DIRECTORS' REPORT

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 2024.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and engaged in 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	184,009	68,761
Attributable to:		
Owners of the Company	184,008	
Non-controlling interest	1	
	184,009	

DIVIDENDS

As disclosed in the last year's report, 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, which was paid on 30 April 2024.

On 19 August 2024, the Board of Directors has declared a first interim single tier dividend of 3.0 sen per ordinary share for the financial year ended 31 December 2024, amounting to RM25,119,815, which was paid on 25 October 2024.

On 25 February 2025, 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 2024, amounting to RM29,306,451. The entitlement date has been fixed on 22 April 2025, which is payable on 20 May 2025 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 2025.

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 2024, 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.

The salient features and other terms of the RCPS are disclosed in Note 22 to the financial statements.

DIRECTORS' REPORT

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 23(i) to the financial statements.

Date of offer	Exercise price RM	At the beginning of the financial year Unit'000	Granted Unit'000	Forfeiture Unit'000	At the end of the financial year Unit'000
25 October 2021	1.44	50,700	-	(5,200)	45,500
03 February 2022	1.17	8,400	-	(750)	7,650
		59,100	-	(5,950)	53,150

Details of ESOS granted to Directors and employees of the Group are disclosed in Note 23(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 (Retired)	
Myrzela Binti Sabtu	
Tengku Faradiza Binti Tengku Baharuddin	Appointed on 02 December 2024
Chua Seng Hooi	Appointed on 31 December 2024
Koong Wai Seng	Appointed on 31 December 2024
Datin Loa Bee Ha	Appointed on 02 April 2025
Dato' Mohamed Sharil Bin Mohamed Tarmizi	Resigned on 18 February 2025

* *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	
Lau Kok Lian	
Alfiyan Bin Mohd Yunus	
Jasrinderjit Singh Dhillon A/L Gurmel Singh	
Cheah Lye Aik	
Mohd Sobri Bin Hussein	
Raja Shahreen Bin Raja Othman	
Zawawi Bin Wahab	
Yap Siew Wai	
Tuan Mahadi Bin Tuan Abdul Malek	Appointed on 10 January 2025
Surulhuda Binti Md Tasir	Resigned on 10 January 2025

DIRECTORS' REPORT

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 01.01.2024 Unit	Bought Unit	Sold Unit	At 31.12.2024 Unit
Name of Directors				
The Company				
Direct interest:				
- Dato' Doh Jee Ming	**2,300,800**	**8,200,000**	**-**	**10,500,800**
- Dr. Lim Pang Kiam	**-**	**500,000**	**-**	**500,000**
- Dato' Mohamed Sharil Bin Mohamed Tarmizi	**-**	**100,000**	**-**	**100,000**
Indirect interest:				
- Dato' Doh Jee Ming *	**572,754,636**	**17,907,000**	**(103,200,000)**	**487,461,636**

	<-------------------------------- Number of RCPS ------------------------------->			
	At 01.01.2024 Unit	Bought Unit	Conversion Unit	At 31.12.2024 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 01.01.2024 Unit	Vested Unit	Forfeiture Unit	At 31.12.2024 Unit
Name of Directors				
The Company				
Direct interest:				
- Dato' Doh Jee Ming	**7,200,000**	**2,400,000**	**-**	**9,600,000**

* *Indirect interest pursuant to Section 8(4) of the Companies Act 2016 via Doh Properties Sdn Bhd, 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.*

DIRECTORS' REPORT

DIRECTORS' INTERESTS (CONT'D)

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 monetary 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
Directors' fee	435	168
Salaries and other emoluments	988	1,907
Contributions to defined contribution plan	480	594
Share-based payment	76	-
Others	1	7
Benefits-in-kind	25	21
Total fees and other benefits	2,005	2,697

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 there were no known bad debts to be 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.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (CONT'D)

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

(i) which would necessitate the writing off of bad debts or 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.

(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) The total amount of indemnity given to or insurance effected for the Directors and officers of the Group is RM50,935,000 with insurance premium of RM406,000. No indemnity was given to or insurance effected for auditors 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.

DIRECTORS' REPORT

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 16 April 2025.

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 114 to 203 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 2024 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 16 April 2025.

DATO' DOH JEE MING

DR. LIM PANG KIAM

STATUTORY DECLARATION

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

I, LOH LAI PHUI (MIA No.: 17421), being the Officer primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the financial statements as set out on pages 114 to 203 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 16 April 2025

LOH LAI PHUI

Before me,

INDEPENDENT AUDITORS' REPORT

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 2024 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 114 to 203.

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 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

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 RM809,641,000 and RM483,920,000 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 financial 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.

INDEPENDENT AUDITORS' REPORT

Key Audit Matters (Cont'd)

Property development revenue and cost recognition (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") on a sampling basis;
- Tested the operating effectiveness of the key controls in respect of the review and approval of property development 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 on a sampling basis;
- Performed site-visits for individually significant on-going property development 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;
- Verified the basis of accrued property development costs incurred by the Group to the relevant supporting documents;
- Checked the reasonableness of the estimated total property development costs of major projects, allocation of land costs, common costs and subsequent changes to the costs by checking to supporting documentation such as approved budgets, letter of awards, contracts, quotation, correspondences, and variation orders with contractors;
- Verified gross development value and assessed the terms and conditions of the sales contracts to determine that revenue recognised conforms with the Group policies and the requirements of MFRS 15 *Revenue from Contracts with Customers*;
- 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.

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 the Annual Report, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

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 judgement and maintain professional scepticism throughout the audit. We also:

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

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entitles or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

INDEPENDENT AUDITORS' REPORT

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

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 subsidiary of which we have not acted as auditors, is 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: 16 April 2025

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	3	**988,767**	834,874	**62,750**	82,800
Cost of sales	4	**(643,450)**	(532,572)	**-**	-
Gross profit		**345,317**	302,302	**62,750**	82,800
Other income		**30,207**	18,978	**27,760**	11,856
Administrative expenses		**(67,365)**	(57,820)	**(16,730)**	(14,581)
Selling and marketing expenses		**(33,314)**	(31,174)	**-**	-
Other expenses		**(1,062)**	(3,769)	**(44)**	-
Profit from operations		**273,783**	228,517	**73,736**	80,075
Finance costs	5	**(24,386)**	(18,299)	**(3,873)**	(2,472)
Share of results of joint ventures, net of tax	12	**(1,013)**	2,338	**-**	-
Profit before tax	5	**248,384**	212,556	**69,863**	77,603
Income tax expense	6	**(64,375)**	(64,444)	**(1,102)**	(793)
Profit net of tax, representing total comprehensive income for the financial year		**184,009**	148,112	**68,761**	76,810
Total comprehensive income attributable to:					
Owners of the Company		**184,008**	148,325	**68,761**	76,810
Non-controlling interests	11(b)	**1**	(213)	**-**	-
		184,009	148,112	**68,761**	76,810
Earnings per ordinary share attributable to Owners of the Company (RM):					
- Basic	7	**0.22**	0.18		
- Diluted	7	**0.16**	0.13		

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

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	Restated 2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	8	**50,680**	41,934	**3,372**	4,189
Investment properties	9	**108,664**	73,321	**-**	-
Goodwill	10	**25,576**	25,576	**-**	-
Investments in subsidiaries	11	**-**	-	**838,914**	832,173
Investments in joint ventures	12	**1,870**	2,883	**500**	500
Other investment	14	**31,029**	13,500	**31,029**	13,500
Inventories	15	**605,072**	529,985	**-**	-
Deferred tax assets	16	**1,798**	-	**-**	-
		824,689	687,199	**873,815**	850,362
Current assets					
Inventories	15	**811,637**	700,881	**-**	-
Trade receivables	17	**203,993**	184,265	**-**	-
Other receivables	18	**78,821**	50,525	**23,698**	31,278
Contract assets	19	**195,102**	178,562	**-**	-
Tax recoverable		**15,996**	-	**154**	630
Cash and cash equivalents	20	**316,558**	321,466	**1,248**	12,794
		1,622,107	1,435,699	**25,100**	44,702
TOTAL ASSETS		**2,446,796**	2,122,898	**898,915**	895,064
EQUITY AND LIABILITIES					
Equity					
Ordinary shares	21	**333,171**	333,171	**636,006**	636,006
Redeemable convertible preference shares ("RCPS")	22	**-**	-	**164,519**	164,519
Other reserves	23	**(26,382)**	(16,829)	**13,368**	12,887
Retained earnings		**914,811**	785,507	**42,145**	27,810
Equity attributable to Owners of the Company		**1,221,600**	1,101,849	**856,038**	841,222
Non-controlling interests	11(b)	**75**	(204)	**-**	-
Total Equity		**1,221,675**	1,101,645	**856,038**	841,222

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	Restated 2023 RM'000	2024 RM'000	2023 RM'000
Liabilities					
Non-current liabilities					
Redeemable convertible preference shares ("RCPS")	22	**-**	-	**30,950**	38,330
Borrowings	24	**76,376**	111,978	**-**	-
Lease liabilities	25	**8,478**	4,466	**346**	691
Deferred tax liabilities	16	**-**	1,632	**72**	70
Trade payables	26	**35,646**	7,504	**-**	-
		120,500	125,580	**31,368**	39,091
Current liabilities					
Trade payables	26	**184,259**	559,488	**-**	-
Other payables	27	**164,178**	132,754	**11,321**	14,488
Contract liabilities	19	**6,850**	4,304	**-**	-
Borrowings	24	**738,921**	190,388	**-**	-
Lease liabilities	25	**2,353**	2,794	**188**	263
Tax payable		**8,060**	5,945	**-**	-
		1,104,621	895,673	**11,509**	14,751
Total Liabilities		**1,225,121**	1,021,253	**42,877**	53,842
TOTAL EQUITY AND LIABILITIES		**2,446,796**	2,122,898	**898,915**	895,064

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	<-------------- Attributable to Owners of the Company -------------->					
		<------ Non-distributable ------->					
		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							
2024							
At 1 January 2024		**333,171**	**(16,829)**	**785,507**	**1,101,849**	**(204)**	**1,101,645**
Profit net of tax, representing total comprehensive income for the financial year		-	-	**184,008**	**184,008**	**1**	**184,009**
Transactions with Owners of the Company:							
Share options granted	23(i)	-	**481**	-	**481**	-	**481**
RCPS dividend paid/payable during the year	22, 23(ii)	-	**(9,459)**	-	**(9,459)**	-	**(9,459)**
Dividend paid to shareholders	28	-	-	**(54,426)**	**(54,426)**	-	**(54,426)**
Additional investment in a subsidiary from non-controlling interests		-	-	**(278)**	**(278)**	**278**	-
Foreign currency translation reserve		-	**(575)**	-	**(575)**	-	**(575)**
Total transactions with Owners of the Company		-	**(9,553)**	**(54,704)**	**(64,257)**	**278**	**(63,979)**
At 31 December 2024		**333,171**	**(26,382)**	**914,811**	**1,221,600**	**75**	**1,221,675**

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		<---- 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)							
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	23(i)	-	1,242	-	1,242	-	1,242
RCPS dividend paid/payable during the year	22, 23(ii)	-	(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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		<------------- Attributable to Owners of the Company ------------->				
		<------------ Non-distributable ------------>				
	Note	Ordinary shares RM'000	RCPS (Note 22) RM'000	Other Reserves (Note 23) RM'000	Distributable Retained Earnings RM'000	Total Equity RM'000
Company						
2024						
At 1 January 2024		**636,006**	**164,519**	**12,887**	**27,810**	**841,222**
Profit net of tax, representing total comprehensive income for the financial year		-	-	-	**68,761**	**68,761**
Transactions with Owners of the Company:						
Share options granted	23(i)	-	-	**481**	-	**481**
Dividend paid to shareholders	28	-	-	-	**(54,426)**	**(54,426)**
Total transactions with Owners of the Company		-	-	**481**	**(54,426)**	**(53,945)**
At 31 December 2024		**636,006**	**164,519**	**13,368**	**42,145**	**856,038**

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	<---------------- Attributable to Owners of the Company ---------------->				
		<-------------------- Non-distributable -------------------->				
					Distributable	
		Ordinary shares RM'000	RCPS (Note 22) RM'000	Other Reserves (Note 23) RM'000	Retained Earnings RM'000	Total Equity RM'000
Company (Cont'd)						
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	23(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

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	Restated 2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from operating activities					
Profit before tax:		**248,384**	212,556	**69,863**	77,603
Adjustments for:					
Depreciation of property, plant and equipment		**7,328**	4,988	**639**	602
Dividend income		**(750)**	-	**(62,750)**	(82,800)
Fair value adjustment of:					
- investment properties		**(538)**	-	**-**	-
- derivative contract		**-**	(3,482)	**-**	-
- other investment		**(15,888)**	-	**(15,888)**	-
Gain on disposal of property, plant and equipment		**(160)**	(166)	**-**	-
Gain on termination of lease contract:					
- derecognition of right-of-use assets		**307**	8	**190**	-
- derecognition of lease liabilities		**(328)**	(9)	**(200)**	-
Interest expense		**24,386**	18,299	**3,873**	2,472
Interest income		**(6,021)**	(5,734)	**(1,694)**	(2,965)
Share of results of joint ventures, net of tax		**1,013**	(2,338)	**-**	-
Share-based payment expenses		**481**	1,242	**122**	372
Unrealised loss on foreign exchange		**-**	3,672	**-**	-
Lease incentive		**(28)**	(60)	**-**	-
Written off on:					
- property, plant and equipment		**218**	92	**-**	-
- trade receivables		**-**	4	**-**	-
Operating profit/(loss) before changes in working capital		**258,404**	229,072	**(5,845)**	(4,716)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group 2024 RM'000	Group Restated 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Cash flows from operating activities (Cont'd)					
Balance brought forward		**258,404**	229,072	**(5,845)**	(4,716)
Changes in working capital:					
Inventories		**(222,184)**	(564,107)	**-**	-
Receivables		**(47,996)**	81,545	**37,122**	(2,613)
Payables		**(306,478)**	320,563	**(1,853)**	(1,033)
Contract assets/liabilities		**(13,994)**	100,488	**-**	-
Cash (used in)/ generated from operations		**(332,248)**	167,561	**29,424**	(8,362)
Interest paid		**(21,940)**	(17,702)	**(1,728)**	(39)
Interest received		**5,290**	5,734	**1,679**	2,921
Income tax paid		**(81,697)**	(62,318)	**(624)**	(885)
Income tax refund		**11**	60	**-**	60
Net cash (used in)/from operating activities		**(430,584)**	93,335	**28,751**	(6,305)
Cash flows from investing activities					
Advances to subsidiaries		**-**	-	**(29,593)**	(24,762)
Advances to a joint venture		**-**	(956)	**-**	(990)
Dividend income received		**750**	-	**62,750**	82,800
Payment for other investment	14	**(13,116)**	(2,025)	**(13,116)**	(2,025)
Purchase of property, plant and equipment	8(ii)	**(8,444)**	(17,541)	**(12)**	(424)
Purchase of investment properties	9	**(360)**	(49,669)	**-**	-
Balance carried forward		**(21,170)**	(70,191)	**20,029**	54,599

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	Restated 2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from investing activities (Cont'd)					
Balance brought forward		**(21,170)**	(70,191)	**20,029**	54,599
Proceeds from disposal of property, plant and equipment		**793**	370	**-**	-
Net cash (used in)/from investing activities		**(20,377)**	(69,821)	**20,029**	54,599
Cash flows from financing activities					
Dividend paid to:					
- RCPS holder		**(7,880)**	(7,864)	**(7,880)**	(7,864)
- shareholders	28	**(54,426)**	(54,426)	**(54,426)**	(54,426)
(Repayment to)/ advances from Directors' related companies	(iii)	**(91)**	2,089	**-**	-
Upliftment/(Increase) in fixed deposits pledged		**4,017**	(44,008)	**-**	-
Drawdown/(Repayment) of borrowings	(iii)	**511,416**	(80,752)	**-**	-
Repayment of principal portion of lease liabilities	(ii)(iii)	**(2,966)**	(2,891)	**(220)**	(199)
Advances from subsidiaries	(iii)	**-**	-	**2,200**	-
Net cash from/(used in) financing activities		**450,070**	(187,852)	**(60,326)**	(62,489)
Net movement in cash and cash equivalents		**(891)**	(164,338)	**(11,546)**	(14,195)
Cash and cash equivalents at beginning of the financial year		**245,308**	409,646	**12,794**	26,989
Cash and cash equivalents at end of the financial year	(i)	**244,417**	245,308	**1,248**	12,794

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Note:

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

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Cash and bank balances	20	**244,244**	209,481	**1,207**	12,770
Short term investments	20	**173**	35,447	**41**	24
Fixed deposits with licensed banks	20	**72,141**	76,538	**-**	-
Cash and cash equivalents in the statements of financial position		**316,558**	321,466	**1,248**	12,794
Less:					
- Fixed deposits pledged	20(ii)	**(72,141)**	(76,158)	**-**	-
Cash and cash equivalents in the statements of cash flows		**244,417**	245,308	**1,248**	12,794

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

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Included in net cash (used in)/from operating activities					
Payment relating to short term lease rental		**(1,859)**	(1,759)	**(2,533)**	(1,537)
Interest paid in relation to lease liabilities		**(733)**	(438)	**(35)**	(39)
Included in net cash from/(used in) financing activities					
Payment for the principal portion of lease liabilities		**(2,966)**	(2,891)	**(220)**	(199)
Total cash outflows for leases		**(5,558)**	(5,088)	**(2,788)**	(1,775)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Note: (Cont'd)

(iii) Reconciliation of movement of liabilities to cash flows arising from financing activities are as follows:

	Note	Lease liabilities RM'000	Borrowings RM'000	Amounts due to Directors' related companies RM'000
Group				
2024				
At beginning of the financial year		**7,260**	**302,366**	**2,569**
Payment for the principal portion of lease liabilities		**(2,966)**	**-**	**-**
Drawdown		**-**	**894,098**	**-**
Repayment to		**-**	**(382,682)**	**(91)**
Net changes in cash flow from financing activities		**(2,966)**	**511,416**	**(91)**
Addition of new lease	8(ii)	**6,893**	**-**	**-**
Lease incentive		**(28)**	**-**	**-**
Termination of lease contract		**(328)**	**-**	**-**
Interest payable		**-**	**1,515**	**-**
Net changes in cash flow from operating activities		**-**	**-**	**5,976**
At end of the financial year		**10,831**	**815,297**	**8,454**
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 to		-	(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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Note: (Cont'd)

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

	Note	Lease liabilities RM'000	Amounts due to Directors' related companies RM'000	Amounts due to subsidiaries RM'000
Company				
2024				
At beginning of the financial year		**954**	**273**	
Payment for the principal portion of lease liabilities		**(220)**	**-**	**-**
Advances from		**-**	**-**	**32,200**
Repayment to		**-**	**-**	**(30,000)**
Net changes in cash flow from financing activities		**(220)**	**-**	**2,200**
Net changes in cash flow from operating activities		**-**	**(174)**	**4,919**
Termination of lease contract		**(200)**	**-**	**-**
At end of the financial year		**534**	**99**	**7,119**

	Note	Lease liabilities RM'000	Amounts due to Directors' related companies RM'000
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

NOTES TO THE 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 was located at Unit 7-01, Level 7, Menara Lagenda, No. 3 Jalan SS20/27, 47400 Petaling Jaya, Selangor. On 01 February 2025, the registered office was changed to Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Kuala Lumpur, Malaysia.

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 Level 11 & Level 12, Menara Lagenda, No. 3, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan.

The Company is an investment holding company and engaged in 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 16 April 2025.

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 ("IFRSs") 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:

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

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

(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.

NOTES TO THE FINANCIAL STATEMENTS

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 (Cont'd)

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121	Lack of Exchangeability

Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards – Volume 11

Effective for financial periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability Disclosures

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 other than as follows:

MFRS 18, Presentation and Disclosure in Financial Statements

MFRS 18 will replace MFRS 101, Presentation of Financial Statements and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided for grouping of information in the financial statements.

In addition, all the entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group and the Company are currently assessing the impact of adopting MFRS 18.

(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 material accounting policy notes.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

(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.

(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. The key assumptions to future cash flows is disclosed in Note 10.

(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.

NOTES TO THE FINANCIAL STATEMENTS

3. REVENUE

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers					
Property development	(i)	**809,641**	688,721	**-**	-
Sales of completed properties		**18,134**	21,132	**-**	-
Construction contract	(ii)	**35,097**	11,135	**-**	-
Trading of building materials	(iii)	**122,328**	112,363	**-**	-
Sales of land		**318**	1,390	**-**	-
Clubhouse revenue		**291**	13	**-**	-
		985,809	834,754	**-**	-
Dividend income		**750**	-	**62,750**	82,800
Leasing income		**2,208**	120	**-**	-
		988,767	834,874	**62,750**	82,800
Timing of revenue recognition:					
Point in time		**141,071**	134,898	**-**	-
Over time		**844,738**	699,856	**-**	-
		985,809	834,754	**-**	-

Unsatisfied long-term contracts

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

(i) Property development revenue

	Group	
	2024 RM'000	2023 RM'000
Total contracted revenue, net	**2,683,977**	2,289,286
Less: Property development revenue recognised, net	**(1,162,682)**	(1,087,564)
Recognised and completed during the financial year	**(734,523)**	(584,503)
Aggregate amount of the transaction price allocated to property development revenue that are partially or fully unsatisfied as at 31 December	**786,772**	617,219

NOTES TO THE FINANCIAL STATEMENTS

3. REVENUE (CONT'D)

(ii) Construction contract revenue

	Group	
	2024 RM'000	Restated 2023 RM'000
Total contracted revenue	**43,000**	442,849
Less: Construction revenue recognised, net	**(36,149)**	(1,052)
Completed during the financial year	**-**	(431,886)
Aggregate amount of the transaction price allocated to construction revenue that are partially or fully unsatisfied as at 31 December	**6,851**	9,911

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

(i) Property development revenue

	Group	
	2024 RM'000	2023 RM'000
Within 1 year	**506,604**	406,828
Between 1 and 3 years	**280,168**	210,391
	786,772	617,219

(ii) Construction contract revenue

	Group	
	2024 RM'000	Restated 2023 RM'000
Within 1 year	**6,851**	9,911

(iii) Trading of building materials

	Group	
	2024 RM'000	2023 RM'000
Within 1 year	**14,672**	8,760

NOTES TO THE FINANCIAL STATEMENTS

3. REVENUE (CONT'D)

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.

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.

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 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 sale and purchase agreement is signed.

NOTES TO THE FINANCIAL STATEMENTS

3. REVENUE (CONT'D)

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

Clubhouse revenue

Clubhouse revenue includes provision of ancillary services (i.e. provision of clubhouse facilities). Provision of ancillary services is recognised at point in time when the services are rendered. There is no credit term for the provision of ancillary services.

Material accounting policy information

Leasing income

Revenue from lease of investment properties is recognised on a straight-line basis 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 leasing income over the lease term on a straight-line basis.

Dividend income

Dividend income is recognised in profit or loss on the date that the Group's and 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	
	2024 RM'000	**2023 RM'000**
Property development costs	**483,920**	408,229
Cost from sales of completed properties	**10,938**	11,314
Construction costs	**34,830**	8,907
Trading of building material costs	**110,834**	103,627
Clubhouse expenses	**153**	146
Sales of land costs	**72**	305
Lease expenses	**2,703**	44
	643,450	532,572

NOTES TO THE FINANCIAL STATEMENTS

5. PROFIT BEFORE TAX

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

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Auditors' remuneration:					
- statutory audit		**471**	389	**80**	76
- other services		**55**	54	**9**	12
Depreciation of property, plant and equipment		**7,328**	4,988	**639**	602
Directors' remuneration	(i)	**4,656**	4,935	**1,980**	2,503
Employee benefits expense	(ii)	**36,216**	29,462	**9,010**	7,051
Finance costs:					
- accretion of interest on RCPS liability portion		**-**	-	**2,079**	2,433
- accretion of interest on deferred landowners' entitlement		**932**	270	**-**	-
- banker's acceptance		**1,287**	319	**-**	-
- bank guarantee		**273**	-	**-**	-
- lease liabilities		**733**	438	**35**	39
- term loan		**8,195**	10,732	**-**	-
- revolving credit		**12,966**	6,540	**-**	-
- advances from subsidiaries		**-**	-	**1,759**	-
Fair value adjustments on:					
- investment properties		**(538)**	-	**-**	-
- derivative contract		**-**	(3,482)	**-**	-
- other investment		**(15,888)**	-	**(15,888)**	-
Gain on disposal of property, plant and equipment		**(160)**	(166)	**-**	-
Gain on termination of lease contract:					
- derecognition of right-of-use assets		**307**	8	**190**	-
- derecognition of lease liabilities		**(328)**	(9)	**(200)**	-
Interest income from:					
- financial institution		**(4,949)**	(5,337)	**(37)**	(333)
- advances to subsidiaries		**-**	-	**(1,657)**	(2,632)
- buyers		**(341)**	(397)	**-**	-
- a third party		**(731)**	-	**-**	-
Late payment charges		**(90)**	(74)	**-**	-
Lease incentive		**(28)**	(60)	**-**	-
Management fee		**216**	-	**-**	-
Management fee income		-	-	**(8,491)**	(7,877)

NOTES TO THE FINANCIAL STATEMENTS

5. PROFIT BEFORE TAX (CONT'D)

Profit before tax is arrived after charging/(crediting): (Cont'd)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Rental income		**(2,822)**	(2,313)	**(1,668)**	(1,005)
Unrealised loss on foreign exchange		**-**	3,672	**-**	-
Short term lease for:					
- office space		**1,684**	1,610	**2,533**	1,537
- sales gallery		**9**	-	**-**	-
- equipment		**166**	149	**-**	-
Written off on:					
- property, plant and equipment		**218**	92	**-**	-
- trade receivables		-	4	**-**	-

(i) Directors' remuneration

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors' remuneration				
Directors' fee	**603**	524	**435**	390
Salaries and other emoluments	**2,895**	3,003	**988**	1,278
Contributions to defined contribution plan	**1,074**	1,153	**480**	630
Share-based payment	**76**	248	**76**	204
Others	**8**	7	**1**	1
Estimated monetary value of benefits- in-kind ("BIK")	**46**	47	**25**	25
Total including estimated monetary value of BIK	**4,702**	4,982	**2,005**	2,528

NOTES TO THE FINANCIAL STATEMENTS

5. PROFIT BEFORE TAX (CONT'D)

(ii) Employee benefits expense

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Staff costs				
Salaries and other emoluments	**31,284**	25,344	**7,888**	6,149
Contributions to defined contribution plan	**4,054**	2,805	**1,006**	679
Share-based payment	**405**	994	**46**	168
Others	**473**	319	**70**	55
	36,216	29,462	**9,010**	7,051
Estimated monetary value of benefits-in-kind ("BIK")	**58**	24	**-**	9
Total including estimated monetary value of BIK	**36,274**	29,486	**9,010**	7,060

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Real property gains tax:				
Current financial year	**10**	-	**-**	-
Income tax:				
Current financial year	**66,638**	61,856	**129**	697
Underprovision in prior financial year	**1,157**	2,077	**971**	97
	67,795	63,933	**1,100**	794
Deferred tax (Note 16):				
Origination of (deductible)/ taxable temporary differences	**(5,036)**	325	**2**	(1)
Underprovision in prior financial year	**1,606**	186	**-**	-
	(3,430)	511	**2**	(1)
Total income tax expense for the financial year	**64,375**	64,444	**1,102**	793

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the year.

NOTES TO THE FINANCIAL STATEMENTS

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	**248,384**	212,556	**69,863**	77,603
Tax at the Malaysian statutory income tax rate of 24% (2023: 24%)	**59,612**	51,014	**16,767**	18,625
Tax effect on share of results of joint ventures	**(243)**	561	**-**	-
Income not subject to tax	**(9,070)**	(2,632)	**(19,276)**	(20,126)
Effect of different tax rates in fair value adjustment on investment properties	**(75)**	-	**-**	-
Expenses not deductible for tax purpose	**11,050**	13,288	**2,640**	2,197
Deferred tax assets not recognised/(Utilisation of previously unrecognised deferred tax assets)	**328**	(50)	**-**	-
Real property gains tax	**10**	-	**-**	-
Underprovision in prior financial year				
- income tax	**1,157**	2,077	**971**	97
- deferred tax	**1,606**	186	**-**	-
Income tax expense for the financial year	**64,375**	64,444	**1,102**	793

The Group has the following estimated unutilised tax losses and unabsorbed capital allowances available for set-off against future taxable profits:

	Group	
	2024 RM'000	Restated 2023 RM'000
Unutilised tax losses	**2,334**	409
Unabsorbed capital allowances	**9,302**	6,345
	11,636	6,754

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 subsidiaries can only be carried forward for a maximum period of 10 consecutive YAs to be utilised against income from any business source.

NOTES TO THE FINANCIAL STATEMENTS

6. INCOME TAX EXPENSE (CONT'D)

The unutilised tax losses are available for offset against future taxable profit of the subsidiaries will expire in the following year:

	Group	
	2024 RM'000	**2023 RM'000**
Year of assessment		
2031	**-**	5
2032	**-**	58
2033	**-**	346
2034	**2,334**	-
	2,334	409

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	
	2024	**2023**
Profit after tax attributable to Owners of the Company (RM'000)	**184,008**	148,325
Weighted average number of ordinary shares:		
Number of ordinary shares in issue at beginning of the financial year ('000)	**837,327**	837,327
Basic earnings per share (RM)	**0.22**	0.18

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.

NOTES TO THE FINANCIAL STATEMENTS

7. EARNINGS PER ORDINARY SHARE (CONT'D)

Diluted earnings per ordinary share (Cont'd)

	Group	
	2024	**2023**
Profit after tax attributable to Owners of the Company (RM'000) [Note (i)]	**184,008**	148,325
Weighted average number of ordinary shares:		
Issued ordinary shares at end of the financial year ('000)	**837,327**	837,327
Effect of dilutive potential ordinary shares ("RCPS") ('000)	**296,192**	296,192
Effect of dilutive potential ordinary shares ("ESOS 2") ('000)	**2,059**	1,583
	1,135,578	1,135,102
Diluted earnings per share (RM)	**0.16**	0.13

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 22.

(ii) The Group has no dilution in its earnings per ordinary shares on ESOS 1 granted on 25 October 2021 as the exercise price has exceeded the average market price of ordinary shares during the financial year and therefore, the employee share options do not have any dilutive effect on the weighted average number of ordinary shares.

8. PROPERTY, PLANT AND EQUIPMENT

	Freehold properties RM'000	Warehouse RM'000	Machinery RM'000	Furniture and fittings RM'000	Office equipment and software RM'000	Motor vehicles RM'000	Office renovation RM'000	Leased properties RM'000	Capital work-in-progress RM'000	Total RM'000
Group										
2024										
Cost										
At 1 January	22,731	8	5,503	1,051	784	15,649	6,764	3,394	-	55,884
Additions [Note (ii)]	4,374	-	17	1,935	595	643	333	6,301	1,139	15,337
Transfer from inventories [Note 15]	1,895	-	-	-	-	-	-	-	-	1,895
Termination of lease contract	-	-	-	-	-	-	-	(881)	-	(881)
Disposal	-	-	-	(37)	-	(378)	(840)	-	-	(1,255)
Written off	-	-	-	-	-	-	(334)	-	-	(334)
At 31 December	29,000	8	5,520	2,949	1,379	15,914	5,923	8,814	1,139	70,646
Accumulated depreciation										
At 1 January	484	3	414	179	260	9,010	1,760	1,840	-	13,950
Charge for the financial year	412	-	2,275	227	104	2,328	746	1,236	-	7,328
Termination of lease contract	-	-	-	-	-	-	-	(574)	-	(574)
Disposal	-	-	-	(5)	-	(334)	(283)	-	-	(622)
Written off	-	-	-	-	-	-	(116)	-	-	(116)
At 31 December	896	3	2,689	401	364	11,004	2,107	2,502	-	19,966
Net carrying amount										
At 31 December	28,104	5	2,831	2,548	1,015	4,910	3,816	6,312	1,139	50,680

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)									
2023									
Cost									
At 1 January	2,976	8	491	657	580	13,380	5,994	2,647	26,733
Additions [Note (ii)]	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)
Disposal	(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

NOTES TO THE FINANCIAL STATEMENTS

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				
2024				
Cost				
At 1 January	**353**	**1,171**	**3,620**	**5,144**
Additions	**-**	**3**	**9**	**12**
Termination of lease contract	**(353)**	**-**	**-**	**(353)**
At 31 December	**-**	**1,174**	**3,629**	**4,803**
Accumulated depreciation				
At 1 January	**121**	**363**	**471**	**955**
Charge for the financial year	**42**	**235**	**362**	**639**
Termination of lease contract	**(163)**	**-**	**-**	**(163)**
At 31 December	**-**	**598**	**833**	**1,431**
Net carrying amount				
At 31 December	**-**	**576**	**2,796**	**3,372**
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

(i) Assets pledged as security

In addition to assets held under finance lease arrangements, the freehold properties of the Group with a total carrying amount of RM24,481,000 (2023: RM9,886,000) have been pledged to licensed bank as securities for credit facilities granted to the Group as disclosed in Note 24.

NOTES TO THE FINANCIAL STATEMENTS

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

(ii) Acquisition of property, plant and equipment are satisfied as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash purchase of property, plant and equipment	**8,444**	17,541	**12**	424
Financed by lease arrangement	**6,893**	3,327	**-**	580
Total acquisition of property, plant and equipment	**15,337**	20,868	**12**	1,004

(iii) Assets classified as right-of-use assets

	Motor vehicles RM'000	Leased properties RM'000	Total RM'000
Group			
2024			
Cost			
At 1 January	**13,533**	**3,394**	**16,927**
Additions	**618**	**6,301**	**6,919**
Termination of lease contract	**-**	**(881)**	**(881)**
Expiry of lease contract	**(3,253)**	**-**	**(3,253)**
Disposal	**(258)**	**-**	**(258)**
At 31 December	**10,640**	**8,814**	**19,454**
Accumulated depreciation			
At 1 January	**7,677**	**1,840**	**9,517**
Charge for the financial year	**2,049**	**1,236**	**3,285**
Termination of lease contract	**-**	**(574)**	**(574)**
Expiry of lease contract	**(3,253)**	**-**	**(3,253)**
Disposal	**(258)**	**-**	**(258)**
At 31 December	**6,215**	**2,502**	**8,717**
Net carrying amount			
At 31 December	**4,425**	**6,312**	**10,737**

NOTES TO THE FINANCIAL STATEMENTS

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

(iii) Assets classified as right-of-use assets (Cont'd)

	Motor vehicles RM'000	Leased properties RM'000	Total RM'000
Group (Cont'd)			
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)
Disposal	(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)
Disposal	(152)	-	(152)
At 31 December	7,677	1,840	9,517
Net carrying amount			
At 31 December	5,856	1,554	7,410

NOTES TO THE FINANCIAL STATEMENTS

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

(iii) Assets classified as right-of-use assets (Cont'd)

	Motor vehicles RM'000	Leased properties RM'000	Total RM'000
Company			
2024			
Cost			
At 1 January	**1,076**	**353**	**1,429**
Termination of lease contract	**-**	**(353)**	**(353)**
At 31 December	**1,076**	**-**	**1,076**
Accumulated depreciation			
At 1 January	**294**	**121**	**415**
Charge for the financial year	**215**	**42**	**257**
Termination of lease contract	**-**	**(163)**	**(163)**
At 31 December	**509**	**-**	**509**
Net carrying amount			
At 31 December	**567**	**-**	**567**
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

NOTES TO THE FINANCIAL STATEMENTS

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

(iii) Assets classified as right-of-use assets (Cont'd)

The expenses charged to profit or loss during the financial year are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Depreciation of right-of-use assets	**3,285**	3,231	**257**	220
Interest expense of lease liabilities	**733**	438	**35**	39
Short-term leases	**1,859**	1,759	**2,533**	1,537
	5,877	5,428	**2,825**	1,796

(iv) Property ownership

In the prior financial year, the title of the freehold properties of RM10,738,000 was in the process of being registered in the name of a subsidiary of the Company. On 19 March 2024, it has been successfully registered in the name of its subsidiary.

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	2 – 5 years
Furniture and fittings	5 – 10 years
Motor vehicles	5 years
Office equipment and software	5 – 10 years
Office renovation	5 – 10 years
Leased properties	Over the lease terms

Capital work-in-progress are stated at cost and not depreciated until such time when the asset is available for use.

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.

NOTES TO THE FINANCIAL STATEMENTS

9. INVESTMENT PROPERTIES

	<------------------ At fair value ------------------>			<--At cost -->	
	Freehold lands RM'000	Freehold properties RM'000	Leasehold land RM'000	Capital work in progress RM'000	Total RM'000
Group					
Fair value/cost					
2024					
At 1 January	**7,892**	**59,126**	**6,289**	**14**	**73,321**
Additions	**-**	**23**	**-**	**337**	**360**
Transfer from inventories [Note 15]	**34,445**	**-**	**-**	**-**	**34,445**
Reclassification	**-**	**-**	**(18)**	**18**	**-**
Fair value adjustments	**1,000**	**(462)**	**-**	**-**	**538**
At 31 December	**43,337**	**58,687**	**6,271**	**369**	**108,664**
Fair value/cost					
2023					
At 1 January	7,892	15,760	-	-	23,652
Additions	-	43,366	6,289	14	49,669
At 31 December	7,892	59,126	6,289	14	73,321

(i) Remaining leasehold period

The leasehold land has a remaining unexpired lease period of 870 years (2023: 871 years).

(ii) Property ownership

In the prior financial year, the title of the freehold properties of RM43,366,000 was in the process of being registered in the name of a subsidiary of the Company. On 19 March 2024, it has been successfully registered in the name of its subsidiary.

(iii) Assets pledged as security

The investment properties with total net carrying amount of RM83,700,000 (2023: RM21,742,000) have been pledged to a licensed bank for the banking facilities granted to the Group as disclosed in Note 24.

(iv) The following are recognised in profit or loss in respect of investment properties:

	Group	
	2024 RM'000	2023 RM'000
Rental income	**4,338**	2,074
Direct expenses		
- Repair and maintenance	**(2,964)**	(27)
- Quit rent and assessment	**(326)**	(50)

9. INVESTMENT PROPERTIES (CONT'D)

(v) The operating lease payments to be received are as follows:

	Group	
	2024 RM'000	2023 RM'000
Less than one year	**2,970**	1,979
One to two years	**1,891**	1,620
Two to three years	**518**	641
Three to four years	**6**	-
Total undiscounted lease payments	**5,385**	4,240

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 properties being valued.

Fair values were determined using both the comparison method and the income approach. For fair value determined using comparison method, it is compared 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.

For fair value determined using income approach, it is based on the net annual income stream that is expected to be received from the property after deducting the annual outgoings and other operating expenses incidental to the property with allowance of void by using an appropriate market derived capitalisation rate.

The fair values of 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 comparison valuation approach are location, size, age and condition of tenure and title restriction, and income approach are allowance for void, term yield rates and discount rate.

The significant unobservable inputs for comparable method is price per square foot as follows:

	Group	
	2024 RM	2023 RM
Price per square foot		
Investment properties A	**581**	*
Investment properties B	**9 - 185**	20 - 27
Investment properties C	**150 - 266**	80 - 150

* In the prior financial year, the fair value of an investment property amounting to RM43,366,000 was determined approximate to its cost of investment properties due to recent completed transactions by the Group and is based on Directors' assumption and categorised as Level 3 of the fair value hierarchy as certain inputs for the properties are unobservable.

In the current financial year, the significant unobservable inputs for income approach are void rate of 5% and discount rate of 5.5%. In the prior financial year, no income approach was adopted for the measurement of fair value of the investment properties.

NOTES TO THE FINANCIAL STATEMENTS

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 whenever there is an indication that they may be impaired.

10. GOODWILL

	Group	
	2024 RM'000	2023 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 (2023: 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 2024/2023					
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.

NOTES TO THE FINANCIAL STATEMENTS

10. GOODWILL (CONT'D)

Impairment review on goodwill (Cont'd)

Property development segment (LPB Group) (Cont'd)

The key assumptions used in the preparation of the projected cash flows are as follows:

(i) Adjusted industry discount rates of 8.47% (2023: 7.83%);
(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.

The sensitivity analysis is presented as follows:

- An increase of 1 percentage point (2023: 1 percentage point) in the discount rate would have reduced the recoverable amount by approximately RM9.71 million (2023: RM4.18 million).

- An increase of 3 percentage point (2023: 3 percentage point) in the gross development costs would have reduced the recoverable amount by approximately RM12.25 million (2023: RM9.23 million).

Building construction segment (RUSB)

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) Adjusted industry discount rates of 8.97% (2023: 9.06%);
(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 (2023: 1 percentage point) in the discount rate would have reduced the recoverable amount by approximately RM3.11 million (2023: RM0.52 million).

- An increase of 3 percentage point (2023: 3 percentage point) in the gross development costs would have reduced the recoverable amount by approximately RM16.62 million (2023: RM5.93 million).

Trading of building materials and hardware segment (YWT)

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) Adjusted industry discount rates of 10.92% (2023: 9.48%);
(ii) There will be no material changes in the structure and principal activities of the subsidiary;
(iii) Projected revenue growth rate of 15% (2023: 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 its historical turnover period.

NOTES TO THE FINANCIAL STATEMENTS

10. GOODWILL (CONT'D)

Impairment review on goodwill (Cont'd)

Trading of building materials and hardware segment (YWT) (Cont'd)

The sensitivity analysis is presented as follows:

- A decrease of 10 percentage point (2023: 10 percentage point) in the revenue growth rate would have reduced the recoverable amount by approximately RM16.93 million (2023: RM18.53 million).

- An increase of 1 percentage point (2023: 1 percentage point) in the discount rate would have reduced the recoverable amount by approximately RM9.37 million (2023: RM11.68 million).

Trading of building materials and hardware segment (SBNH)

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) Adjusted industry discount rates of 10.23% (2023: 9.12%);
(ii) There will be no material changes in the structure and principal activities of the subsidiary;
(iii) Projected revenue growth rate of 12% (2023: 12%) 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 (2023: 10 percentage point) in the revenue and cost growth rate would have reduced the recoverable amount by approximately RM3.46 million (2023: RM3.22 million).

- A decrease of 1 percentage point (2023: 1 percentage point) in the budgeted gross margin would have reduced the recoverable amount by approximately RM5.07 million (2023: RM3.45 million).

- An increase of 1 percentage point (2023: 1 percentage point) in the discount rate would have reduced the recoverable amount by approximately RM1.77 million (2023: RM1.67 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.

Material accounting policy information

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.

NOTES TO THE FINANCIAL STATEMENTS

11. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Unquoted shares		
At cost		
At beginning of the financial year	**825,093**	773,093
Addition	**6,382**	52,000
At end of the financial year	**831,475**	825,093
Capital contribution to subsidiaries		
At beginning of the financial year	**7,080**	6,210
Addition	**359**	870
At end of the financial year	**7,439**	7,080
Net carrying amount		
At end of the financial year	**838,914**	832,173

(i) Included in the capital contribution to subsidiaries of RM7,439,000 (2023: RM7,080,000) 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	Principal Place of Business/Country of Incorporation	Principal Activities	Effective Equity Interest 2024	Effective Equity Interest 2023
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%**	100%
Lagenda Sentral Sdn. Bhd. ("LSSB") #	Malaysia	Intended to engage in property investment	**100%**	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%**	100%

NOTES TO THE FINANCIAL STATEMENTS

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Name of Subsidiaries	Principal Place of Business/Country of Incorporation	Principal Activities	Effective Equity Interest	
			2024	2023
Held through LINTSB				
Lagenda Perth Pty Ltd. ("LPPL") ^	Australia	Proprietary company	**100%**	100%
Held through YWT				
Sitiawan Bolts and Nuts Hardware Sdn. Bhd ("SBNH")	Malaysia	Trading of building materials and hardware	**100%**	100%
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	**99.9%**	70%
BDB Lagenda Sdn. Bhd. ("BDB")	Malaysia	Property development	**100%**	-

^ *The management accounts are reviewed by Moore Stephens Associates PLT for consolidation purposes.*

* *In the prior financial year, 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 at 31 December 2024, the securities has been discharged.*

On 27 March 2025, LSSB has changed its name to Lagenda Management Solutions Sdn. Bhd. The principal activities has changed to provide management consultancy services.

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Additions to investment in subsidiaries

2024

(i) Additional investments in subsidiaries

Additional subscription in LINTSB

On 21 November 2024, the Company had further subscribed 6,382,000 ordinary shares in LINTSB by way of capitalisation of debts of RM6,382,000 as disclosed in Note 18(iii). No change to the Company's effective equity interest of 100% in LINTSB.

Change in effective equity interest in LMSB

On 06 February 2024, LPBD, a wholly-owned subsidiary of the Company has subscribed for an additional 3,325,000 ordinary shares in LMSB for a total cash consideration of RM3,325,000.

On 22 April 2024, LMSB has converted its ordinary shares to Class A Ordinary Shares and Class B Non-Voting Ordinary Shares, which indicates the rights as follows:

(i) the shareholders of Class A and Class B Ordinary Shares are entitled to one vote per share;

(ii) the shareholders of Class A Ordinary Shares are collectively entitled to 99.9% of the total dividends declared by LMSB, and the shareholders of Class B Non-Voting Ordinary Shares are collectively entitled to 0.1% of the total dividends declared by LMSB; and

(iii) on a return of capital on the winding-up or liquidation of LMSB, the shareholders of the Class A Ordinary Shares shall have the right to 99.9% of the residue (if any) of any surplus assets of LMSB, the shareholders of the Class B Ordinary Shares shall have the right to 0.1% of the residue (if any) of any surplus assets of LMSB.

LPBD, being the shareholder of Class A Ordinary Shares, is entitled to 70% of ownership interests and 99.9% of voting interests. Consequently, the non-controlling interests of voting interests of LPBD in LMSB decreased from 30% to 0.1%.

Change in effective equity interest in BDB

In the prior financial years, LPBD has entered into a Joint Venture cum Shareholders' Agreement ("JVSHA") with BDB and a third party corporate shareholder cum landowner (collectively known as "the Parties") to jointly undertake and complete a housing township development project that consists of 3 phases development in total.

Pursuant to the JVSHA, the Parties have entered into a Development Rights Agreement – Phase 1 on 7 April 2021 and subsequently entered into a supplemental agreement on 27 December 2022, which granted the Power of Attorney to BDB for the development rights. Consequently, BDB entitled to all the development revenue and costs for Phase 1.

On 12 April 2023, the Parties have entered into a Development Rights Agreement – Phase 2 and subsequently entered into a second supplemental agreement on 31 July 2023, which granted the Power of Attorney to BDB for the development rights. Consequently, BDB entitled to all the development revenue and costs for Phase 2.

Hence, the Group has reclassified the investment in BDB from investment in joint operation (Note 13) in the prior financial year to investment in subsidiary in the current financial year.

On 31 December 2024, the Parties have entered into a Development Rights Agreement – Phase 3. Pursuant to the Development Rights Agreement – Phase 3, BDB shall undertake to pay the landowner's entitlement, in return with the full development rights granted by the landowners to BDB to develop Phase 3.

NOTES TO THE FINANCIAL STATEMENTS

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Additions to investment in subsidiaries (Cont'd)

<u>2024</u> (Cont'd)

(i) Additional investments in subsidiaries (Cont'd)

<u>Change in effective equity interest in BDB</u> (Cont'd)

On the same day, the Parties have entered into a third supplemental agreement, to grant an option for LPBD to purchase all the shares of BDB at a total consideration of RM1. As at the reporting date, the Group has not exercised the call option, hence, the ownership interest remains at 50%.

Upon the execution of the abovementioned Development Rights Agreement, the Group has obtained full rights and control over decision making of BDB and consequently, it has been accounted as a wholly-owned subsidiary of LPBD.

<u>2023</u>

(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 (equivalent to RM6).

(ii) Additional investment in 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 18(iii). No changes to the Company's effective equity interest of 100% in LHSB.

(b) Non-controlling interests in a subsidiary

The subsidiary of the Group that have non-controlling interests ("NCI") are as follows:

	LMSB
2024	
NCI percentage of ownership interest (%)	**30**
NCI percentage of voting interest (%)	**0.1**
Carrying amount of NCI (RM'000)	**75**
Profit allocated to NCI (RM'000)	**1**
2023	
NCI percentage of ownership and voting interest (%)	30
Carrying amount of NCI (RM'000)	(204)
Loss allocated to NCI (RM'000)	(213)

NOTES TO THE FINANCIAL STATEMENTS

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Non-controlling interests in a subsidiary (Cont'd)

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 2024	
Non-current assets	**304,066**
Current assets	**244,242**
Non-current liabilities	**(2,242)**
Current liabilities	**(540,569)**
Net assets	**5,497**
For the financial year ended 31 December 2024	
Profit for the financial year	**1,429**
Total comprehensive income	**1,429**
Cash flows (used in)/from	
Operating activities	**(334,594)**
Investing activities	**(7,741)**
Financing activities	**352,947**
At 31 December 2023	
Non-current assets	349,786
Current assets	146,835
Non-current liabilities	(1,667)
Current liabilities	(495,636)
Net assets	(682)
For the financial year 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

NOTES TO THE FINANCIAL STATEMENTS

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Material accounting policy information

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.

In some circumstances an entity has, in substance, an existing ownership interest as a result of a transaction that currently gives the entity access to the returns associated with an ownership interest. In such circumstances, the proportion allocated to the parent and non-controlling interests in preparing consolidated financial statements is determined by taking into account the eventual exercise of those potential voting rights and other derivatives that currently give the entity access to the returns.

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances. The Company controls an investee if and only if the Company has all the following:

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

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
(ii) Potential voting rights held by the Company, other vote holders or other parties;
(iii) Rights arising from other contractual arrangements; and
(iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interest and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. The resulting difference is recognised directly in equity and attributed to Owners of the Company.

When control ceases, the disposal proceeds and the fair value of any retained investment are compared to the Group's share of the net assets disposed. The difference together with the carrying amount of allocated goodwill and the exchange reserve that relate to the subsidiary is recognised as gain or loss on disposal.

NOTES TO THE FINANCIAL STATEMENTS

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Material accounting policy information (Cont'd)

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.

NOTES TO THE FINANCIAL STATEMENTS

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Material accounting policy information (Cont'd)

Direct acquisition accounting

Acquisition of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction cost incurred are expensed and included in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with MFRS 9 either in profit or loss or a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

12. INVESTMENTS IN JOINT VENTURES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at cost				
At beginning of the financial year	**2,883**	545	**500**	500
Share of post acquisition reserves	**(1,013)**	2,338	**-**	-
At end of the financial year	**1,870**	2,883	**500**	500

The details of the joint ventures, which are incorporated and principally engaged their business in Malaysia are as follows:

Name of Joint Ventures	Principal Activity	Effective Equity Interest 2024	Effective Equity Interest 2023
Lagenda Inta Sdn. Bhd. ("LISB") *	Building construction	**50%**	50%
Seed Homes Lagenda Sdn. Bhd. ("SHL") ^	Property development	**50%**	50%

* *Not audited by Moore Stephens Associates PLT*
^ *The management accounts are reviewed by Moore Stephens Associates PLT for equity accounting in the Group*

2023

On 31 December 2023, the Company entered into a shareholder's agreement with Seed Homes Sdn. Bhd., and incorporated a joint venture company, Seed Homes Lagenda Sdn. Bhd ("SHL"). The Company has subscribed for 1 ordinary share representing an equity interest of 50% in SHL for a total cash consideration of RM1.

12. INVESTMENTS IN JOINT VENTURES (CONT'D)

2023 (Cont'd)

SHL 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 SHL and has classified the investment in SHL as a joint venture. As at the reporting date, SHL still remained dormant and yet to commence any development.

The following table summarises the financial information of a material joint venture, as adjusted for any differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in a material joint venture, which is accounted for using the equity method.

	2024 RM'000	2023 RM'000
LISB		
Assets and Liabilities:		
Total assets	**21,861**	33,002
Total liabilities	**(15,777)**	(25,459)
Net assets	**6,084**	7,543
Results:		
Profit for the financial year/period	**1,985**	6,088
Total comprehensive income	**1,985**	6,088
Reconciliation:		
Group's share of net assets	**3,042**	3,772
Elimination of unrealised profits	**(284)**	(889)
Over share of results in prior year	**(888)**	-
Carrying amount in the statements of financial position	**1,870**	2,883
Group's share of results, net of tax	**(1,013)**	2,338

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 and principally engaged its business in Malaysia are as follows:

Name of Joint Ventures Operation Company	Principal Activity	Effective Equity Interest	
		2024	2023
Held through LPBD			
BDB Lagenda Sdn. Bhd. ("BDB")	Property development	-	50%

NOTES TO THE FINANCIAL STATEMENTS

13. INVESTMENTS IN A JOINT OPERATION (CONT'D)

2024

The investment in BDB was reclassified as investment in subsidiaries upon the execution of the Development Rights Agreement during the current financial year as disclosed in Note 11(a).

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	
	2024 RM'000	**2023 RM'000**
Investment in unquoted shares, at fair value through profit or loss		
At beginning of the financial year	**13,500**	-
Addition	**1,641**	13,500
Fair value adjustment	**15,888**	-
At end of the financial year	**31,029**	13,500

2024

The Group and the Company has further invested RM1,641,000 which represents the adjustment of purchase price in accordance with the actual audited profit after tax achieved as stipulated in the Shares Sale and Purchase Agreement entered on 1 December 2023. No change to the Group's and the Company's effective equity interest of 15% as at the reporting date.

2023

On 1 December 2023, the Group and the Company entered into a Shares Sale and Purchase Agreement with third parties to acquire 150,000 ordinary shares representing an equity interest of 15% for a total cash consideration of RM13,500,000 in Northern Solar Sdn. Bhd. 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).

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.

The fair value of the unquoted investment is determined by using valuation techniques based on the information applicable to Level 1 (2023: Level 3) fair value measurement. As at 31 December 2024, the fair value of other investment was transferred from Level 3 to Level 1 because quoted prices in the market for the other investment became available. The quoted price of the other investment was based on the Prospectus of the initial public offering of the investee company which was publicly available on 18 December 2024. Hence, the fair value of the other investment was derived based on the quoted market price as at 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

14. OTHER INVESTMENT (CONT'D)

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	2024 RM'000	2023 RM'000
Non-current asset			
At cost:			
Lands held for future property development		**583,667**	508,980
At net realisable value:			
Lands held for future property development		**21,405**	21,005
		605,072	529,985
Current assets			
At cost:			
Property development costs	(i)	**664,575**	634,069
Unsold completed units	(ii)	**74,221**	42,787
Building materials and hardware		**2,274**	1,269
Food and beverages		**1**	2
Land held for sale		**70,566**	22,754
		811,637	700,881
Recognised in profit or loss as cost of sales:			
Property development costs		**483,920**	408,229
Sale of completed units		**10,938**	11,314
Building materials and hardware		**110,834**	103,627
Food and beverages		**5**	7
Sales of land costs		**72**	305
		605,769	523,482

NOTES TO THE FINANCIAL STATEMENTS

15. INVENTORIES (CONT'D)

(i) Property development costs

	Group	
	2024 RM'000	**2023 RM'000**
Cumulative property development costs		
At beginning of the financial year		
Land costs	**455,636**	304,518
Development costs	**726,154**	638,952
	1,181,790	943,470
Cost incurred during the financial year		
Land costs	**100,610**	214,239
Development costs	**440,432**	455,271
Add:		
Transfer from lands held for future property development	**37,541**	-
Provision for affordable housing obligations	**20,540**	-
Less:		
Transfer to lands held for future development	**(17,554)**	(12,156)
Transfer to inventories (unsold completed units)	**(30,986)**	(21,320)
Transfer to inventories (land held for sale)	**-**	(22,754)
Transfer to investment properties	**(34,262)**	-
Transfer to property, plant and equipment	**(1,895)**	(9,023)
Adjustments to completed projects during the financial year	**(407,312)**	(365,937)
At end of the financial year	**1,288,904**	1,181,790
Cumulative costs recognised in statements of comprehensive income		
At beginning of the financial year	**(547,721)**	(505,429)
Recognised during the financial year	**(483,920)**	(408,229)
Less:		
Adjustments to completed projects during the financial year	**407,312**	365,937
At end of the financial year	**(624,329)**	(547,721)
Property development costs at end of financial year	**664,575**	634,069

(ii) Unsold completed units

In prior 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)

Included in inventories is an amount of RM16,973,000 (2023: RM4,212,000) arising from capitalisation of interest expenses.

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 RM524,156,000 (2023: RM133,395,000) have been pledged to licensed banks for the banking facilities granted to the subsidiaries as disclosed in Note 24.

Land costs with net carrying amount of RM17,381,000 (2023: RM21,545,000) represent entitlements of the landowners pursuant to Joint Development Agreement entered by the Group to undertake property development projects.

Land costs with the net carrying amount of RM128,417,000 (2023: RM46,516,000) represent entitlements of the landowners pursuant to Development Rights Agreements entered by the Group to undertake property development projects.

In the prior financial year, land costs with the net carrying amount of RM396,358,000 are in the process of being registered in the name of the Group. During the current financial year, the title of the lands have been 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 commenced 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.

Property development costs

Inventories are measured at the lower of cost and net realisable value. The inventories of the Group are made up of relevant cost of land and development expenditure. Land costs comprise cost incurred via acquisition or business arrangement ("joint development"). Any consideration payable for the land with deferred payment will be determined based on the present value of the deferred payment.

Property development costs not recognised as an expense are recognised as an asset measured at the lower of cost and net realisable value. The property development costs are subsequently debited 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.

NOTES TO THE FINANCIAL STATEMENTS

15. INVENTORIES (CONT'D)

Material accounting policy information (Cont'd)

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 infrastructure 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. DEFERRED TAX (ASSETS)/LIABILITIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At beginning of the financial year	**1,632**	1,121	**70**	71
Recognised in profit or loss (Note 6)	**(3,430)**	511	**2**	(1)
At end of the financial year	**(1,798)**	1,632	**72**	70

NOTES TO THE FINANCIAL STATEMENTS

16. DEFERRED TAX (ASSETS)/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	Lease liabilities RM'000	Unabsorbed capital allowances RM'000	Unutilised tax losses RM'000	Other temporary differences RM'000	Total RM'000
Group								
2024								
At beginning of the financial year	**50**	**590**	**612**	**(625)**	**(51)**	**-**	**1,056**	**1,632**
Recognised in profit or loss (Note 6)	**64**	**2,325**	**1,451**	**(1,500)**	**(2,181)**	**(118)**	**(3,471)**	**(3,430)**
At end of the financial year	**114**	**2,915**	**2,063**	**(2,125)**	**(2,232)**	**(118)**	**(2,415)**	**(1,798)**
2023								
At beginning of the financial year	44	258	606	(611)	(44)	-	868	1,121
Recognised in profit or loss (Note 6)	6	332	6	(14)	(7)	-	188	511
At end of the financial year	50	590	612	(625)	(51)	-	1,056	1,632

NOTES TO THE FINANCIAL STATEMENTS

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

The recognised deferred tax (assets)/liabilities before offsetting are as follows: (Cont'd)

	Property, plant and equipment RM'000	Rights-of-use assets RM'000	Lease liabilities RM'000	Total RM'000
Company				
2024				
At beginning of the financial year	**72**	**56**	**(58)**	**70**
Recognised in profit or loss (Note 6)	**-**	**(56)**	**58**	**2**
At end of the financial year	**72**	**-**	**-**	**72**
2023				
At beginning of the financial year	72	25	(26)	71
Recognised in profit or loss (Note 6)	-	31	(32)	(1)
At end of the financial year	72	56	(58)	70

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	
	2024 RM'000	Restated 2023 RM'000
Unutilised tax losses	**1,843**	409
Unabsorbed capital allowances	-	21
Other deductible temporary differences	**152**	198
	1,995	628

Material <u>accounting policy information</u>

Deferred tax is recognised using liability method, on all temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction, which is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to apply in the period in which the assets are realised or the liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised only to the extent that there are sufficient taxable temporary differences relating to the same taxable entity and the same taxation authority to offset or when it is probable that future taxable profits will be available against which the assets can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will be available for the assets to be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

17. TRADE RECEIVABLES

	Note	Group	
		2024 RM'000	Restated 2023 RM'000
Trade receivables			
- third parties		**159,575**	157,179
- Directors' related companies		**31,534**	10,920
- joint venture		**3,269**	14,804
- retention sum	(i)	**9,615**	1,362
		203,993	184,265

The normal credit terms of trade receivables range from 30 to 90 days (2023: 30 to 120 days).

(i) Retention sum held by contract customers are due upon expiry of retention periods of 24 months after issuance of Certificate of Completion and Compliance.

18. OTHER RECEIVABLES

	Note	Group		Company	
		2024 RM'000	Restated 2023 RM'000	2024 RM'000	Restated 2023 RM'000
Current assets					
Other receivables					
- third parties		**21,643**	22,051	**2,113**	6,998
- Directors' related companies	(i)	**978**	453	**12**	100
- joint venture	(ii)	**2,414**	2,375	**2,375**	2,375
- subsidiaries	(iii)	**-**	-	**11,994**	21,594
Deposits	(iv)	**27,426**	8,785	**7,170**	165
Derivative assets	(v)	**-**	1,341	**-**	-
Contract costs:					
- commission	(vi)	**14,369**	10,986	**-**	-
Prepayments		**11,991**	4,534	**34**	46
		78,821	50,525	**23,698**	31,278

(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 RM7,330,000 (2023: RM7,744,000) are non-trade in nature, unsecured, with interest bearing at 5.50% (2023: 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 RM6,382,000 (2023: RM52,000,000) due from a subsidiary to investment in subsidiaries of the Company as disclosed in Note 11.

NOTES TO THE FINANCIAL STATEMENTS

18. OTHER RECEIVABLES (CONT'D)

(iv) Included in deposits of the Group of RM14,898,000 (2023: RM4,200,000) were deposits paid for one (2023: one) 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 the deposits of the Group and of the Company of RM6,998,000 (2023: Nil) relates to earnest deposits paid to third parties for the intended joint venture arrangement, RM1,204,000 (2023: Nil) relates to the earnest deposits paid to a third party landowner upon entered into a letter of offer to purchase 6 plots of lands as disclosed in Note 36.

In the prior financial year, included in deposits of the Group of RM1,000,000 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	
	2024 RM'000	2023 RM'000
Derivative at fair value through profit or loss		
- forward exchange contract	-	1,341

(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 RM29,109,000 (2023: RM27,622,000).

19. CONTRACT ASSETS/(LIABILITIES)

		Group	
	Note	2024 RM'000	Restated 2023 RM'000
Property development	(i)	**177,152**	169,782
Construction	(ii)	**2,291**	(86)
Completed units	(iii)	**(5,630)**	(4,172)
Lease	(iv)	**(233)**	(26)
Trading	(v)	**14,672**	8,760
		188,252	174,258
Represented by:			
Contract assets		**195,102**	178,562
Contract liabilities		**(6,850)**	(4,304)
		188,252	174,258

NOTES TO THE FINANCIAL STATEMENTS

19. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

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 to 90 days and payment is expected within 60 days.

Contract liabilities primarily relate to amount billed to customers 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. The contract liabilities will be recognised as revenue when the performance obligation had been satisfied within the next 1 month.

(i) Property development

	Group	
	2024 RM'000	**Restated 2023 RM'000**
At beginning of the financial year	**290,352**	277,800
Revenue recognised during the financial year (Note 3)	**809,641**	688,721
Consideration paid on behalf/payable	**163,193**	129,573
Progress billings during the financial year	**(952,174)**	(805,742)
Settlement of landowner's entitlement via contra units [Note 26(ii)]	**(12,240)**	-
	298,772	290,352
Refundable sales rebate	**(121,620)**	(120,570)
At end of the financial year	**177,152**	169,782

Included in contract assets of RM121,620,000 (2023: RM120,570,000) related to the sales rebate provided by the Group to the purchasers which will be refunded to the purchasers upon the issuance of the Certificate of Completion and Compliance.

(ii) Construction

	Group	
	2024 RM'000	**2023 RM'000**
At beginning of the financial year	**(86)**	(352)
Revenue recognised during the financial year (Note 3)	**35,097**	11,135
Progress billings during the financial year	**(32,720)**	(10,869)
At end of the financial year	**2,291**	(86)

(iii) Completed units

	Group	
	2024 RM'000	**2023 RM'000**
At beginning of the financial year	**(4,172)**	(2,701)
Revenue recognised during the financial year (Note 3)	**18,134**	21,132
Progress billings during the financial year	**(19,592)**	(22,603)
At end of the financial year	**(5,630)**	(4,172)

NOTES TO THE FINANCIAL STATEMENTS

19. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(iv) Lease

	Group	
	2024 RM'000	**2023 RM'000**
At beginning of the financial year	**(26)**	-
Revenue recognised during the financial year (Note 3)	**2,208**	120
Collection during the financial year	**(2,415)**	(146)
At end of the financial year	**(233)**	(26)

(v) Trading

	Group	
	2024 RM'000	**Restated 2023 RM'000**
At beginning of the financial year	**8,760**	-
Revenue recognised during the financial year (Note 3)	**122,328**	112,363
Invoices issued during the financial year	**(116,416)**	(103,603)
At end of the financial year	**14,672**	8,760

20. CASH AND CASH EQUIVALENTS

		Group		Company	
	Note	**2024 RM'000**	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Cash and bank balances	(i)	**244,244**	209,481	**1,207**	12,770
Fixed deposits with licensed banks	(ii)	**72,141**	76,538	**-**	-
Short term investments	(iii)	**173**	35,447	**41**	24
		316,558	321,466	**1,248**	12,794

(i) Included in the bank balances of the Group is amount of RM138,607,000 (2023: RM118,503,000) 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 2.00% - 3.95% (2023: 1.60% - 3.95%) per annum and had maturity period of 3 to 12 months (2023: 3 to 12 months).

Included in fixed deposits of the Group is an amount of RM72,141,000 (2023: RM76,158,000) pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 24.

(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 by the Company.

NOTES TO THE FINANCIAL STATEMENTS

20. CASH AND CASH EQUIVALENTS (CONT'D)

Material accounting policy information

Cash and cash equivalents consist of cash at bank and on hand, fixed deposits with licensed banks and short term investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of pledged deposits, if any.

21. ORDINARY SHARES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Issued and fully paid:				
At beginning/end of financial year	**333,171**	333,171	**636,006**	636,006

	Group/Company	
	2024 Unit'000	2023 Unit'000
Issued and fully paid:		
At beginning/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.

(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) The Group's ordinary shares included 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 share capital included RM67,131,000 which 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 of RM3,718,000 in relation to RCPS converted in the prior financial year which was transferred from other reserves.

NOTES TO THE FINANCIAL STATEMENTS

22. REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS")

	Company	
	2024 RM'000	**2023 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	
	2024 RM'000	**2023 RM'000**
Liabilities		
At beginning of the financial year	**38,330**	45,336
Dividend paid/payable	**(9,459)**	(9,439)
Unwinding of discount recognised to profit or loss	**2,079**	2,433
At end of the financial year	**30,950**	38,330

The units of RCPS are as follows:

	Company	
	2024 Unit'000	**2023 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.

2024

During the financial year, the total RCPS of the Company has reduced from RM202,849,000 to RM195,469,000 due to incurrence of dividend paid or payable of RM9,459,000 and unwinding of discount recognised to statements of comprehensive income of RM2,079,000. No conversion of RCPS in the current financial year. As at 31 December 2024, the total number of RCPS remain unconverted amounted to 296,192,000.

22. REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") (CONT'D)

2023

In the prior 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 prior financial year. As at 31 December 2023, 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% (2023: 4.61% to 6.89%) per annum.

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 one 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.

NOTES TO THE FINANCIAL STATEMENTS

22. REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") (CONT'D)

The salient terms of the RCPS are as follows: (Cont'd)

Conversion (Cont'd)

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.

23. OTHER RESERVES

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Share option reserve	(i)	**13,368**	12,887	**13,368**	12,887
RCPS dividend payable	(ii)	**(39,173)**	(29,714)	**-**	-
Foreign currency translation reserve	(iii)	**(577)**	(2)	**-**	-
		(26,382)	(16,829)	**13,368**	12,887

(i) Share option reserve

	Group/Company 2024 RM'000	Group/Company 2023 RM'000
Share options under ESOS:		
At 1 January	**12,887**	11,645
ESOS granted during the year	**537**	1,311
Revision of probability of vesting condition	**(56)**	(69)
At 31 December	**13,368**	12,887

23. OTHER RESERVES (CONT'D)

(i) Share option reserve (Cont'd)

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;

(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.

23. 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 financial year Unit'000	Granted Unit'000	Exercised Unit'000	Forfeiture Unit'000	At end of the financial year Unit'000
25.10.2021	25.10.2021	25.10.2026	1.44	50,700	-	-	(5,200)	45,500
03.02.2022	03.02.2022	03.02.2027	1.17	8,400	-	-	(750)	7,650

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:

	ESOS 2	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%

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.

NOTES TO THE FINANCIAL STATEMENTS

23. OTHER RESERVES (CONT'D)

(i) Share option reserve (Cont'd)

Directors of the Group have been granted the following number options under ESOS:

	2024 Unit'000	2023 Unit'000
At beginning/end of the financial year	12,000	12,000

As at 31 December 2024, a cumulative 9,600,000 units (2023: 7,200,000 units) of options were vested and exercisable, which is in accordance with the cap of 20% per financial year.

Employees of the Group have been granted the following number options under ESOS:

	2024 Unit'000	2023 Unit'000
At beginning of the financial year	**59,100**	70,900
Forfeiture	**(5,950)**	(11,800)
At end of the financial year	**53,150**	59,100

During the financial year, a cumulative 40,612,000 units (2023: 27,810,000 units) of options were vested and exercisable as the employees remained in service for three (3) years from the date of grant.

	2024 Unit'000	2023 Unit'000
At beginning of the financial year	**27,810**	16,550
Vested and exercisable	**14,542**	13,040
Forfeiture	**(1,740)**	(1,780)
At end of the financial year	**40,612**	27,810

(ii) RCPS dividend payable

	Group	
	2024 RM'000	2023 RM'000
RCPS dividend payable:		
At 1 January	**(29,714)**	(20,275)
Dividend paid/payable during the financial year	**(9,459)**	(9,439)
At 31 December	**(39,173)**	(29,714)

As disclosed in Note 22, other reserve was in relation to dividend paid/payable for unconverted RCPS and will be transferred to ordinary share capital upon conversion.

NOTES TO THE FINANCIAL STATEMENTS

23. OTHER RESERVES (CONT'D)

(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.

24. BORROWINGS, SECURED

		Group	
	Note	2024 RM'000	2023 RM'000
Secured			
Non-current liability			
Term loans	(i)	**76,376**	111,978
Current liabilities			
Banker's acceptance		**37,125**	8,865
Revolving credit		**650,613**	119,913
Term loans	(i)	**51,183**	61,610
		738,921	190,388
		815,297	302,366
Total borrowings			
Banker's acceptance		**37,125**	8,865
Revolving credit		**650,613**	119,913
Term loans	(i)	**127,559**	173,588
		815,297	302,366

The effective interest/profit rates per annum on the borrowings of the Group are as follows:

	Group	
	2024 %	2023 %
Banker's acceptance	**3.31 - 4.57**	2.28 - 4.52
Revolving credit	**3.75 - 5.44**	4.50 - 5.92
Term loans	**4.42 - 7.29**	3.92 - 7.92

24. BORROWINGS, SECURED (CONT'D)

(i) Term loans

	Group	
	2024 RM'000	**2023 RM'000**
Repayable within 1 year (current)	**51,183**	61,610
Repayable between 1 and 2 years	**49,079**	47,885
Repayable between 2 and 5 years	**23,034**	60,813
Repayable more than 5 years	**4,263**	3,280
Repayable after 1 year (non-current)	**76,376**	111,978
	127,559	173,588

The banking facilities of the Group are secured by the following:

(i) Fixed deposits pledged as disclosed in Note 20(ii);

(ii) Legal charge over lands held for property development and on-going development as disclosed in Note 15;

(iii) Legal charge over the Group's freehold land and properties as disclosed in Note 8(i);

(iv) Legal charge over the Group's freehold lands and properties as disclosed in Note 9;

(v) Corporate guarantee by the Company; and

(vi) Assignment of takaful policy by the Director of the Company.

NOTES TO THE FINANCIAL STATEMENTS

25. LEASE LIABILITIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current liabilities	**8,478**	4,466	**346**	691
Current liabilities	**2,353**	2,794	**188**	263
	10,831	7,260	**534**	954
Future minimum lease payments:				
Repayable within 1 year	**2,939**	3,117	**209**	305
Repayable between 1 and 2 years	**2,161**	2,191	**182**	383
Repayable between 2 and 5 years	**2,839**	2,493	**182**	364
Repayable more than 5 years	**11,578**	384	**-**	-
	19,517	8,185	**573**	1,052
Less: Future finance charges	**(8,686)**	(925)	**(39)**	(98)
Present value of minimum lease payments	**10,831**	7,260	**534**	954
Present value of lease liabilities:				
Repayable within 1 year	**2,353**	2,794	**188**	263
Repayable between 1 and 2 years	**1,676**	2,107	**170**	346
Repayable between 2 and 5 years	**1,814**	2,200	**176**	345
Repayable more than 5 years	**4,988**	159	**-**	-
	10,831	7,260	**534**	954

The effective interest rates per annum on the lease liabilities of the Group and of the Company are as follows:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Lease liabilities	**2.75 - 18.32**	3.74 - 18.32	**4.37 - 7.80**	4.37 - 7.80

NOTES TO THE FINANCIAL STATEMENTS

26. TRADE PAYABLES

	Note	Group 2024 RM'000	Group Restated 2023 RM'000
Non-current liability			
Landowners' entitlement	(i)	**35,646**	7,504
Current liabilities			
Landowners' entitlement	(i)	**35,942**	15,791
Third parties	(ii)	**113,799**	503,759
Joint venture		**5,765**	-
Directors' related companies		**2,071**	2,071
Retention sum on contracts	(iii)	**26,682**	37,867
		184,259	559,488

The normal credit terms granted to the Group range from 30 to 90 days (2023: 30 to 60 days).

(i) These are in respect of payable for landowners' 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 5.71% - 8.47% (2023: 6.85%) per annum.

	Group 2024 RM'000	Group 2023 RM'000
Future minimum payments:		
- Repayable within 1 year	**38,885**	16,329
- Repayable between 1 and 5 years	**37,080**	7,680
	75,965	24,009
Less: Future accretion of interest	**(4,377)**	(714)
	71,588	23,295
Present value of deferred payable:		
- Repayable within 1 year	**35,942**	15,791
- Repayable between 1 and 5 years	**35,646**	7,504
	71,588	23,295

(ii) In the prior financial year, 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 was completed on 23 October 2023 and was settled in February 2024 via banking facilities granted by financial institutions.

In the prior financial year, included in the trade payables is an amount of RM4,582,000 and RM7,745,000, represented landowners' entitlement which will be contra with 31 units of completed residential property and 36 units of completed commercial properties respectively upon Certificate of Completion and Compliance. During the current financial year, the landowner's entitlement of RM12,240,000 has been fully settled as disclosed in Note 19(i). The remaining outstanding balance of RM87,000 has been settled by cash.

(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.

NOTES TO THE FINANCIAL STATEMENTS

27. OTHER PAYABLES

	Note	Group 2024 RM'000	Group Restated 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Current liabilities					
Other payables:					
- third parties		**889**	1,782	**94**	222
- Directors' related companies	(i)	**8,454**	2,569	**99**	273
- Joint venture	(i)	**15**	15	**-**	-
- Subsidiaries		**-**	-	**7,119**	-
Accruals	(ii)	**70,757**	60,801	**4,009**	13,993
Accrued contractor works	(iii)	**47,825**	62,614	**-**	-
Rental deposits received	(iv)	**1,616**	808	**-**	-
Refundable deposits received	(v)	**3,703**	4,165	**-**	-
Deferred income	(vi)	**41**	-	**-**	-
		133,300	132,754	**11,321**	14,488
Provision for affordable housing obligations	(vii)	**30,878**	-	**-**	-
		164,178	132,754	**11,321**	14,488

(i) Included in Directors' related companies is an amount of RM6,142,000 (2023: RM2,249,000) which represents outstanding amount of renovation works and services.

(ii) Included in accruals is an amount of RM27,671,000 (2023: RM10,626,000) which represent accrued professional fees for on-going development which pending billings from its professionals.

In the prior financial year, included in accruals of the Group and of the Company is an amount of RM11,475,000 which represent accrued investment of shares in other investment which pending satisfaction of the progress payment term as stipulated in the Share Sale and Purchase Agreement as disclosed in Note 14.

In the prior financial year, 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.

(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) Represent deposits received from the buyers of the units on the project which is refundable.

(vi) Deferred income represents amount billed but services yet to rendered as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

27. OTHER PAYABLES (CONT'D)

(vii) The movements of the provision for affordable housing obligations are as follows:

	Note	Group 2024 RM'000	Group 2023 RM'000
At 1 January		**-**	-
Provision made during the financial year		**30,878**	-
At 31 December		**30,878**	-

Provision for affordable housing is recognised for anticipated losses to be incurred for the development of low cost housing under the requirements of the local government attributable to a premium housing project. The provision for affordable housing represents the shortfall between the cost of constructing affordable housing and the economic benefits expected to be received from the purchasers of affordable housing in the development of affordable housing on involuntary basis, whereby the developer has no ability to impose selling price higher than what the authority dictates. The provision is capitalised in the form of common costs for development of premium housing.

28. DIVIDENDS

	Group/ Company RM'000
2024	
Recognised during the financial year:	
- Interim single tier dividend for financial year ended 31 December 2023:	
3.5 sen per ordinary share (paid on 30 April 2024)	**29,306**
- Interim single tier dividend for financial year ended 31 December 2024:	
3.0 sen per ordinary share (paid on 25 October 2024)	**25,120**
	54,426
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

NOTES TO THE FINANCIAL STATEMENTS

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 its Directors' related companies, a joint venture and key management personnels. The Company has related party relationship with its subsidiaries, joint ventures, 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 17, 18, 26 and 27.

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Subsidiaries				
Investing activities				
Non-trade related				
Advances to	-	-	**(92,156)**	(136,284)
Repayment from	-	-	**62,563**	111,522
Operating activities				
Non-trade related				
Management fee income	-	-	**(7,886)**	(7,877)
Rental income	-	-	**(1,596)**	(1,005)
Dividend income	-	-	**(62,000)**	(82,800)
Rental expenses	-	-	**994**	-
Interest income	-	-	**(1,641)**	(2,632)
Interest expense	-	-	**1,693**	-
Financing activities				
Non-trade related				
Advances from	-	-	**32,200**	-
Repayment to	-	-	**(30,000)**	-

NOTES TO THE FINANCIAL STATEMENTS

29. RELATED PARTY DISCLOSURES (CONT'D)

Related party transactions (Cont'd)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors' related companies				
Operating activities				
Trade related				
Late payment charges	**-**	14	**-**	-
Trading of building materials revenue	**(52,283)**	(16,558)	**-**	-
Non-trade related				
Repayment from	**31,753**	12,851	**-**	-
Repayment to	**(16,000)**	(1,084)	**-**	-
Sales of completed properties	**-**	(6,490)	**-**	-
Property development cost	**-**	1,040	**-**	-
Landowner's entitlement	**32,723**	-	**-**	-
Rental income	**(1,801)**	(1,645)	**-**	-
Rental expenses and deposits paid	**1,495**	2,017	**1,453**	1,632
Financing activities				
Non-trade related				
(Repayment to)/ advances from	**(91)**	2,089	**-**	-
Investing activities				
Non-trade related				
Disposal of property plant and equipment	**690**	-	**-**	-
Acquisition of property plant and equipment	**(6,583)**	-	**-**	-
Joint venture				
Operating activities				
Trade-related				
Construction cost	**58,106**	52,670	**-**	-
Revenue	**(12,790)**	(29,800)	**-**	-
Repayment from	**24,325**	17,589	**-**	-
Repayment to	**(49,306)**	(51,871)	**-**	-
Operating activities				
Non-trade related				
Repayment from	**40**	-	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

29. RELATED PARTY DISCLOSURES (CONT'D)

Related party transactions (Cont'd)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Joint venture (Cont'd)				
Investing activities				
Non-trade related				
Acquisition of property, plant and equipment	**-**	2,990	**-**	-
Repayment to	**-**	(2,975)	**-**	-
Advances to	**-**	(956)	**-**	(990)

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.

The remuneration of the Directors and other members of key management personnel during the financial year were as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors				
Directors' fee	**603**	524	**435**	390
Salaries and other emoluments	**2,895**	3,003	**988**	1,278
Contribution to defined contribution plan	**1,074**	1,153	**480**	630
Share-based payment	**76**	248	**76**	204
Others	**8**	7	**1**	1
	4,656	4,935	**1,980**	2,503
Estimated monetary value of benefits-in-kind ("BIK")	**46**	47	**25**	25
Total including estimated monetary value of BIK	**4,702**	4,982	**2,005**	2,528
Key senior management				
Salaries and other emoluments	**961**	399	**665**	399
Contribution to defined contribution plan	**116**	39	**80**	39
Others	**-**	1	**-**	1
	1,077	439	**745**	439

30. CAPITAL COMMITMENT

The Group has the following commitment at the reporting date but not recognised as payable:

	Group	
	2024 RM'000	2023 RM'000
Authorised and contracted for:		
Development rights	**99,620**	-
Acquisition of vacant freehold lands	**134,078**	37,800
Acquisition of vacant leasehold lands	**269**	-
	233,967	37,800

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

(a) Reporting format

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.

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 expenses.

Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated 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.

NOTES TO THE FINANCIAL STATEMENTS

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
2024							
Revenue							
Sales to external customers	**812,772**	**50,418**	**122,328**	**985,518**	**3,249**	**-**	**988,767**
Inter-segment revenue	**55,658**	**517,873**	**180,913**	**754,444**	**63,618**	**(818,062)**	**-**
Total revenue	**868,430**	**568,291**	**303,241**	**1,739,962**	**66,867**	**(818,062)**	**988,767**
Segment profit before tax	**228,278**	**35,968**	**8,265**	**272,511**	**69,253**	**(93,380)**	**248,384**
Included in the measure of segment profit are:							
Cost of sales	**569,790**	**524,724**	**289,170**	**1,383,684**	**3,639**	**(743,873)**	**643,450**
Interest income	**(21,082)**	**(7,562)**	**(168)**	**(28,812)**	**(3,083)**	**25,874**	**(6,021)**
Interest expenses	**47,262**	**4,120**	**2,052**	**53,434**	**6,552**	**(35,600)**	**24,386**
Share of results of joint ventures	**-**	**-**	**-**	**-**	**1,013**	**-**	**1,013**
Fair value on investment properties	**844**	**-**	**-**	**844**	**(1,482)**	**100**	**(538)**
Fair value on other investment	**-**	**-**	**-**	**-**	**(15,888)**	**-**	**(15,888)**
Depreciation of property, plant and equipment	**3,045**	**2,585**	**432**	**6,062**	**1,073**	**193**	**7,328**
Tax expenses	**48,116**	**8,170**	**2,246**	**58,532**	**1,122**	**4,721**	**64,375**
Segment assets	**2,710,295**	**412,025**	**154,143**	**3,276,463**	**1,045,413**	**(1,875,080)**	**2,446,796**

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
Restated							
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 gain on foreign exchange	3,482	-	-	3,482	190	-	3,672
Fair value adjustment on derivative contract	(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	2,167,991	343,037	126,851	2,637,879	979,221	(1,494,202)	2,122,898

NOTES TO THE FINANCIAL STATEMENTS

31. SEGMENTAL INFORMATION (CONT'D)

Reconciliations of Group's reportable segment profit or loss and assets are presented as below:

	Group	
	2024 RM'000	**Restated 2023 RM'000**
Segment profit	**272,511**	318,326
Dividend income	**(62,000)**	(82,800)
Inter-segment profit	**(41,106)**	(98,137)
Interest income	**(25,874)**	(14,236)
Interest expenses	**35,600**	11,788
Other non-reportable segments	**69,253**	77,615
Profit before tax	**248,384**	212,556
Segment assets	**3,276,463**	2,637,879
Elimination of inter-segment transactions *	**(212,287)**	(52,368)
Inter-segment balances	**(772,601)**	(581,252)
Other non-reportable segments	**155,221**	118,639
Total assets	**2,446,796**	2,122,898

* *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 Notes 14 and 18(v) respectively.

Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and the Company's operations whilst managing the financial risks, including credit risk, interest rate risk, foreign currency risk and liquidity risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company'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.

(a) Credit risk

Credit risk is the risk of financial loss to the Group and to the Company 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 and a landowner of a subsidiary of the Company. There are no significant changes as compared to prior year.

32. FINANCIAL INSTRUMENTS (CONT'D)

(a) Credit risk (Cont'd)

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

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 financial year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk from trade receivables and contract assets are represented by the carrying amounts in the statements of financial position.

Concentration of credit risk

The Group determines concentration of credit risk by monitoring the profiles of its receivables and contract assets on an ongoing basis.

As at 31 December 2024, the Group has significant concentration of credit risk arising from the amount owing from 5 customers (2023: 6 customers) constituting 17% (2023: 30%) of gross trade receivables of the Group.

Recognition and measurement of impairment loss

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 receivables 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

32. FINANCIAL INSTRUMENTS (CONT'D)

(a) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

<u>Recognition and measurement of impairment loss</u> (Cont'd)

Trade receivables and contract assets from construction contract segment ("non-collateralised receivables") (Cont'd)

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 90 to 180 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 180 days (credit-impaired) because historical experience has indicated that these receivables are generally not recoverable.

NOTES TO THE FINANCIAL STATEMENTS

32. FINANCIAL INSTRUMENTS (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 Expected Credit Losses 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	
	2024 RM'000	Restated 2023 RM'000
Collateralised receivables		
Trade receivables		
Not past due	**68,969**	56,887
Past due but not impaired:		
1 to 30 days	**20,100**	21,511
31 to 120 days	**12,913**	16,898
More than 120 days	**10,812**	15,015
	43,825	53,424
	112,794	110,311
Retention sum held by contract customers	**7,982**	674
Contract assets	**298,786**	290,352
	419,562	401,337
Non-collateralised receivables		
Trade receivables		
Not past due	**44,545**	38,546
Past due but not impaired:		
1 to 30 days	**14,667**	7,767
31 to 120 days	**13,063**	14,830
More than 120 days	**9,309**	11,449
	37,039	34,046
	81,584	72,592
Retention sum held by contract customers	**1,633**	688
Contract assets	**17,936**	8,780
	101,153	82,060
	520,715	483,397

NOTES TO THE FINANCIAL STATEMENTS

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 (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

Amounts 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.

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)

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 to 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.

As at the reporting period, 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 and a landowner of a subsidiary of the Company 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 RM903,390,000 (2023: RM304,653,000) representing the outstanding banking facilities of the subsidiaries and the landowner of the subsidiary 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 and deposits 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.

NOTES TO THE FINANCIAL STATEMENTS

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Floating rate instruments				
Financial asset:				
Short term investment	**173**	35,447	**41**	24
Financial liabilities:				
Banker's acceptance	**(37,125)**	(8,865)	**-**	-
Revolving credit	**(650,613)**	(119,913)	**-**	-
Term loans	**(127,559)**	(173,588)	**-**	-
	(815,124)	(266,919)	**41**	24

Interest rate risk sensitivity analysis

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

	Group		Company	
	(Decrease)/ Increase 2024 RM'000	(Decrease)/ Increase 2023 RM'000	(Decrease)/ Increase 2024 RM'000	(Decrease)/ Increase 2023 RM'000
Effect on results after tax/equity				
Increase of 100 basis points	**(6,195)**	(2,029)	*****	*
Decrease of 100 basis points	**6,195**	2,029	*****	*

* *Less than RM1,000*

NOTES TO THE FINANCIAL STATEMENTS

32. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(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 and other receivables 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
2024			
Other receivables	**6,344**	**-**	**6,344**
2023			
Other receivables	6,575	-	6,575
Borrowings	-	(79,913)	(79,913)
	6,575	(79,913)	(73,338)

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.

(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 2024 amount to RM170,458,000 (2023: RM750,426,000).

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.

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:

	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
Group						
2024						
Trade payables	**219,905**	**224,281**	**127,698**	**61,249**	**35,334**	**-**
Other payables	**164,137**	**164,137**	**161,898**	**1,442**	**797**	**-**
Borrowings:-						
- Banker's acceptance	**37,125**	**37,297**	**37,297**	**-**	**-**	**-**
- Revolving credit	**650,613**	**682,576**	**682,576**	**-**	**-**	**-**
- Term loans	**127,559**	**183,248**	**57,487**	**85,082**	**35,282**	**5,397**
Lease liabilities	**10,831**	**19,517**	**2,939**	**2,161**	**2,839**	**11,578**
Financial guarantee *	**71,101**	**71,101**	**71,101**	**-**	**-**	**-**
	1,281,271	**1,382,157**	**1,140,996**	**149,934**	**74,252**	**16,975**
Restated						
2023						
Trade payables	566,992	567,706	525,604	11,787	30,315	-
Other payables	132,754	132,754	132,014	259	481	-
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
	1,009,372	1,076,135	864,182	67,489	140,591	3,873

* *This liquidity risk exposure is included for illustration purpose only as the related financial guarantees have not crystallised.*

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						
2024						
Other payables	**11,321**	**11,321**	**11,321**	**-**	**-**	**-**
Lease liabilities	**534**	**573**	**209**	**182**	**182**	**-**
Financial guarantee *	**903,390**	**903,390**	**903,390**	**-**	**-**	**-**
	915,245	**915,284**	**914,920**	**182**	**182**	**-**
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	-

* *This liquidity risk exposure is included for illustration purpose only as the related financial guarantees have not crystallised.*

NOTES TO THE FINANCIAL STATEMENTS

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 18(v).

During the current financial year, the fair value of other investment was transferred from Level 3 to Level 1 as disclosed in Note 14.

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 approximate 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 total debt-to-equity ratios at end of the reporting period are as follows:

	Group	
	2024 RM'000	2023 RM'000
Borrowings (Note 24)	**815,297**	302,366
Lease liabilities (Note 25)	**10,831**	7,260
Total debt	**826,128**	309,626
Total equity attributable to Owners of the Company	**1,221,600**	1,101,849
Debt-to-equity ratio (times)	**0.68**	0.28

	Company	
	2024 RM'000	2023 RM'000
Lease liabilities (Note 25)	**534**	954
Total debt	**534**	954
Total equity	**856,038**	841,222
Debt-to-equity ratio (times)	*****	*

* *less than 0.1 time*

34. CAPITAL MANAGEMENT (CONT'D)

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenant:

(i) Gearing ratio of the Group to be capped at up to 1.5 times.

As at 31 December 2024, the gearing ratio of the Group was at 0.68 times (2023: 0.28 times).

(ii) Tangible net worth of the Group shall not fall below RM900,000,000 (2023: RM900,000,000).

The Group's tangible net worth is at RM1,196,024,000 (2023: RM1,076,273,000), which is above the stipulated tangible net worth of RM900,000,000 (2023: RM900,000,000).

(iii) The subsidiaries of the Company should not declare more than 50% of current year profit after tax provided any such permissible declaration of dividends may only be made if debt servicing is current.

During the current and prior financial year, the debt servicing of the subsidiaries of the Company are current.

The Group is in compliance with the externally imposed capital requirements as mentioned above.

35. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Development Rights Agreement

On 10 January 2024, the Group had entered into a Development Rights Agreement ("DRA") with a third party to undertake the development of the lands located in Mukim Ulu Sungai Johor, Daerah Kota Tinggi, Negeri Johor for a total cash consideration of RM85,380,000, upon the terms and subject to the conditions set out in the DRA. The DRA grants the Group exclusive rights to develop the lands categorised as Part 1 Development and Part 2 Development, with an exclusive option to develop Part 3 Development under a master development project.

On 22 November 2024, the Group has entered into a Part 3 DRA to undertake Part 3 Development for a total cash consideration of RM99,620,000, upon the terms and subject to the conditions set out in the Part 3 DRA.

The condition precedents of Part 3 DRA were being fulfilled subsequently on 6 February 2025.

Acquisition of freehold lands

On 21 May 2024, BESB entered into a Sales and Purchase Agreement ("SPA") with Hock Lean Rubber Estate Sdn. Bhd. for the acquisition of 3 plots of freehold land located at Mukim Pinang Tunggal, Daerah Kuala Muda, Negeri Kedah measuring 855 acres in aggregate for a total cash consideration of RM148,975,200. The proposed acquisition has subsequently completed on 11 March 2025 following the settlement of the balance purchase consideration in accordance with the terms and conditions of the SPA.

36. EVENTS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Second interim dividend

On 25 February 2025, 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 2024, amounting to RM29,306,451. The entitlement date has been fixed on 22 April 2025, which is payable on 20 May 2025 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 2025.

Acquisition of Vivafirst Sdn. Bhd.

On 17 March 2025, the Company has acquired Vivafirst Sdn. Bhd. from a third party individual shareholder, comprising 1 ordinary share for a total cash consideration of RM1.

NOTES TO THE FINANCIAL STATEMENTS

36. EVENTS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Acquisition of freehold lands

On 20 March 2025, Vivafirst Sdn. Bhd. has entered into a SPA with Bright Term Sdn. Bhd. for the acquisition of 6 plots of freehold lands in Pekan Sungai Gadut, Daerah Seremban, Negeri Sembilan totalling approximately 138.17 acres for a total purchase consideration of RM60,185,400.

On 21 March 2025, the SPA has became unconditional and completed.

37. COMPARATIVE FIGURES

The comparative figures are reclassified to conform with the current year's presentation.

	As previously reported RM'000	As reclassified RM'000
Group		
31 December 2023		
Statements of Financial Position		
ASSETS		
Current assets		
Trade receivables	**193,045**	184,265
Contract assets	**290,352**	178,562
LIABILITIES		
Current liabilities		
Trade payables	**553,202**	559,488
Other payables	**259,630**	132,754
Contract liabilities	**4,284**	4,304
Statements of Cash Flows		
Cash Flows from Operating Activities		
Changes in working capital:		
Receivables	**73,765**	81,545
Payables	**441,152**	320,562
Contract assets/liabilities	**(11,321)**	100,489
Cash Flows from Investing Activities		
Deposits paid for lands held for future development	**(1,000)**	-