,800
Construction	(ii)	**(86)**	(352)
Completed units	(iii)	**(4,172)**	(2,701)
Lease	(iv)	**(26)**	-
		286,068	274,747
Represented by:			
Contract assets		**290,352**	277,800
Contract liabilities		**(4,284)**	(3,053)
		286,068	274,747

Contract assets primarily relate to the Group's right to consideration for work completed on property development and construction contract but not yet billed at the reporting date. Typically, the amount will be billed within 30 days and payment is expected within 60 days.

Contract liabilities primarily relate to amount billed to customer before a related performance obligation is satisfied by the Group and relates to the Group's obligation to render its services to the customers which had been entered into a contract as at the reporting date.

18. CONTRACT ASSETS/(LIABILITIES) (Cont'd)

(i) Property development

	Group	
	2023 RM'000	2022 RM'000
At beginning of the financial year	**277,800**	214,714
Revenue recognised during the financial year (Note 3)	**688,721**	644,891
Consideration paid on behalf/payable	**129,573**	114,690
Progress billings during the financial year	**(805,742)**	(696,495)
At end of the financial year	**290,352**	277,800

(ii) Construction

	Group	
	2023 RM'000	2022 RM'000
At beginning of the financial year	**(352)**	7,957
Revenue recognised during the financial year (Note 3)	**11,135**	26,338
Progress billings during the financial year	**(10,869)**	(34,647)
At end of the financial year	**(86)**	(352)

(iii) Completed units

	Group	
	2023 RM'000	2022 RM'000
At beginning of the financial year	**(2,701)**	(2,701)
Revenue recognised during the financial year (Note 3)	**21,132**	59,342
Progress billings during the financial year	**(22,603)**	(59,342)
At end of the financial year	**(4,172)**	(2,701)

(iv) Lease

	Group	
	2023 RM'000	2022 RM'000
At beginning of the financial year	**-**	-
Revenue recognised during the financial year (Note 3)	**120**	-
Collection during the financial period	**(146)**	-
At end of the financial year	**(26)**	-

19. CASH AND CASH EQUIVALENTS

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Cash and bank balances	(i)	**209,481**	266,255	**12,770**	20,189
Fixed deposits with licensed banks	(ii)	**76,538**	58,213	**-**	-
Short term investments	(iii)	**35,447**	117,328	**24**	6,800
		321,466	441,796	**12,794**	26,989

(i) Included in the bank balances of the Group is amount of RM118,503,000 (2022: RM133,941,000) placed in Housing Development Accounts ("HDA") in accordance with Section 7(A) of the Housing Development (Control and Licensing) Act, 1966 (Amended 2002). These HDA accounts, which consist of monies received from purchasers, are for the payment of property development costs incurred. The surplus monies in these accounts, if any, will be released to the Group in accordance with the provisions of the Act.

(ii) The fixed deposits placed with licensed banks by the Group carry interest rates ranging from 1.60% - 3.95% (2022: 1.68% - 4.00%) per annum and had maturity period of 3 to 6 months (2022: 3 to 6 months).

Included in fixed deposits of the Group is an amount of RM76,158,000 (2022: RM32,150,000) pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 23.

(iii) This refers to investment in a short to medium-term fixed income fund of which the fund will be invested in money market investments and short to medium term fixed income instruments. The distribution income from this fund is tax exempted and is being treated as interest income by the Group and the Company.

20. ORDINARY SHARES

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Issued and fully paid:				
At beginning of financial year	**333,171**	314,551	**636,006**	617,386
Conversion of Warrant B	**-**	18,620	**-**	18,620
At end of financial year	**333,171**	333,171	**636,006**	636,006

	Group/Company 2023 Unit'000	Group/Company 2022 Unit'000
Issued and fully paid:		
At beginning of financial year	**837,327**	822,431
Conversion of Warrant B	**-**	14,896
At end of financial year	**837,327**	837,327

The holders of ordinary shares 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.

20. ORDINARY SHARES (Cont'd)

2022

During the financial year, the Company has increased its issued ordinary shares from RM617,386,000 to RM636,006,000 by way of the issuance of 14,896,000 new ordinary shares at an issue price of RM1.25 per share pursuant to the exercise of Warrants B 2017/2022 ("Warrants B").

(i) The value of the Group's ordinary shares differs from that of the Company as a result of Reverse Acquisition accounting.

(a) The amount recognised as issued equity instruments in the consolidated financial statements comprise the issued equity of Blossom Group immediately before the Reverse Acquisition and the costs of the Reverse Acquisition.

(b) This represents the fair value of the consideration transferred in relation to the Reverse Acquisition. As Blossom Group is a private entity group, the fair value of the Company's shares provides a more reliable basis for measuring the consideration transferred than the estimated fair value of the share in Blossom Group. The consideration transferred is determined using the fair value of the issued equity of the Company before the acquisition and the number of new ordinary shares Blossom Group would have to issue to the equity holders of the Company to maintain the ratio of ownership interest in the combined entity, which represents the total deemed purchase consideration of RM83,614,000.

(c) The Company's increased share capital of RM67,131,000 represents the purchase consideration of Blossom Group which was satisfied by the allotment and issuance of 89,509,000 units of ordinary shares of the Company measured at RM0.75 per ordinary share, together with 639,642,000 units of RCPS and 76,551,000 units of deferred RCPS measured at RM0.7351 per RCPS.

(d) The equity structure (i.e., the number and types of equity instruments issued) reflect the equity structure of the Company, being the legal parent, including the equity instruments issued by the Company to effect the Reverse Acquisition.

(ii) Included in ordinary shares of the Group was dividend paid in relation to RCPS converted during the year which was transferred from other reserves.

Warrants

On 27 January 2017, the Group completed the listings of bonus issue of 580,644,000 free warrants on the basis of one (1) warrant for every two (2) existing shares held on the entitlement date. The Group executed the Deed Poll constituting the warrants and the issue price and exercise price of the warrants have been fixed at RM0.05 each respectively.

The warrants may be exercised at any time commencing on the date of issue of warrants on 23 January 2017 but not later than 21 January 2022. Any warrants which have not been exercised at date of maturity will lapse and cease to be valid for any purpose.

The new ordinary shares allotted and issued upon exercised of the warrants shall rank pari passu in all respect with the then existing ordinary shares of the Group, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new ordinary shares arising from exercise of the warrants.

On 7 August 2020, pursuant to the Share Consolidation and in accordance with the provisions of the Deed Poll, the exercise price and the outstanding number of Warrants B held by a Warrants Holder are required to be adjusted to ensure that the status of the Warrants Holders would not be prejudiced after the completion of the Share Consolidation. The total number of warrants before Share Consolidation was 580,644,000 and the adjusted total number of warrants was 23,226,000.

In the prior financial year, 14,896,000 of Warrants B were exercised at an exercise price of RM1.25 per Warrant B. As at 31 December 2022, the total number of Warrants B that remain unexercised amounted to 4,388,000 has expired and lapsed.

21. REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS")

	Company	
	2023 RM'000	2022 RM'000
Equity		
At beginning/end of the financial year	**164,519**	164,519

The carrying amount of the liability component of RCPS of the Company at the initial recognition date is arrived as follow: -

	RM'000
Fair value of issued RCPS	470,180
Fair value of deferred RCPS	56,272
	526,452
Less: Equity component	(397,829)
Liability component at initial recognition	128,623

	Company	
	2023 RM'000	2022 RM'000
Liabilities		
At beginning of the financial year	**45,336**	52,041
Dividend paid/payable	**(9,439)**	(9,482)
Unwinding of discount recognised to profit or loss	**2,433**	2,777
At end of the financial year	**38,330**	45,336

The units of RCPS are as follows: -

	Company	
	2023 Unit'000	2022 Unit'000
At beginning/end of the financial year	**296,192**	296,192

No RCPS recognised by the Group as a result of reverse acquisition accounting as described in Note 11.

2023

During the financial year, the total RCPS of the Company has reduced from RM209,855,000 to RM202,849,000 due to incurrence of dividend paid or payable of RM9,439,000 and unwinding of discount recognised to statements of comprehensive income of RM2,433,000. No conversion of RCPS in the current financial year. As at 31 December 2023, the total number of RCPS remain unconverted amounted to 296,192,000.

2022

In the prior financial year, the total RCPS of the Company has reduced from RM216,561,000 to RM209,855,000 due to incurrence of dividend paid or payable of RM9,482,000 and unwinding of discount recognised to statements of comprehensive income of RM2,777,000. No conversion of RCPS in the current financial year. As at 31 December 2022, the total number of RCPS remain unconverted amounted to 296,192,000.

The effective interest rate of the liability component of the RCPS ranges from 4.61% to 6.89% (2022: 4.61% to 6.89%) per annum.

21. REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") (Cont'd)

2022 (Cont'd)

The salient terms of the RCPS are as follows: -

Transferability

The RCPS is not transferable without the consent of the Company.

Tenure

The tenure of RCPS is for 8 years commencing from and inclusive of the date of issue of the RCPS on 12 August 2020.

Coupon rate

The RCPS carry the right to receive a cumulative preferential dividend out of the distributable profit of the Company at a fixed rate of 4% per annum, compounded annually, based on the issue price, payable annually in arrears. The right to receive dividends shall cease once the RCPS are converted into shares of the Company or redeemed by the Company, provided that all accrued and unpaid dividend shall be paid on the date of conversion or the date of redemption, as the case may be.

Liquidation

In the event of liquidation, or winding up, the RCPS shall rank in priority to any other unsecured securities or shares of the Company. The RCPS shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and shall upon allotment and issue, rank pari passu without any preference or priority among themselves and in priority to other redeemable convertible preference shares that may be created in future but shall rank behind all secured and unsecured obligations of the Company. The RCPS shall rank in priority to the ordinary shares with regard to dividend payment.

Voting right

The RCPS shall carry no right to vote at any general meeting of the ordinary shareholders of the Company except with regards to any proposal to reduce the capital of the Company, to dispose of the whole of the Company's property, business and/or undertakings or to wind-up the Company and at any time during the winding-up of the Company. The RCPS holders shall be entitled to vote at any class meeting of the holders of the RCPS in relation to any proposal by the Company to vary or abrogate the rights of RCPS as stated in the constitution/articles of association of the Company. Every holder of RCPS who is present in person at such class meeting will have one vote on a show of hands and on a poll, every holder of RCPS who is present or by proxy will have on vote for every RCPS of which he is the holder.

Conversion

The holder of RCPS shall be entitled to convert each RCPS held by him into such number of shares of the Company in accordance with the conversion ratio at any time during the conversion period. Unless previously redeemed or converted or purchased and cancelled, all outstanding RCPS will be mandatorily converted into new shares of the Company on the maturity date.

The conversion ratio shall be one RCPS to one new share, subject to adjustments from time to time at the determination of the board of directors of the Company in the event of any alteration to the Company's share capital, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever being effected, in accordance with the provisions of the constitutions/articles of association of the Company.

The RCPS shall be convertible into new shares on any market day at any time during the tenure of the RCPS commencing on and including the issue date up to and including the maturity date.

The conversion price per new share shall be an amount equivalent to the issue price, which shall be deemed settled by way of set-off against the purchase consideration in accordance with the terms of this agreement. No additional cost or consideration shall be payable by the holder of the RCPS upon such exercise of the conversion rights.

Unless previously redeemed or converted or purchased and cancelled, the RCPS may at the option of the Company be redeemed, in whole or in part, at any time during the tenure of the RCPS at the redemption price. The Company shall give not less than 30 days prior written notice to the RCPS holders of the redemption of RCPS. The RCPS holders shall be entitled to exercise their conversion rights to convert their RCPS into new shares at any time after the Company issues a notice of redemption and prior to the redemption being effected. All RCPS which are redeemed or purchased by the Company shall be cancelled immediately and cannot be resold.

Redemption

Redemption price is equivalent to the issue price and redeemable at the discretion of RCPS holder.

22. OTHER RESERVES

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Share option reserve	(i)	**12,887**	11,645	**12,887**	11,645
RCPS dividend payable	(ii)	**(29,714)**	(20,275)	**-**	-
Foreign currency translation reserve	(iii)	**(2)**	-	**-**	-
		(16,829)	(8,630)	**12,887**	11,645

(i) Share option reserve

	Group/Company	
	2023 RM'000	2022 RM'000
Share options under ESOS: -		
At 1 January	**11,645**	9,093
ESOS granted during the year	**1,311**	3,510
Revision of probability of vesting condition	**(69)**	(958)
At 31 December	**12,887**	11,645

The share option reserve represents the equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees recorded on grant of share options.

At an extraordinary general meeting held on 28 June 2021, the Company's shareholders approved establishment of an Employee Share Option Scheme ("ESOS") which is governed by the By-Laws.

The salient features of the ESOS are as follows: -

(i) The maximum number of new shares of the Company, which may be available under the scheme, shall not exceed in aggregate 15% of the total number of issued shares of the Company at any point in time during the existence of the ESOS;

(ii) An employee of the Group shall be eligible to participate in the ESOS if, as at the date of the ESOS offer, such employee: -

- has attained the age of at least eighteen (18) years and is not an undischarged bankrupt; and

- is in the employment of any corporation within the Group and/or its subsidiaries, which are not dormant, who has been either confirmed in service for a continuous period of at least one (1) year or serving in a specific designation under an employment contract for a continuous fixed duration of at least one (1) year and has not served a notice to resign nor received a notice of termination.

  In the case of a director or a chief executive officer or a major shareholder of the Company and/or persons connected to them, their specific allotments under the ESOS shall be approved by the shareholders of the Company in a general meeting.

(iii) The ESOS shall be in force for a period of five (5) years from 25 October 2021 and may be extended by the Board at its absolute discretion for a further period of up to five (5) years, but will not in aggregate exceed ten (10) years from 25 October 2021 or such longer period as may be allowed by the relevant authorities;

(iv) The option price may be subjected to a discount of not more than 10% of the average of the market quotation of the shares as shown in the daily official list issued by Bursa Malaysia Securities Berhad for the five (5) trading days immediately preceding the offer date, or at par value of the shares of the Company, whichever is higher;

22. OTHER RESERVES (Cont'd)

(v) The option may be exercised by the grantee by notice in writing to the Company in the prescribed form during the option period in respect of all or any part of the new shares of the Company comprised in the ESOS;

(vi) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company, except that new ordinary share allotted and issued, will not be entitled to any dividends, rights, allotments and/or other distributions declared, where the entitlement date of which is prior to date of allotment and issuance of the new shares; and

(vii) The option granted to eligible employees will lapse when they are no longer in employment with the Group.

22. OTHER RESERVES (cont'd)

(i) Share option reserve (cont'd)

The option prices and the details in the movement of the options granted are as follows: -

Grant date	Exercisable date	Expiry date	Exercise price RM	At beginning of the year Unit'000	Granted Unit'000	Exercised Unit'000	Forfeiture Unit'000	At end of the year Unit'000
25.10.2021	25.10.2021	25.10.2026	1.44	74,600	-	-	(23,900)	50,700
03.02.2022	03.02.2022	03.02.2027	1.17	12,450	-	-	(4,050)	8,400

Information of ESOS

On 03 February 2022, the Company has offered 12,450,000 options ("ESOS 2") to eligible employees of the Company and its non-dormant subsidiaries to subscribe for new ordinary shares in the Company. Similar to the ESOS granted in the prior financial year, these options have a vesting period of five (5) years from 03 February 2022 to 02 February 2027 and will expire on 03 February 2027. These options are exercisable if the employee remains in service for three (3) years from the date of grant.

On 25 October 2021, the Company has granted 74,600,000 share options ("ESOS 1") under the ESOS plan. These options have a vesting period of five (5) years from 25 October 2021 to 24 October 2026 and will expire on 25 October 2026. These options are exercisable if the employee remains in service for three (3) years from the date of grant, except for Directors of the Company which the options granted are exercisable upon granted and capped at 20% per financial year.

The fair value of ESOS 1 and ESOS 2 granted in both financial years was estimated using the Trinomial Option Pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions are as follows:

	2022 ESOS 2	2021 ESOS 1
Fair value of ESOS at grant date (RM)	0.45	0.80
Weighted average share price (RM)	1.30	1.60
Exercise price (RM)	1.17	1.44
Expected volatility (%)	40.90%	43.91%
Risk free rate (%)	3.24%	3.15%

22. OTHER RESERVES (Cont'd)

(i) Share option reserve (Cont'd)

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome. No other feature of the option was incorporated into the measurement of fair value.

Directors of the Group have been granted the following number options under ESOS: -

	2023 Unit'000	2022 Unit'000
At beginning/end of the financial year	**12,000**	12,000

During the financial year, a cumulative 7,200,000 units (2022: 4,800,000 units) of options were vested and exercisable as the Director remained in service for three (3) years from the date of grant.

Employees of the Group have been granted the following number options under ESOS: -

	2023 Unit'000	2022 Unit'000
At beginning of the financial year	**70,900**	74,600
Granted	**-**	12,450
Forfeiture	**(11,800)**	(16,150)
At end of the financial year	**59,100**	70,900

During the financial year, a cumulative 27,810,000 units (2022: 16,550,000 units) of options were vested and exercisable as the employees remained in service for three (3) years from the date of grant.

	2023 Unit'000	2022 Unit'000
At beginning of the financial year	**16,550**	6,970
Vested and exercisable	**13,040**	10,260
Forfeiture	**(1,780)**	(680)
At end of the financial year	**27,810**	16,550

(ii) RCPS dividend payable

	Group	
	2023 RM'000	2022 RM'000
RCPS dividend payable: -		
At 1 January	**(20,275)**	(10,793)
Dividend paid/payable during the financial year	**(9,439)**	(9,482)
At 31 December	**(29,714)**	(20,275)

As disclosed in Note 20(iv), other reserve was in relation to dividend paid/payable for unconverted RCPS and will be transferred to ordinary share capital upon conversion.

(iii) Foreign currency translation reserve

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 Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

23. BORROWINGS, SECURED

	Note	Group 2023 RM'000	2022 RM'000
Secured			
Non-current liability			
Term loans	(i)	**111,978**	188,605
Current liabilities			
Banker's acceptance		**8,865**	5,391
Revolving credit		**119,913**	166,497
Term loans	(i)	**61,610**	18,816
		190,388	190,704
		302,366	379,309
Total borrowings			
Banker's acceptance		**8,865**	5,391
Revolving credit		**119,913**	166,497
Term loans	(i)	**173,588**	207,421
		302,366	379,309

The effective interest/profit rates per annum on the borrowings of the Group and of the Company are as follows: -

	Group 2023 %	2022 %
Banker's acceptance	**2.28 - 4.52**	3.29 - 4.06
Revolving credit	**4.50 - 5.92**	4.50 - 6.81
Term loans	**3.92 - 7.92**	3.17 - 7.65

(i) Term loans

	Group 2023 RM'000	2022 RM'000
Repayble within one year (current)	**61,610**	18,816
Repayable between 1 and 5 years	**108,698**	169,602
Repayable more than 5 years	**3,280**	19,003
Repayable after 1 year (non-current)	**111,978**	188,605
	173,588	207,421

23. BORROWINGS, SECURED (Cont'd)

The banking facilities of the Group and of the Company are secured by the following: -

(i) Third party open charge over lands and properties owned by certain Directors of the Company and Directors' related companies;

(ii) Fixed deposits pledged as disclosed in Note 19(ii);

(iii) Legal charge over lands held for property development and on-going development as disclosed in Note 15;

(iv) Legal charge over the Group's freehold land and properties as disclosed in Note 8(i);

(v) Legal charge over the Group's freehold properties as disclosed in Note 9; and

(vi) Legal charge over the ordinary shares of subsidiaries owned by the Company as disclosed in Note 11. As at 31 December 2023, the Company has fully settled the outstanding facilities and currently pending the securities to be discharged.

24. LEASE LIABILITIES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current liabilities	**4,466**	4,469	**691**	406
Current liabilities	**2,794**	2,424	**263**	167
	7,260	6,893	**954**	573
Future minimum lease payments:				
Repayable within 1 year	**3,117**	2,736	**305**	193
Repayable between 1 and 5 years	**4,684**	4,680	**747**	437
Repayable more than 5 years	**384**	403	**-**	-
	8,185	7,819	**1,052**	630
Less: Future finance charges	**(925)**	(926)	**(98)**	(57)
Present value of lease liabilities:	**7,260**	6,893	**954**	573
Present value of lease liabilities:				
Repayable within 1 year	**2,794**	2,424	**263**	167
Repayable between 1 and 5 years	**4,307**	4,320	**691**	406
Repayable more than 5 years	**159**	149	**-**	-
	7,260	6,893	**954**	573

The effective interest rates per annum on the lease liabilities of the Group and of the Company are as follows: -

	Group		Company	
	2023 %	2022 %	2023 %	2022 %
Lease liabilities	**3.74 - 18.32**	3.74 - 18.32	**4.37 - 7.80**	4.42 - 7.80

25. DEFERRED TAX LIABILITIES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At beginning of the financial year	**1,121**	922	**71**	-
Recognised in profit or loss (Note 6)	**511**	199	**(1)**	71
At end of the financial year	**1,632**	1,121	**70**	71

25. DEFERRED TAX LIABILITIES (Cont'd)

The recognised deferred tax (assets)/liabilities before offsetting are as follows: -

	Investment properties RM'000	Property, plant and equipment RM'000	Rights-of-use assets RM'000	Unabsorbed capital allowances RM'000	Other temporary differences RM'000	Total RM'000
Group						
2023						
At beginning of the financial year	44	258	(5)	(44)	868	1,121
Recognised in profit or loss (Note 6)	6	332	(8)	(7)	188	511
At end of the financial year	50	590	(13)	(51)	1,056	1,632
2022						
At beginning of the financial year	36	260	-	(44)	670	922
Recognised in profit or loss (Note 6)	8	(2)	(5)	-	198	199
At end of the financial year	44	258	(5)	(44)	868	1,121
Company						
2023						
At beginning of the financial year	-	72	(1)		-	71
Recognised in profit or loss (Note 6)	-	-	(1)		-	(1)
At end of the financial year	-	72	(2)	-	-	70
2022						
At beginning of the financial year	-	-	-		-	-
Recognised in profit or loss (Note 6)	-	72	(1)		-	71
At end of the financial year	-	72	(1)	-	-	71

The estimated amount of temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows (stated as gross):

	Group	
	2023 RM'000	Restated 2022 RM'000
Unutilised tax losses	**261**	454
Unabsorbed capital allowances	**11**	25
	272	479

The comparative figures have been restated to reflect the actual unutilised tax losses and unabsorbed capital allowances carried forward available to the subsidiaries of the Group.

26. TRADE PAYABLES

	Note	Group 2023 RM'000	Group 2022 RM'000
Non-current liability			
Landowner's entitlement	(i)	**7,504**	-
Current liabilities			
Landowner's entitlement	(i)	**15,791**	-
Third parties	(ii)	**497,473**	124,571
Joint venture		**-**	2,508
Directors' related companies		**2,071**	2,741
Retention sum on contracts	(iii)	**37,867**	48,991
		553,202	178,811

The normal credit terms granted to the Group range from 30 to 60 days (2022: 30 to 60 days).

(i) These are in respect of payable for landowner's entitlement under deferred payment term pursuant to the development rights agreement entered into with a third party. Pursuant to the said agreement, the entitlement shall be paid based on a mutually agreed schedule of payment. These deferred payables are measured at amortised cost at imputed interest rate of 6.85% per annum.

	Group 2023 RM'000	Group 2022 RM'000
Future minimum payments:		
- Repayable within 1 year	**16,329**	-
- Repayable within 2 years	**7,680**	-
	24,009	-
Less: Future accretion of interest	**(714)**	-
	23,295	-
Present value of deferred payable:		
- Repayable within 1 year	**15,791**	-
- Repayable within 2 years	**7,504**	-
	23,295	-

In previous year, there is a mutual agreement entered by the Group and the landowner on the early settlement of the landowner's entitlement. Consequently, the Group recognised a loss on remeasurement of deferred trade payable of RM48,000 in the statements of comprehensive income.

(ii) Included in the trade payables is an amount of RM356,537,000 due to the vendor of two (2) parcels of vacant freehold agriculture lands located at Kulai, Johor, of which the acquisition is completed on 23 October 2023 and was settled in February 2024 via banking facilities granted by financial institutions.

Included in the trade payables is an amount of RM4,582,000 (2022: RM4,495,000), represented landowner's entitlement which will be contra with 31 units of completed residential property upon Certificate of Completion and Compliance.

(iii) Retention sums held by the Group are due upon expiry of retention periods of 24 months after issuance of Certificate of Completion and Compliance.

27. OTHER PAYABLES

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Current liabilities					
Other payables: -					
- third parties		**1,782**	2,616	**222**	118
- Directors' related companies	(i)	**2,569**	478	**273**	285
- Joint Venture	(i)	**15**	-	**-**	-
Accruals	(ii)	**67,107**	49,410	**13,993**	2,069
Accrued contractor works	(iii)	**62,614**	30,236	**-**	-
Derivative liabilities	17(v)	**-**	2,141	**-**	-
Rental deposits received	(iv)	**808**	221	**-**	-
Refundable deposits received	(v)	**124,735**	101,813	**-**	-
		259,630	186,915	**14,488**	2,472

(i) These amounts are non-trade in nature, unsecured, interest free advances which are repayable on demand.

(ii) Included in accruals is an amount of RM10,626,000 (2022: RM19,035,000) which represent accrued professional fees for on-going development which pending billings from its professionals.

Included in accruals of the Group and of the Company is an amount of RM11,475,000 (2022: RM Nil) which represent accrued investment of shares in other investment which pending satisfaction of the progress payment term as stipulated in the Share Sale Agreement as disclosed in Note 14.

Included in accruals is an accrued landowner's entitlement pursuant to development right agreement to undertake property development project which amounting to RM14,569,000 (2022: RM20,534,000).

(iii) These amounts represent accrued construction costs for on-going development which are pending billings from its contractors.

(iv) Rental deposits received represent security deposits received from the tenants of the units on the investment properties and lands held for future development which is refundable upon termination of the lease arrangements.

(v) Refundable deposits received represent booking fees received from the buyers of the units on the project which is refundable upon issuance of Certificate of Completion and Compliance.

28. DIVIDENDS

	Group/ Company RM'000
2023	
Recognised during the financial year:	
- Interim single tier dividend for financial year ended 31 December 2022: 3.5 sen per ordinary share (paid on 17 April 2023)	**29,306**
- Interim single tier dividend for financial year ended 31 December 2023: 3.0 sen per ordinary share (paid on 25 September 2023)	**25,120**
	54,426
2022	
Recognised during the financial year:	
- Interim single tier dividend for financial year ended 31 December 2021: 3.5 sen per ordinary share (paid on 25 March 2022)	29,307
- Interim single tier dividend for financial year ended 31 December 2022: 3.0 sen per ordinary share (paid on 26 September 2022)	25,120
	54,427

29. RELATED PARTY DISCLOSURES

Identifying related parties

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

The Group has a related party relationship with Directors' related companies, a joint venture and key management personnels. The Company has related party relationship with its subsidiaries, a joint venture, Directors' related companies and key management personnels. Directors' related companies refer to companies in which certain Directors of the Company have substantial financial interests and/or are also Directors of the companies. The joint venture refers to the company jointly controlled by itself. The related party balances of the Group and of the Company are disclosed in Notes 16, 17, 26 and 27. The related party transactions of the Group and of the Company are shown below.

Related party transactions

The related party transactions between the Group and the Company and their related parties during the financial year are as follows: -

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Subsidiaries				
Investing activities				
Non-trade related				
Advances to	**-**	-	**(136,284)**	(114,536)
Repayment from	**-**	-	**111,522**	177,885
Advances from	**-**	-	**-**	69,510
Repayment to	**-**	-	**-**	(69,510)
Operating activities				
Non-trade related				
Management fee income	**-**	-	**7,877**	6,889
Rental income	**-**	-	**(1,005)**	(790)
Late payment interest	**-**	-	**2,632**	5,276
Dividend income	**-**	-	**(82,800)**	(78,000)
Directors' related companies				
Operating activities				
Trade related				
Late payment charges	**14**	-	**-**	-
Trading of building materials revenue	**16,558**	-	**-**	-
Repayment from	**12,851**	-	**-**	-
Repayment to	**(1,084)**	-	**-**	-
Sales of completed properties	**6,490**	-	**-**	-

29. RELATED PARTY DISCLOSURES (Cont'd)

Related party transactions (Cont'd)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Directors' related companies (Cont'd)				
Operating activities (Cont'd)				
Trade related (Cont'd)				
Property development cost	**(1,040)**	-	**-**	-
Non-trade related				
Operating activities				
Rental income	**1,645**	2,743	**-**	-
Rental expenses and deposits paid	**(2,017)**	(1,222)	**(1,632)**	(1,156)
Financing activities				
Non-trade related				
Advances from/ (Repayment to)	**2,089**	429	**-**	285
Joint venture				
Operating activities				
Trade-related				
Construction cost	**(52,670)**	-	**-**	-
Revenue	**29,800**	-	**-**	-
Repayment from	**17,589**	-	**-**	-
Repayment to	**(51,871)**	-	**-**	-
Non-trade related				
Investing activities				
Acquisition of property, plant and equipment	**2,990**	-	**-**	-
Repayment to	**(2,975)**	-	**-**	-
Advances to	**(956)**	(1,419)	**(990)**	(1,385)

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly, including any Directors of the Company and its subsidiaries.

29. RELATED PARTY DISCLOSURES (Cont'd)

Compensation of key management personnel (Cont'd)

The remuneration of the Directors and other members of key management personnel during the financial year were as follows: -

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Directors				
Directors' fee	**524**	310	**390**	310
Salaries and other emoluments	**3,003**	2,130	**1,278**	1,290
Contribution to defined contribution plan	**1,153**	1,050	**630**	630
Share based payment	**248**	686	**204**	686
Others	**7**	2	**1**	1
	4,935	4,178	**2,503**	2,917
Estimated money value of benefits-in-kind ("BIK")	**47**	25	**25**	25
Total including estimated money value of BIK	**4,982**	4,203	**2,528**	2,942
Key senior management				
Salaries and other emoluments	**399**	511	**399**	511
Contribution to defined contribution plan	**39**	82	**39**	82
Share based payment	**-**	254	**-**	320
Others	**1**	2	**1**	2
	439	849	**439**	915

30. CAPITAL COMMITMENT

The Group has the following commitment in respect of acquisition of lands for future development and motor vehicles at the reporting date but not recognised as payable:

	Group	
	2023 RM'000	2022 RM'000
Authorised and contracted for: -		
Acquisition of lands		
- vacant freehold lands	-	388,394
- vacant leasehold lands	37,800	108,137
Acquisition of motor vehicles		
- 2 units of commercial vehicle	-	2,365
	37,800	498,896

31. SEGMENTAL INFORMATION

Segment information is presented in respect of the Group's business segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

For management purposes, the Group is organised into the following three (3) operating segments:

(i)	Property development	-	Property development activities and sale of completed units
(ii)	Construction	-	Construction of building
(iii)	Trading	-	Trading and supply of hardware and all related products

Segment revenue and results

Segment results represent profit or loss before finance costs and tax of the segment. Inter-segment transactions are entered in the ordinary course of business based on terms mutually agreed upon by the parties concerned.

(a) Reporting format

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Chief Operating Decision Maker ("CODM"). Segment total asset is used to measure the return on assets of each segment.

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the CODM. Hence, no disclosure is made on segment liability.

(b) Allocation basis and transfers

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expens-es.

Segment revenue, expenses and results include transfers between business segments. These transfers are elim-inated on consolidation.

(c) Geographical information

No other segmental information such as geographical segment is presented as the Group is principally involved in the investment holding, property development, construction and trading of building materials and hardware activities and operate from Malaysia only.

(d) Major customers

There is no major customer with revenue equal or more than 10% of the Group's total revenue.

31. SEGMENTAL INFORMATION (Cont'd)

Information regarding the Group's total reportable segments are presented below: -

	Property development RM'000	Construction RM'000	Trading RM'000	Total reportable segment RM'000	Non-reportable segment RM'000	Elimination RM'000	Group RM'000
2023							
Revenue							
Sales to external customers	699,627	22,752	112,363	834,742	132	-	834,874
Inter-segment revenue	19,067	445,791	120,736	585,594	83,160	(668,754)	-
Total revenue	718,694	468,543	233,099	1,420,336	83,292	(668,754)	834,874
Segment profit before tax	280,657	28,977	8,692	318,326	77,615	(183,385)	212,556
Included in the measure of segment profit are:							
Cost of sales	450,582	432,352	220,118	1,103,052	191	(570,671)	532,572
Interest income	(13,213)	(3,423)	(196)	(16,832)	(3,138)	14,236	(5,734)
Interest expenses	25,342	1,117	1,156	27,615	2,472	(11,788)	18,299
Share of results of a joint venture	-	-	-	-	(2,338)	-	(2,338)
Unrealised loss on foreign exchange	3,482	-	-	3,482	190	-	3,672
Fair value adjustment on derivative	(3,482)	-	-	(3,482)	-	-	(3,482)
Depreciation of property, plant and equipment	3,395	596	371	4,362	608	18	4,988
Tax expenses	52,743	8,617	2,049	63,409	850	185	64,444
Segment assets	2,288,561	343,037	126,851	2,758,449	979,221	(1,494,202)	2,243,468

31. SEGMENTAL INFORMATION (Cont'd)

Information regarding the Group's total reportable segments are presented below: - (Cont'd)

	Property development RM'000	Construction RM'000	Trading RM'000	Total reportable segment RM'000	Non-reportable segment RM'000	Elimination RM'000	Group RM'000
2022							
Revenue							
Sales to external customers	696,114	36,220	134,591	866,925	15	-	866,940
Inter-segment revenue	29,930	299,014	8,983	337,927	78,090	(416,017)	-
Total revenue	726,044	335,234	143,574	1,204,852	78,105	(416,017)	866,940
Segment profit before tax	271,176	26,927	5,602	303,705	71,690	(123,894)	251,501
Included in the measure of segment profit are:							
Cost of sales	445,995	280,854	135,122	861,971	55	(314,855)	547,171
Interest income	(4,597)	(846)	(214)	(5,657)	(5,798)	7,955	(3,500)
Interest expenses	9,181	773	595	10,549	7,963	(3,214)	15,298
Depreciation of property, plant and equipment	2,539	276	308	3,123	304	-	3,427
Share of results of a joint venture	-	-	-	-	(45)	-	(45)
Gain on remeasurement of deferred other receivable	-	-	-	-	(219)	-	(219)
Unrealised gain on foreign exchange	(3,569)	-	-	(3,569)	-	-	(3,569)
Fair value adjustment on invesment properties	(655)	-	(75)	(730)	-	-	(730)
Tax expenses	64,060	6,915	1,440	72,415	1,311	(451)	73,275
Segment assets	1,683,847	230,873	75,804	1,990,524	866,814	(1,080,808)	1,776,530

31. SEGMENTAL INFORMATION (Cont'd)

Reconciliations of Group's reportable segment profit or loss and assets are presented as below:

	Group	
	2023 RM'000	2022 RM'000
Segment profit	**318,326**	303,705
Dividend income	**(82,800)**	(78,000)
Inter-segment profit	**(98,137)**	(48,903)
Interest income	**(14,236)**	(7,955)
Interest expenses	**11,788**	3,214
Bargain purchase on acquisition of a subsidiary	**-**	7,750
Other non-reportable segments	**77,615**	71,690
Profit before tax	**212,556**	251,501

	Group	
	2023 RM'000	2022 RM'000
Segment assets	**2,758,449**	1,990,524
Elimination of inter-segment transactions *	**(52,368)**	(9,282)
Inter-segment balances	**(581,252)**	(262,238)
Other non-reportable segments	**118,639**	57,526
Total assets	**2,243,468**	1,776,530

* *Mainly consist of inter-segment sale of land eliminated*

32. FINANCIAL INSTRUMENTS

Categories of financial instruments

The Group's and the Company's financial assets (excluding prepayment) and financial liabilities are all categorised as amortised costs respectively, except for other investment and derivative contract measured at fair value through profit or loss as disclosed in Note 14 and 17(v) respectively.

Financial Risk Management Objectives and Policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing the financial risks, including credit risk, interest risk, foreign currency risk and liquidity risk. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables (which consist of trade receivables and other receivables), contract assets and advances to a joint venture company. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries, a joint venture company and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior year.

Trade receivables and contract assets

<u>Risk management objectives, policies and processes for managing the risk</u>

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Group's association to business partners with good credit rating. Credit evaluations are performed on all customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

There are no significant changes as compared to previous year.

<u>Exposure to credit risk, credit quality and collateral</u>

As at the end of the reporting period, the maximum exposure to credit risk from receivables is represented by the carrying amounts in the statements of financial position.

<u>Concentration of credit risk</u>

The Group determines concentration of credit risk by monitoring the profiles of its receivables on an ongoing basis.

As at 31 December 2023, the Group has significant concentration of credit risk arising from the amount owing from 6 customers (2022: 6 customers) constituting 30% (2022: 26%) of gross trade receivables of the Group.

<u>Recognition and measurement of impairment loss</u>

Trade receivables and contract assets from property development segment ("collateralised receivables")

The Group recognises a loss allowance for expected credit losses on a financial asset that is measured as receivable and a contract asset if the credit risk on that financial instrument has increased significantly since initial recognition. The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition as the trade receivable and contract assets are determined to have low credit risk at the reporting date.

For the purposes of measuring expected credit losses, the estimate of expected cash shortfalls shall reflect the cash flows expected from collateral and other credit enhancements that are part of the contractual terms and are not recognised separately by the Group. The estimate of expected cash shortfalls on a collateralised financial instrument reflects the amount and timing of cash flows that are expected from foreclosure on the collateral less the costs of obtaining and selling the collateral, irrespective of whether foreclosure is probable (i.e., the estimate of expected cash flows considers the probability of a foreclosure and the cash flows that would result from it).

The Group has possession of the legal rights to the properties sold and lands developed by its subsidiaries and this is deemed serve as a collateral and in the event of defaults by the purchaser, the expected cash shortfall from selling the collateral less the cost of obtaining and selling the collateral is immaterial.

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

Trade receivables and contract assets from construction contract segment ("non-collateralised receivables")

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values. Any receivables having significant balances past due more than 1 year, which are deemed to have higher credit risk, are monitored individually.

In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. Receivables are monitored on a going concern basis via Group's management reporting procedures and action will be taken for long outstanding debt. The Group is exposed to significant concentration of credit risk to a customer, a body incorporated by the Government of Malaysia. The expected credit loss rate on the amounts outstanding from the customer are considered low as it has low risk of default and strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the said Body to fulfil its contractual cash flow obligations.

Trade receivables from trading segment ("non-collateralised receivables")

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values.

The Group has applied the simplified approach in MFRS 9 to measure the loss allowance at lifetime expected credit losses. The Group assesses impairment of trade receivables on individual and collective basis.

For individual assessment, it is due to different risk credit characteristics and these debtors can be individually managed by the Group in an effective and efficient manner. The Group has reasonable and supportable information available to assess the impairment individually.

For collective assessment, the Group determines the expected credit losses by using a provision matrix for collective assessed receivables which are grouped together based on shared credit risk characteristics and similar types of contracts which have similar risk characteristics.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency.

Loss rates are based on actual credit loss experienced over the prior years and are adjusted to reflect the alternative forward-looking information. The Group also considers differences between (a) economic conditions during the period over which the historical data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables.

Any receivables having significant balances past due more than 330 days from different customer profiles are deemed to have higher credit risk. The Group has subsequently recognised a loss allowance of 100% against all receivables after 330 days (credit-impaired) because historical experience has indicated that these receivables are generally not recoverable.

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Impairment losses

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at the reporting date which are grouped together as they are expected to have similar risk nature.

	Group	
	2023 RM'000	**2022 RM'000**
Collateralised receivables		
Trade receivables		
Not past due	**56,887**	97,718
Past due but not impaired:		
1 day to 30 days	**21,511**	26,351
31 to 120 days	**16,898**	36,809
More than 120 days	**15,015**	1,626
	53,424	64,786
	110,311	162,504
Retention sum held by contract customers	**674**	14,594
Contract assets	**290,352**	277,800
	401,337	454,898
Non-collateralised receivables		
Trade receivables		
Not past due	**38,546**	37,927
Past due but not impaired:		
1 day to 30 days	**7,767**	3,710
31 days to 120 days	**14,830**	11,883
More than 120 days	**11,449**	14,509
	34,046	30,102
	72,592	68,029
Retention sum held by contract customers	**688**	286
Unbilled receivables	**8,780**	-
	82,060	68,315
	483,397	523,213

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Receivables that are neither past due nor impaired

Property development segment

Trade receivables that are neither past due nor impaired comprise property purchasers mostly are with end financing facilities from reputable end-financiers whilst the others are creditworthy debtors with good payment records.

Construction contract and trading segment

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records and mostly are regular customers that have been transacting with the Group.

Receivables that are past due but not impaired

Property development segment

Trade receivables that are past due but not impaired are secured in nature and comprise property purchasers mostly are with end financing facilities from reputable end-financiers whilst the others are creditworthy debtors with good payment records. The Directors are of the opinion that these debts should be realisable in full without material losses in the ordinary course of business.

Construction contract and trading segment

The Group has not provided for impairment for these trade receivables as there has been no significant changes in their credit quality and the amounts are still considered recoverable according to historical repayment trend of these trade receivables. The Group does not hold any collateral or other credit enhancement over these balances.

Amounts due from subsidiaries and a joint venture company

Risk management objectives, policies and processes for managing the risk

The Group and the Company provide unsecured loans and advances to its subsidiaries and a joint venture company. The Group and the Company monitor the ability of the subsidiaries and a joint venture company to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the financial year, the maximum exposure to credit risk arising from amounts due from subsidiaries and a joint venture company are represented by the carrying amount in the statements of financial position. Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Amount due from subsidiaries and a joint venture company are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date.

The Group and the Company assume that there is a significant increase in credit risk when the subsidiaries' and a joint venture company's financial position deteriorates significantly. As the subsidiaries and a joint venture company are within same group of management and therefore the Management is able to determine the timing of payments of the subsidiaries' and a joint venture company's loans and advances when it is payable, the Group and the Company consider subsidiaries' and a joint venture company's loan or advance to be credit impaired when the subsidiaries and a joint venture company are unlikely to repay the loan or advances to the Group and the Company in full given insufficient highly liquid resources when the loan is demanded.

The Group and the Company determine the probability of default for these loans and advances individually using internal information available.

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial Risk Management Objectives and Policies (Cont'd)

(a) Credit risk (Cont'd)

Amounts due from subsidiaries and a joint venture company (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

As at year end, there were no indications of impairment loss in respect of amounts due from subsidiaries and a joint venture company.

Financial guarantees

The Company provides financial guarantees to its subsidiaries in respect of banking facilities and credit limit granted. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries to financial institution.

Exposure to credit risk, credit quality and collateral

The Company's maximum exposure to credit risk amounting to RM304,653,000 (2022: RM379,309,000) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. The financial guarantees are provided as credit enhancements to the subsidiaries' banking facilities.

The Company assumes that there is a significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiaries are unlikely to repay its credit obligation to the bank or suppliers in full; or
- The subsidiaries are continuously loss making and is having a deficit in shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available. The fair value of the financial guarantees is negligible as the probability of the financial guarantees being called upon is remote at the initial recognition.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These banks and financial institutions have low credit risks. Hence, a loss allowance is not necessary.

Other receivables and deposits

Other receivables are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses which reflects the low credit risk of the exposures. As at the end of the reporting period, the Group and the Company did not recognise any allowance for impairment losses.

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial Risk Management Objectives and Policies (Cont'd)

(b) 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 and the Company's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities.

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Floating rate instruments				
Financial asset: -				
Short term investment	**35,447**	117,328	**24**	6,800
Financial liabilities: -				
Banker's acceptance	**(8,865)**	(5,391)	**-**	-
Revolving credit	**(119,913)**	(166,497)	**-**	-
Term loans	**(173,588)**	(207,421)	**-**	-
	(266,919)	(261,981)	**24**	6,800

The Group and the Company are exposed to interest rate risk through the impact of rate changes in floating rate instruments. The changes in interest rates would not have material impact on the profit or loss and equity of the Group and of the Company.

(c) Foreign currency risk

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

The Group is exposed to foreign currency risk on borrowings that are denominated in a currency other than the functional currency of the Group. The currency giving rise to this risk is primarily United States Dollar ("USD") and Australian Dollar ("AUD").

Foreign exchange exposures in transactional currency other than functional currency of the Group is kept to an acceptable level.

<u>Exposure to foreign currency risk</u>

The Group's significant exposure to foreign currency (a currency which is other than functional currency of the Group) risk, based on carrying amounts as at end of the reporting period was: -

	Denominated		
	in AUD RM'000	in USD RM'000	Total RM'000
2023			
Other receivables	6,575	-	6,575
Borrowings	-	(79,913)	(79,913)
	6,575	(79,913)	(73,338)
2022			
Borrowings	-	(76,431)	(76,431)

The Group is exposed to foreign currency risk through the impact of foreign exchange rate changes. The changes in foreign exchange rates would not have material impact on the profit or loss and equity of the Group.

32. **FINANCIAL INSTRUMENTS (Cont'd)**

Financial Risk Management Objectives and Policies (Cont'd)

(d) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations associated with financial liabilities. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The unutilised credit facilities made available to the Group as at 31 December 2023 amount to RM887,269,656 (2022: RM305,217,000).

The Group's and the Company's liquidity risk management policy is to manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. In addition, the Group and the Company maintain sufficient levels of cash and available banking facilities at a reasonable level to their overall debt position to meet their working capital requirement.

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the financial year based on contractual undiscounted repayment obligations: -

			<---------- Contractual cash flows --------->			
	Carrying amount RM'000	Contractual cash flows RM'000	Within one year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000	More than 5 years RM'000
Group						
2023						
Trade payables	**560,706**	**561,420**	**519,318**	**11,787**	**30,315**	**-**
Other payables	**259,630**	**259,630**	**224,427**	**33,795**	**1,408**	**-**
Borrowings:-						
- Banker's acceptance	**8,865**	**8,889**	**8,889**	**-**	**-**	**-**
- Revolving credit	**119,913**	**121,097**	**121,097**	**-**	**-**	**-**
- Term loans	**173,588**	**237,504**	**73,461**	**53,252**	**107,302**	**3,489**
Lease liabilities	**7,260**	**8,185**	**3,117**	**2,191**	**2,493**	**384**
	1,129,962	**1,196,725**	**950,309**	**101,025**	**141,518**	**3,873**
2022						
Trade payables	178,811	178,811	128,065	13,525	37,221	-
Other payables	186,915	186,915	165,733	14,982	6,200	-
Borrowings:-						
- Banker's acceptance	5,391	5,589	5,589	-	-	-
- Revolving credit	166,497	168,156	168,156	-	-	-
- Term loans	207,421	287,874	29,831	62,570	174,510	20,963
Lease liabilities	6,893	7,819	2,736	2,108	2,572	403
	751,928	835,164	500,110	93,185	220,503	21,366

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial Risk Management Objectives and Policies (Cont'd)

(d) Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the financial year based on contractual undiscounted repayment obligations: - (Cont'd)

	Carrying amount RM'000	Contractual cash flows RM'000	<---- Contractual cash flows ----> Within one year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000	More than 5 years RM'000
Company						
2023						
Other payables	**14,488**	**14,488**	**14,488**	**-**	**-**	**-**
Lease liabilities	**954**	**1,052**	**305**	**383**	**364**	**-**
Financial guarantee *	**304,653**	**304,653**	**304,653**	**-**	**-**	**-**
	320,095	**320,193**	**319,446**	**383**	**364**	**-**
2022						
Other payables	2,472	2,471	2,471	-	-	-
Lease liabilities	573	630	193	174	263	-
Financial guarantee *	379,309	379,309	379,309	-	-	-
	382,354	382,410	381,973	174	263	-

* *This liquidity risk exposure is included for illustration purpose only as the related financial guarantees have not crystallised.*

33. FAIR VALUE MEASUREMENTS

Assets and liabilities carried at fair value

The fair value measurement hierarchies used to measure non-financial assets at fair values in the statements of financial position are disclosed in Notes 9, 14 and 17(v).

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

Financial instrument other than those carried at fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of short-term receivables and payables and cash and cash equivalents approximate their fair values due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The carrying amount of long-term floating rate loans approximates their fair value as the loans will be re-priced to market interest rate on or near reporting date.

34. CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital is to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern. The Group and the Company monitor and maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

The Group and the Company monitor capital using total debt-to-equity ratio which is the total debt divided by total equity. Total debt includes lease liabilities and loans and borrowings whilst total equity is equity attributable to Owners of the Company.

The net debt-to-equity ratios at end of the reporting period are as follows: -

	Group	
	2023 RM'000	**2022 RM'000**
Borrowings (Note 23)	**302,366**	379,309
Lease liabilities (Note 24)	**7,260**	6,893
Total debt	**309,626**	386,202
Total equity attributable to Owners of the Company	**1,101,849**	1,016,149
Debt-to-equity ratio (%)	**28%**	38%

34. CAPITAL MANAGEMENT (Cont'd)

	Company	
	2023 RM'000	2022 RM'000
Lease liabilities (Note 24)	**954**	573
Total debt	**954**	573
Total equity	**841,222**	817,596
Debt-to-equity ratio (%)	**0.11%**	0.07%

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenant:-

(i) Gearing ratio to be capped at 1.00 times to 3.00 times.

The Group is in compliance with all externally imposed capital requirements as mentioned above. As at 31 December 2023, the gearing ratio of respective subsidiaries that are subject to the loan covenant was as follows:-

(a) TNSB at 0.45 times (2022: 0.50 times);
(b) RUSB at 0.19 times (2022: 0.27 times); and
(c) BESB at 0.18 times (2022: 0.31 times)

(ii) Gearing ratio of the Group to be capped at 0.75 times.

The Group is in compliance with all externally imposed capital requirements as mentioned above. As at 31 December 2023, the gearing ratio of the Group was at 0.28 times (2022: 0.38 times)

(iii) Tangible net worth shall not fall below RM770,000,000

The Company's tangible net worth is at RM841,222,000 (2022: RM817,596,000), which is above the stipulated tangible net worth of RM770,000,000.

(iv) Dividend declaration not more than 50% of current year profit after tax

The Group is in compliance with the externally imposed capital requirements as mentioned above.

35. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Completion on acquisition of agriculture lands

On 09 August 2022, TNSB entered into a conditional sale and purchase agreement ("SPA") with Ladang Awana Sdn. Bhd. ("LASB") in relation to the proposed acquisition of the 42 block titles of development/agricultural land measuring approximately 422 acres, all located within Mukim Durian Sebatang, Perak, for a total cash consideration of RM92.40 million.

All condition precedents ("CPs") set forth in the above-mentioned agreement is satisfied on 16 January 2023, resulting the SPA being unconditional on even date.

On 31 March 2023, the balance purchase consideration of RM64.68 million pursuant to the acquisition has been paid in full, hence marking the completion of the Acquisition.

35. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (Cont'd)

Acquisition of freehold agriculture lands

On 13 February 2023, LMSB entered into a conditional sale and purchase agreement with Seriemas Development Sdn. Berhad for the acquisition of 2 parcels of freehold vacant land located in Kelan Kechil, Mukim Senai, Daerah Kulai, Negeri Johor measuring 435.2334 hectares in aggregate for a total cash consideration of RM398,207,000. As at 11 August 2023, the parties mutually agreed to extend the Conditional Period of the SPA up to 13 November 2023 with the aim to accord the Parties an additional period of 3 months to fulfil the CPs. All condition precedents ("CPs") set forth in the above-mentioned agreement is satisfied on 23 October 2023, resulting the SPA being unconditional on even date.

On 19 February 2024, the balance purchase consideration of RM356,537,000 pursuant to the acquisition has been paid in full and the Vendor's solicitors has confirmed receipt of the same, hence marking the completion of the Acquisition.

Acquisition of 12-storey office building

On 05 September 2023, LHSB entered into a sale and purchase Agreement ("SPA") with MTrustee Berhad as the trustee of CapitaLand Malaysia Trust ("CLMT") for the purpose of acquiring a twelve-storey office building known as "3 Damansara Office Tower", for a total purchase price of RM52,000,000.

All condition precedents ("CPs") set forth in Schedule 2 of the above-mentioned agreement is satisfied on 4 December 2023, resulting the SPA being unconditional on even date.

36. EVENTS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Development Rights Agreement

On 10 January 2024, the Company had entered into a Development Rights Agreement ("DRA") with a third party to undertake the development of the lands located in Mukim Ulu Sungai Selangor, Daerah Kota Tinggi, Johor for a total cash consideration of RM85,380,000, upon the terms and subject to the conditions set out in the DRA.

Second interim dividend

On 28 February 2024, the Board of Directors has declared a second interim single tier dividend of 3.5 sen per ordinary share for the financial year ended 31 December 2023, amounting to RM29,306,000. The entitlement date has been fixed on 18 April 2024, which is payable on 30 April 2024 and will be credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn. Bhd.

These dividends will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2024.

Development Properties

No.	Location	Description/ existing use	Land Area	Tenure	Date of Acquisition	Date of Last Valuation	Net Book Value as at 31.12.2023 (RM)
1	Johor, Kulai Land A parcel of land in Mukim Senai, District of Kulai, State of Johor.	Future development land	309.9694 hectares	Freehold	13.02.2023	N/A	328,587,296.91
2	Perak, Teluk Intan Land Various parcels of land in Mukim of Durian Sebatang, District of Hilir Perak, State of Perak	Future development land	305.9336 hectares	99 years leasehold	06.03.2017	31.12.2023	54,730,285.22
3	Perak, Teluk Intan Land Various parcels of land in Mukim of Durian Sebatang, District of Hilir Perak, State of Perak	Mix development and future development land	137.0294 hectares	99 years leasehold	09.08.2022	N/A	52,417,051.79
4	Perak, Batang Padang Land Various parcels of land in Mukim Batang Padang, District of Batang Padang, State of Perak.	Future development land	165.1600 hectares	99 years leasehold	02.09.2022	N/A	20,877,436.54
5	Perak, Sitiawan, Taman Mulia Various parcels of land in Mukim Sitiawan, District of Manjung, State of Perak	Mix development and future development land	8.5024 hectares	Freehold	15.11.2013	31.12.2023	15,308,715.18
6	Perak, Kampar Land Various parcels of land in Mukim Kampar, District of Kampar, State of Perak	Future development land	11.3161 hectares	Freehold	20.04.2017	31.12.2023	12,932,831.34
7	Perak, Batang Padang, Lagenda Aman Various parcels of land in Mukim Batang Padang, District of Batang Padang, State of Perak	Future development land	123.0430 hectares	99 years leasehold	23.10.2020	N/A	12,155,675.10
8	Perak, Sitiawan, Setia Residence Various parcels of land in Mukim Sitiawan, District of Manjung, State of Perak	Mix development and future development land	2.1626 hectares	Freehold	01.01.2014	31.12.2023	9,920,992.79
9	Perak, Kinta Land A parcel of land, Bandar Ipoh (S), District of Kinta, State of Perak	Future development land	0.3244 hectares	Freehold	03.01.2023	N/A	6,303,167.08

Investment Properties

No.	Location	Description/ existing use	Net Lettable Area	Tenure	Year of Acquisition	Date of Last Valuation	Net Book Value as at 31.12.2023 (RM)
10	Lagenda Tower Bandar Petaling Jaya, District of Petaling Jaya, State of Selangor	12-storey office buiding	101,246 square feet	Freehold	05.09.2023	23.02.2024	54,121,187.50
					TOTAL		**567,354,639.45**

Total Number of Issued Shares	: 837,327,181
Class of Shares	: Ordinary Shares
Voting Rights	: One vote for Ordinary Share
No. of Shareholders	: 6,517

Distribution Schedule

Shareholding Category	No. of Shareholders	%	No. of Shares	%
Less than 100	1,136	17.43	48,196	0.01
100 - 1,000	1,489	22.85	779,208	0.09
1,001 - 10,000	2,761	42.37	11,884,374	1.42
10,001 - 100,000	904	13.87	27,240,417	3.25
100,001 and below 5%	224	3.44	528,561,985	63.12
5% and above	3	0.05	268,813,001	32.10
Total	**6,517**	**100.00**	**837,327,181**	**100.00**

	SUBSTANTIAL SHAREHOLDERS (EXCLUDING BARE TRUSTEES)	SHAREHOLDINGS			
		Direct Interest	%	Indirect interest	%
1	Lagenda Land Sdn Bhd	431,983,428	51.59	-	-
2	Doh Capital Sdn Bhd	37,571,208	4.49	-	-
3	Setia Awan Plantation Sdn Bhd	-	-	37,571,208[(a)]	4.49
4	Dato' Doh Jee Ming	10,500,800	1.25	469,554,636[(b)]	56.08
5	Dato' Doh Tee Leong	-	-	469,554,636[(b)]	56.08
6	Dato' Doh Jee Chai	-	-	469,554,636[(b)]	56.08

	DIRECTORS' SHAREHOLDINGS	SHAREHOLDINGS			
		Direct Interest	%	Deemed Interest	%
1	Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin	-	-	-	-
2	Dato' Doh Jee Ming	10,500,800	1.25	469,554,636[(b)]	56.08
3	Dr. Lim Pang Kiam	-	-	-	-
4	Looi Sze Shing	-	-	-	-
5	Myrzela Binti Sabtu	-	-	-	-
6	Dato' Mohamed Sharil Bin Mohamed Tarmizi	-	-	-	-

Notes:

(a) Deemed interested pursuant to Section 8(4) of the Companies Act 2016 by virtue of its shareholdings in Doh Capital Sdn Bhd.
(b) Deemed interested pursuant to Section 8(4) of the Companies Act 2016 by virtue of their shareholdings in Lagenda Land Sdn Bhd and Setia Awan Plantation Sdn Bhd, which in turn holds 100% equity interest in Doh Capital Sdn Bhd.

Thirty (30) Largest Shareholders

No.	Name of Shareholders	No. of Shares Held	%
1	Lagenda Land Sdn Bhd	138,800,001	16.58
2	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary: Exempt AN for OCBC Securities Private Limited (Client A/C-Res)	80,013,000	9.56
3	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: Maybank Private Wealth Management for Lagenda Land Sdn Bhd (12021113) (432641)	50,000,000	5.97
4	SJ Sec Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account - Al Rajhi Bank for Lagenda Land Sdn Bhd	36,000,000	4.30
5	Citigroup Nominees (Asing) Sdn Bhd Beneficiary: Exempt AN For UBS AG Singapore (Foreign)	34,816,573	4.16
6	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Beneficiary: Pledged Securities Account for Lagenda Land Sdn Bhd	29,000,000	3.46
7	AMSEC Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account - AmBank Islamic Berhad for Lagenda Land Sdn Bhd	23,000,000	2.75
8	CIMSEC Nominees (Tempatan) Sdn Bhd Beneficiary: CIMB for Lagenda Land Sdn Bhd	21,866,360	2.61
9	CIMB Group Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account for Lagenda Land Sdn Bhd (SAPSB-CBCP)	20,000,000	2.39
10	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account for Lagenda Land Sdn Bhd	20,000,000	2.39
11	AMSEC Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account- AmBank Islamic Berhad for Doh Capital Sdn Bhd	19,520,599	2.33
12	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary: Exempt AN for AIA Bhd	15,384,000	1.84
13	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary: Urusharta Jamaah Sdn Bhd (2)	14,554,500	1.74
14	AmanahRaya Trustees Berhad Beneficiary: Public Islamic Opportunities Fund	14,524,400	1.73
15	Chen Hong Eng	9,723,100	1.16
16	CIMB Islamic Nominees (Tempatan) Sdn Bhd Beneficiary: CIMB Islamic Trustee Berhad - Kenanga Syariah Growth Fund	9,668,700	1.15
17	Doh Properties Holdings Sdn Bhd	9,389,671	1.12
18	AMSEC Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account - AmBank (M) Berhad for Lagenda Land Sdn Bhd (BX1291)	9,117,067	1.09
19	CIMB Group Nominees (Tempatan) Sdn Bhd Beneficiary: CIMB Commerce Trustee Berhad for Kenanga Shariah Growth Opportunities Fund (50156 TR01)	8,692,700	1.04
20	Doh Properties Holdings Sdn Bhd	8,660,938	1.03
21	Affin Hwang Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account for Doh Jee Ming	8,600,000	1.03
22	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary: HSBC (M) Trustee Bhd for Allianz Life Insurance Malaysia Berhad (MEF)	8,300,000	0.99
23	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary: Great Eastern Life Assurance (Malaysia) Berhad (LSF)	8,000,000	0.96
24	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: National Trust Fund (IFM Kenanga) (410196)	6,784,400	0.81
25	Binari Maju Sdn Bhd	6,049,714	0.72

Thirty (30) Largest Shareholders (Cont'd)

No.	Name of Shareholders	No. of Shares Held	%
26	Phillip Nominees (Tempatan) Sdn Bhd Beneficiary: Exempt AN for Phillip Capital Management Sdn Bhd	5,455,500	0.65
27	AmanahRaya Trustees Berhad Beneficiary: Public Strategic SmallCap Fund	4,607,400	0.55
28	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: Etiqa Life Insurance Berhad (Growth)	4,423,000	0.53
29	CIMB Group Nominees (Tempatan) Sdn Bhd Beneficiary: CIMB Commerce Trustee Berhad - Kenanga Malaysian Inc Fund	4,392,300	0.52
30	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary: National Trust Fund (IFM Maybank) (412183)	4,350,000	0.52

NOTICE IS HEREBY GIVEN THAT the Twenty-Third Annual General Meeting ("23rd AGM") of Lagenda Properties Berhad will be held on a fully virtual basis through live streaming and online remote voting via the online meeting platform at https://web.vote2u.my (Domain Registration No with MYNIC: D6A471702) on Monday, 24 June 2024 at 10.30 a.m. or any adjournment thereof for the purpose of considering and, if thought fit, passing with or without modifications the resolutions as set out in this notice.

AGENDA
Ordinary Business

1.	To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon.	**(Refer to Explanatory Note A)**
2.	To approve the payment of Directors' fees up to an aggregate amount of RM585,000 for the Non-Executive Directors of the Company for the financial year ending 31 December 2024.	**(Ordinary Resolution 1)**
3.	To approve the payment of Directors' benefits (excluding Directors' fees) up to an aggregate amount of RM87,000 for the financial year ending 31 December 2024.	**(Ordinary Resolution 2)**
4.	To re-elect Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin, who retires by rotation pursuant to Clause 95 of the Constitution of the Company.	**(Ordinary Resolution 3)**
5.	To re-elect Ms Looi Sze Shing, who retires by rotation pursuant to Clause 95 of the Constitution of the Company.	**(Ordinary Resolution 4)**
6.	To re-appoint Moore Stephens Associates PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.	**(Ordinary Resolution 5)**

Special Business

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

7. **Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016** **(Ordinary Resolution 6)**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company at any time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being; AND THAT the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad ("Bursa Securities") AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company.

AND THAT pursuant to Section 85 of the Act read together with Clause 57 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to Sections 75 and 76 of the Act."

8. **Proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature** **(Ordinary Resolution 7)**

"THAT approval be and is hereby given to the Company and its subsidiaries ("Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature particulars with the specified classes of related parties as specified in Section 2.4 of the Circular to Shareholders dated 30 April 2024, provided that:

(a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;

(b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;

(c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and

(d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:

    (i) the related transacting parties and their respective relationship with the Company; and

    (ii) the nature of the recurrent transactions.

THAT such authority shall continue to be in force until:

(a) the conclusion of the next AGM, unless the authority is renewed by a resolution passed at the next AGM; or

(b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

9. **Proposed renewal of share buy-back authority** **(Ordinary Resolution 8)**

"THAT, subject to the Act, the Constitution of the Company, the Main Market Listing Requirements ("Listing Requirements") of Bursa Securities and the approval of such relevant government and/or regulatory authorities where necessary, the Company be and is hereby authorised to purchase such number of ordinary shares of the Company ("Proposed Renewal of Share Buy-Back Authority") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

(a) the aggregate number of shares purchased or held does not exceed 10% of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase;

(b) the maximum fund to be allocated by the Company for the purpose of purchasing such number of ordinary shares shall not exceed the retained profit account of the Company. As at the latest financial year ended 31 December 2023, the audited retained profit account of the Company stood at RM 27,810,000;

(c) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:-

(i) at the conclusion of the next AGM of the Company following the general meeting in which the authorisation is obtained, at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;whichever occurs first; and

AND THAT upon completion of the purchase(s) of the ordinary shares of the Company, the Directors of the Company be and are hereby authorised to deal with the ordinary shares so purchased in the following manner:

(a) to cancel the ordinary shares so purchased; or

(b) to retain the ordinary shares so purchased as treasury shares for distribution as dividend to shareholders and/or resell on Bursa Securities or subsequently cancelled; or

(c) to retain part of the ordinary shares so purchased as treasury shares and cancel the remainder; or

(d) in any other manner prescribed by the Act, rules, regulations and orders made to the Act, the Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force.

AND THAT the Board of the Company be and is hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the aforesaid share buy-back with full powers to assent to any conditions, modifications, variations, and / or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Board may deem fit and expedient in the best interest of the Company."

10. To transact any other business for which due notice shall have been given.

By Order of the Board

SIEW SUET WEI (SSM PC No. 202008001690) (MAICSA 7011254)
LIM YEN TENG (SSM PC No. 201908000028) (LS 0010182)
LIEW SEE SEE (SSM PC No. 202008001371) (MAICSA 7062468)
Joint Company Secretaries

Kuala Lumpur
30 April 2024

Notes:

(1) Only members whose names appear on the Record of Depositors on 14 June 2024 ("General Meeting Record of Depositors") shall be entitled to attend, speak and vote at the 23rd AGM.

(2) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company.

(3) A member shall be entitled to appoint not more than two proxies to attend and vote at the 23rd AGM. Where a member appoints more than one proxy, the appointment shall be invalid unless the member specifies the proportions of his/her holdings to be represented by each proxy.

(4) Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds. An exempt authorized nominee refers to an authorized nominee defined under Securities Industry (Central Depositories) Act, 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

(5) The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorized in writing or, if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorized in writing.

(6) Pursuant to Paragraph 8.29A of the Listing Requirements of Bursa Securities, all resolutions at the 23rd AGM shall be put by way of poll.

(7) The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, must be deposited at the business address of the Company at Level 4, No. 131, Persiaran PM 2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak Darul Ridzuan not less than forty-eight (48) hours before the time of holding the 23rd AGM or any adjournment thereof. Alternatively, the form of proxy may also be lodged electronically via the Vote2U Online at https://web.vote2u.my. Kindly refer to the Administrative Guide for the 23rd AGM for further information on the electronic lodgement of proxy form.

Explanatory Notes

Note A - Audited Financial Statements for the financial year ended 31 December 2023

This Agenda is meant for discussion only as under the provisions of Section 340(1)(a) of the Act, the audited financial statements do not require the approval of the shareholders. As such, this matter will not be put forward for voting.

Ordinary Resolution 1 - Payment of Directors' Fees

The Directors' fees approved for the financial year ended 31 December 2023 was up to an amount of RM571,000. The Company is seeking shareholders' approval for payment of the Directors' fees up to the amount of RM585,000 to the Non-Executive Directors ("NEDs") for the financial year ending 31 December 2024, which have been estimated by taking into account the proposed increase in NEDs' fees and the addition of new NEDs to be appointed for the financial year ending 31 December 2024. The proposed Ordinary Resolution 1 is to facilitate payment of Directors' fees on current financial year basis. In the event the Directors' fees proposed are insufficient, approval will be sought at the next AGM for additional fees to meet the shortfall.

Ordinary Resolution 2 - Payment of Directors' Benefits

Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

Explanatory Notes (Cont'd)

Ordinary Resolution 2 - Payment of Directors' Benefits (Cont'd)

Under Ordinary Resolution 2, the benefits payable to the Directors pursuant to Section 230(1)(b) of the Act had been reviewed by the Nomination and Remuneration Committee and the Board of Directors of the Company, which recognised that the Directors' benefits payable are in the best interest of the Company. The benefits comprise of Directors Indemnity Insurance, benefits-in-kind and also meeting allowances, which will only be accorded based on actual attendance of meetings by the Directors of the Company.

Ordinary Resolutions 3 and 4 - Re-election of Directors

Clause 95 of the Company's Constitution provides that an election of Directors shall take place each year at the AGM of the Company where one third (1/3) of the Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to one third (1/3) shall retire from office and be eligible for re-election. PROVIDED ALWAYS THAT all Directors shall retire from office once at least in each 3 years but shall be eligible for re-election.

The Board through its Nomination and Remuneration Committee had assessed the Directors and agreed that they meet the criteria as prescribed by Paragraph 2.20A of the Listing Requirement of Bursa Securities on character, experience, integrity, competence and time to effectively discharge their roles as Directors. Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin and Ms Looi Sze Shing are standing for re-election as Directors of the Company by rotation in accordance with Clause 95 of the Company's Constitution, and being eligible, has offered themselves for re-election.

The profiles of the Directors standing for re-election are set out in the Annual Report 2023.

Ordinary Resolution 5 - Re-appointment of Auditors

The Board and Audit and Risk Management Committee had at their respective meetings on 15 April 2024 recommended the re-appointment of Moore Stephens Associates PLT for the financial year ending 31 December 2024. Moore Stephens Associates PLT has met the criteria prescribed under the Paragraph 15.21 of the Listing Requirements of Bursa Securities and indicated their willingness to continue their services for the next financial year.

Ordinary Resolution 6 - Authority to issue shares pursuant to Sections 75 and 76 of the Act

The Company had during its 22nd AGM held on 28 June 2023 obtained from its shareholders, a general mandate pursuant to Sections 75 and 76 of the Act to issue and allot shares in the Company up to an amount not exceeding 10% of the total number of issued shares (excluding treasury shares) of the Company and this mandate had not been exercised by the Company.

The proposed Ordinary Resolution 6 is a renewal mandate of the general mandate for the issuance of shares by the Company under Sections 75 and 76 of the Act. Pursuant to Section 85 of the Act and Clause 57 of the Company's Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company. This Ordinary Resolution 6, if passed, will exclude the shareholders' pre-emptive right to be offered new shares to be issued by the Company.

This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company. This mandate would provide the Company the flexibility to raise fund, including but not limited to placing of shares to finance future investment(s), project(s), acquisition(s) and/or working capital without having to convene a general meeting.

Ordinary Resolution 7 - Proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature

The proposed Ordinary Resolution 7, if passed, will give the authority for the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature are undertaken in the ordinary course of business which are necessary for the day-to-day operations on arm's length basis, on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detrimental to the minority shareholders of the Company and shall lapse at the conclusion of the next AGM unless authority for its renewal is obtained from shareholders of the Company at the next general meeting. Please refer to the Circular to Shareholders dated 30 April 2024 for further information.

Ordinary Resolution 8 - Proposed Renewal of Share Buy-Back Authority

This resolution will empower the Directors of the Company to purchase the Company's shares up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the total retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company. Further information on the proposed share buy-back authority is set out in the Share Buy-Back Statement dated 30 April 2024.

PERSONAL DATA PRIVACY

By submitting a Form of Proxy or an instrument appointing a representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the Purposes), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

Details of individuals who are standing for election as Directors

No individual is seeking election as a Director (excluding Directors standing for re-election) at the 23rd AGM of the Company.

The profiles of the Directors who are standing for re-election as per Ordinary Resolutions 3 to 4 of the Notice of 23rd AGM are stated in the section on the Profile of Directors in this Annual Report.

Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The Company will seek shareholders' approval on the general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to the Proposed Ordinary Resolution 6 as stated in the Notice of the 23rd AGM of the Company for details.

LAGENDA PROPERTIES BERHAD
Registration No: 200101000008 (535763-A)
(Incorporated in Malaysia)

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS

23RD ANNUAL GENERAL MEETING

Dear Shareholders of Lagenda

We are pleased to invite you to participate in the 23rd AGM of the Company which will be conducted on a fully virtual basis through live streaming and online remote voting via Remote Participation and Voting Facilities ("RPV Facilities"):

Date	:	Monday, 24 June 2024
Time	:	10.30 a.m. or at any adjournment thereof
Meeting Venue	:	https://web.vote2u.my
Domain Registration Number with MYNIC	:	D6A471702

We strongly encourage our shareholders whose names appear on the Record of Depositors as at 14 June 2024 and holders of proxy for those shareholders to participate in the virtual AGM and vote remotely at this AGM. In line with Practice 13.3 of the Malaysian Code on Corporate Governance 2021, this virtual AGM will facilitate greater shareholder's participation (including posting questions to the Board of Directors and/or Management of the Company) and vote at the AGM without being physically present at the venue. For shareholders who are unable to participate in this virtual AGM, you may appoint a proxy(ies) or the Chairman of the Meeting as your proxy to attend and vote on your behalf at the AGM.

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

PROCEDURES TO PARTICIPATE IN RPV

Please follow the Procedure to Participate in RPV as summarized below:

BEFORE AGM DAY

A: REGISTRATION

Individual Shareholders

	Description	Procedure
i.	Shareholders to register with Vote2U online	The registration will open from the day of notice a. Access website at https://web.vote2u.my. b. Click ***"Sign Up"*** to sign up as a user. c. Read the 'Privacy Policy' and 'Terms & Conditions' and indicate your acceptance of the 'Privacy Policy' and 'Terms & Conditions' on a small box ☐ . Then click ***"Next"*.** d. *Fill-in your details (note: create your own password). Then click ***"Continue"*.** e. Upload softcopy of your identification card (MYKAD) (front only) (for Malaysian) or Passport (for non-Malaysian). f. Click ***"Submit"*** to complete the registration. g. Your registration will be verified and an email notification will be sent to you. Please check your email. Note: If you have registered as a user with Vote2U Online previously, you are not required to register again. * Check your email address is keyed in correctly. * Remember the password you have keyed-in.

B: REGISTER PROXY

Individual Shareholder / Corporate Shareholder / Nominees Company

	Description	Procedure
i.	Submit Form of Proxy (hardcopy)	a. * Fill-in details on the hardcopy Form of Proxy and ensure to provide the following information: • MYKAD (for Malaysian) / Passport (for non-Malaysian) number of the Proxy • * Email address of the Proxy b. Submit/Deposit the hardcopy Form of Proxy to **Level 4, No. 131, Persiaran PM2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak Darul Ridzuan.** Note: After verification, an email notification will be sent to the Proxy and will be given a temporary password. The Proxy could use the temporary password to log in to Vote2U. * Check the email address of Proxy is written down correctly.

	Description	Procedure
ii.	Electronic Lodgement of Proxy Form (e-Proxy Form) For individual shareholders only	a. Individual shareholders to log in to Vote2U with your email address and password that you have registered with Vote2U. b. Click "***Register Proxy Now***" for e-Proxy registration. c. Select the general meeting event that you wish to attend. d. Select/add your Central Depository System ("CDS") account number and number of shares. e. Select ***"Appoint Proxy"***. f. Fill-in the details of your proxy(ies) – ensure proxy(ies) email address(es) is/are valid. g. Indicate your voting instruction should you prefer to do so. h. Thereafter, select ***"Submit"***. i. Your submission will be verified. j. After verification, proxy(ies) will receive email notification with temporary credentials, i.e. email address & password, to log in to Vote2U. Note: You need to register as a shareholder before you can register a proxy and submit the e-Proxy form. Please refer above 'A: Registration' to register as shareholder.

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

ON AGM DAY

A: WATCH LIVE STREAMING

Individual Shareholders & Proxies

	Description	Procedures
i.	Login to virtual meeting portal - Vote2U Online & watch Live Streaming.	The Vote2U online portal will open for log in starting from **9.30 a.m., Monday, 24 June 2024**, one (1) hour before the commencement of the AGM. a. Login with your email and password b. Select the General Meeting event (for example, "LAGENDA 22nd AGM"). c. Check your details. d. Click ***"Watch Live"*** button to view the live streaming.

B: ASK QUESTION

Individual Shareholders & Proxies

	Description	Procedures
i.	Ask Question during AGM (real-time)	Questions submitted online using typed text will be moderated before being forwarded to the Chairman to avoid repetition. Every question and message will be presented with the full name of the shareholder or proxy raising the question. a. Click "***Ask Question***" button to post question(s). b. Type in your question and click ***"Submit".*** The Chairman / Board of Directors will endeavor to respond to questions submitted by remote shareholders and proxies during the AGM.

C: VOTING REMOTELY

Individual Shareholders & Proxies

	Description	Procedures
i.	Online Remote Voting	Once the Chairman announces the opening of remote voting: a. Click "***Confirm Details & Start Voting*"**. b. To vote, select your voting choice from the options provided. A confirmation screen will appear to show your selected vote. Click ***"Next"*** to continue voting for all resolutions. c. To change your vote, click ***"Back"*** and select another voting choice. d. After you have completed voting, a Voting Summary page appears to show all the resolutions with your voting choices. Click ***"Confirm"*** to submit your vote. [Please note that you are not able to change your voting choices after you have confirmed and submitted your votes.]

ADDITIONAL INFORMATION

Voting Procedure

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

No Door Gift or e-Voucher or Food Voucher

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

Enquiry

a. For enquiries relating to the AGM Administrative Guide for Shareholders, please email your enquiries or contact our Investor Relation during office hours (9.00 a.m. to 5.00 p.m.) on Mondays to Fridays (except public holidays) as follows:

   Email: ir@lagendaprops.com
   Tel No: +605 6887179

b. For enquiries relating to RPV facilities or issues encountered during registration, log in, connecting to the live streaming and online voting facilities, please contact Vote2U helpdesk during office hours (9.00 a.m. to 5.00 p.m.) on Mondays to Fridays (except public holidays) as follows:

   Tel No: +603 76648520 / +603 76648521
   Email: vote2u@agmostudio.com

LAGENDA PROPERTIES BERHAD
Registration No: 200101000008 (535763-A)
(Incorporated in Malaysia)

PROXY FORM

No of Ordinary Share(s) Held		
CDS Account No.		
If more than one proxy is appointed, please specify the proportion of your vote in percentage represented by each proxy:	Proxy 1 %	Proxy 2 %

I/We*____
(Full Name In Block Letters)

NRIC / Passport No.* ____________________of ____________________

____
(Address)

being a member of Lagenda Properties Berhad hereby appoint:

Proxy 1

Full name (Block Letters)	NRIC / Passport No.*	Email Address	Contact No.
Full Address			

and/or* failing him/her*

Proxy 2

Full name (Block Letters)	NRIC / Passport No.*	Email Address	Contact No.
Full Address			

or failing him/her*, the Chairman of the Meeting as my/our* proxy, to vote for me/us* on my/our* behalf at the Twenty-Third Annual General Meeting ("23rd AGM") of the Company to be held on a fully virtual basis through live streaming and online remote voting via the online meeting platform at https://web.vote2u.my (Domain Registration No with MYNIC: D6A471702) on Monday, 24 June 2024 at 10.30 a.m. or any adjournment thereof.

** delete as appropriate*

(Please indicate with an "X" in the boxes provided how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion.)

		Proxy 1		Proxy 2	
	Ordinary Resolutions	**For**	**Against**	**For**	**Against**
1.	To approve the payment of Directors' fees for the financial year ending 31 December 2024.				
2.	To approve the payment of Directors' benefits (excluding Directors' fees) for the financial year ending 31 December 2024.				
3.	To re-elect Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin pursuant to Clause 95 of the Constitution.				
4.	To re-elect Ms Looi Sze Shing pursuant to Clause 95 of the Constitution.				
5.	To re-appoint Moore Stephens Associates PLT as Auditors and to authorise Directors to fix their remuneration.				
6.	Authority to Issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.				
7.	Proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature.				
8.	Proposed Renewal of Share Buy-Back Authority.				

Dated this ....day of ...., 2024.

....
Signature(s) / Common Seal of Member

Notes:

1. Only members whose names appear on the Record of Depositors on 14 June 2024 ("General Meeting Record of Depositors") shall be entitled to attend, speak and vote at the 23rd AGM.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
3. A member shall be entitled to appoint not more than two proxies to attend and vote at the 23rd AGM. Where a member appoints more than one proxy, the appointment shall be invalid unless the member specifies the proportions of his/her holdings to be represented by each proxy.
4. Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds. An exempt authorized nominee refers to an authorized nominee defined under Securities Industry (Central Depositories) Act, 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorized in writing or, if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorized in writing.
6. Pursuant to Paragraph 8.29A of the Listing Requirements of Bursa Securities, all resolutions at the 23rd AGM shall be put by way of poll.
7. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, must be deposited at the business address of the Company at Level 4, No. 131, Persiaran PM 2/1, Pusat Bandar Seri Manjung Seksyen 2, 32040 Seri Manjung, Perak Darul Ridzuan not less than 48 hours before the time of holding the 23rd AGM or any adjournment thereof. Alternatively, the Proxy Form may also be lodged electronically via the Vote2U Online at https://web.vote2u.my. Kindly refer to the Administrative Guide for the 23rd AGM for further information on the electronic lodgement of proxy form.

PERSONAL DATA PRIVACY

By submitting a Form of Proxy or an instrument appointing a representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of 23rd AGM dated 30 April 2024.

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Stamp

THE COMPANY SECRETARY
LAGENDA PROPERTIES BERHAD
Level 4, No.131, Persiaran PM 2/1
Pusat Bandar Seri Manjung Seksyen 2
32040 Seri Manjung
Perak Darul Ridzuan

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