



KfW[®]

ANNUAL REPORT 2023

45 1980 - 2025
years
Developing Your Future

OUR VISION

Recognising our responsibilities as a developer and nation builder, we will aspire to deliver sustainable, quality developments that exceed customers' expectations.

OUR MISSION

- 1) We enhance shareholders' value through sustainable resource management and sound corporate governance that promotes steady earnings growth.
- 2) We are committed to delivering sustainable quality homes that are efficiently planned and innovatively designed on schedule.
- 3) We embrace sustainable practices to preserve the environment for future generations.
- 4) We create learning opportunities and a conducive working environment that promotes teamwork and work life balance for sustainable job satisfaction.

OUR CORE VALUES

1

We are hands-on and committed

We will accomplish, learn and coach effectively with our own hands-on experience. We will commit ourselves at all times faithfully fulfilling our responsibilities as a developer to the communities in which we operate.

2

We are Careful, Thoughtful and Mindful

We are proud of our KEN brand and we will keep our brand promise to constantly improve our ability to contribute to our customers. We will be Careful, Thoughtful and Mindful in all things that we do to fulfil our Vision Statement.

3

We are innovators and we create value

We will continually innovate and create value for our brand to achieve world class recognition.

4

We are part of the KEN Family

We will treat everyone in KEN as a family member and we will pool our abilities to accomplish our shared goals. No matter how talented we are as individuals, without cooperation and family spirit, we will be a company in name only.

5

We embrace sustainable practices – "Mottainai"

We must value the precious resources that we have and use them wisely, efficiently and effectively. We will embrace sustainable practices and endeavour to create more value by using lesser resources.

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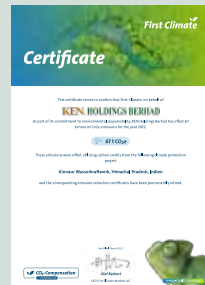
AWARDS & RECOGNITION



1



2



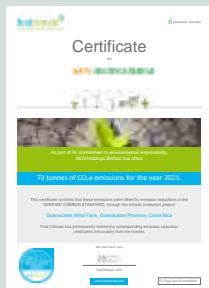
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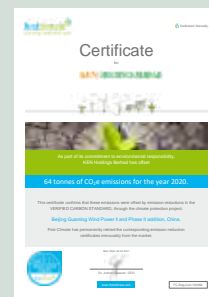
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7



8



9



10

1

Carbon Neutral Status

2023

6

Carbon Neutral Status

2021

2

ASEAN Outstanding
Engineering Achievement
Award 2023

2023

7

FIABCI Malaysia Property
Award: Office Category

2021

3

Carbon Neutral Status

2022

8

ASEAN Energy Awards

2020

4

IEM Outstanding
Engineering Award

2022

9

Carbon Neutral Status

2020

5

Malaysia Developer Awards
2022: Top of the Charts

2022

10

EdgeProp Malaysia's Best
Managed and Sustainable
Property Awards

2020

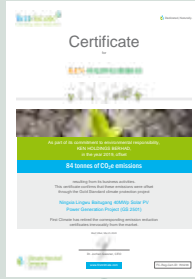
Awards & Recognition (Cont'd)



11



12



13



14



15



16



17



18



19



20

11

National Energy Awards

2020

16

BCA Green Mark
GOLD^{PLUS} Award

2018

12

BCA Green Mark Platinum
Award

2019

17

Carbon Neutral Status

2018

13

Carbon Neutral Status

2019

18

GreenRE Platinum Award

2018

14

National Energy Awards

2019

19

USGBC LEED Platinum
Award

2018

15

FIABCI Malaysia Property
Award: Sustainable
Development Category

2019

20

Carbon Neutral Status

2017

Awards & Recognition (Cont'd)



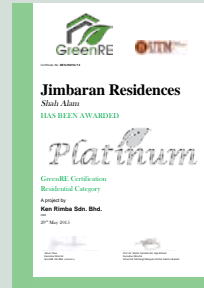
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28



29



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21

Multimedia Super Corridor
(MSC) Cybercentre Status

2017

26

Multimedia Super Corridor
(MSC) Cybercentre Status

2014

22

Carbon Neutral Status

2016

27

FIABCI Malaysia Property
Award: Sustainable
Development Category

2014

23

Carbon Neutral Status

2015

28

Carbon Neutral Status

2013

24

GreenRE Platinum Award

2015

29

Carbon Neutral Status

2012

25

GreenRE Platinum Award
(Provisional)

2015

30

Carbon Neutral Status

2011

Awards & Recognition (Cont'd)



31



32



33



34



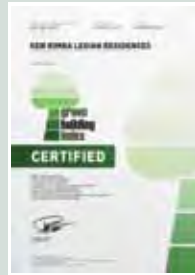
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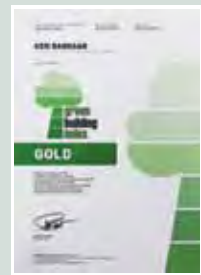
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38



39



40

31

GBI Pilot Project for
The GBI Township Tool

2011

36

New Straits Times SC
Cheah Choice Awards: Best
Green Developer

2010

32

FuturArc Green Leadership
Citation Award

2011

37

BCA Green Mark Gold
Award

2010

33

PAM Silver Award For
Excellence In Architecture

2011

38

GBI Certified Award

2010

34

FIABCI Malaysia Property
Award: Sustainable
Development Category

2011

39

BCA Green Mark Certified
Award

2010

35

Carbon Neutral Status

2010

40

GBI Gold Award

2009

Awards & Recognition (Cont'd)



41



42

41

The Edge-PAM
Green Excellence Award

2010

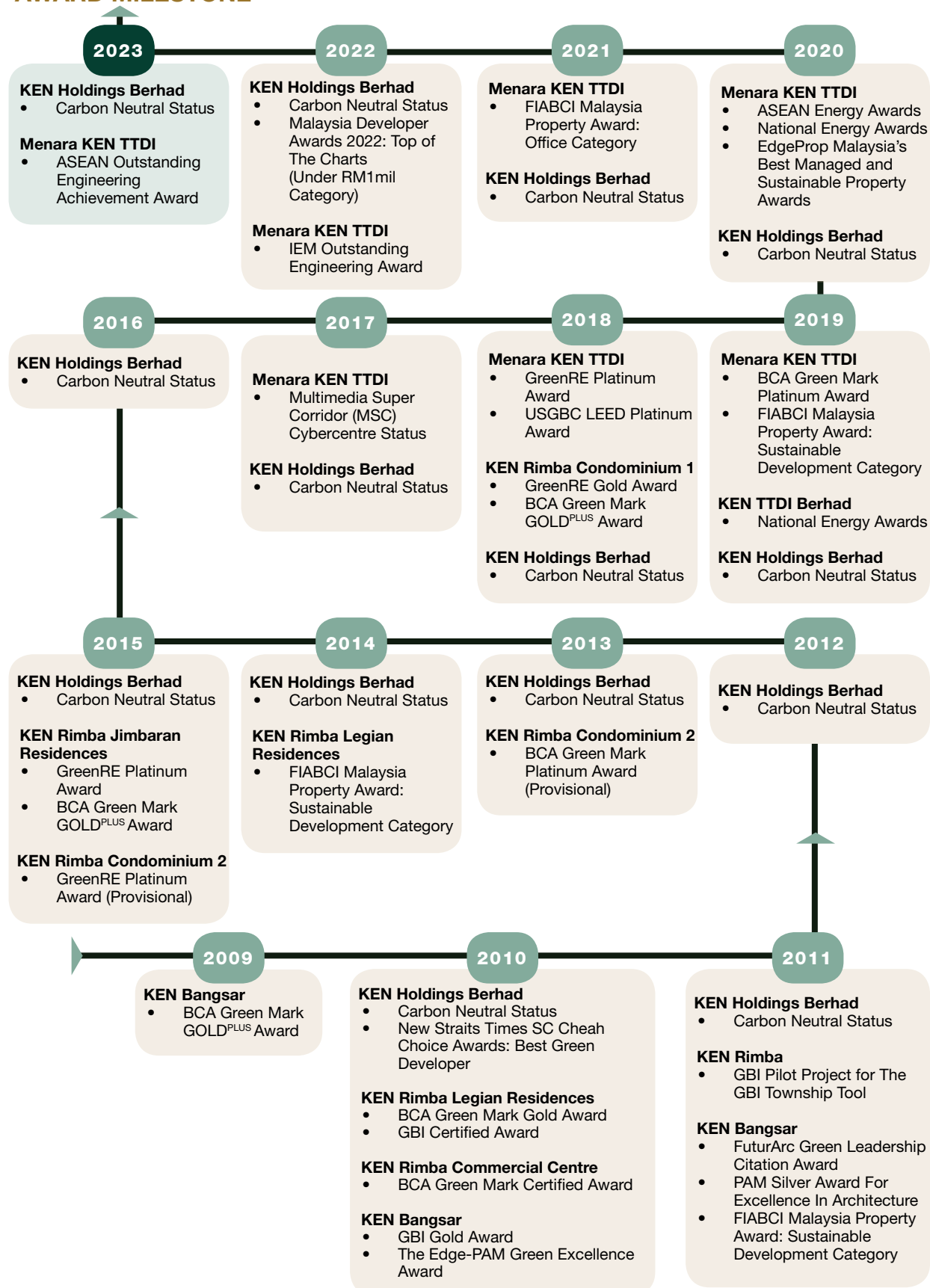
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BCA Green Mark
GOLDPLUS Award

2009

Awards & Recognition
(Cont'd)

AWARD MILESTONE



GROUP EXECUTIVE CHAIRMAN'S STATEMENT



On behalf of the Board of Directors of KEN Holdings Berhad ("KEN") ("Board"), I am pleased to present the Annual Report and the audited financial statements of the Group for the financial year ended 31 December 2023 ("FYE 2023").

FINANCIAL REVIEW

Reflecting on the fiscal year ending 2023, the recovery of the domestic property market is attributed to improving economic conditions and supportive government policies. Nevertheless, challenges persisted due to increased interest rates and sustained inflationary pressures. Amidst such business environment, the Group recorded revenue of approximately RM37.3 million as compared to the previous year's revenue of approximately RM20.8 million. Correspondingly, the Group achieved profit before tax of approximately RM14.1 million, an improvement from approximately RM4.0 million in the previous year. The Group's balance sheet remains healthy, reflecting positive trends in net assets per share. As we move forward, we are committed to navigating changing economic and market dynamics with strategic efficiency, aiming to safeguard and enhance shareholder value through prudent asset management and innovative growth initiatives.

Group Executive Chairman's Statement (Cont'd)

AWARDS & RECOGNITION

As one of the pioneers in the realm of sustainable development, we uphold a sense of pride in our commitment to quality and innovative advancements. This sense of accomplishment is substantiated by the multitude of awards and accolades we have received throughout the years, attesting to our continued commitment to quality and sustainable developments. This year, we are proud to receive the ASEAN Outstanding Engineering Achievement Award which acknowledges remarkable engineering achievements within ASEAN countries, specifically for the design and construction of Menara Ken TTDI. These accolades are validations of our ongoing efforts to lead the way in sustainable development.



ASEAN Outstanding Engineering Achievement Award 2023

EXPECTATIONS & PROSPECTS

Looking ahead, the Group remains committed to a strategic, cautious approach in managing our capital and cash flows and continue driving our focus on robust marketing strategies to monetise remaining inventories, confident in the enduring value and quality of our developments that consistently meet the evolving preferences of today's homebuyers. The Group's strategic plans to diversify and enhance its sources of recurring income have been fruitful, contributing a steady stream of revenue throughout the past year. This reinforces our financial resilience and supports our long-term growth objectives. As we continue to navigate this dynamic landscape, we will exercise prudence in our project launches and strategic initiatives. Our focus remains steadfast on maintaining our strategic priorities to effectively manage potential challenges and creating long-term value for our shareholders.

Looking ahead, we remain committed to driving sustainable growth and creating long-term value for our shareholders. With a resilient business model, a strong portfolio of properties, and prudent financial management, we are well-positioned to capitalize on opportunities and overcome challenges in the dynamic market landscape.

ANNOUNCEMENTS & ACKNOWLEDGEMENTS

The Board acknowledges the responsibility in upholding the best practices as set out in the Malaysian Code of Corporate Governance 2021 ("MCCG 2021") which was issued by the Securities Commission Malaysia. The Group's Corporate Governance Overview Statement pertaining to the implementation of the MCCG 2021 during the year under review is set out on pages 25 to 31 of this Annual Report.

The Board would also like to take this opportunity to thank YAM Dato' Seri Syed Azni Ibni Almarhum Tuan Syed Putra Jamalullail, who stepped down from the Board in March 2024, for his invaluable service during his tenure on the Board. At the same time, we are pleased to extend our warmest welcome to Dato' Noor Azam bin Jamaludin who was appointed to the Board as an Independent Non-Executive Director on 8 March 2024. We are confident that the Group will continue to benefit from his contribution and new insights in the years ahead.

On behalf of the Board, I wish to express our gratitude to the dedicated management team and employees of the Group for their perseverance and commitment. We are also thankful for the unwavering support from our valued stakeholders, business partners, tenants, customers, suppliers, financiers, and authorities. To our shareholders, thank you for your continued confidence in our Group and lastly, to my esteemed Board members, we extend our sincerest appreciation for your leadership and guidance throughout the year.

DATO' TAN BOON KANG DPMT.,DPNS
Group Executive Chairman

Kuala Lumpur
25 April 2024

GROUP MANAGING DIRECTOR'S REVIEW



FINANCIAL PERFORMANCE

Throughout the financial year, the domestic property sector faced significant challenges including inflation, subdued consumer confidence, and increased interest rate. Despite these hurdles, the Group demonstrated resilience, achieving total revenue of approximately RM37.3 million, an increase from the previous year of approximately RM20.8 million. Profit before tax also increased to approximately RM14.1 million during the financial year. Both the property development and property investment segments contributed equally to the Group's total revenue, showcasing a diversified revenue stream.

The Group's financial position remained robust supported by healthy levels cash and cash equivalents. This was primarily driven by the recent property sales of completed units as well as increased occupancy levels at Menara KEN TTDI. Additionally, the resurgence of business and social events at full capacity bolstered demand for event spaces, contributing to the Group's financial strength. We have consistently maintained a strong capital base and have managed our capital structure with prudence, ensuring our financial stability. As a testament to our sound financial management, our net assets per share increased from RM1.94 to RM2.00 by year end.

SUSTAINABLE DEVELOPMENTS

Menara KEN TTDI

Menara KEN TTDI, situated in the prestigious locale of Taman Tun Dr Ismail, Kuala Lumpur, stands as an esteemed multiple platinum award-winning corporate office tower. It features an array of high-end facilities including Platinum Grade office suites, a state-of-the-art performing arts theatre, an art gallery, a ballroom, versatile function rooms, various food and beverage outlets, and a rooftop gymnasium. Menara KEN TTDI seamlessly integrates lifestyle amenities with professional necessities, catering to the needs of modern urbanites and corporate executives.

This corporate office tower exemplifies sustainable development, garnering prestigious accolades such as the US Green Building Council LEED Platinum Award, the BCA Green Mark Platinum Award, and the GreenRE Platinum Award. Adding to its esteemed portfolio, Menara KEN TTDI has received several notable awards, including EdgeProp Malaysia's Best Managed and Sustainable Property Awards 2020, National Energy Awards 2020, ASEAN Energy Awards 2020, and the FIABCI Malaysia Property Award 2021 in the office category. Moreover, the tower was honored with the ASEAN Outstanding Engineering Achievement Award 2023 for its exceptional design and construction of Menara KEN TTDI. Recognised as a Multimedia Super Corridor (MSC) Cybercentre, Menara KEN TTDI offers eligible businesses a tax exemption for up to 10 years, further highlighting its appeal to potential tenants. We remain committed to continuously improving our offerings and finding new ways to create value for our clients.

Group Managing Director's Review (Cont'd)

SUSTAINABLE DEVELOPMENTS (CONT'D)

Furthermore, our strategy to bolster our recurring income streams includes leveraging the available social spaces within Menara KEN TTDI for rental opportunities:

THE SPACE

The Space at Menara KEN TTDI is a versatile venue, boasting a total of 30,000 sq. ft. of event spaces that cater to a broad range of events, from product launches and seminars to conferences, corporate events and private functions. The design highlights of The Space include state-of-the-art soundproof partition walls that can transform the area to accommodate larger groups, enhancing the venue's flexibility. Each room at The Space is naturally lit with abundance of light coming in through the full-length glass which envelopes the whole floor, while the foyer features a striking glass atrium that extends up to the rooftop, adding a unique architectural element. The recent uptick in reservations for physical events is a positive indicator of the market's resurgence and a renewed enthusiasm for face-to-face interactions.



THE PLATFORM

The Platform, our premier Performing Arts Theatre at Menara KEN TTDI, is equipped with state-of-the-art sound and lighting systems, providing an optimal setting for a variety of events. This venue is perfectly suited for live performances, including theatrical productions, musicals, orchestras, and music concerts. It also serves as an excellent location for conferences, award ceremonies, and private gatherings. With comfortable seating for 523 guests, The Platform has successfully hosted an array of events ranging from orchestral performances and musicals to concerts and corporate functions. The Platform's adaptability and capacity to accommodate diverse client needs and audience types highlight its reputation as a multifunctional entertainment venue.



KEN GALLERY

KEN is committed to the vision of "Developing Your Future," where culture significantly enriches our lives and contributes to the nation's growth. In alignment with our commitment to promoting arts and culture, KEN Gallery stands as a cultural space within Menara KEN TTDI, which not only showcases a permanent collection from esteemed Malaysian artists but also features three versatile Exhibition Halls. These spaces are designed to accommodate art exhibitions as well as intimate social or corporate events, offering a unique venue for cultural engagement and business gatherings.



PROSPECTS

Amidst the ongoing global and domestic economic uncertainties, our Group remains steadfast in fortifying resilience through meticulous financial and risk management strategies. Looking forward, we are unwavering in our strategic leasing initiatives, with a continued commitment to offering premium spaces and exemplary service to our tenants. We are also focused on capitalising on our remaining development inventories, which, along with our core leasing activities, are expected to drive sustainable growth and ensure earnings visibility for the Group. We are committed to ongoing efforts to streamline operating costs and improve efficiency to achieve long-term objectives and deliver value to all stakeholders.

IR. TAN CHEK SIONG
Group Managing Director

Kuala Lumpur
25 April 2024

DIRECTORS' PROFILE

DATO' TAN BOON KANG



Group Executive Chairman

66 | Male | Malaysian

Dato' Tan Boon Kang is the founder of the Group and has been the driving force behind the growth of the Group in all its activities over the past 44 years. He was appointed to the Board on 18 March 1996 and has been Chairman/Managing Director of the Group from March 2009 to February 2013. On 28 February 2013, he was re-designated as Group Executive Chairman.

He has vast experience in the specialist engineering business and was the pioneer in Malaysia for the highly-acclaimed soil-nailing system, which is now the most widely used method of slope protection. He has contributed significantly in elevating the Group to one of the more established specialist engineering companies in Malaysia and Hong Kong. He was also instrumental in diversifying the Group's business into property development and has created a very eminent brand name whilst developing a loyal following amongst property buyers.

He does not hold any other directorship in other public listed companies.

Dato' Tan Boon Kang is the father of Ir. Tan Chek Siong, Group Managing Director of the Company and Ms. Tan Chek Een, Deputy Group Managing Director of the Company.

IR. TAN CHEK SIONG



Group Managing Director

43 | Male | Malaysian

Ir. Tan Chek Siong was appointed to the Board on 24 February 2006 as an Executive Director. On 28 February 2013, he was re-designated as Group Managing Director. He graduated with a Bachelor of Civil Engineering from the University College London, United Kingdom in 2001 and also received his Graduate Diploma in Law from The College of Law, London, United Kingdom in 2004.

He joined the Group in October 2004 as a Special Assistant to the Managing Director. Prior to joining the Group, he worked with Arup Consulting Engineers in London, working in the geotechnical division and was subsequently seconded to the GBP 5.6 billion Channel Tunnel Rail Link project, constructing England's first high speed railway lines, a new international station in Stratford, East London, 36km of tunnels under Central London and a new Eurostar terminal at St. Pancras.

He was also instrumental in spearheading the green building movement transformation in the Group on sustainable development and the Group has achieved numerous awards over the years. In 2015, he was accorded the BCA Young Green Advocate by the Building and Construction Authority (BCA) of Singapore as an affirmation for his continuous efforts towards caring for the environment.

He does not hold any other directorship in other public listed companies.

He is the son of Dato' Tan Boon Kang, Group Executive Chairman of the Company and the brother of Ms. Tan Chek Een, Deputy Group Managing Director of the Company.

Directors' Profile
(Cont'd)

TAN CHEK EEN

*Deputy Group Managing Director*

39 | Female | Malaysian

Ms. Tan Chek Een was appointed to the Board on 26 May 2022. She holds a Bachelor of Science in Economics and Accountancy from City University of London. She is also a Fellow of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants (MIA). Prior to joining the Group, she has gained experience in audit at KPMG and corporate finance at OSK Investment Bank Berhad. She joined the Group in 2012 and was the Finance Director, overseeing the financial planning and general administration of the Group. On 23 February 2024, she was re-designated as Deputy Group Managing Director.

She does not hold any other directorship in other public listed companies.

She is the daughter of Dato' Tan Boon Kang, Group Executive Chairman of the Company and sister of Ir. Tan Chek Siong, Group Managing Director of the Company.

DATO' IR. DR. ASHAARI BIN MOHAMAD

*Independent Non-Executive Director*

70 | Male | Malaysian

Dato' Ir. Dr. Ashaari bin Mohamad was appointed to the Board on 20 February 2013. He is also a member of the Nomination, Remuneration and Audit Committee. On 8 March 2024, he was re-designated as Chairman of the Audit and Nomination Committee.

He holds a Doctorate of Philosophy in Civil Engineering from the University of New Hampshire, United States of America, Master of Science in Engineering from the University of South Carolina, United States of America and a Bachelor of Science in Engineering (Civil) from the University of Aberdeen, Scotland.

He was attached with Jabatan Kerja Raya (JKR), Penang, as a State Director from July 2001 to January 2005 and became the Senior Director of the Engineering Branch of JKR in February 2005. He then joined the Ministry of Works, Malaysia, as a technical adviser from December 2011 to November 2012.

He does not hold any other directorship in other public listed companies.

Directors' Profile (Cont'd)

LOO PAK SOON



**Non-Independent
Non-Executive Director**

61 | Male | Malaysian

Mr. Loo Pak Soon was appointed to the Board on 17 September 2019. He is also the Chairman of Remuneration Committee and a member of the Audit and Nomination Committee.

He graduated with a Bachelor of Commerce (Honours Business Administration) majoring in Finance from the University of Windsor, Canada in 1984. He started his career as a banker in 1984 and has 8 years of commercial and merchant banking experience working with various banks namely, Arab Malaysian Credit Bhd, Arab Malaysian Merchant Bank Berhad, Lee Wah Bank Limited (now United Overseas Bank (Malaysia) Berhad) and Bank Buruh (Malaysia) Berhad (now Bank Simpanan Nasional Berhad) from 1984 to 1992. In 1992, he joined NCK Corporation Berhad and was involved in the entire restructuring and listing exercise of NCK Corporation Berhad onto the then Main Board of the Kuala Lumpur Stock Exchange. He joined Powernet Industries Sdn Bhd as a Financial Controller in 1993. While there, he was also a Director of Ken Holdings Berhad from 1996 to 2006.

At Powernet Industries Sdn Bhd, he successfully assisted in turning the company around from a loss making concern and got it listed onto the then Second Board of the Kuala Lumpur Stock Exchange as Kumpulan Powernet Bhd in 2002. He was the Executive Director and Special Assistant to the Chairman cum Managing Director from 2002 to 2015. From October 2015 to February 2016, he remained in Kumpulan Powernet Bhd to handover outstanding matters to the new owners and management team. He was principally involved in the financial operations and strategic planning of Kumpulan Powernet Bhd.

With his vast experience in various industries, finance background and corporate experience, he joined MTS Fibromat (M) Sdn Bhd as the Chief Operating Officer in 2016. In May 2019, Fibromat (M) Bhd, through a restructuring exercise, acquired MTS Fibromat (M) Sdn Bhd and was listed on the LEAP Market of Bursa Malaysia Securities Bhd. On 22 August 2019, he was appointed as an Executive Director of Fibromat (M) Bhd and on 31 March 2021, he was re-designated as Non-Independent Non-Executive Director. Subsequently on 1 April 2024, he was re-designed as Independent Non-Executive Director.

Mr. Loo is also a Director of Malpac Holdings Berhad and Advance Synergy Berhad.

He is the brother in law of To' Puan Lau Pek Kuan, a substantial shareholder of the Company.

DATO' SARUL BAHYIAH BINTI HJ. ABU



Independent Non-Executive Director

61 | Female | Malaysian

Dato' Sarul Bahiyah Binti Hj. Abu was appointed to the Board on 27 February 2023. She is also a member of the Nomination, Remuneration and Audit Committee. She holds a Bachelor of Arts (Hons) in Sociology, Advanced Degree in Health Education from Public Health Education, and Diploma in Public Administration from the National Institute of Public Administration (INTAN) in 1998.

She started her career as Assistant Secretary at the Ministry of National Unity And Society Development in 1996 and was transferred to the Petaling District And Land Office, Selangor as the Assistant District Officer in 1998. In 2006, she assumed the post of the Principal Assistant District Officer (Development) and in 2008 as the Chief Assistant District Officer (Land), Klang District And Land Office, Selangor. In April 2016, she was appointed as the Director of Penang Lands And Mines Office and assumed the post of the Penang State Financial Officer on 14 October 2016. In September 2020, she was appointed as the Senior under Secretary in the Development Division of Ministry of Health and subsequently assumed the post of Federal State Secretary in Sabah in February 2022.

She does not hold any other directorship in other public listed companies.

Directors' Profile
(Cont'd)

DATO' NOOR AZAM BIN JAMALUDIN



Independent Non-Executive Director

63 | Male | Malaysian

Dato' Noor Azam bin Jamaludin was appointed to the Board on 8 March 2024. He is also a member of the Nomination, Remuneration and Audit Committee. He holds a Master of Human Resource Development from Clemson University, South Carolina, USA and a Bachelor of Social Science (Hons) from Universiti Sains Malaysia.

He began his career in law enforcement agency in 1987 as a Senior Investigation Officer at the Ipoh District Police Headquarters. Along his career path he had served in various departments in the Royal Police Force, such as in the Special Branch, Disciplinary Division (Internal Affair) and Management Department. In 2005, he was appointed as the OCPD of Shah Alam with the rank of Assistant Commissioner of Police (ACP). There he gained valuable experience in combating crime, dealing with investigation and involving in community policing until December 2010.

After his four (4) years as the OCPD, he was posted to Sabah Contingent Police Headquarters and holds the post of the Head of Management Department from January 2011 to September 2015. From September 2015 to 2016, he was attached to Integrity and Standard Compliances Department at Bukit Aman as KPP JIPS (Complaints Management). In 2016, he was posted to the training division in the Management Department. Before his tenure as Chief Police Officer (CPO), he served as the JIPS Deputy Director from Jun 2016 to July 2017. Prior to his role in Selangor, he held the position of CPO of Negeri Sembilan from July 2017 to February 2019. From February 2019 to December 2020, he served as the CPO of Selangor.

Dato' Noor Azam bin Jamaludin is also a Director of United U-Li Corporation Berhad.

Notes:

1. Save as disclosed above, none of the Directors have any family relationship with any other Directors and/or major shareholders of the Company.
2. None of the Directors have any conflict of interest or potential conflict of interest in any business arrangement involving the Group.
3. None of the Directors have been convicted for any offences against the law other than traffic offences (if any) within the past five (5) years.
4. Please refer to the Corporate Governance Overview Statement on page 25 for the Directors' meeting attendance records.

SENIOR MANAGEMENT TEAM

TO' PUAN LAU PEK KUAN

Executive Director

67 | Female | Malaysian

To' Puan Lau Pek Kuan is the co-founder of the Group and was instrumental in developing and implementing the accounting and human resource policies for the Group. She was also a member of the Board from 1996 to 2008. She has extensive knowledge and experience in procurement of materials in specialist engineering and building construction and currently heads the Group's procurement and operational division. She has been responsible for integrating the Group's operations for effective cost containment measures and maintaining a high level of efficiency for the Group.

She does not hold any other directorship in other public listed companies.

She is the spouse of Dato' Tan Boon Kang, Group Executive Chairman of the Company, mother of Ir. Tan Chek Siong, Group Managing Director and Ms. Tan Chek Een, Deputy Group Managing Director of the Company and sister in law of Mr. Loo Pak Soon, Non-Independent Non-Executive Director of the Company.

TAN CHEK EEN

Deputy Group Managing Director

39 | Female | Malaysian

Ms. Tan Chek Een holds a Bachelor of Science in Economics and Accountancy from City University of London. She is also a Fellow of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants (MIA). Prior to joining the Group, she has gained experience in audit at KPMG and corporate finance at OSK Investment Bank Berhad. She joined the Group in 2012 and was the Finance Director from January 2019 to February 2023, overseeing the financial planning and general administration of the Group. On 23 February 2024, she was re-designated as Deputy Group Managing Director.

She does not hold any other directorship in other public listed companies.

She is the daughter of Dato' Tan Boon Kang, Group Executive Chairman of the Company and sister of Ir. Tan Chek Siong, Group Managing Director of the Company.

Notes:

1. None of the key senior management has any conflict of interest or potential conflict of interest in any business arrangement involving the Group.
2. None of the key senior management has been convicted for any offences against the law other than traffic offences (if any) within the past five (5) years.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 40th Annual General Meeting of Ken Holdings Berhad (“KEN” or the “Company”) will be held at The Space, Level 2, Menara KEN TTDI, No. 37, Jalan Burhanuddin Helmi, Taman Tun Dr Ismail, 60000 Kuala Lumpur on Thursday, 6 June 2024, at 10.00 a.m. or at any adjournment thereof for the transaction of the following business:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and the Auditors thereon. *Refer Explanatory Notes (a)*
2. To approve the payment of Directors’ fees of RM140,000 in respect of the financial year ended 31 December 2023. **(Ordinary Resolution 1)**
3. To approve the payment of Directors’ benefits to the Non-Executive Directors up to an amount of RM50,000 from 7 June 2024, being the day after the 40th Annual General Meeting until the next Annual General Meeting of the Company. **(Ordinary Resolution 2)**
(Refer Explanatory Notes (b))
4. To re-elect the following Director who is retiring pursuant to Clause 119 of the Company’s Constitution, and being eligible, has offered himself for re-election:
 - (a) Dato’ Noor Azam bin Jamaludin **(Ordinary Resolution 3)**
(Refer Explanatory Notes (c))
5. To re-elect the following Directors who retire pursuant to Clause 114 of the Company’s Constitution and, being eligible, offer themselves for re-election:
 - (a) Dato’ Tan Boon Kang **(Ordinary Resolution 4)**
 - (b) Dato’ Ir. Dr. Ashaari bin Mohamad **(Ordinary Resolution 5)**
6. To re-appoint Messrs. UHY as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 6)**

AS SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass the following Ordinary Resolutions:

Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 **(Ordinary Resolution 7)**
(Refer Explanatory Notes (d))

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and approvals of any other relevant governmental/regulatory bodies where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company, to such persons, at any time upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued does not exceed ten percent (10%) of the total number of issued shares for the time being of the Company.

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

AND THAT pursuant to Section 85 of the Act to be read together with Clause 16 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to the Act.

Notice of Annual General Meeting (Cont'd)

7. To consider and, if thought fit, to pass the following Ordinary Resolutions (Cont'd):

Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 (cont'd)

(Ordinary Resolution 7)
(Refer Explanatory
Notes (d))

AND THAT such authority shall continue in force until the conclusion of the next AGM of the Company after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a General Meeting.

AND THAT authority be and is hereby given to the Directors to do all acts including executing all relevant documents as he/they may consider expedient or necessary to complete and give full effect to the abovesaid mandate."

8. **Proposed Renewal of Authority for the Company to purchase its own shares of up to ten percent (10%) of the issued and paid-up share capital of the Company ("Proposed Renewal of Share Buy-Back")**

(Ordinary Resolution 8)
(Refer Explanatory
Notes (e))

"THAT, subject to compliance with Section 127 of the Act, the Constitution of the Company, the Listing Requirements and all other applicable laws, regulations and guidelines, the Company be and is hereby authorised to allocate an amount not exceeding the total available retained profits of the Company for the purpose of and to purchase such amount of ordinary shares in the Company ("Proposed Purchase") as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares purchased and/or held pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase;

AND THAT, upon completion of the purchase by the Company of its own shares, the Directors are authorised to retain the shares as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder **AND THAT** the Directors are further authorised to resell the treasury shares on Bursa Securities or distribute the treasury shares as dividends to the Company's shareholders or to deal with the treasury shares in the manner as allowed by the Act;

AND THAT the Directors be and are hereby empowered to carry out the above immediately upon the passing of this resolution and from the date of the passing of this resolution until:

- (a) the conclusion of the next AGM of the Company following at which time the authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders at a General Meeting,

whichever occur first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the Listing Requirements and any other relevant authorities **AND THAT** authority be and is hereby given to Directors of the Company to take all steps as are necessary and/or to do all such acts and things as the Directors deem fit and expedient in the interest of the Company to give full effect to the Proposed Purchase with full powers to assent to any condition, modification, revaluation, variation and/or amendment (if any) as may be imposed by the relevant authorities."

Notice of Annual General Meeting (Cont'd)

9. **Retention of Dato' Ir. Dr. Ashaari bin Mohamad as Independent Non-Executive Director** **(Ordinary Resolution 9)**
(Refer Explanatory Notes (f))
- THAT** subject to the passing of Ordinary Resolution 5, Dato' Ir. Dr. Ashaari bin Mohamad, who has served as an Independent Non-Executive Director for a cumulative term of more than nine (9) years, be and is hereby retained as an Independent Non-Executive Director of the Company until the conclusion of the next AGM or at any adjournment thereof in accordance with the Malaysian Code on Corporate Governance 2021.
10. To transact any other ordinary business for which due notice shall have been given.

BY ORDER OF THE BOARD,

ANDREA HUONG JIA MEI (MIA 36347/ SSM PC NO. 202008003125)

Company Secretary

Kuala Lumpur
30 April 2024

Notes:

1. A member of the Company entitled to attend, speak and vote at this meeting is entitled to appoint any person as his/her proxy to attend, speak and vote instead of him/her. There shall be no restriction as to the qualification of proxy.
2. A member may appoint up to two (2) persons to be his/her proxy. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
3. Where a member is an authorised nominee, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares standing to the credit of the said securities account.
4. Where a member of the Company is an Exempt Authorised Nominee ("EAN") as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds.
5. In the case of a corporate body, the instrument appointing a proxy shall be given under the Company's Common Seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing the proxy must be deposited at the Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Verticle Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgement via TIH Online at <https://tih.online> (applicable to individual shareholders only), not less than 48 hours before the time set for the meeting or any adjournment thereof. Please refer to the Administrative Guide for the 40th AGM for further information on the electronic lodgement of the Proxy Form.
7. For purposes of determining who shall be entitled to attend, speak and vote at this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Clause 63 of the Constitution of the Company and Paragraph 7.16(2) of the Listing Requirements, a Record of Depositors as at 30 May 2024 and a Depositor whose name appears on such Record of Depositors shall be entitled to attend, speak and vote at this meeting or appoint proxy to attend, speak and vote in his/her stead.

Notice of Annual General Meeting (Cont'd)

8. Pursuant to Paragraph 8.29A(1) of the Listing Requirements, all the Resolutions set out in this Notice will be put to vote by poll.

Explanatory Notes on Ordinary and Special Business:

(a) Audited Financial Statements for financial year ended 31 December 2023

The audited financial statements are for discussion only under Agenda 1, as it does not require shareholders' approval under the provisions of Section 340(1)(a) of the Act. Hence, this item on the Agenda is not put forward for voting by the shareholders of the Company.

(b) Directors' benefits payable

Section 230(1) of the Act provides amongst others, that "the fees" of the Directors and "any benefits" payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 40th AGM on the Directors remuneration.

(c) Resolutions pursuant to the re-election of Directors

The Board, through the Nomination Committee ("NC"), has assessed individual Directors for the financial year 2023 based on their self/peer assessments and Independent Directors' annual confirmations of independence. Furthermore, the NC has evaluated the retiring Directors in terms of their character and integrity, competency, commitment, contribution and ability to act in the best interests of the Company based on the criteria outlined in the Group's Fit and Proper Policy ("Fit and Proper Criteria"). The Board is satisfied that the retiring Directors meet the Fit and Proper Criteria for re-election to the Board and can continue to diligently discharge their duties as Directors. The Board recommends that shareholders approve the re-election of the retiring Directors, who have offered themselves for re-election at the 40th AGM. The retiring Directors have abstained from deliberations and decisions on their re-election at the relevant meetings of the Board and the NC. The profiles of the retiring Directors are set out in the Directors' Profile in the Annual Report 2023.

(d) Resolution pursuant to Sections 75 and 76 of the Companies Act, 2016

The Company wishes to renew the mandate on the authority to issue shares of not more than ten per centum (10%) of the total issued shares capital for the time being pursuant to the Act at the 40th AGM of the Company (hereinafter referred to as the "General Mandate"). The Company had been granted a general mandate on the authority to issue shares pursuant to the Act by its shareholders at the 39th AGM of the Company held on 25 May 2023 (hereinafter referred to as the "Previous Mandate"). As at the date of this notice, the Previous Mandate granted by the shareholders had not been utilised and hence no proceeds were raised therefrom.

The proposed Resolution 7, if passed, will empower the Directors of the Company to issue and allot new shares in the Company at any time and for such purposes as the Directors considered would be in the interests of the Company up to an aggregate not exceeding ten percent (10%) of the total number of issued shares of the Company without convening a general meeting. This authority, unless revoked or varied at a general meeting will expire at the conclusion of the next AGM or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier.

The renewed mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding investment project(s), working capital and/or acquisition.

Pursuant to Section 85 of the Act read together with Clause 16 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other securities. Should the existing shareholders of the Company approve the proposed Ordinary Resolution 7, they are waiving their pre-emptive rights pursuant to Section 85(1) of the Act, which then would allow the Directors to issue new shares to any person without to offer the said new shares equally to all existing shareholders of the Company prior to issuance.

Notice of Annual General Meeting
(Cont'd)**(e) Resolution in respect of the Proposed Renewal of Share Buy-Back**

Resolution No. 8, if passed, will empower the Company to purchase and/or hold up to ten percent (10%) of the issued shares of the Company. This authority will, unless revoked or varied by the Company in General Meeting, expire at the next AGM. For further information, please refer to the Share Buy-Back Statement dated 30 April 2024 which is circulated together with this Annual Report.

(f) Retention of Dato' Ir. Dr. Ashaari bin Mohamad as Independent Non-Executive Director

Pursuant to the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"), it is recommended that approval of the shareholders be sought in the event the Company intends to retain an Independent Non-Executive Director who has served in that capacity for more than nine (9) years.

Dato' Ir. Dr. Ashaari bin Mohamad was appointed to the Board on 20 February 2013 and has therefore as at the date of this Notice, served the Company for more than nine (9) years. The Board of Directors has via the Nomination Committee ("NC") assessed the independence of Dato' Ir. Dr. Ashaari bin Mohamad and recommended that he continue to act as Independent Non-Executive Director of the Company. Details of the Board's justification and recommendation for the retention of Dato' Ir. Dr. Ashaari bin Mohamad are set out in the Corporate Governance Overview Statement of the Annual Report 2023. Dato' Ir. Dr. Ashaari bin Mohamad will continue to act as Independent Non-Executive Director of the company if the proposed Ordinary Resolution 9 is passed.

**STATEMENT ACCOMPANYING NOTICE OF FORTIETH (40TH) ANNUAL GENERAL MEETING
(Pursuant to Paragraph 8.27(2) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad)**

1. Pursuant to Clause 114 and Clause 119 of the Company's Constitution the following Directors are standing for re-election at the 40th AGM of the Company:

(a)	Dato' Tan Boon Kang	(Clause 114)
(b)	Dato' Ir. Dr. Ashaari bin Mohamad	(Clause 114)
(c)	Dato' Noor Azam bin Jamaludin	(Clause 119)
2. No individual is standing for election as a Director at the forthcoming 40th AGM of the Company other than the Directors seeking for re-election and retention as a Director at the 40th AGM.
3. The profiles of the Directors who are standing for re-election at the 40th AGM are set out in the Company's Annual Report 2023.
4. The Company will seek shareholder's approval on the general meeting to allot and issue shares. Please refer to the proposed Ordinary Resolution 7 as stated in the Notice of the 40th AGM of the Company for further details.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Tan Boon Kang
Group Executive Chairman

Ir. Tan Chek Siong
Group Managing Director

Tan Chek Een
Deputy Group Managing Director

Dato' Ir. Dr. Ashaari bin Mohamad
Independent Non-Executive Director

Dato' Sarul Bahiyah binti Hj. Abu
Independent Non-Executive Director

Loo Pak Soon
Non-Independent Non-Executive Director

Dato' Noor Azam bin Jamaludin
Independent Non-Executive Director

AUDIT COMMITTEE

Dato' Ir. Dr. Ashaari bin Mohamad
Chairman

Loo Pak Soon
Member

Dato' Sarul Bahiyah binti Hj. Abu
Member

Dato' Noor Azam bin Jamaludin
Member

NOMINATION COMMITTEE

Dato' Ir. Dr. Ashaari bin Mohamad
Chairman

Loo Pak Soon
Member

Dato' Sarul Bahiyah binti Hj. Abu
Member

Dato' Noor Azam bin Jamaludin
Member

REMUNERATION COMMITTEE

Loo Pak Soon
Chairman

Dato' Ir. Dr. Ashaari bin Mohamad
Member

Dato' Sarul Bahiyah binti Hj. Abu
Member

Dato' Noor Azam bin Jamaludin
Member

COMPANY SECRETARY

Andrea Huang Jia Mei
(MIA 36347 / SSM PC No.
202008003125)

SHARE REGISTRAR

Tricor Investor & Issuing House
Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

Customer Service Centre:
Unit G-3, Ground Floor, Podium,
Vertical Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur

Tel (03) 2783 9299
Fax (03) 2783 9222
E-mail: is.enquiry@my.tricorglobal.com

REGISTERED OFFICE

Level 12, Menara KEN TTDI
No. 37, Jalan Burhanuddin Helmi
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel (03) 7727 9933
Fax (03) 7728 8246
E-mail : contact@kenholdings.com.my
Website: www.kenholdings.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

Stock Code : 7323
Stock Name : KEN
Sector : Property

PRINCIPAL BANKER

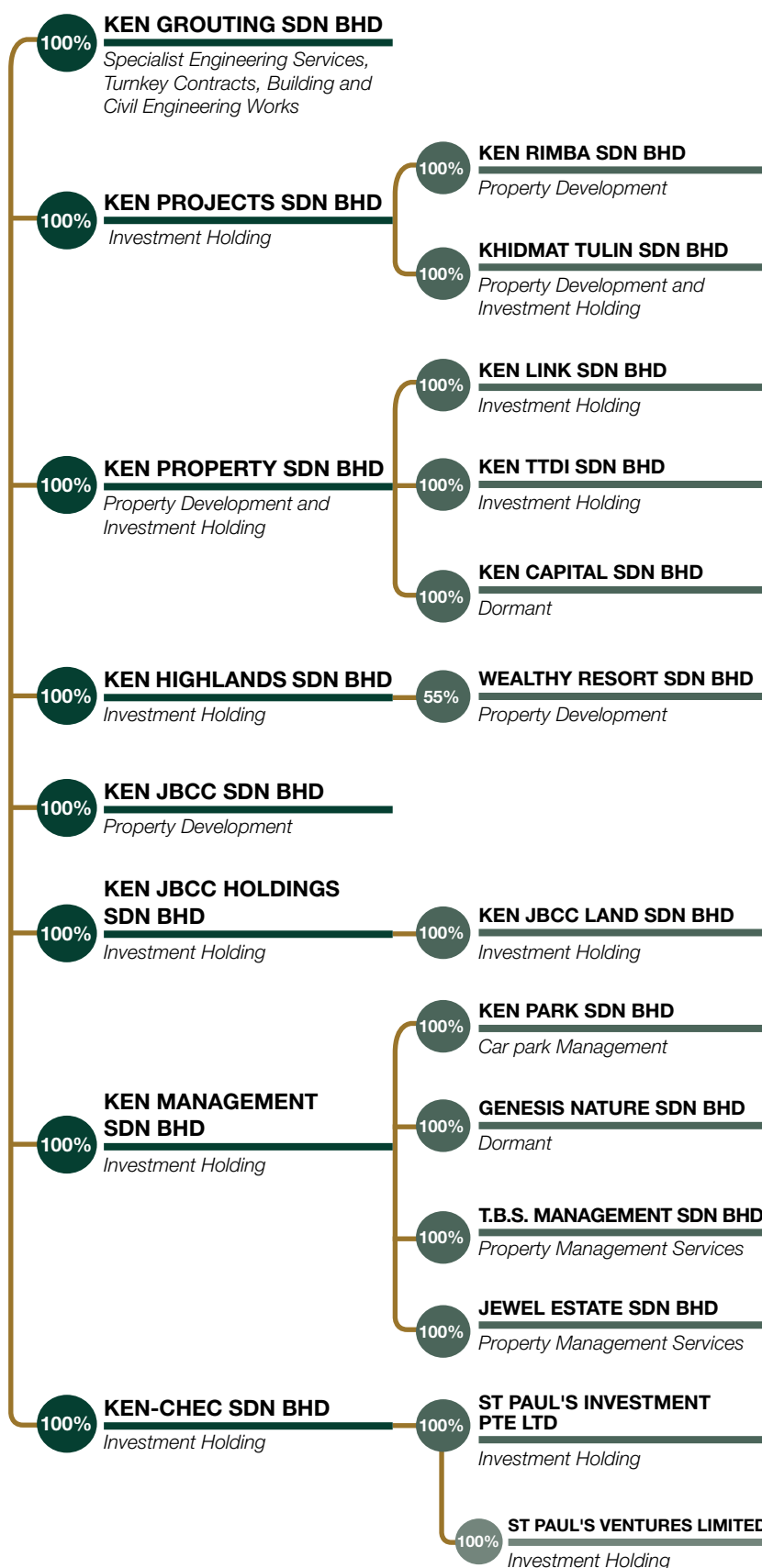
Malayan Banking Berhad

AUDITORS

UHY (Firm No: AF 1411)
Chartered Accountants
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel (03) 2279 3088
Fax (03) 2279 3099

CORPORATE STRUCTURE

AS AT 31 DECEMBER 2023



FINANCIAL HIGHLIGHTS

PRINCIPAL ACTIVITIES

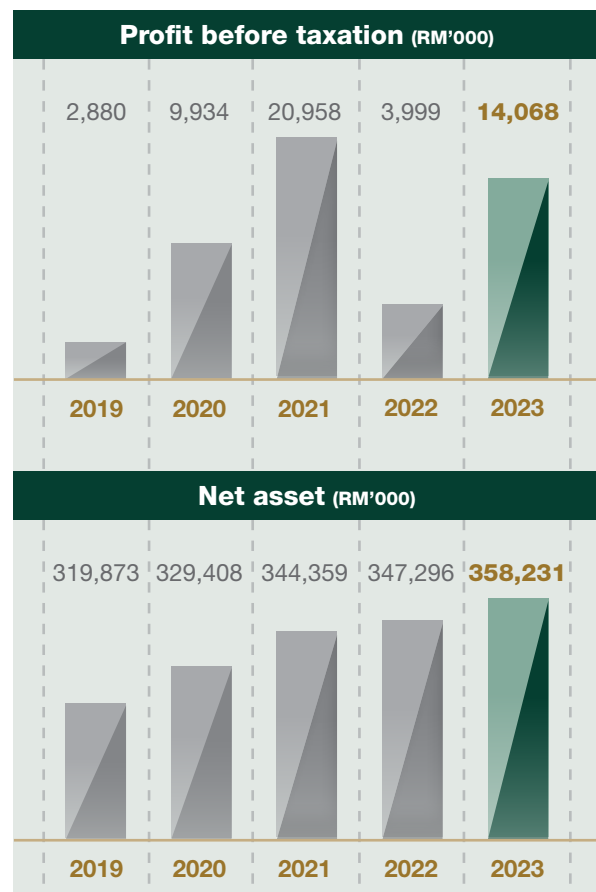
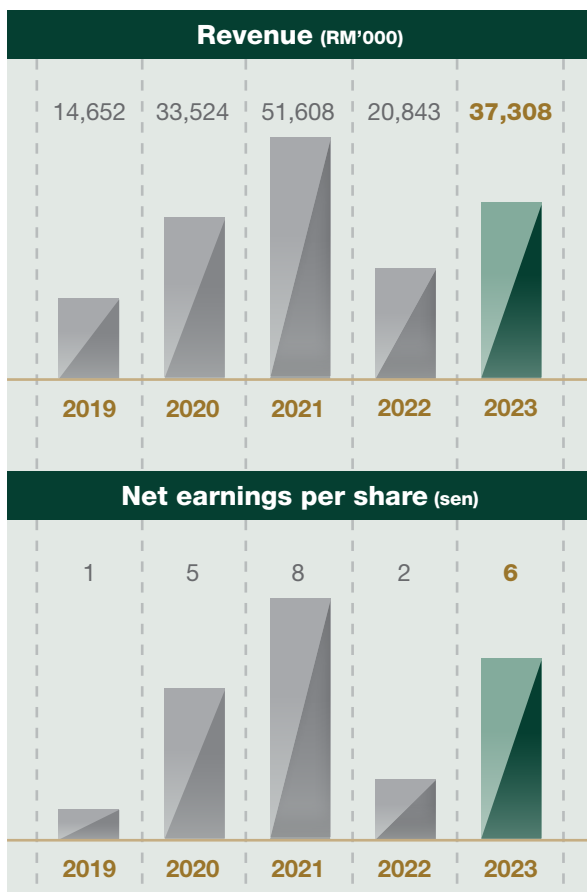
The Company

Investment holding and provision of management services

The Subsidiaries

Include property holding, investment and development, specialist engineering services, geo-technical, civil engineering and building works, land reclamation and marine engineering, property management and car park management.

FIVE YEARS GROUP FINANCIAL STATISTICS	2019 RM'000	2020 RM'000 (Restated)	2021 RM'000	2022 RM'000	2023 RM'000
Revenue	14,652	33,524	51,608	20,843	37,308
Profit before taxation	2,880	9,934	20,958	3,999	14,068
Profit after taxation	2,244	8,647	15,206	2,911	10,907
Profit attributable to shareholders	2,242	8,647	15,206	2,911	10,907
Shareholders' fund	319,824	329,359	344,310	347,247	358,180
Issued share capital	95,860	95,860	95,860	95,860	95,860
Total assets	377,299	383,360	399,314	399,753	410,180
Net asset	319,873	329,408	344,359	347,296	358,231
Net earnings per share (sen)	1	5	8	2	6
Net assets per share (sen)	178	184	192	194	200



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") is committed in maintaining the highest standards of corporate governance throughout KEN Holdings Berhad ("KEN") and its subsidiaries ("Group") so that the affairs of the Group are conducted with integrity and professionalism with the objective of safeguarding shareholders' investment and ultimately enhancing long term shareholder value.

The Board continues to monitor and review the Group's corporate governance practices to ensure compliance with the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") issued by the Securities Commission. The following paragraphs describe an overview of the Group's corporate governance practices pursuant to the MCCG 2021 and should be read together with the Corporate Governance Report 2023 which is available on the Company's website at www.kenholdings.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board has overall responsibilities for the corporate governance practices of the Group. It guides and monitors the affairs of the Group on behalf of the shareholders and retains full and effective control over the Group. The key responsibilities include a review of overall strategic direction and objective for the Group and overseeing the business operations of the Group, evaluating whether they are properly managed.

There is a clear division of responsibilities between the Group Executive Chairman, Group Managing Director and Independent and Non-Independent Non-Executive Directors to ensure a balance of power and authority. The position of Group Executive Chairman and Group Managing Director are held by Dato' Tan Boon Kang and Ir. Tan Chek Siong, respectively, which is in line with Practice 1.3 of the MCCG 2021. The Group Executive Chairman is responsible for ensuring Board effectiveness and to champion good governance practices in the Group and the Group Managing Director has the overall responsibility for the day-to-day management of the business and implementation of Board policies and procedures. Further, the Chairman of the Board is not a member of any of the Board Committees to ensure there is check and balance as well as objective review by the Board as recommended by Practice 1.4 of the MCCG 2021.

The Board Charter guides the Directors in relation to the Board's fiduciary duties and responsibilities, various regulations and best practices governing their conduct and the need for safeguarding the interests of shareholders and stakeholders. The Board will periodically review and update the Board Charter in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities. Details of the Board Charter are available on the Company's website.

The Board is supported by a qualified and competent Company Secretary who is a member of the Malaysian Institute of Accountants (MIA) under Section 235(2) of the Companies Act, 2016. The Directors are regularly updated by the Company Secretary on new statutory as well as regulatory requirements relating to Directors' duties and responsibilities or the discharge of their duties as Directors of the Company. The Company Secretary attends all board meetings and ensures that accurate and proper records of the proceedings of board meetings are properly kept and advises the Board on all governance matters.

All scheduled meetings held during the year were preceded with a formal agenda issued by the Company Secretary. Board papers were circulated electronically to all Directors at least seven (7) days prior to the meeting to allow sufficient time for the Directors to review and obtain further explanations, where necessary in order to be properly briefed before the meeting. This enables the Directors to discharge their duties and responsibilities competently and in a well-informed manner. Management is invited to attend the Board and Board Committee meetings to brief and provide explanations to the Directors and Committee members on the operations of the Group. Upon conclusion of each meeting, minutes are circulated in a timely manner.

Board meetings are held at quarterly intervals with additional meetings convened when urgent and important decisions need to be taken between the scheduled meetings. During the financial year ended ("FYE") 31 December 2023, the Board met on five (5) occasions, where they deliberated on a variety of matters including the Group's financial results, strategic decisions and direction of the Group. Board meetings for the whole year are scheduled ahead at the beginning of each financial year to allow the Directors to plan their schedule ahead to enable them to attend the board meetings which have been scheduled for the following year.

Corporate Governance Overview Statement (Cont'd)

The Directors' attendance record for the FYE 31 December 2023 is as follows:

Directors	Board Meetings Attended
Dato' Tan Boon Kang	5/5
Ir. Tan Chek Siong	5/5
Dato' Ir. Dr. Ashaari bin Mohamad	5/5
Loo Pak Soon	5/5
Tan Chek Een	5/5
Dato' Sarul Bahiyah binti Hj. Abu	5/5
Dato' Noor Azam bin Jamaludin (Appointed on 8 March 2024)	0/1*
YAM Dato' Seri Syed Azni Ibni Almarhum Tuanku Syed Putra Jamalullail (Resigned on 8 March 2024)	4/4*

* Reflects the number of meetings held during the time the Committee member held office.

The Group's Code of Conduct sets the tone for proper and ethical behavior expected of the Board members and the employees. The Group's Code of Conduct serves as a reference for all parties to conduct themselves in accordance with key principles including integrity in discharging their duties, conflict of interest and confidentiality of information. It also sets out prohibited activities or misconduct involving gifts, gratuities, bribery, dishonest behaviour and sexual harassment. In discharging its responsibilities, the Board is also guided by the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia. The Group's Code of Conduct is reviewed periodically and is available on the Company's website.

In its effort to enhance corporate governance, the Board has established, reviewed and put in place a Whistle Blowing Policy, which was designed to create a positive environment in which employees and stakeholders can raise genuine concerns without fear of recrimination and to enable prompt corrective actions and measures to be taken where appropriate and necessary.

Anti-Bribery and Anti-Corruption Policy

Additionally, the Group has also established an Anti-Bribery and Anti-Corruption policy to prevent corrupt practices and to provide a measure of assurance and defence against corporate liability for corruption under Section 17A of the Malaysian Anti-Corruption Commission Act 2009. The policy is available on the Company's website.

Conflict of Interest

Members of the Board are required to make a declaration to that effect at the board meeting in the event that they have interests in any proposal being considered by the Board, and shall abstain themselves from Board deliberation and decision making.

Directors Fit and Proper Policy

The Board had on 25 May 2022 adopted a Directors' Fit and Proper Policy, which serves as a guide for the Nomination Committee in their review and assessment of candidates proposed for appointment or re-appointment as well as assessment of Directors who are seeking re-election on the Board to ensure that each of the Director has the character, integrity, experience, competence and time commitment to effectively discharge his/her role as a Director of the Group in tandem with good corporate governance practices. The Directors' Fit and Proper Policy is available on the Company's website.

Corporate Governance Overview Statement
(Cont'd)**II. BOARD COMPOSITION**

The Board comprise of three (3) Executive Directors and four (4) Non-Executive Directors, of which three (3) of the Non-Executive Directors are Independent Non-Executive Directors and one (1) is a Non-Independent Non-Executive Director. This is in compliance with Paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") which requires at least two (2) or one-third ($\frac{1}{3}$) of the Board members to comprise independent members, whichever is higher. Each of the Independent Directors has provided an annual confirmation of their independence to the Nomination Committee and the Board. YAM Dato' Seri Syed Azni Ilni Almarhum Tuanku Syed Putra Jamalullail has served as an Independent Director of the Company for twelve (12) years, reaching the maximum tenure allowed by the Listing Requirements and has resigned on 8 March 2024.

The MCCG 2021 recommends that the tenure of the Independent Director shall not exceed a cumulative term of nine (9) years. At the date of this Statement, Dato' Ir. Dr. Ashaari bin Mohamad has served for more than nine (9) years. The Nomination Committee and Board have assessed and concluded that Dato' Ir. Dr. Ashaari bin Mohamad had continued to remain independent based on the annual independence assessment conducted. Thus, the Board had recommended the continuation of Dato' Ir. Dr. Ashaari bin Mohamad as an Independent Director at the forthcoming Annual General Meeting ("AGM").

The Board is well represented by individuals with diverse professional backgrounds and experiences in the areas of engineering, finance, accounting, law and property development. The Board also recognises the importance of having a diverse Board and takes into consideration gender, age, ethnicity, skills and experience to ensure a well balanced mix of Board members. The Nomination Committee, in making a recommendation to the Board on the candidate for recruitment or new Board appointment, in the case of candidates for the position of independent non-executive directors, the independence criteria as set out in Paragraph 1.01 of the Listing Requirements as well as the necessary skill and experience and the ability to discharge such responsibilities as expected from independent non-executive directors to bring an independent and objective judgement on issues are considered by the Board.

The present composition of the Nomination Committee consists of four (4) Non-Executive Directors, majority of whom are independent. The Terms of Reference of the Nomination Committee is available on the Company's website. The Nomination Committee, upon the review being carried out, is satisfied that the size of the Board is optimum and that there is an appropriate balance and diversity of experience, expertise, gender and age in the composition of the Board and its Committees. The Board also believes in providing equal opportunity to candidates who have the skills, experience, core competencies and other qualities regardless of gender. The Board is mindful of the Practice 5.9 of the MCCG 2021 that the Board should comprise at least 30% women directors. Presently, the composition of female Directors has increased to 29% of the full Board. However, in practical terms, the Board has deemed this practice as applied by rounding up to the nearest ten percentile.

The Nomination Committee carried out its duties in accordance with its Terms of Reference. During the FYE 31 December 2023, the activities of the Nomination Committee included the following:

- (a) conducted annual assessment and review via questionnaires on the effectiveness of the Board, its Committees and the contribution of each Director;
- (b) reviewed the overall mix of skills, experience and other qualities of directors, including core competencies in the Board's composition;
- (c) conducted annual assessment on the independence of the Independent Directors;
- (d) facilitated an assessment of each Directors' contribution to the Company and recommended to the Board for re-election at the next AGM; and
- (e) conducted an assessment of the training needs of the Directors and reviewed the trainings attended by the Directors during the year.

Corporate Governance Overview Statement (Cont'd)

The results of these assessments are collated, analysed and summarised by the Company Secretary and discussed by the Nomination Committee and thereafter reported to the Board. The results concluded that the Board and Board Committees as a whole was generally satisfactory and has met the various objectives and criteria as set out under the existing framework for performance evaluation. Each member of the Nominating Committee has abstained from discussions and voting on any resolutions in respect of the assessment of his performance or nomination for re-election as a Director.

The Directors are encouraged to continuously attend relevant training programmes to further enhance their skills and knowledge as well as to effectively discharge their duties and obligations. All Directors have attended and successfully completed the Mandatory Accreditation Programme prescribed by Bursa Securities. During the FYE 31 December 2023, the Directors have attended the following training programmes and briefings:

Director	Training/Briefing attended
Dato' Tan Boon Kang	<ul style="list-style-type: none"> Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers
Ir. Tan Chek Siong	<ul style="list-style-type: none"> Board Oversight of Climate Risks and Opportunities Invest Malaysia 2023 Series 1 : Strengthening Resilience & Sustaining Growth
Dato' Ir. Dr. Ashaari bin Mohamad	<ul style="list-style-type: none"> Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers Board of Directors and Senior Management Training Technical Talk on Pan Borneo Highway and Performance Based Analysis for Slope Stability
Mr. Loo Pak Soon	<ul style="list-style-type: none"> Audit Oversight Board's Conversation with Audit Committees MFRS Updates 2023
Ms. Tan Chek Een	<ul style="list-style-type: none"> Invest Malaysia 2023 Series 1 : Strengthening Resilience & Sustaining Growth Conflict of Interest ("COI") and Governance of COI Programme Board Oversight of Climate Risks and Opportunities Audit Oversight Board's Conversation with Audit Committees
Dato' Sarul Bahiyah binti Hj. Abu	<ul style="list-style-type: none"> Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers Audit Oversight Board's Conversation with Audit Committees
Dato' Noor Azam bin Jamaludin (Appointed on 8 March 2024)	<ul style="list-style-type: none"> Mandatory Accreditation Programme
YAM Dato' Seri Syed Azni Ibni Almarhum Tuanku Syed Putra Jamalullail (Resigned on 8 March 2024)	<ul style="list-style-type: none"> Invest Malaysia 2023 Series 1 : Strengthening Resilience & Sustaining Growth

Additionally, the external auditors will provide updates to the Audit Committee on any amendments to the accounting standards and the company secretary will provide briefings to the Board members on any regulatory changes to the Companies Act 2016 or Listing Requirements to ensure compliance.

Corporate Governance Overview Statement
(Cont'd)**III. Remuneration**

The Remuneration Committee, comprised entirely Non-Executive Directors, is entrusted with the role of determining and recommending to the Board the remuneration framework for Directors as well as remuneration packages of Executive Directors necessary to attract, retain and motivate Directors. Each Director does not participate in the discussion of their own remuneration. Directors' fees are subject to approval by the shareholders at the Company's AGM. The Terms of Reference of the Remuneration Committee is available on the Company's website.

The remuneration packages of Executive Directors include salaries and benefits-in-kind which are linked to the Group's performance. The remuneration of the Non-Executive Directors consists of fixed fees and meeting allowances for their services in connection with the Board and Board Committee meetings. They do not have contracts and do not participate in any share option scheme of the Group. Detailed disclosure of Directors' remuneration is disclosed in the Corporate Governance Report which is available on the Company's website at www.kenholdings.com.my.

Details of the aggregate Directors' remuneration of the Company and Group for the FYE 31 December 2023 categorised in appropriate components is set out below:

Company	Fee RM'000	Salaries and other emoluments RM'000	Benefits-in-kind RM'000	Bonus RM'000	Total RM'000
Executive	60	–	–	–	60
Non-Executive	80	46	–	–	126
	140	46	–	–	186

Group	Fee RM'000	Salaries and other emoluments RM'000	Benefits-in-kind RM'000	Bonus RM'000	Total RM'000
Executive	60	2,451	26	775	3,312
Non-Executive	80	46	–	–	126
	140	2,497	26	775	3,438

The number of Directors whose remuneration falls within successive bands of RM50,000 is set out below:

Range of Remuneration	Executive	Non-Executive
Below RM50,000	–	4
RM350,001 – RM400,000	1	–
RM1,000,001 – RM1,050,000	1	–
RM1,800,001 – RM1,850,000	1	–
	3	4

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Audit Committee comprise of four (4) Non-Executive Directors, of which majority are independent. YAM Dato' Seri Syed Azni Ibni Almarhum Tuanku Syed Putra Jamalullail resigned on 8 March 2024, having served the maximum twelve (12) years tenure as an Independent Director of the Company. Consequently, Dato' Ir. Dr. Ashaari bin Mohamad was re-designated as the new Chairman of the Audit Committee and Dato' Noor Azam bin Jamaludin was appointed as a member. The composition, authority as well as duties and responsibilities of the Audit Committee are set out in its Terms of Reference approved by the Board.

The Audit Committee also has adopted a policy that requires a former key audit partner to observe a cooling-off period of three (3) years before being appointed as a member of the Audit Committee. The Audit Committee is responsible for reviewing issues of accounting policy and presentation for external financial reporting, monitoring the work of the internal audit function, reviewing the independence of the Group's external auditors and ensuring that an objective and professional relationship is maintained with the external auditors, who in turn, have access at all times to the Chairman of the Committee.

The Board through the Audit Committee has established a formal and transparent relationship with the external auditors which have been maintained on a professional basis. The Audit Committee has in place policies and procedures to review and assess the appointment or re-appointment of the external auditors in respect of their suitability, objectivity and independence. The external auditors have provided assurance to the Audit Committee on its independence via the Audit Planning Memorandum. The Audit Committee also had a meeting with the external auditors on 22 February 2024 without the presence of the executive Board members and management to discuss on key concerns and obtain feedback relating to the Company's affairs.

Details of audit fee and non-audit fee payable by the Company and Group to the external auditors for the FYE 31 December 2023 are set out below:

	Company RM'000	Group RM'000
Audit fee payable	30	111
Non-audit fee payable	6	6
Total	36	117

The Group has outsourced its internal audit function to an external consultant which reports directly to the Audit Committee. The Internal Audit's main responsibility is to provide an independent and objective assessment on the adequacy and effectiveness of the Group's governance, risk management and internal control processes. The Internal Audit carries out its internal audit functions based on a work plan agreed with the Audit Committee, where different aspects of internal controls are reviewed for each year, and also take into consideration key risk factors applicable to the Company. The Audit Committee conducts an annual assessment to assess the competency and experience of the internal audit function as well as the adequacy of resources in order for the internal audit function to carry out its work effectively.

A summary of the work of the Committee during the financial year is set out in the Audit Committee report on pages 34 to 35 of this Annual Report. The Terms of Reference of the Audit Committee is available on the Company's website.

II. Risk Management and Internal Control Framework

The Board acknowledges that risk management and internal controls is an integral part of the overall management processes which is an ongoing process to identify, evaluate, monitor and manage and mitigate the risks that may affect the achievement of its business and corporate objectives.

The Group Risk Management Committee had conducted its annual risk evaluation exercise and reviewed the adequacy and effectiveness of the internal controls and was reviewed by the Audit Committee. The Board is of the view that the current risk management and internal control system is adequate and effective to safeguard investment, the interest of customers, regulators, employees, and the Group's assets.

Details of the Company's risk management and internal control system are set out in the Statement on Risk Management and Internal Control on pages 32 to 33 of this Annual Report.

Corporate Governance Overview Statement
(Cont'd)**PRINCIPLE C: INTERGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS****I. Communication with Stakeholders**

The Board recognises the importance of an effective communication channel between the Board, shareholders and the investment community. The policy of the Board is to promote effective communication and proactive engagement with its shareholders with the intention of giving shareholders a clear and complete picture of the Group's performance and position as possible.

Bursa Securities also provides the Company to electronically publish all its announcements, including full versions of its quarterly results announcements, circulars and Annual Reports on Bursa Securities' website at www.bursamalaysia.com/market/. The Company also maintains its corporate website that allows all shareholders and investors access to information about the Group at www.kenholdings.com.my which is updated regularly to provide the latest information about the Group, including announcements and quarterly results of the Group.

Whilst the Company endeavours to provide as much information as possible to its shareholders, it is mindful of the legal regulatory framework governing the release of material and price-sensitive information. As such, corporate disclosure will take into account the prevailing legislative restrictions and requirements as well as the investors' needs for timely release of price-sensitive information, such as financial performance results and statements, material acquisitions, significant corporate proposals as well as other significant corporate events.

II. Conduct of General Meetings

The AGM represents the principal forum for dialogue and interaction with shareholders where shareholders are informed of current developments. At the AGM, the Board provides ample time for the question and answer session and for shareholders to give their views to the Board. All members of the Board and the external auditors are present at the AGM to respond to shareholders' queries during the meeting. The Notice of AGM and Annual Report are sent out to shareholders at least twenty-eight (28) days before the meeting.

Pursuant to Paragraph 8.29A(1) of the Listing Requirements, the Company will implement poll voting for all the resolutions set out in the Notice of AGM. An Independent scrutineer will be appointed to validate the votes cast at the AGM.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the affairs of the Group and of the Company as at the end of the accounting period and of the financial performance and cash flows for the year ended. In preparing the financial statements, the Board made judgements and estimates that are reasonable and prudent and also ensures that the financial statements are prepared in accordance with the Malaysian Financial Reporting Standards and the provisions of the Companies Act, 2016.

The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Group and to minimise fraud and other irregularities.

The Directors are satisfied that in preparing the financial statements of the Group for the FYE 31 December 2023, the Group has used the appropriate accounting policies and applied them consistently and supported by reasonable and prudent judgments and estimates. The Directors also consider that all applicable approved accounting standards have been complied with and further confirm that the financial statements have been prepared on a going concern basis.

COMPLIANCE WITH THE MCCG 2021

Although KEN is not a Large Company (defined as listed on FTSE Bursa Malaysia Top 100 index or market capitalisation of RM2 billion and above) for the FYE 31 December 2023, the Board is committed to ensure high standards of governance are practiced wherein the Company has adopted and complied substantially with the practices of the MCCG 2021.

COMPLIANCE STATEMENT

The Board has deliberated, reviewed and approved this Corporate Governance Overview Statement. The Board considered that the Corporate Governance Overview Statement provides the information necessary to enable shareholders of the Group to evaluate how the principles and best practices as set out in the MCCG 2021 have been complied with. The Board shall remain committed to attaining the highest possible standards through the continuous adoption of the principles and best practices of the MCCG 2021 and all other applicable laws and regulations.

The Corporate Governance Overview Statement is made in accordance with a resolution of the Board dated 25 April 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("Board") believes that the practice of good corporate governance is an important continuous process in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Board is responsible for the adequacy and effectiveness of the Group's risk management and internal control system. The Board continues to review the system to ensure that the risk management and internal control system provides a reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud. The process is regularly reviewed by the Board and is guided by the *Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers*.

While achieving the Group's strategic goals and maximising stakeholders' values, the Board ensures that risks are reasonably mitigated and adverse impact to the Group is limited. The Board has established a risk management and internal control framework which consists of a formalised risk management policy and procedure for a systematic and consistent approach to evaluate and improve the adequacy and effectiveness of the Group's risk management process. The framework involves a continuous cycle of designing, implementing, monitoring, reviewing and improving of the framework. The key elements of the risk management framework are as follows:

- (a) a documented risk management policy and procedure with defined risk strategy and risk management policy on risk assessment, risk communication and risk monitoring;
- (b) defined parameters for risk rating; and
- (c) a Group Risk Management Committee ("GRMC") chaired by the Managing Director of the Company with the main functions of recommending risk management policy to the Board, maintaining overall risk management oversights and to review the risk profile of the Group on an ongoing basis.

The respective Heads of Department are primarily responsible for the identification, evaluation and management of major risks affecting their respective business units including the design and implementation of controls on a regular basis.

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

The Board is of the view that the risk management and internal control system in place for the year under review and up to the date of issuance of the financial statements is adequate and effective to safeguard investment, the interest of customers, regulators, employees, and the Group's assets.

KEY RISK MANAGEMENT AND INTERNAL CONTROL PROCESSES

The key processes that have been established in reviewing the adequacy and effectiveness of the risk management and internal control system include:

- (a) The GRMC conducts an annual risk assessment exercise in the identification and evaluation of the significant risk affecting the Group. During the year, one significant and three moderate risk areas were selected for review and a general review was performed on the other risk areas. The risk profile of the Group together with the Risk Register were reviewed and presented during the annual GRMC meeting held on 16 October 2023.

The risk assessment performed in 2023 was subsequently reviewed and approved by the Audit Committee and the Board respectively in April 2024.

- (b) The internal audit function reports its findings to the Audit Committee of the Company. The Audit Committee examines the Group's system of internal control through reviews of reports on risk assessment exercises performed by the GRMC and reports from the internal audit function.

During the year, the internal audit function was outsourced to an appointed independent consultant who undertook internal audit reviews on selected risk areas of the Group and its findings were presented to the Audit Committee and the Board in August 2023.

- (c) The key elements of the Group's internal control system which have been in place during the financial year include:
 - (i) The Group has an organisation structure with well-defined lines of responsibility and authority levels;
 - (ii) Management meetings and departmental meetings were held weekly to identify, discuss and resolve significant operational and financial issues;
 - (iii) Budgets were prepared for each subsidiary and reviewed by the Group Managing Director;

Statement On Risk Management And Internal Control (Cont'd)

- (iv) Management reports were prepared monthly and monitored against budget on a quarterly basis;
- (v) Board Committees comprising Audit Committee, Nomination Committee and Remuneration Committee with defined terms of reference outlining functions and duties established by the Board;
- (vi) Standard Operating Procedures manuals which are reviewed and updated regularly to reflect the changes in business environment, operational needs and regulatory requirements;
- (vii) Internal quality audits were conducted on all departments/sites during the year to monitor compliance with ISO 9001:2015 as well as identify and monitor operational issues;
- (viii) Ken Grouting Sdn Bhd, Ken Rimba Sdn Bhd and KEN TTDI Sdn Bhd, which are subsidiaries of the Group, have been accorded ISO 9001:2015 accreditation demonstrating continuous improvement of its internal controls;
- (ix) The Audit Committee reviewed the quarterly results before approval by the Board for public release. The Audit Committee also reviewed the audit findings of the external auditors, the annual financial statements and Annual Report of the Group. The minutes of the Audit Committee were tabled to the Board on a periodic basis. Further details of the activities of the Audit Committee are set out in the Audit Committee report;
- (x) The Group's internal audit function has the responsibility to assure the Board, via the Audit Committee that internal control systems were fully implemented through its audit reviews on selected risk areas during the year and submitted its findings to the Audit Committee;
- (xi) Appointment of suitable employees with the required qualification and experience to fulfil their responsibilities and to provide education, training and development to enhance employees' skills and to reinforce such qualities; and
- (xii) Employee handbook, Code of Conduct and Anti-Bribery and Anti-Corruption policy are communicated to all employees of the Group upon commencement of employment.

There is no material joint venture or non-controlling entities that have not been dealt with as part of the Group for risk management and internal control system.

The Board remains committed towards operating a sound system of risk management and internal control and therefore recognises that the system must continuously evolve to support the growth and dynamics of the Group. As such the Board, in striving for continuous improvement, will put in place appropriate action plans, where necessary, to further enhance the Group's system of internal control.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3 ("AAPG3") Guidance for Auditors on Engagements to report on the Statement on Risk Management and Internal Control included in the Annual Report issued by Malaysian Institute of Accountants for inclusion in the Annual Report of the Group for the year ended 31 December 2023 and reported to the Board that nothing has come to their attention that cause them to believe that the statement is intended to be included in the annual report of the Group, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- (b) is factually inaccurate.

AAPG3 does not require the auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

This statement is made in accordance with a resolution of the Board dated 25 April 2024.

AUDIT COMMITTEE REPORT

ESTABLISHMENT AND COMPOSITION

The Audit Committee of KEN Holdings Berhad ("Company") was established on 19 March 1996. For the financial year ended 31 December 2023, the Audit Committee comprise the following Directors:

Chairman:	Dato' Ir. Dr. Ashaari bin Mohamad	(Independent Non-Executive Director)
Members:	Mr. Loo Pak Soon	(Non-Independent Non-Executive Director)
	Dato' Sarul Bahiyah binti Hj. Abu	(Independent Non-Executive Director)
	Dato' Noor Azam bin Jamaludin	(Independent Non-Executive Director)

The composition of the Audit Committee is in line with Paragraph 15.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") which prescribes that the Audit Committee must consist of not fewer than three (3) members with the Chairman and a majority of the members being independent directors.

YAM Dato' Seri Syed Azni Ibni Almarhum Tuanku Syed Putra Jamalullail resigned on 8 March 2024, having served the maximum twelve (12) years tenure as an Independent Director of the Company. Consequently, Dato' Ir. Dr. Ashaari bin Mohamad was re-designated as the new chairman of the Audit Committee and Dato' Noor Azam bin Jamaludin was appointed as a member. In this respect, the Company complies with Paragraph 15.10 of the Listing Requirements. Furthermore, in compliance with Practice 9.1 of the MCCG 2021, the Chairman of the Audit Committee is not the Chairman of the Board. Mr. Loo Pak Soon fulfils the financial expertise requisite pursuant to Paragraph 15.09(1)(c) of the Listing Requirements.

TERMS OF REFERENCE

The Terms of Reference of the Audit Committee is available at www.kenholdings.com.my.

AUDIT COMMITTEE MEETINGS

The Audit Committee met five (5) times during the financial year ended 31 December 2023. The details of the Audit Committee's meetings held and attended by the Committee during the financial year are as follows:

Name of Members	No. of Audit Committee Meetings Attended/Held
Dato' Ir. Dr. Ashaari bin Mohamad	5/5
Mr. Loo Pak Soon	5/5
Dato' Noor Azam bin Jamaludin (Appointed on 8 March 2024)	0/1*
YAM Dato' Seri Syed Azni Ibni Almarhum Tuanku Syed Putra Jamalullail (Resigned on 8 March 2024)	4/4*

* Reflects the number of meetings held during the Committee member held office.

SUMMARY OF WORK OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The Audit Committee carried out its duties in accordance with its Terms of Reference. During the financial year ended 31 December 2023, the activities of the Audit Committee included the following:

(a) Financial Reporting

- (i) Reviewed the unaudited quarterly financial results for the financial quarters ended 31 March 2023, 30 June 2023, 30 September 2023 and 31 December 2023 and audited financial statements of the Group for the financial year ended 31 December 2023 before recommending to the Board of Directors ("Board") for approval to release to Bursa Securities accordingly;
- (ii) Reviewed on a quarterly basis if there is any related party transactions entered into by the Group and any conflict of interest situation that may arise within the Group which are required to be transacted at arm's length basis and not detrimental to the interest of the minority shareholders;
- (iii) Reviewed the Audit Committee Report, Corporate Governance Overview Statement, Corporate Governance Report and Statement on Risk Management and Internal Control to ensure compliance with the Listing Requirements and recommend to the Board for inclusion in the Annual Report 2023;

Audit Committee Report (Cont'd)

- (iv) Reviewed the Statement to Shareholders in relation to the proposed renewal of authority for the Company to purchase its own shares of up to 10% of the total number of the issued shares of the Company and recommended the same to the Board for approval;

(b) External Audit

- (i) Reviewed and endorsed the audit planning memorandum of the external auditors to discuss their audit methodology, materiality, scope of work, key milestones, fraud consideration and the new accounting standards prior to commencement of their annual audit for the financial year ended 31 December 2023;
- (ii) Reviewed the findings of the external auditors' report for the financial year ended 31 December 2023 focusing on areas of concern and the management's response to the concerns raised by the external auditors;
- (iii) Discussed with the external auditors on updates in relation to new or proposed changes in accounting standards and regulatory requirements and considered the implications to the financial statements presentation and disclosure arising from the adoption of the new Malaysian Financial Reporting Standards;
- (iv) Met with the external auditors without the presence of Executive Directors and management on 22 February 2024 to discuss audit findings, assistance given by management to the external auditors or any observations noted during the audit process. There were no major concerns raised by the external auditors at the meetings;
- (v) Conducted an annual assessment and evaluation of the external auditors via a questionnaire covering areas such as quality processes, competency of its audit team, audit communication and governance, independence and calibre before recommending to the Board for approval of the re-appointment of the external auditors;
- (vi) Considered the audit fee payable and recommended the re-appointment of the external auditors to the Board for approval;

(c) Risk Management

- (i) Reviewed the Risk Management Assessment Report of the Group for the financial year ended 31 December 2023.

(d) Review of Related Party Transactions

- (i) Reviewed the related party transactions and conflict of interest situation that arise within the Group on a quarterly basis, including any transaction, procedure or course of conduct that raises questions on management integrity.

INTERNAL AUDIT FUNCTION

The Group outsourced its internal audit function to an independent consulting firm to assist the Audit Committee in discharging its duties and responsibilities. The Internal Auditors report directly to the Audit Committee and is free from any conflict of interest which may impair objectivity and independence. The internal audit function is to ensure a regular review of the adequacy and integrity of the Group's system of internal control, risk management process and compliance with the Group's established policies and procedures so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively in the Group. The Internal Auditor undertakes the internal audit function based on the audit plan that is reviewed and approved by the Audit Committee. On an annual basis, the Internal Auditors prepare and execute a risk-based internal audit plan to review the adequacy and effectiveness of the system of internal controls of the Group that address either financial, operational, compliance and/or technology risks.

During the financial year, the Internal Auditors conducted the internal control reviews on the operating functions and procedures and recommended action plans for improvement by management. The Internal Audit Plan was reviewed and approved by the Audit Committee on 23 August 2023. The internal audit review was conducted on the Group's leasing of event spaces. The final audit reports containing audit findings and recommendations together with management's responses thereto including timelines for the remaining matters to be resolved were presented to the Audit Committee. All internal audit reports were reviewed by the Audit Committee and discussed at Audit Committee Meetings.

The cost incurred for the internal audit function in respect of the financial year ended 31 December 2023 was RM15,500.

ADDITIONAL DISCLOSURE INFORMATION

UTILISATION OF PROCEEDS

No proceeds were raised by the Company from any corporate proposal during the financial year ended 31 December 2023.

NON-AUDIT FEES

The total amount of non-audit fees payable to external auditors by the Group for the financial year ended 31 December 2023 amounted to RM6,000.

MATERIAL CONTRACTS

There were no material contracts (not being contract entered into in the ordinary course of business) entered into by the Company and its subsidiary companies which involve Directors' and major shareholders' interests, either still subsisting at the end of the financial year ended 31 December 2023, or entered into since the end of the previous financial year except as disclosed in Note 25 to the Financial Statements.

SUSTAINABILITY STATEMENT

OUR COMMITMENT TOWARDS SUSTAINABILITY

The Board recognises the importance of sustainability as a key consideration in every aspect of our business operations. We strive to meet the needs of not only our stakeholders' interests but also the needs of our environment and future generations. We are committed to our vision of creating value by conducting our business operations in a manner that practises high standards of corporate governance and consider the environmental and social impact to sustain profitable growth. This statement encompasses the Group's business operations for the financial year under review.

SUSTAINABILITY GOVERNANCE STRUCTURE

The Board oversees the Group's sustainability strategies and performance and is supported by the Group's senior management to identify sustainability matters, oversee the implementation and monitor its progress. The Group continuously reviews its sustainability practices and efforts to ensure they remain relevant as best practices.

ASSURANCE

The data presented has been sourced internally within the Group and reviewed by the respective business units and senior management to ensure its accuracy and quality to the best of our capability before being presented to the Board. The Group remains committed to enhancing its data collection and analysis processes continuously.

STAKEHOLDER ENGAGEMENT

Stakeholders	Engagement channels	Frequency of engagement	Topics
Investors	<ul style="list-style-type: none"> General meetings Corporate announcements Website 	<ul style="list-style-type: none"> Annual Quarterly 	<ul style="list-style-type: none"> Long term value creation Corporate governance and sustainability practices
Employees	<ul style="list-style-type: none"> Management meetings Performance appraisals Employee engagement activities Training and development Internal newsletters and e-communications 	<ul style="list-style-type: none"> Weekly Annual Regularly 	<ul style="list-style-type: none"> Welfare and benefits Career development Workplace health and safety
Customers / Tenants	<ul style="list-style-type: none"> Customer feedback survey Tenant meetings Email, phone and social media channels 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Affordable housing solution Product and service quality Facilities management
Suppliers / Contractors / Consultants	<ul style="list-style-type: none"> Meetings Assessments and reviews Written communication 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Timely payments Product quality
Regulators / Government agencies / Local authorities	<ul style="list-style-type: none"> Meetings Written communication 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Compliance

Sustainability Statement (Cont'd)

MATERIAL SUSTAINABILITY MATTERS

Each business unit heads reflected on significant economic, environmental and social impacts to identify and evaluate material issues which are relevant in our operating environment. We have identified the following material matters which are most relevant and will have potential impact to the business operations:

(a) Economic

We ensure that our sustainability practices are extended to all of our stakeholders including our purchasers. As part of the Group's mission, we strive to deliver sustainable quality homes to our purchasers. As such, we place emphasis on the procurement of materials to ensure the suppliers are reputable, able to deliver quality products and in a timely manner whilst being most cost efficient so as to ensure our housing development units remain affordable to purchasers. Additionally, by sourcing materials from local suppliers, we contribute to building the local economy and fostering community resilience.

(b) Environment

(i) Commitment to sustainable developments

As a pioneer of green development, we believe in building sustainable lifestyle practices into our developments. In line with the Group's vision to deliver sustainable, quality developments, the Group considers environmental factors during the planning and design stage for each development. Since 2009, all projects undertaken by KEN have achieved various green building certifications in recognition of our efforts and commitment to reduce environmental impact. This includes KEN Bangsar, KEN Rimba Legian Residences, KEN Rimba Commercial Centre and KEN Rimba Jimbaran Residences, Menara KEN TTDI and KEN Rimba Condominium 1.

Key sustainable design features and principles which have been incorporated into KEN's developments are as follows:

Residential developments	Commercial developments
<ul style="list-style-type: none"> North-South orientation for better natural ventilation Adjustable louvered windows which allows maximum cross-ventilation and provide optimal air flow Patented breathable roof system which allows heat to dissipate from the roof and thus reduce indoor temperature Low-emissivity laminated glass to reduce heat gain as well as to improve thermal comfort Water efficient fittings Rainwater harvesting system for irrigation purpose Provision of recycling bins for collection and storage of different recyclable waste Compost bin for on-site composting Low Volatile Organic Compound (VOC) paint to improve indoor environmental quality CHEEL system: Waste heat from the air conditioner system is being recycled and reused for generation of hot water to the common toilets and condensate water collected from the air conditioner system is recycled to naturally lower the ambient temperature in the lobby 	<ul style="list-style-type: none"> High ceiling which allows maximisation of natural lighting Zoned air conditioning system which allows occupants to control their desired room temperate and have better control of their costs Building Automation System (BAS) to monitor the building's performance and ensure the facilities are efficiently and effectively managed Photovoltaic (PV) panels at rooftop to harness sunlight and generate renewable energy Sensor taps in common toilets Electric vehicle charging stations Motion sensor lights Rainwater harvesting system for irrigation and toilet flushing Low Volatile Organic Compound (VOC) paint to improve indoor environmental quality Automatic drip irrigation system

Sustainability Statement
(Cont'd)

MATERIAL SUSTAINABILITY MATTERS (CONT'D)

(b) Environment (Cont'd)

(i) Commitment to sustainable developments (Cont'd)

Featured development: Ken Rimba Legian & Jimbaran Residences**Patented Breathable Roof System**

In efforts to reduce heat retention in the roof system, we have designed a breathable roof system whereby the ridge-tile design works to convect heat upward and the gap between the ridge tiles and balance openings from both sides of the roof eave would allow for the heat to escape and for ventilation serving to reduce indoor temperatures. Thus, it allows users to reduce the dependency on air conditioning which require higher electricity cost. We are proud to share that we have been granted with a patent for this breathable roof system in December 2020.

Featured development: Menara KEN TTDI

We are committed to reducing environmental impact through the utilisation of renewable energy sources. As part of this commitment, Menara KEN TTDI has photovoltaic (PV) panels installed on its rooftop. These PV panels harness the power of sunlight to generate electricity, providing a clean and renewable energy source for the building's operations. Total solar energy generated in 2023 was 158,841 kWh. Furthermore, with these PV panels, energy generation is emission-free and thereby reducing carbon footprint.



Menara KEN TTDI exemplifies our continued commitment to building sustainable development and delivering long term value to its stakeholders. Throughout our journey, we have been privileged to receive esteemed accolades and green building certifications, reaffirming our pursuit of excellence in environmental responsibility and innovation. This year, we are proud to announce our receipt of the ASEAN Outstanding Engineering Achievement Award which is a testament of our contributions to engineering progress and quality of life in the ASEAN region.

Sustainability Statement (Cont'd)

MATERIAL SUSTAINABILITY MATTERS (CONT'D)

(b) Environment (Cont'd)

(ii) Carbon emissions and offsetting methods

We understand the importance of effective carbon footprint management in driving operational efficiency and enhancing stakeholder value.. As such, we have worked towards achieving a carbon neutral status which we have maintained for more than 10 years, since the year 2010. Being carbon neutral refers to a state where the carbon dioxide produced by the organisation is balanced by the amount of carbon dioxide offset by that organisation. As part of our commitment to environmental sustainability, a total of 73 tonnes of CO₂e emissions for the year 2023 were offset by utilising carbon credits from the climate protection project, namely the Wind Farm Project in China, Dabancheng, Xinjiang, China.



As part of our efforts to promote and encourage KEN Family members to reduce carbon footprint, we introduced a vehicle interest subsidy scheme in 2011 which provides an incentive for KEN Family members to purchase hybrid cars. This scheme offers interest subsidy for the repayment of hybrid car loans. The usage of fuel efficient vehicles helps to reduce carbon dioxide emissions created by commuting staff.



Furthermore, we have installed two (2) units of electric vehicle charging stations within the carpark of Menara KEN TTDI. This strategic initiative aims to raise public awareness regarding the advantages of adopting green technology and contribute to a sustainable future. By facilitating the use of electric vehicles, we actively promote fuel efficiency and contribute to the reduction of carbon emissions, aligning with our Company' environmental values.

Sustainability Statement
(Cont'd)

MATERIAL SUSTAINABILITY MATTERS (CONT'D)

(b) Environment (Cont'd)

(iii) Energy conservation

In 2023, the total energy consumption of the Group's corporate office tower was 2,809,423 kWh, an increase of approximately 33.4% which is in line with the increase in occupancy rate. To ensure the sustainability of the environment we operate in, we continually look for opportunities to reduce the environmental impact of our operation. We encourage all KEN Family members to implement the following energy saving initiatives to reduce carbon footprint of the Company:

- (a) lights and air-conditioners of offices or meeting rooms are switched off when not in use;
- (b) computers and photocopiers are set to sleeping mode or switched off when not in use;
- (c) energy conservation tips are placed at different locations within the office to remind KEN Family members to conserve energy;
- (d) use of energy efficient lightings; and
- (e) encourage maintaining the air conditioning temperature at approximately 23°C - 24°C in offices.

(iv) Water conservation

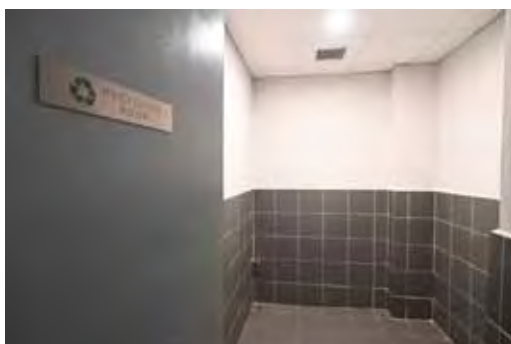
Water is a scarce resource and we are committed to reducing potable water usage by having water efficient water fittings installed in our housing developments and corporate office tower. Water consumption is also monitored on a monthly basis and any significant increase is investigated immediately. Another environmental feature is the provision of rainwater harvesting systems at KEN Rimba Legian Residences, KEN Rimba Jimbaran Residences and Menara KEN TTDI whereby rain water collected can be used for general cleaning, irrigation and flushing. In 2023, the total water consumption of the Group's corporate office tower was 41,540 m³, an increase of approximately 21.2% due to the increase in occupancy rate.

KEN recognises the importance of an effective water consumption management and continues to implement the following water saving initiatives to minimise water wastage:

- (a) water taps are turned off when not in use;
- (b) unnecessary flushing should be avoided; and
- (c) water conservation tips are displayed at washrooms and pantries within the office as a reminder to conserve water.

(v) Waste management

We have taken steps to raise environmental awareness through recycling and waste segregation. At Menara KEN TTDI, recycling rooms are provided on every office floor to encourage tenants to segregate and recycle their waste. Additionally, segregated recycling bins for paper, plastic, glass are placed at multiple locations which are accessible by all tenants and public. In 2023, we have recycled approximately 610kg of papers, plastic bottles and cardboard boxes and will continue to do so in future years.



Sustainability Statement (Cont'd)

MATERIAL SUSTAINABILITY MATTERS (CONT'D)

(b) Environment (Cont'd)

(v) Waste management (Cont'd)

To foster a sustainable and environmentally conscious environment for the residents, we provide recycling bins and compost bins in every residential development. The horticulture waste turned into compost can be used to fertilise the plants in the premises.

We adhere to the principle of “Reduce, Reuse, Recycle” and have also implemented the following paper saving initiatives to encourage all KEN Family members to reduce paper consumption:

- (a) encourage usage of soft copies for meetings or presentations;
- (b) encourage printing or photocopying double-sided;
- (c) paper management tips are placed at photocopiers as a constant reminder to minimise paper usage;
- (d) recycling bins are conveniently located in each department to encourage recycling of used papers or box cartons; and
- (e) re-use envelopes, papers or box cartons as much as possible.

(c) Social

(i) KEN Foundation

Conceived from the deep belief and desire to support the nation's youth through education and employment opportunities, KEN Foundation, the Group's philanthropic arm, was set up in 2005 with the aim of providing education scholarships to deserving Malaysian students. This scholarship provides a pathway for talented and motivated students to access higher education and pursue their dreams. The KEN Foundation scholarship programme funds the costs of university education in a local institution and assists scholars with their living costs through their education, which can be a significant hurdle for many students. The scholarship fund is built upon the contributions from KEN and donors and since its inception, the Foundation has financially supported 66 students through their tertiary education. We have also helped develop the careers of these students via our internship programme. Through the internship programme the students receive practical and relevant industry experience and training which ensures their transition into their careers and supports their career development. The students are also offered an opportunity to work with KEN upon graduation, which in turn contributes to the development of a skilled and talented workforce in Malaysia.

(ii) Community

We endeavour to continuously be socially responsible by having a positive impact to the communities in which we operate. We are proud to have participated in the Terry Fox Run organised by Cancer Research Malaysia as all funds raised through this charity run will support research initiatives aimed at preventing, diagnosing, treating, and managing cancer effectively.



Sustainability Statement
(Cont'd)

MATERIAL SUSTAINABILITY MATTERS (CONT'D)

(c) Social (Cont'd)

(ii) Community (Cont'd)

We are honoured to have been a part of the “Taman Tun Dr Ismail Community Health & Wellness Day 2023,” organised by the Majlis Perwakilan Penduduk Wilayah Persekutuan. This event featured an array of activities, informative health talks, and booths showcasing products and services dedicated to enhancing health and wellness. Our participation highlights our commitment to nurturing physical, mental, and emotional well-being within the community.



(iii) KEN Gallery and The Platform

Menara KEN TTDI is unlike any conventional office building as we aim to elevate the arts and culture scene by incorporating KEN Gallery and The Platform within the building.

KEN Gallery at Menara KEN TTDI provides space to promote art and where art collectors or artists can display their artworks. It is with a vision that by adding a quality space for arts in Malaysia, it will be able to stimulate the interest of the young and old and many generations to come. KEN Gallery spans about 20,000 sq. ft. in total and comprises of the Main Hall, Halls 1, 2, 3 and a Conservation Centre. The Main Hall houses a permanent exhibition with a selection of some of Malaysian artists' works. Halls 1, 2 and 3 are available for rent to any artists or members of the public who wanted to host their own exhibitions. Also featured at the gallery is a Conservation Centre, which is dedicated to the preservation of cultural heritage for future generations. KEN Gallery provides the opportunity for everyone to experience, participate and be inspired by the arts.



Unveiling another quality space for arts in Malaysia is The Platform, a fully-integrated performing arts theatre comprising a 523-seat theatre, which is suitable for a wide range of events including theatrical performances, music concerts, corporate meetings, conferences, seminars and private events. Through The Platform, we hope to bring the community, theatre lovers and the youth of our country together for intellectual engagement and enlightenment.



Sustainability Statement (Cont'd)

MATERIAL SUSTAINABILITY MATTERS (CONT'D)

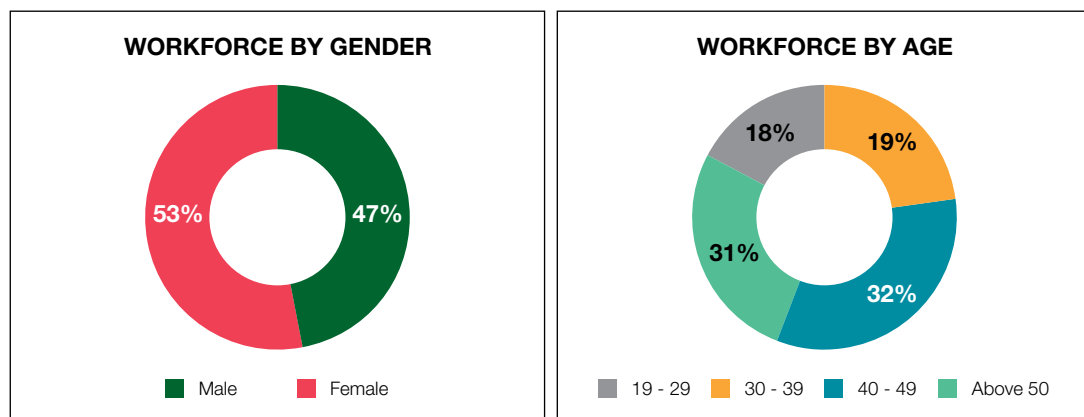
(c) Social (Cont'd)

(iv) Our people

We acknowledge that our people are our key asset and the driving force behind KEN's long term success. The Group recognise the importance of workforce sustainability which include attracting, developing and retaining a diverse team to meet current and future business requirements. The Group strives to maintain high standards of recruitment and retention of competent employees by offering attractive remuneration package coupled with a comprehensive range of benefits including paid vacation leave, medical benefits, provision of insurance coverage under hospitalisation which also extends to their immediate family members, KEN Points which are convertible and redeemable for selected goods/services and investing in training programmes as part of talent development.

The Group also supports the KEN Sports and Social Club (KSSK) formed by fellow members of the KEN family, which organises various events and charity outreach each year such as sports sessions, vacation trips and festive gatherings. This will foster good working relationships and interactions amongst staff from all departments and at the same time promote work-life balance.

KEN embraces diversity at the workplace and believes that employees can contribute positively to the growth of the Company regardless of ethnicity, age or gender. At KEN, recruitment of dynamic individuals includes from fresh graduates to experienced hires and they are given equal opportunities to achieve their full potential.



(d) Governance

Anti-bribery and anti-corruption

We strive to maintain the highest standards of integrity, accountability and governance in our daily operations, by establishing policies and robust internal processes with specific guidance areas to ensure compliance at the workplace. The Group maintains a strict zero-tolerance policy against bribery and corruption by establishing an Anti-Bribery and Anti-Corruption policy which is available on the Company's website. The Group's commitment to ethical business practices will undoubtedly have a positive impact on its reputation, stakeholder relationships, and long-term success. There were no reported incidents of bribery and/or corruption in 2023.

We are a boutique firm and recognise that the scale of our efforts are small but we are confident that as a corporate entity we have taken significant steps in ensuring we play an effective role in the sustainable development of our nation economically, socially and environmentally. We shall continue our efforts in building sustainable developments and ensuring we continuously remain a responsible corporate entity.

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM

Indicator	Measurement Unit	2023
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	9.09
Executive	Percentage	72.73
Non-executive/Technical Staff	Percentage	18.18
General Workers	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	25,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	2
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	5.88
Management Between 30-50	Percentage	52.94
Management Above 50	Percentage	41.18
Executive Under 30	Percentage	12.90
Executive Between 30-50	Percentage	77.42
Executive Above 50	Percentage	9.68
Non-executive/Technical Staff Under 30	Percentage	42.86
Non-executive/Technical Staff Between 30-50	Percentage	50.00
Non-executive/Technical Staff Above 50	Percentage	7.14
General Workers Under 30	Percentage	0.00
General Workers Between 30-50	Percentage	100.00
General Workers Above 50	Percentage	0.00
Gender Group by Employee Category		
Management Male	Percentage	47.06
Management Female	Percentage	52.94
Executive Male	Percentage	45.16
Executive Female	Percentage	54.84
Non-executive/Technical Staff Male	Percentage	57.14
Non-executive/Technical Staff Female	Percentage	42.86
General Workers Male	Percentage	90.91
General Workers Female	Percentage	9.09
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	71.43
Female	Percentage	28.57
Under 30	Percentage	0.00
Between 30-50	Percentage	28.57
Above 50	Percentage	71.43
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	2,809.42
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	2
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	139
Executive	Hours	160
Non-executive/Technical Staff	Hours	92
General Workers	Hours	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	9.68
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	7
Executive	Number	17
Non-executive/Technical Staff	Number	7
General Workers	Number	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
Bursa (Data privacy and security)		

Internal assurance External assurance No assurance

(*)Restated

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM (CONT'D)

Indicator	Measurement Unit	2023
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	41.540000

Internal assurance External assurance No assurance (*)Restated

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of investment holding and provision of management services. The principal activities of its subsidiaries are disclosed in Note 8 to the financial statements.

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

FINANCIAL RESULTS

The results of the Group and of the Company for the financial year are as follows:

	Group RM'000	Company RM'000
Profit for the financial year attributable to:		
Owners of the Parent	10,905	798
Non-controlling interests	2	–
	10,907	798

In the opinion of the Directors, the results of 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.

RESERVES AND PROVISIONS

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

DIVIDENDS

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

ISSUE OF SHARES AND DEBENTURES

There was no issuance of shares or debentures during the financial year.

TREASURY SHARES

As at 31 December 2023, the Company held 12,383,000 treasury shares out of the total issued ordinary shares. Further relevant details are disclosed in Note 14 to the financial statements.

SHARE OPTIONS

No options have been granted by the Company to any parties to take up unissued shares during the financial year.

Directors' Report (Cont'd)

DIRECTORS

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Dato' Tan Boon Kang*	
Ir. Tan Chek Siong*	
YAM Dato' Seri Syed Azni Ibni Almarhum Tuanku Syed Putra Jamalullail	(Resigned on 8 March 2024)
Dato' Ir. Dr. Ashaari bin Mohamad	
Loo Pak Soon	
Tan Chek Een*	
Dato' Sarul Bahiyah Binti Abu	
Dato' Noor Azam bin Jamaludin	(Appointed on 8 March 2024)

* Director of the Company and of its subsidiaries

DIRECTORS OF SUBSIDIARIES

The following is a list of Directors of subsidiaries (excluding Directors who are also Directors of the Company) in office during the financial year and during the period from the end of the financial year to the date of this report:

Datuk Tan Bon Sin
Tan Moon Hwa
Lim Soon Foo
To' Puan Lau Pek Kuan
Ronnie Lim Hai Liang, alternate Director to Datuk Lim Soon Foo

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 in Malaysia is deemed incorporated herein by such reference to the financial statements of the respective subsidiaries and made a part hereof.

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	At 1.1.2023 '000	Number of ordinary shares		At 31.12.2023 '000
		Bought '000	Sold '000	
Interests in the Company				
Direct Interests				
Dato' Tan Boon Kang	9,801	—	—	9,801
Ir. Tan Chek Siong	6,242	—	—	6,242
Tan Chek Een	6,000	—	—	6,000
Indirect Interests				
Dato' Tan Boon Kang*	84,469	—	—	84,469
Spouse of Dato' Tan Boon Kang:				
Interests in the Company				
Direct Interests				
To' Puan Lau Pek Kuan	4,620	—	—	4,620
Indirect Interests				
To' Puan Lau Pek Kuan*	89,651	—	—	89,651
Children of Dato' Tan Boon Kang:				
Interests in the Company				
Direct Interests				
Tan Chek Ying	6,000	—	—	6,000

* Deemed interested by virtue of his/her substantial shareholding in Kencana Bahagia Sdn. Bhd. and shareholding of his/her spouse and children in the Company.

Directors' Report
(Cont'd)**DIRECTORS' INTERESTS IN SHARES (CONT'D)**

By virtue of his interests in the shares of the Company, Dato' Tan Boon Kang is also deemed interested in the shares of all the subsidiaries during the financial year to the extent that the Company has an interest under Section 8 of the Companies Act 2016 in Malaysia.

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown in Note 26(c) to the financial statements) 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 Director who have significant financial interests in companies which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 26(b) to the financial statements.

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

DIRECTORS' REMUNERATION

The details of the Directors' remuneration paid/payable to the Directors of the Group and of the Company during the financial year are as follows:

	Group RM'000	Company RM'000
Executive Directors		
- Salaries, fees and other emoluments	2,899	60
- Defined contribution plans	387	—
- Estimated money value of benefit-in-kind	26	—
	3,312	60
Non-Executive Directors		
- Fees	80	80
- Other emoluments	46	46
	126	126
Total	3,438	186

INDEMNITY AND INSURANCE COSTS

There was no indemnity given to or insurance effected for any Directors, officers and auditors of the Company in accordance with Section 289 of the Companies Act 2016 in Malaysia.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
 - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or
 - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or 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 or of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the Directors:
- (i) no contingent liability or other liability has become enforceable or is 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 were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (e) In the opinion of the Directors:
- (i) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely 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.

SUBSIDIARIES

The details of the subsidiaries are disclosed in Note 8 to the financial statements.

Directors' Report
(Cont'd)**AUDITORS' REMUNERATION**

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

	Group RM'000	Company RM'000
Auditors' remuneration		
- Statutory audit	111	30
- Non-statutory audit	6	6
	<hr/> 117	<hr/> 36

AUDITORS

The Auditors, UHY have indicated their willingness to continue in office.

Signed on behalf of the Board, as approved by the Board in accordance with a resolution of the Directors,

DATO' TAN BOON KANG

IR. TAN CHEK SIONG

KUALA LUMPUR

25 April 2024

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

The Directors of Ken Holdings Berhad state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2023 and of the financial performance and the cash flows of the Group and of the Company for the financial year ended on that date.

Signed in accordance with a resolution of the Directors,

DATO' TAN BOON KANG

IR. TAN CHEK SIONG

KUALA LUMPUR

25 April 2024

DECLARATION BY THE DIRECTOR PRIMARILY RESPONSIBLE

FOR THE FINANCIAL MANAGEMENT OF THE COMPANY
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Tan Chek Een (MIA Membership No: 33089), being the Director primarily responsible for the financial management of Ken Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

TAN CHEK EEN

Subscribed and solemnly declared by the abovenamed Tan Chek Een at Kuala Lumpur in the Federal Territory, this 25 April 2024.

Before me,

NO. W790
ZAINUL ABIDIN BIN AHMAD
COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEN HOLDINGS BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ken Holdings Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including Material Accounting Policies, as set out on pages 56 to 103.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters	How we addressed the key audit matters
<p>Valuation of inventories</p> <p>As at 31 December 2023, the Group held a significant inventory amounted to RM162.5 million as disclosed in Note 6 to the financial statements and it constituted approximately 40% of the Group's total assets.</p> <p>The carrying amount of these inventories comprising land held for development and completed properties amounted to RM107.5 million and RM55 million respectively as at 31 December 2023.</p> <p>As described in the Accounting Policies in Note 3(j) to the financial statements, inventories are carried at the lower of cost and net realisable value.</p> <p>Management applies significant judgement in determining the net realisable value based on the recent sales transactions of similar inventories in similar or nearby locations net of estimated cost necessary to complete the sale.</p>	<p>Evaluated the Group's policy for valuation of land held for development and completed properties through discussion with management and considered management's basis for determining the net realisable value.</p> <p>Tested management's assessment of net realisable value by comparing it to recent transacted prices of similar or comparable inventories and taking into consideration the estimated cost necessary to complete the sales.</p> <p>Challenged the reasonableness of management's assumptions and estimation for determining the net realisable value.</p>

Independent Auditors' Report (Cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditors' Report (Cont'd)

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

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

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

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

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

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

OTHER MATTERS

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

UHY

Firm Number: AF 1411
Chartered Accountants

TEOH WEI YEIN

Approved Number: 03655/04/2024 J
Chartered Accountant

KUALA LUMPUR
25 April 2024

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	4,796	5,227	–	–
Investment properties	5	122,094	125,265	–	–
Inventories	6	107,478	106,943	–	–
Right-of-use assets	7	8,947	9,114	–	–
Investments in subsidiaries	8	–	–	58,575	57,891
Other investments	9	26	26	–	–
Deferred tax assets	10	8,835	9,258	630	630
		252,176	255,833	59,205	58,521
Current assets					
Inventories	6	54,987	60,958	–	–
Trade and other receivables	11	3,221	7,115	82,251	87,492
Tax recoverable		3,791	3,601	–	–
Deposits, bank and cash balances	12	96,005	72,246	106	80
		158,004	143,920	82,357	87,572
Total assets		410,180	399,753	141,562	146,093
EQUITY					
Share capital	13	95,860	95,860	95,860	95,860
Treasury shares	14	(5,366)	(5,366)	(5,366)	(5,366)
Reserves	15	267,686	256,753	45,914	45,116
Equity attributable to owners of the Company		358,180	347,247	136,408	135,610
Non-controlling interests		51	49	–	–
Total equity		358,231	347,296	136,408	135,610
LIABILITIES					
Non-current liability					
Deferred tax liabilities	10	17,685	16,492	–	–
Current liabilities					
Trade and other payables	16	33,987	35,880	5,128	10,458
Tax payables		277	85	26	25
		34,264	35,965	5,154	10,483
Total liabilities		51,949	52,457	5,154	10,483
Total equity and liabilities		410,180	399,753	141,562	146,093

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	17	37,308	20,843	1,209	1,975
Cost of sales		(21,319)	(11,735)	–	–
Gross profit		15,989	9,108	1,209	1,975
Other income		10,256	7,154	2	1
Distribution expenses		(386)	(678)	–	–
Administrative expenses		(11,824)	(11,596)	(334)	(311)
Net gain on impairment of financial instruments		33	33	–	–
Profit from operation		14,068	4,021	877	1,665
Finance costs	18	–	(22)	–	–
Profit before tax	19	14,068	3,999	877	1,665
Taxation	20	(3,161)	(1,088)	(79)	(78)
Profit for the financial year		10,907	2,911	798	1,587
Other comprehensive income:					
Items that will not be reclassified subsequently to profit or loss					
Deferred tax liabilities relating to components of other comprehensive income	10	26	26	–	–
Other comprehensive income for the financial year		26	26	–	–
Total comprehensive income for the financial year		10,933	2,937	798	1,587
Profit for the financial year attributable to:					
Owners of the Company		10,905	2,911	798	1,587
Non-controlling interests		2	–	–	–
		10,907	2,911	798	1,587
Total comprehensive income for the financial year attributable to:					
Owners of the Company		10,905	2,937	798	1,587
Non-controlling interests		2	–	–	–
		10,907	2,937	798	1,587
Earnings per share					
Basic and diluted earnings per share (sen)	21	6	2		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	<div style="text-align: center;">← Attributable to owners of the Company →</div>						
	<div style="text-align: center;">← Non-distributable →</div>			<div style="text-align: center;">Distributable</div>			
Group	Share capital RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2023	95,860	(5,366)	9,026	247,727	347,247	49	347,296
Profit for the financial year	-	-	-	10,907	10,907	-	10,907
Other comprehensive income for the financial year	-	-	26	-	26	2	28
Total comprehensive income for the financial year	-	-	26	10,907	10,933	2	10,935
At 31 December 2023	95,860	(5,366)	9,052	258,634	358,180	51	358,231
At 1 January 2022	95,860	(5,366)	9,000	244,816	344,310	49	344,359
Profit for the financial year	-	-	-	2,911	2,911	-	2,911
Other comprehensive income for the financial year	-	-	26	-	26	-	26
Total comprehensive income for the financial year	-	-	26	2,911	2,937	-	2,937
At 31 December 2022	95,860	(5,366)	9,026	247,727	347,247	49	347,296
Company							
At 1 January 2023			95,860	(5,366)	45,116		135,610
Profit for the financial year, representing total comprehensive income for the financial year			-	-	798		798
At 31 December 2023			95,860	(5,366)	45,914		136,408
At 1 January 2022			95,860	(5,366)	43,529		134,023
Profit for the financial year, representing total comprehensive income for the financial year			-	-	1,587		1,587
At 31 December 2022			95,860	(5,366)	45,116		135,610

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

STATEMENTS OF
CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash Flows From Operating Activities				
Profit before tax	14,068	3,999	877	1,665
Adjustments for:				
Depreciation of:				
- property, plant and equipment	1,022	1,218	—	—
- investment properties	2,658	2,658	—	—
- right-of-use assets	167	168	—	—
Reversal of impairment loss on trade receivables	(33)	(33)	—	—
Dividend income	—	—	(801)	(1,603)
Interest expenses	—	22	—	—
Interest income	(3,340)	(1,688)	(2)	(1)
Unrealised gain on foreign exchange	(23)	(18)	—	—
Operating profit before working capital changes	14,519	6,326	74	61
Changes in working capital:				
Inventories	5,436	2,047	—	—
Receivables	3,928	7,816	5,241	559
Payables	(1,893)	(264)	(5,330)	(2,118)
Cash generated from/(used in) operations	21,990	15,925	(15)	(1,498)
Interest received	83	120	2	1
Tax paid	(1,519)	(2,902)	(78)	(96)
Tax refunded	2	733	—	—
Net cash from/(used in) operating activities	20,556	13,876	(91)	(1,593)
Cash Flows From Investing Activities				
Acquisition of property, plant and equipment	(78)	(153)	—	—
Acquisition of a subsidiary company	—	—	(684)	—
Dividends received	—	—	801	1,603
Interest received	3,258	1,568	—	—
Net cash from investing activities	3,180	1,415	117	1,603
Cash Flows From Financing Activities				
Repayment of revolving credits	—	(2,000)	—	—
Interest paid	—	(22)	—	—
Net cash used in financing activities	—	(2,022)	—	—

Statements of Cash Flows
(Cont'd)

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Net increase in cash and cash equivalents	23,736	13,269	26	10
Effect of exchange translation difference on cash and cash equivalents	23	18	–	–
Cash and cash equivalents at the beginning of the financial year	72,246	58,959	80	70
Cash and cash equivalents at the end of the financial year	96,005	72,246	106	80
Cash and cash equivalents at the end of the financial year comprises:				
Cash and bank balances	4,442	4,772	106	80
Liquid investments	91,060	66,984	–	–
Deposits with licensed banks	503	490	–	–
	96,005	72,246	106	80

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

1. CORPORATE INFORMATION

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

The principal place of business and registered office of the Company are located at Level 12, Menara KEN TTDI, No. 37, Jalan Burhanuddin Helmi, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

The principal activities of the Company consist of investment holding and provision of management services. The principal activities of its subsidiaries are disclosed in Note 8. There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

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 ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the Material Accounting Policies below.

Adoption of amended standards

During the financial year, the Group and the Company have adopted the following new and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

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

The adoption of the new standards and amendments to standards did not have any significant impact on the financial statements of the Group and of the Company except as disclosed below:

Amendments to MFRS 101 Disclosure of Accounting Policies

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

Accordingly, the Group and the Company disclosed their material accounting policies information in these financial statements. However, the amendments did not result in any material changes to the accounting policies of the Group and of the Company.

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

Adoption of amended standards (Cont'd)

Standards issued but not yet effective

The Group and the Company have not applied the following amendments to MFRSs and new interpretation that have been issued by the MASB but are not yet effective for the Group and for the Company:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above MFRSs and amendments to MFRSs when they become effective.

The initial application of the above-mentioned MFRSs is not expected to have any significant impacts on the financial statements of the Group and of the Company.

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand ("RM'000") except when otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

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

Judgements

The following are the judgements made by management in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Classification between investment properties and inventories

The Group has developed certain criteria based on MFRS 140 Investment Property in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

The Group has temporarily sub-let some completed unsold properties. These properties are not treated as investment properties as it is not the management's intention to hold these properties long term for capital appreciation or rental income but rather for sale. Accordingly, these properties are classified as inventories. The carrying amounts of these inventories as at reporting date are RM36,783,000 (2022: RM33,467,000).

Notes to the Financial Statements
(Cont'd)**2. BASIS OF PREPARATION (CONT'D)****(c) Significant accounting judgements, estimates and assumptions (Cont'd)****Key sources of estimation uncertainty**

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

Useful lives of property, plant and equipment, investment properties and right-of-use ("ROU") assets

The Group regularly reviews the estimated useful lives of property, plant and equipment, investment properties and ROU assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment, investment properties and ROU assets would increase the recorded depreciation and decrease the value of property, plant and equipment, investment properties and ROU assets. The carrying amount at the reporting date for property, plant and equipment, investment properties and ROU assets are disclosed in Notes 4, 5 and 7 respectively.

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on the estimated selling prices by reference to recent sales transactions of similar properties or comparable properties in similar or nearby locations. The estimation of the selling price is subject to significant inherent uncertainties, in particular the property market. Whilst the Directors exercise due care and attention to make reasonable estimates, taking into account all available information in estimating the selling price and predicting market demand, the estimates will, in all likelihood, differ from the actual selling prices achieved in future periods and these differences may, in certain circumstances, be significant. Details of inventories are disclosed in Note 6.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of recognised and unrecognised deferred tax assets are disclosed in Note 10.

Impairment of receivables

The Group and the Company review the recoverability of its receivables, include trade and other receivables, amount due from subsidiaries at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions at the end of each reporting period.

The carrying amounts at the reporting date for receivables are disclosed in Note 11.

Income taxes

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

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and/or deferred tax provisions in the period in which such determination is made. As at 31 December 2023, the Group has tax recoverable and payable of RM3,791,000 and RM277,000 (2022: RM3,601,000 and RM85,000) respectively. The Company has tax payable of RM26,000 (2022: RM25,000).

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICIES

The Group and the Company apply the material accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed in profit or loss as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is re-measured at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 *Financial Instruments* is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(l)(i) to the financial statements on impairment of non-financial assets.

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Notes to the Financial Statements
(Cont'd)**3. MATERIAL ACCOUNTING POLICIES (CONT'D)****(a) Basis of consolidation (Cont'd)****(iii) Disposal of subsidiaries**

If the Group loses control of a subsidiary, the assets and liabilities of the subsidiary, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(b) Foreign currency transactions and balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are included in profit or loss.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the reporting period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised in other comprehensive income.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost/valuation less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(l)(i).

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

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

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity, usually every five years, to ensure that the carrying amount does not differ materially from the fair value of the land and buildings at the end of the reporting period.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(c) Property, plant and equipment (Cont'd)

(i) Recognition and measurement (Cont'd)

As at the date of revaluation, accumulated depreciation, if any, is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any revaluation surplus arising upon appraisal of land and buildings are recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land and buildings are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to other comprehensive income.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is based on cost of an asset. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in the profit or loss on straight-line basis to write off the cost or valuation of each asset to its residual value over its estimated useful life. Freehold land is not depreciated.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Freehold building	25 years
Motor vehicles	5 years
Site equipment	5 years
Plant and machinery	5 years
Office equipment	5 years
Furniture and fittings	5 years
Office renovation	5 years

The useful lives and depreciation method are reviewed at each reporting period end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the property, plant and equipment.

(d) Leases

As lessee

The Group and the Company recognise a ROU asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. The policy of recognition and measurement of impairment losses is in accordance with Note 3(l)(i).

Notes to the Financial Statements
(Cont'd)**3. MATERIAL ACCOUNTING POLICIES (CONT'D)****(d) Leases (Cont'd)**As lessee (Cont'd)

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Leasehold land	Over the remaining lease period
----------------	---------------------------------

The ROU assets are subject to impairment.

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the respective Group entities' incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group and the Company are reasonably certain to exercise.

Variable lease payments that do not depend on an index or a rate and are dependent on a future activity are recognised as expenses in profit or loss in the period in which the event or condition that triggers the payment occurs.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Group or the Company changes its assessment of whether it will exercise an extension or termination option.

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased new.

As lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

If the lease arrangement contains lease and non-lease components, the Group applies MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract based on the stand-alone selling price.

The Group recognises assets held under a finance lease in their statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Group uses the interest rate implicit in the lease to measure the net investment in the lease.

The Group recognises lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income". Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(e) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(e) Investment properties (Cont'd)

Freehold land is not depreciated. Other investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The principal annual depreciation rate for freehold buildings is 2% to 2.17% (2022: 2% to 2.17%).

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(l)(i) to the financial statements on impairment of non-financial assets.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. Upon disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

Transfers are made to (or from) investment property only when there is a change in use. Transfer between investment property, property plant and equipment and inventories do not change the carrying amount and the cost of the property transferred.

(f) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit and loss ("FVTPL"), directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include trade and other receivables and deposits, bank and cash balances.

(i) Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

(ii) Fair value through other comprehensive income ("FVTOCI")

Debt instruments

A debt security is measured at fair value through other comprehensive income ("FVTOCI") if it meets both of the following conditions and is not designated as at FVTPL:

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

Notes to the Financial Statements
(Cont'd)**3. MATERIAL ACCOUNTING POLICIES (CONT'D)****(f) Financial assets (Cont'd)****(ii) Fair value through other comprehensive income ("FVTOCI") (Cont'd)**Equity instruments

On initial recognition of an entity investment that is not held for trading, the Group and the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income on an investment-by-investment basis.

Financial assets categorised as FVTOCI are subsequently measured at fair value, with unrealised gains and losses recognised directly in other comprehensive income and accumulated under fair value reserve in equity. For debt instruments, when the investment is derecognised or determined to be impaired, the cumulative gain or loss previously recorded in equity is reclassified to the profit or loss. For equity instruments, the gains or losses are never reclassified to profit or loss.

The Group and the Company have not designated any financial assets as FVTOCI.

(iii) Fair value through profit or loss ("FVTPL")

All financial assets not classified as measured at amortised cost or FVTOCI, as described above, are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a financial guarantee contract or a designated and effective hedging instruments). On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as FVTPL are subsequently measured at their fair value with gains or losses recognised in the profit or loss.

All financial assets, except for those measured at FVTPL and equity investments measured at FVTOCI, are subject to impairment.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases or sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group and the Company commit to purchase or sell the asset.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received for financial instrument is recognised in profit or loss.

(g) Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(h) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as financial liabilities at fair value, net of transaction costs. Subsequently, the liability is measured at the higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 *Revenue from Contracts with Customers*.

Liabilities arising from financial guarantees are presented together with other provisions.

(i) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(j) Inventories

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

(i) Land held for property development

Land held for property development consists of purchase price of land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale. If net realisable value cannot be determined reliably, these inventories will be stated at the lower of cost or fair value less costs to sell. Fair value is the amount the inventory can be sold in an arm's length transaction.

Land held for property development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current asset.

Land held for property development is transferred to property development costs under current assets when development activities have commenced and are expected to be completed within the normal operating cycle.

(ii) Property under development and completed property

Property under development consists of the cost of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities, including common costs such as the cost of constructing mandatory infrastructure, amenities and affordable houses (net of estimated approved selling prices) and other related costs. The asset is subsequently recognised as an expense in profit or loss when and as the control of the asset is transferred to the customer.

Properties development costs attributable to unsold properties, upon completion, are transferred to completed properties held for sale.

The cost of completed properties includes costs of land and related development cost or its purchase costs and incidental cost of acquisition. Cost is determined on a specific identification basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable selling expenses.

Notes to the Financial Statements
(Cont'd)**3. MATERIAL ACCOUNTING POLICIES (CONT'D)****(k) Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, bank balance and highly liquid 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 statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

(l) Impairment of assets**(i) Non-financial assets**

The carrying amounts of non-financial assets (except for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss, unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months ("a 12 month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience and the economic environment.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(m) Share capital

(i) Ordinary shares

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

(ii) Treasury shares

When issued share of the Company are repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity as treasury shares until the shares are cancelled, reissued or disposed of. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of the treasury shares.

When treasury shares are distributed as share dividends, the cost of the treasury shares is deducted against the retained earnings of the Company.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration, net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

(n) Provision

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each end of the reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the statements of profit or loss and other comprehensive income net of any reimbursement.

(o) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the Group. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short-term non- accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

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

(ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the state pension scheme, the Employee Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group has no further payment obligations.

Notes to the Financial Statements
(Cont'd)**3. MATERIAL ACCOUNTING POLICIES (CONT'D)****(p) Revenue recognition****(i) Revenue from contracts with customers**

Revenue is recognised when the Group satisfied a performance obligation ("PO") by transferring a promised goods or services to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

The Group recognised revenue from the following major sources:

(a) Revenue from property development

Revenue from sales of completed properties is recognised at a point in time, being when the control of the properties has been passed to the purchasers. And, it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the properties sold.

(b) Rendering of services

Revenue from rendering of services represent provision of refurbishment of work and management services provided by the Group. The provision of services are recognised in the reporting period in which the services are rendered, which simultaneously received and consumes the benefits provided by the Group, and the Group has a present right to payment for the services.

(ii) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(iii) Interest income

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

(iv) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(v) Car park operations

Revenue from car park operations are recognised on an accrual basis.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(q) Income taxes

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

(s) Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

Notes to the Financial Statements
(Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT

Group 2023	At revaluation		Motor vehicles RM'000	Site equipment RM'000	At cost		Furniture and fittings RM'000	Office renovation RM'000	Total RM'000
	Freehold land RM'000	Freehold building RM'000			Plant and machinery RM'000	Office equipment RM'000			
Cost/Valuation									
At 1 January	3,750	650	3,303	358	8,546	1,540	1,124	4,188	23,459
Additions	-	-	-	-	-	33	45	-	78
Transfer from investment property	-	-	-	-	-	-	-	513	513
At 31 December	3,750	650	3,303	358	8,546	1,573	1,169	4,701	24,050
Accumulated depreciation									
At 1 January	-	93	3,279	358	8,484	1,434	1,017	3,567	18,232
Charge for the financial year	-	46	24	-	12	33	86	821	1,022
At 31 December	-	139	3,303	358	8,496	1,467	1,103	4,388	19,254
Carrying amount									
At 31 December	3,750	511	-	-	50	106	66	313	4,796
2022									
Cost/Valuation									
At 1 January	3,750	650	3,303	358	8,484	1,451	1,122	4,188	23,306
Additions	-	-	-	-	62	89	2	-	153
At 31 December	3,750	650	3,303	358	8,546	1,540	1,124	4,188	23,459
Accumulated depreciation									
At 1 January	-	46	3,254	358	8,471	1,398	913	2,574	17,014
Charge for the financial year	-	47	25	-	13	36	104	993	1,218
At 31 December	-	93	3,279	358	8,484	1,434	1,017	3,567	18,232
Carrying amount									
At 31 December	3,750	557	24	-	62	106	107	621	5,227

Notes to the Financial Statements (Cont'd)

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

Revaluation of freehold land and buildings

The fair value of freehold land and buildings of a subsidiary were determined based on valuations performed by independent professional valuers.

The fair value of freehold land and buildings are within level 2 of the fair value hierarchy. The fair value was determined by based on market comparable approach that reflects recent transaction price for similar properties.

There has been no change to the valuation technique during the financial year.

There were no transfers between levels during the current and previous financial year.

Had the land and building been carried at historical cost less accumulated depreciation, their carrying amounts would have been as follows:

	Group 2023 RM'000	2022 RM'000
Freehold land	490	490
Freehold building	47	52
	537	542

5. INVESTMENT PROPERTIES

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group 2023 Cost			
At 1 January	23,307	116,629	139,936
Transfer to property, plant & equipment	–	(513)	(513)
At 31 December	23,307	116,116	139,423
Accumulated depreciation			
At 1 January	–	14,671	14,671
Charge for the financial year	–	2,658	2,658
At 31 December	–	17,329	17,329
Carrying amount			
At 31 December	23,307	99,300	122,094
Fair value of investment properties	17,013	229,564*	246,577

Notes to the Financial Statements
(Cont'd)

5. INVESTMENT PROPERTIES (CONT'D)

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group 2022 Cost			
At 1 January	23,307	116,629	139,936
Accumulated depreciation			
At 1 January	–	12,013	12,013
Charge for the financial year	–	2,658	2,658
At 31 December	–	14,671	14,671
Carrying amount			
At 31 December	23,307	101,958	125,265
Fair value of investment properties	16,458	228,210*	244,668

* The estimated fair value of the freehold land and commercial office building with carrying amount of RM15.8 million and RM98.7 million respectively is determined together at RM210.1 million (2022: RM210 million) using the comparison method as the fair value of the land and the said commercial office building is unable to be determined separately.

(a) Income and expenses recognised in profit or loss

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

	Group 2023 RM'000	2022 RM'000
Rental income	19,391	14,232
Direct operating expenses:		
- Income generating investment properties	(10,263)	(8,911)
- Non-income generating investment properties	(2)	(21)

(b) Fair value information

The fair value of investment properties was assessed by the management at the end of reporting date using the sales comparison approach based on recent transactions of comparable properties and comparable properties that were listed for sale. Market price of comparable properties in close proximity are adjusted for differences in key attributes such as property size and location. The most significant input into this valuation approach is price per square foot of comparable properties. There has been no change to the valuation technique during the financial year.

The fair value of the investment properties is within level 3 of the fair value hierarchy. There were no transfers between levels during current and previous financial years.

(c) Lienholders' caveat on investment properties

A licensed bank had lodged a lienholder's caveat on a freehold land owned by a subsidiary with a carrying amount of RM15.8 million (2022: RM15.8 million) to secure banking facilities granted to the Company.

Notes to the Financial Statements
(Cont'd)

6. INVENTORIES

	Note	2023 RM'000	2022 RM'000
Non-current:			
Land held for property development	(a)	107,478	106,943
Current:			
Completed properties	(b)	54,987	60,958
Recognised in profit or loss:			
Inventories recognised as cost of sales		5,971	2,571

(a) Land held for property development

	Group 2023 RM'000	2022 RM'000
Non-current Freehold land, at cost		
At 1 January/31 December	101,465	101,465
Development costs		
At 1 January	5,478	4,954
Additions	535	524
At 31 December	6,013	5,478
Total land held for property development	107,478	106,943

(b) Completed properties

	Group 2023 RM'000	2022 RM'000
At 1 January	60,958	63,529
Disposal during the financial year	(5,971)	(2,571)
At 31 December	54,987	60,958

Notes to the Financial Statements
(Cont'd)

7. RIGHT-OF-USE ASSETS

	Group	
	2023 RM'000	2022 RM'000
Group Leasehold land At valuation		
At 1 January/31 December	9,450	9,450
Accumulated depreciation		
At 1 January	336	168
Charge for the financial year	167	168
At 31 December	503	336
Carrying amount		
At 31 December	8,947	9,114

Revaluation of leasehold land

The fair value of leasehold land is within level 2 of the fair value hierarchy. The fair value was determined based on market comparable approach that reflects recent transaction price for similar property.

There has been no change to the valuation technique during the financial year.

There were no transfers between levels during the current and previous financial year.

Had the land been carried at historical cost less accumulated depreciation, their carrying amounts would have been RM1,497,000 (2022: RM1,524,000).

As at 31 December 2023, the remaining lease period of the leasehold land are ranging from 45 to 56 years (2022: 46 to 57 years).

8. INVESTMENTS IN SUBSIDIARIES

	Company	
	2023 RM'000	2022 RM'000
In Malaysia:		
Unquoted shares - at cost	54,575	53,891
Advances to a subsidiary *	4,000	4,000
	58,575	57,891

* The advances to a subsidiary as at year end were reclassified as non-current as the Company recognised these amounts as a long-term source of capital to the subsidiary.

Notes to the Financial Statements
(Cont'd)

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Ken Grouting Sdn. Bhd.	Malaysia	100	100	Specialist engineering services, turnkey contracts, building and civil engineering works
Ken Projects Sdn. Bhd.	Malaysia	100	100	Investment holding
Ken Property Sdn. Bhd.	Malaysia	100	100	Property development and investment holding
Ken Highlands Sdn. Bhd.	Malaysia	100	100	Investment holding
Ken Management Sdn. Bhd.	Malaysia	100	100	Investment holding
Ken JBCC Holdings Sdn. Bhd.	Malaysia	100	100	Investment holding
Ken JBCC Sdn. Bhd.	Malaysia	100	100	Property development
Ken-Chec Sdn. Bhd.	Malaysia	100	100	Land reclamation, civil, dredging, and marine engineering
Held through Ken Project Sdn. Bhd.:				
Khidmat Tulin Sdn. Bhd.	Malaysia	100	100	Property development and investment holding
Ken Rimba Sdn. Bhd.	Malaysia	100	100	Property development
Held through Ken Property Sdn. Bhd.:				
Ken Link Sdn. Bhd.	Malaysia	100	100	Investment holding
Ken TTDI Sdn. Bhd.	Malaysia	100	100	Investment holding
Ken Capital Sdn. Bhd.	Malaysia	100	100	Dormant
Held through Ken Highlands Sdn. Bhd.:				
Wealthy Resort Sdn. Bhd.	Malaysia	55	55	Property development
Held through Ken Management Sdn. Bhd.:				
Jewel Estate Sdn. Bhd.	Malaysia	100	100	Property management services
T.B.S. Management Sdn. Bhd.	Malaysia	100	100	Property management services
Genesis Nature Sdn. Bhd.	Malaysia	100	100	Dormant
Ken Park Sdn. Bhd.	Malaysia	100	100	Car park management

Notes to the Financial Statements
(Cont'd)**8. INVESTMENTS IN SUBSIDIARIES (CONT'D)**

Details of the subsidiaries are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
<i>Held through Ken JBCC Holdings Sdn. Bhd.:</i>				
Ken JBCC Land Sdn. Bhd.	Malaysia	100	100	Investment holding
<i>Held through Ken-Chec Sdn. Bhd.:</i>				
St Paul's Investment Pte. Ltd. *	British Virgin Islands	100	–	Investment holding
<i>Held through ST Pauls's Investment Pte. Ltd.:</i>				
St Paul's Ventures Ltd. *	England and Wales	100	–	Investment holding

* *Subsidiaries not audited by UHY*

The Group's subsidiary which has non-controlling interests is not material individually or in aggregate to the financial position, financial performance and cash flows of the Group.

There are no significant restrictions on the ability of the subsidiaries to transfer funds within Group in the form of repayment of loans and advances. Generally, for subsidiary which is not wholly-owned by the Company, non-controlling shareholders hold protective rights restricting the Company's ability to use the assets of the subsidiary and settle the liabilities of the Group, unless approval is obtained from non-controlling shareholders.

During financial year

a. Internal reorganisation

On 6 October 2023, the Company acquired 100% equity interest in Ken-Chec Sdn. Bhd. ("KCSB") from Ken Grouting Sdn. Bhd. with a cash consideration of RM684,000. Upon completion of internal recognition, KCSB became the direct owned subsidiary of the Company.

b. Incorporation of new subsidiary company

On 23 October 2023, KCSB, a wholly-owned subsidiary of the Company, subscribed 2 ordinary shares in St Paul's Investment Pte. Ltd. ("SPIPL"), representing 100% equity interests in SPIPL with cash consideration of RM 12.

St Paul's Ventures Ltd. is a direct owned subsidiary of SPIPL.

Notes to the Financial Statements
(Cont'd)

9. OTHER INVESTMENTS

	Group	
	2023 RM'000	2022 RM'000
Non-current		
Financial assets measured at fair value through profit or loss		
Quoted shares	6	6
Other investment		
Golf club membership, at cost	20	20
	26	26

The fair value of the listed equity securities was determined by reference to the quoted price in an active market.

10. DEFERRED TAX ASSETS/(LIABILITIES)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<u>Deferred tax assets</u>				
At 1 January	9,258	9,412	630	630
Recognised in profit or loss	(423)	(154)	–	–
At 31 December	8,835	9,258	630	630
<u>Deferred tax liabilities</u>				
At 1 January	(16,492)	(16,252)	–	–
Recognised in profit or loss	(1,219)	(330)	–	–
Recognised in other comprehensive income	26	26	–	–
Underprovision in prior years	–	64	–	–
At 31 December	(17,685)	(16,492)	–	–
	(8,850)	(7,234)	630	630

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Deferred tax assets	12,650	14,643	630	630
Deferred tax liabilities	(21,500)	(21,877)	–	–
	(8,850)	(7,234)	630	630

Notes to the Financial Statements
(Cont'd)**10. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)**

The components and movements of deferred tax assets and liabilities prior to offsetting are as follows:

	Unabsorbed capital allowance RM'000	Unutilised tax losses RM'000	Others RM'000	Provision RM'000	Total RM'000
Group					
Deferred tax assets					
2023					
At 1 January	5,255	129	8,629	630	14,643
Recognised in profit or loss	(1,570)	–	(423)	–	(1,993)
At 31 December	3,685	129	8,206	630	12,650
2022					
At 1 January	5,730	129	8,782	630	15,271
Recognised in profit or loss	(540)	–	(153)	–	(693)
Under provision in prior years	65	–	–	–	65
At 31 December	5,255	129	8,629	630	14,643
Group					
Deferred tax liabilities					
2023					
At 1 January		(14,150)	(5,771)	(1,956)	(21,877)
Recognised in profit or loss		–	357	(6)	351
Recognised in other comprehensive income					
- Deferred tax liabilities arising from revaluation land and buildings		–	–	26	26
At 31 December		(14,150)	(5,414)	(1,936)	(21,500)
2022					
At 1 January		(14,150)	(5,988)	(1,973)	(22,111)
Recognised in profit or loss		–	218	(9)	209
Recognised in other comprehensive income					
- Deferred tax liabilities arising from revaluation land and buildings		–	–	26	26
Under provision in prior years		–	(1)	–	(1)
At 31 December		(14,150)	(5,771)	(1,956)	(21,877)

Notes to the Financial Statements
(Cont'd)

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

The components and movements of deferred tax assets and liabilities are as follows (Cont'd):

	Provision	
	2023 RM'000	2022 RM'000
Company		
Deferred tax assets		
At 1 January/31 December	630	630

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unutilised tax losses	6,817	6,817	—	—
Unabsorbed capital allowances	602	572	—	—
	7,419	7,389	—	—

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

11. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Trade					
Trade receivables	(a)	1,556	5,059	—	—
Less: Accumulated impairment losses		(800)	(833)	—	—
		756	4,226	—	—
Non-trade					
Amount due from subsidiaries	(b)	—	—	82,289	87,530
Other receivables and deposits	(c)	4,465	4,889	—	—
Less: Accumulated impairment losses		(2,000)	(2,000)	(38)	(38)
		2,465	2,889	82,251	87,492
		3,221	7,115	82,251	87,492

Notes to the Financial Statements
(Cont'd)

11. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables

Trade receivables normal trade credit terms ranged from 0 to 90 days (2022: 0 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Movements in the allowance for impairment losses of trade receivables are as follows:

	Group
	2023
	RM'000
	2022
	RM'000
At 1 January	833
Impairment loss reversed	(33)
At 31 December	800

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group and the Company are satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Impairment losses reversed during the financial year amounting to RM33,000 (2022: RM33,000) pertains to previously impaired receivables no longer required during the financial year.

The aged analysis of trade receivables as at the end of the reporting period:

	Gross Amount RM'000	Loss Allowance RM'000	Net Amount RM'000
Group			
2023			
Not past due	670	–	670
Past due:			
31 to 60 days	61	–	61
More than 90 days	25	–	25
	86	–	86
Credit impaired			
Individual impaired	800	(800)	–
	1,556	(800)	756
2022			
Not past due	3,940	–	3,940
Past due:			
Less than 30 days	20	–	20
31 to 60 days	151	–	151
61 to 90 days	109	–	109
More than 90 days	6	–	6
	286	–	286
Credit impaired			
Individual impaired	833	(833)	–
	5,059	(833)	4,226

Notes to the Financial Statements (Cont'd)

11. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)

Trade receivables that are not past due are creditworthy receivables with good payment records with the Group.

As at 31 December 2023, trade receivables of RM86,000 (2022: RM286,000) were past due. These relate to a number of independent customers for whom there is no recent history of default.

Trade receivables of the Group that are individually assessed to be impaired amounting to RM800,000 (2022: RM833,000), relate to customers that are in financial difficulties, has defaulted on payments and/or have disputed on the billings. These balances are expected to be recovered through the debts recovery process.

(b) Amount due from subsidiaries are unsecured, interest free and repayable on demand.

There is no movement in the allowance for impairment losses in amount due from subsidiaries during the financial year.

(c) Included in other receivables and deposits of the Group are:

- (i) a deposit of RM500,000 (2022: RM500,000) paid to a third party for a joint development project entered into by a subsidiary.

There is no movement in the allowance for impairment losses in other receivables during the financial year.

12. DEPOSITS, BANK AND CASH BALANCES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash and bank balances	4,442	4,772	106	80
Liquid investments	91,060	66,984	—	—
Deposits with licensed banks	503	490	—	—
	96,005	72,246	106	80

Included in the cash at bank of the Group is an amount of RM483,000 (2022: RM475,000) held under Housing Development Accounts pursuant to Housing Development (Control and Licensing) Act 1966 and are restricted from use in other operations.

The Directors regard liquid investments as cash and cash equivalents when they are highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. The liquid investments represented income funds that measured at fair value through profit and loss at level 1. The fair value measurement are derived from quoted prices (unadjusted) in active market for identical assets.

The effective interest rates and maturity period of deposits with licensed banks of the Group as at the end of the reporting period is 2.6% (2022: 1.5%) per annum and 1 month (2022: 1 month) respectively.

Notes to the Financial Statements
(Cont'd)

13. SHARE CAPITAL

	Group and Company			
	Number of Ordinary Shares		Amount	
	2023 Units'000	2022 Units'000	2023 RM'000	2022 RM'000
Ordinary shares with no par value				
Issued and fully paid shares				
At 1 January/31 December	191,720	191,720	95,860	95,860

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets. In respect of the Company's treasury shares that are held by the Company, all rights are suspended until those shares are reissued.

14. TREASURY SHARES

The shareholders of the Company, by a resolution passed in the last Annual General Meeting held on 25 May 2023, renewed their approval for the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interest of the Company and its shareholders.

	Group and Company			
	2023	Amount RM'000	2022	Amount RM'000
	Number of ordinary shares Units'000		Number of ordinary shares Units'000	
At 1 January/31 December	12,383	5,366	12,383	5,366

As at 31 December 2023, the total shares held as treasury shares amounted to 12,383,000 (2022: 12,383,000) ordinary shares at a total cost of RM5,366,000 (2022: RM5,366,000).

None of the treasury shares held is resold or cancelled during the financial year.

15. RESERVES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revaluation reserve	(i)	9,052	9,026	—	—
Retained earnings	(ii)	258,634	247,727	45,914	45,116
		267,686	256,753	45,914	45,116

Notes to the Financial Statements
(Cont'd)**15. RESERVES (CONT'D)**

The nature of reserves of the Group and of the Company are as follows:

(i) Revaluation reserve

This is in respect of revaluation surplus net of deferred tax arising from the revaluation of the Group's land and buildings and is non-distributable.

	Group	
	2023	2022
	RM'000	RM'000
At 1 January	9,026	9,000
Revaluation of land and buildings, net of tax	26	26
At 31 December	9,052	9,026

The nature of reserves of the Group and of the Company are as follows:

(ii) Retained earnings

The entire retained earnings of the Company are available for distribution as single- tier dividends.

16. TRADE AND OTHER PAYABLES

		Group		Company	
		2023	2022	2023	2022
	Note	RM'000	RM'000	RM'000	RM'000
Trade					
Trade payables	(a)	7,186	9,351	–	–
Non-trade					
Other payables and accruals	(b)	26,615	26,374	2,703	2,696
Amount due to Directors	(c)	186	155	186	155
Amount due to subsidiaries	(d)	–	–	2,239	7,607
		26,801	26,529	5,128	10,458
		33,987	35,880	5,128	10,458

(a) Included in trade payables of the Group are retention sum payables amounted to RM3,728,000 (2022: RM4,281,000).

Credit terms of trade payables of the Group ranged from 14 to 60 days (2022: 14 to 60 days) depending on the terms of the contracts.

(b) Included in other payables and accruals of the Group are:

- (i) accrual for project costs amounted to RM2,865,000 (2022: RM2,583,000); and
- (ii) an amount of RM7,515,000 (2022: RM7,515,000) representing advances from a corporate shareholder of a partially owned subsidiary of the Company which are unsecured, interest free and repayable on demand.
- (iii) refundable deposits of RM7,860,000 (2022: RM5,828,000) paid by third parties for rental of investment properties.

Notes to the Financial Statements
(Cont'd)**16. TRADE AND OTHER PAYABLES (CONT'D)**

- (c) Amount due to Directors represents accrual of Directors fee and allowance payable which are unsecured, interest free and repayable on demand.
- (d) Amount due to subsidiaries are unsecured, interest free and repayable on demand.

17. REVENUE

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers:				
Sale of completed properties	18,634	7,456	–	–
Rendering of services	281	–	–	–
Management fees	288	288	408	372
	19,203	7,744	408	372
Revenue from other sources:				
Dividend income	–	–	801	1,603
Rental income	18,105	13,099	–	–
	18,105	13,099	801	1,603
	37,308	20,843	1,209	1,975
Timing of revenue recognition:				
At a point in time	18,922	7,744	408	372
Over time	281	–	–	–
Total revenue from contracts with customers	19,203	7,744	408	372

Breakdown of the Group's and of the Company's revenue from contracts with customers:

	Property development RM'000	Others RM'000	Total RM'000
Group 2023			
Major goods and services:			
Sale of completed properties	18,634	–	18,634
Rendering of services	–	281	281
Management fees	–	288	288
Total revenue from contracts with customers	18,634	569	19,203
Geographical market:			
Malaysia	18,634	569	19,203
Total revenue from contracts with customers	18,634	569	19,203

Notes to the Financial Statements
(Cont'd)

17. REVENUE (CONT'D)

Breakdown of the Group's and of the Company's revenue from contracts with customers (Cont'd):

	Property development RM'000	Others RM'000	Total RM'000
Group			
2022			
Major goods and services:			
Sale of completed properties	7,456	–	7,456
Management fees	–	288	288
Total revenue from contracts with customers	7,456	288	7,744
Geographical market:			
Malaysia	7,456	288	7,744
Total revenue from contracts with customers	7,456	288	7,744
		2023 RM'000	2022 RM'000
Company			
Others			
Major goods and services:			
Management fees		408	372

18. FINANCE COST

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest expenses on:				
- revolving credits	–	22	–	–

Notes to the Financial Statements
(Cont'd)

19. PROFIT BEFORE TAX

Profit before tax is determined after charging/(crediting) amongst other, the following items:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Auditors' remuneration				
- current year	111	111	30	30
- under provision in prior years	—	(2)	—	—
- non-audit services	6	6	6	6
Depreciation of:				
- property, plant and equipment	1,022	1,218	—	—
- investment properties	2,658	2,658	—	—
- right-of-use assets	167	168	—	—
Interest income	(3,340)	(1,688)	(2)	(1)
Non-executive Directors' remuneration				
- fees	80	60	80	60
- other emoluments	46	35	46	35
Reversal of impairment loss on trade receivables	(33)	(33)	—	—
Lease expenses relating to short term leases	12	12	—	—
Rental income from premises	(4,920)	(4,049)	—	—
Unrealised gain on foreign exchange	(23)	(18)	—	—

20. TAXATION

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Tax expenses recognised in profit or loss				
Current tax:				
Current year provision	1,548	660	79	79
(Over)/Under provision in prior years	(29)	8	—	(1)
	1,519	668	79	78
Deferred tax:				
Origination and reversal of temporary differences	1,642	484	—	—
Over provision in prior years	—	(64)	—	—
	1,642	420	—	—
	3,161	1,088	79	78

Malaysian income tax is calculated at the statutory tax rate of 24% (2022: 24%) of the estimated assessable profits for the financial year.

Notes to the Financial Statements
(Cont'd)

20. TAXATION (CONT'D)

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit before tax	14,068	3,999	877	1,665
At Malaysian statutory tax rate of 24% (2021: 24%)	3,376	960	210	400
Expenses not deductible for tax purposes	1,299	674	61	64
Income not subject to tax	(1,492)	(503)	(192)	(385)
Deferred tax assets not recognised	7	13	–	–
(Over)/Under provision of income tax in prior years	(29)	8	–	(1)
Over provision of deferred tax in prior years	–	(64)	–	–
	3,161	1,088	79	78

The Group and the Company have the following estimated unutilised capital allowances and unused tax losses available for carry forward to offset against future taxable profits. The said amounts are subject to approval by the tax authorities.

	Group	
	2023 RM'000	2022 RM'000
Unutilised tax losses	7,361	7,361
Unabsorbed capital allowances	15,926	22,459
	23,287	29,820

Under the Malaysia Finance Act 2018 which was gazette on 27 December 2018, the unutilised tax losses of the Group and the Company will be imposed with a time limit of utilization. Any accumulated unused tax losses brought forward can be carried forward for a maximum period of 7 consecutive years of assessment. With effect from year of assessment 2023, unutilised tax losses that were allowed to be carried forward up to seven consecutive years was extended to a maximum of ten consecutive years of assessment under the current tax legislation. The unabsorbed capital allowances do not expire under current tax legislation.

Pursuant to Section 44(5F) of the Income Tax Act 1967, the unutilised tax losses can only be carried forward until the following years of assessment.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unutilised tax losses to be carried forward until:				
- Year of assessment 2029	6,564	6,564	–	–
- Year of assessment 2030	285	285	–	–
- Year of assessment 2031	512	512	–	–
	7,361	7,361	–	–

Notes to the Financial Statements
(Cont'd)**21. EARNINGS PER SHARE****(a) Basic earnings per share**

The basic earnings per share are calculated based on the consolidated profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2023	2022
	RM'000	RM'000
Profit attributable to owners of the Company	10,905	2,911
Weighted average number of ordinary shares in issue (in thousands of shares)		
Issued ordinary shares at 1 January	191,720	191,720
Effect of treasury shares held	(12,383)	(12,383)
Weighted average number of ordinary shares at 31 December	179,337	179,337
Basic earnings per ordinary share (sen)	6	2

(b) Diluted earnings per share

The diluted earnings per share of the Group is equal to the basic earnings per share as the Group does not have any dilutive potential ordinary shares in issue.

22. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below show the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

	At	Net Financing	At
	1 January	cash flows (i)	31 December
	RM'000	RM'000	RM'000
2022			
Group			
Revolving credits (Note 17)	2,000	(2,000)	–

The cash flows from revolving credits make up the net amount of proceeds from or repayments of borrowings in the statements of cash flows.

23. STAFF COSTS

	Group		Company
	2023	2022	2023
	RM'000	RM'000	RM'000
Salaries, wages and other emoluments	7,784	6,977	60
Social security contributions	49	47	–
Defined contribution plans	909	819	–
Other benefits	59	55	–
	8,801	7,898	60

Notes to the Financial Statements
(Cont'd)**23. STAFF COSTS (CONT'D)**

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Company and of the subsidiaries during the financial year as below:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Executive Directors				
Salary, fees and other emoluments	2,899	2,919	60	60
Defined contribution plans	387	376	—	—
Estimated money value of benefit-in-kind	26	31	—	—
	3,312	3,326	60	60

24. FINANCIAL GUARANTEE

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Unsecured				
Banker's guarantee issued in favour of third parties	174	177	—	—

25. RELATED PARTY DISCLOSURES**(a) Identifying related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Transactions with subsidiaries				
- Dividend income	—	—	(801)	(1,603)
- Management fee income	—	—	(408)	(372)
Transactions with companies in which a Director of the Company have substantial financial interest				
- Rental expense on premise	12	12	—	—

Notes to the Financial Statements
(Cont'd)**25. RELATED PARTY DISCLOSURES (CONT'D)****(c) Compensation of key management personnel**

Remuneration of Directors and other members of key management are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Salaries, fees and other emoluments	3,543	3,543	186	155
Defined contribution plans				
Estimated money value of benefits-in-kind	441	429	–	–
	45	50	–	–
	4,029	4,022	186	155

Included in remuneration of Directors is Director fees received and receivable by the Non-executive Directors of the Company during the financial year was RM80,000 (2022: RM60,000).

26. SEGMENT INFORMATION

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different techniques and marketing strategies and industry expertise. For each of the strategic business units, the Group's Managing Director (the chief operating decision maker) reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Construction	Specialist engineering services, turnkey contracts, building and civil and engineering works, land reclamation, dredging, marine and civil engineering
Property development	Development of residential and commercial properties
Property investment	Rental of investment property and car park management

Other non-reportable segments comprise operations related to the provision of property management services.

There are varying levels of integration between reportable segments. This integration includes construction of building. Inter-segment pricing is determined on negotiated basis. The accounting policies of the reportable segments are the same as described in Note 3(r).

Performance is measured based on segment profit before tax as included in the internal management reports that are reviewed by the Group's Managing Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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 Group's Managing Director. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the Group's Managing Director. Hence, no disclosure is made on segment liabilities.

Geographical segments

Both construction, property development and property investment segments are solely operating in Malaysia. Accordingly, information by geographical segment is not presented.

Notes to the Financial Statements
(Cont'd)

26. SEGMENT INFORMATION (CONT'D)

	Construction		Property development		Property investment		Others		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment profit	378	(222)	9,822	4,422	3,762	(248)	106	47	14,068	3,999
Included in the measure of segment profit are:										
Revenue from external customers	281	-	18,028	7,456	18,711	13,099	288	288	37,308	20,843
Inter-segment revenue	-	-	-	-	1,567	1,657	-	-	1,567	1,657
Not included in the measure of segment profit but provided to Managing Director:										
Depreciation	(399)	(417)	(148)	(151)	(3,225)	(3,401)	(75)	(75)	(3,847)	(4,044)
Finance income	125	20	3,095	1,583	104	76	16	9	3,340	1,688
Segment assets	21,908	19,414	242,029	232,866	119,393	122,678	122,678	122,678	383,330	374,958
Included in the measure of segment assets are:										
Additions to non-current assets other than financial instruments and deferred tax assets	-	-	534	588	79	89	-	-	613	677
Segment liabilities	9,855	12,198	29,787	30,403	10,329	8,107	8,107	8,107	49,971	50,708

Notes to the Financial Statements
(Cont'd)**26. SEGMENT INFORMATION (CONT'D)**

Reconciliations of reportable segments revenues, profit or loss, assets and other material items:

	2023 RM'000	2022 RM'000
Profit or loss		
Total profit or loss for reportable segments	13,962	3,952
Other non-reportable segments	4,314	4,780
Elimination of inter-segment profits	(4,208)	(4,733)
Consolidated profit before tax	14,068	3,999
Assets		
Total assets for reportable segments	383,330	374,958
Other non-reportable segments	26,850	24,795
Consolidated assets	410,180	399,753
Liabilities		
Total liabilities for reportable segments	49,971	50,708
Other non-reportable segments	1,978	1,749
Consolidated liabilities	51,949	52,457

	External revenue RM'000	Depreciation RM'000	Finance income RM'000	Additions to non-current assets RM'000
2023				
Total reportable segments	37,020	(3,772)	3,324	613
Other non-reportable segments	288	(75)	17	–
Consolidated total	37,308	(3,847)	3,341	613
2022				
Total reportable segments	20,555	(3,969)	1,679	677
Other non-reportable segments	288	(75)	9	–
Consolidated total	20,843	(4,044)	1,688	677

No disclosure on geographical segment information as the Group operates predominantly in Malaysia.

The Group has large and diversified customers base which consists of individuals and corporations. There was no single customer that contributed 10% or more of the Group's revenue for the financial years ended 2023 and 2022.

Notes to the Financial Statements
(Cont'd)

27. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of the financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised.

	At amortised cost RM'000	At FVTPL RM'000	Total RM'000
Group			
2023			
Financial assets			
Other investments	–	26	26
Trade and other receivables	3,221	–	3,221
Deposits, bank and cash balances	4,945	91,060	96,005
	8,166	91,086	99,252
Financial liabilities			
Trade and other payables	33,987	–	33,987
2022			
Financial assets			
Other investments	–	26	26
Trade and other receivables	7,115	–	7,115
Deposits, bank and cash balances	5,262	66,984	72,246
	12,377	67,010	79,387
Financial liabilities			
Trade and other payables	35,880	–	35,880
		At amortised cost	
		2023	2022
		RM'000	RM'000
Company			
Financial assets			
Trade and other receivables		82,251	87,492
Deposits, bank and cash balances		106	80
		82,357	87,572
Financial liabilities			
Trade and other payables		5,128	10,458

Notes to the Financial Statements
(Cont'd)**27. FINANCIAL INSTRUMENTS (CONT'D)****(b) Financial risk management objectives and policies**

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its credit, liquidity, foreign currency and interest rate risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's exposure to the above- mentioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and deposits with banks. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to previous financial years.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposits with banks with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured loans and advances to subsidiaries. It also provides unsecured financial guarantees to banks for banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

At each reporting date, the Group and the Company assess whether any of the receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partial or full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represents the Group's and the Company's maximum exposure to credit risk except for bankers' guarantee issued in favour of third parties for securing contract performance and financial guarantees provided to banks and trade suppliers for banking facilities and for supply of goods and services to certain subsidiaries. The Group's maximum exposure in this respect is RM174,000 (2022: RM177,000), representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. There was no indication that any subsidiaries would default on repayment as at the end of the reporting period.

There are no significant changes as compared to previous financial year.

The Group has no significant concentration of credit risk as its exposure spread over a large number of customers. The Company has no significant concentration of credit risks except for loans and advances to its subsidiaries where risks of default have been assessed to be low.

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. 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 funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group finances its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

All financial liabilities of the Group and of the Company are assessed as current and correspondingly, no detailed maturity analysis is deemed necessary.

The Company provides unsecured financial guarantee to banks in respect of credit facilities and to suppliers of goods for credit terms granted to subsidiaries and monitors on an ongoing basis the performance of the subsidiaries. At the end of the financial year, there was no indication that the subsidiaries would default on repayment.

Financial guarantee have not been recognised since the fair value on initial recognition was deemed not material and the probability of the subsidiaries defaulting on their credit facilities is remote.

(iii) Market risk

(a) Foreign currency risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk is Hong Kong Dollar ("HKD"), Pound Sterling ("GBP") and Chinese Renminbi ("RMB").

The Group has not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

The carrying amounts of the Group's foreign currency denominated financial assets at the end of the reporting period are as follows:

	in HKD RM'000	Denominated in GBP RM'000	in RMB RM'000
Group			
2023			
Deposits, cash and bank balances	379	123	5
2022			
Deposits, cash and bank balances	357	11	5

Notes to the Financial Statements
(Cont'd)

27. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the HKD, GBP and RMB exchange rates against the RM, with all other variables held constant.

	Effect on profit before tax	
	2023 RM'000	2022 RM'000
Group		
HKD		
Change in currency rate		
Strengthened 10% (2022: 10%)	38	36
Weakened 10% (2022: 10%)	(38)	(36)
GBP		
Change in currency rate		
Strengthened 10% (2022: 10%)	12	1
Weakened 10% (2022: 10%)	(12)	(1)
RMB		
Change in currency rate		
Strengthened 10% (2022: 10%)	1	1
Weakened 10% (2022: 10%)	(1)	(1)

(b) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its deposits with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

Notes to the Financial Statements
(Cont'd)

27. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk (Cont'd)

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	
	2023 RM'000	2022 RM'000
Fixed rate instrument		
Financial asset		
Deposits, cash and bank balances	503	490
Floating rate instruments		
Financial asset		
Deposits, cash and bank balances	91,060	66,984

Interest rate risk sensitivity analysisFair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

A change in interest rates at the end of the reporting period would not significantly affect profit or loss in view that variable rate financial liabilities are not significant as at the reporting date.

(c) Fair value of financial instruments

The carrying amounts of short-term receivables and payables and cash and cash equivalents approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The table below analyses financial instruments carried at fair value and carrying amounts shown in the statements of financial position.

	Fair value of financial instruments carried at fair value		Total fair value	Carrying amount
	Level 1 RM'000	Total RM'000	RM'000	RM'000
Group				
2023				
Financial asset				
Quoted shares	6	6	6	6
2022				
Financial asset				
Quoted shares	6	6	6	6

Notes to the Financial Statements
(Cont'd)**28. MATERIAL LITIGATION****Group and Company**

On 12 October 2020, Common Ground TTDI Sdn Bhd (the "Plaintiff") filed a Writ of Summons and Statement of Claim and an ex-parte Interim Injunction Order against Ken TTDI Sdn Bhd (the "Defendant") to prevent the Defendant from, among other things, taking any form of action to repossess the demised premises in the interim period.

On 26 November 2020, the Defendant filed a Third Party Notice against Common Ground Works Sdn Bhd, Teo Juhn How and Erman Akinci and the hearing is set for 14 June 2021 and the Court has allowed the Third Parties' Setting Aside Application with costs of RM6,000.00. The Defendant had also on 30 November 2020 filed a Defence and Counterclaim against the Plaintiff and the trial dates has been set on 31 July 2023, 21 August 2023 and 22 August 2023. On 30 December 2020, the Defendant had filed an Application pursuant to Order 14A Rule 1 and/or Order 33 Rule 2 for the Court to determine two questions of law and/or interpretation of the TA, or preliminary issues, in order that the action may be disposed of without the need for a trial.

The *inter-partes* hearing of the Plaintiff's Interim Injunction Application and the Defendant's Application pursuant to Order 14A Rule 1 and/or Order 33 Rule 2 Rules of Court 2012 were both heard on 18 March 2021 and the Court had on 15 April 2021 dismissed the Plaintiff's Interim Injunction Application with costs of RM8,000 awarded in favour of the Defendant. On the even date, the High Court had also allowed the Defendant's Application pursuant to Order 14A Rule 1 and/or Order 33 Rule 2 Rules of Court 2012 with costs of RM5,000 awarded in favour of the Defendant and accordingly, the Plaintiff's claim against the Defendant is dismissed.

On 30 August 2021, the Defendant filed an Application for Consequential Orders, which was heard on 2 November 2021 and the Court had allowed the Defendant's Application and granted the following orders:

- a) that the Plaintiff shall immediately hand over possession of the Demised Premises to the Defendant in accordance with the terms of the Tenancy Agreement which had expired on 31.10.2020;
- b) that the Plaintiff shall pay double rental for the Demised Premises from 1.11.2020 until the date vacant possession of the Demised Premises is handed over at a monthly rental based on the agreed minimum rate of RM128,337.60 per month; and
- c) cost of RM5,000.00 to be paid by the Plaintiff to the Defendant.

The trial for the Plaintiff's Claim and the Defendant's Counterclaim against the Plaintiff concluded on 24 January 2024 and the Court has fixed 7 June 2024 for decision.

29. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

The Group and the Company are not subject to any externally imposed capital requirements.

30. DATE OF AUTHORISATION FOR ISSUE

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 25 April 2024.

LIST OF PROPERTIES

AS AT 31 DECEMBER 2023

The properties of the Group as at 31 December 2023 are as follows:

No.	Location	Description/ usage	Tenure/year of expiry	Age of property building	Land/Built- up area	Net book value (RM'000)	Year of valuation acquisition
1.	Geran Nos. 63978 and 35098 Lot No. 20 and 419, Section 1 Bandar Batu Feringgi District of Timor Laut State of Penang	Two parcels of land for development	Freehold	–	2.53 acres	5,751	2005
2.	Geran 6372A, 6373 to 6377 Lot Nos. 12325, 12326 & 8273 to 8277 Mukim of Chenderiang District of Batang Padang State of Perak Darul Ridzuan	Six parcels of agriculture land for investment	Freehold	–	50.98 acres	1,741	2005
3.	HSD : 10305-312, 314, 317-322, 324-334, 485-492 (PT 0011128-135, 137, 140-145, 147-157, 308-315) Mukim of Bentong State of Pahang Darul Makmur	34 lots of vacant bungalow lots for development	Freehold	–	14.44 acres	2,163	2003
4.	PM 269, Lot No. 13555 Kampung Sungai Kayu Ara Mukim of Sungai Buloh District of Petaling State of Selangor Darul Ehsan	A parcel of land occupied as store	Leasehold/1 February 2079	–	47,006 sq ft	3,986	2020**
5.	PM 270, Lot No. 13559 Kampung Sungai Kayu Ara Mukim of Sungai Buloh District of Petaling State of Selangor Darul Ehsan	A parcel of land occupied as store	Leasehold/1 February 2079	–	36,909 sq ft	3,132	2020**

List of Properties
(Cont'd)

No.	Location	Description/ usage	Tenure/year of expiry	Age of property building	Land/Built- up area	Net book value (RM'000)	Year of valuation acquisition
6.	Lot 29504, H.S. (D) 4926 Mukim and District of Kuala Lumpur State of Federal Territory Postal address: 6, Jalan Datuk Sulaiman Taman Tun Dr, Ismail 60000 Kuala Lumpur Federal Territory	One unit of three-storey terrace shophouse as investment	Freehold	42 years	1,875 sq ft	4,261	2020**
7.	Lot A1-G-01 to A1-G-10 and A8-G-01 to A8-G-04 Rumah Pangsa Kampung Aman Satu Jalan SK6/1 Taman Bukit Serdang Seksyen 4&5, 43300 Selangor State of Selangor Darul Ehsan	14 units of ground floor shoplots for investment	Leasehold/9 February 2104	22 years	9,192 sq ft	1,023	2005*
8.	A-3A-1, A-3A-2, A-3A-3, A-3A-3A, A-3A-7, B-3A-5, C-3A-2, C-3A-3, C-3A-6 Ken Damansara Condominium No. 217 Jalan SS2/72 47400 Petaling Jaya State of Selangor Darul Ehsan	9 units of retail commercial lots for investment	Freehold	20 years	6,653 sq ft	261	2005*
9.	GRN 310971 Lot 96752, GRN 338115 Lot 112181 Mukim of Kapar District of Klang State of Selangor Darul Ehsan	Two parcels of land for development	Freehold	–	Approximately 4.32 acres	3,027	2003
10.	Menara KEN TTDI No. 37, Jalan Burhanuddin Helmi Taman Tun Dr Ismail 60000 Kuala Lumpur Federal Territory	Corporate office tower	Freehold	–	Approximately 1.21 acres	114,500	2007

List of Properties
(Cont'd)

No.	Location	Description/ usage	Tenure/year of expiry	Age of property building	Land/Built- up area	Net book value (RM'000)	Year of valuation acquisition
11.	PM11255, Lot 38126 Tempat Kampung Melayu Malra, Sungai Buloh Bandar Sungai Buloh Daerah Gombak Negeri Selangor Darul Ehsan	A parcel of land to be occupied as store	Leasehold/ 18 August 2068	–	110,543 sq ft	1,828	2020**
12.	01-01, 01-02, 01-03, 01-04, 01-05, 01-06, 01-07, 01-08, 01-09, 01-10, 01-11, 01-12, 01-13, 01-14, 01-15, 01-16, 01-17 Pangsapuri Rimba 2, No. 5, Jalan Lengkuas 16/19, Seksyen 16, 40200 Shah Alam, Selangor Darul Ehsan	17 units of ground floor shoplots for investment	Freehold	13 years	11,050 sq ft	960	2010
13.	GM1431-1438 & 1670 Lot No 2794- 2797, 3511-3514 & 8826 Mukim Cheng District of Melaka Tengah State of Melaka	Nine parcels of land for investment	Freehold	–	437,671 sq ft	5,750	2011
14.	HS(D) 10382 Lot PT 11205 and HS(D) 10386 Lot 11209 Mukim and District of Bentong State of Pahang	Two parcels of land for development	Freehold	–	Approximately 4.95 acres	16,677	2012
15.	PN 38964, 38965, 38966 and 38967 Lots 22642, 22643, 22644 and 22645 Town and District of Johor Bahru State of Johor	Four parcels of land for development	Leasehold/8 March 2091	–	992,368 sq ft	74,782	2012
16.	HS(D) 548463 PTB 19200 Town and District of Johor Bahru State of Johor	A parcel of land for development	Leasehold/8 March 2091	–	60,700 sq ft	5,078	2015

* Valuation done in 2005 ** Valuation done in 2020

ANALYSIS OF SHAREHOLDINGS

AS AT 25 MARCH 2024

SHARE CAPITAL

Issued shares	:	191,720,000 ordinary shares
No. of treasury shares	:	12,383,400 ordinary shares
Class of shares	:	Ordinary shares
Voting rights	:	1 vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	%	No. of shares held	%
Less than 100 shares	75	5.47	1,582	0.00
100 – 1,000 shares	136	9.91	54,960	0.03
1,001 – 10,000	715	52.11	4,406,238	2.46
10,001 – 100,000	375	27.33	11,639,400	6.49
100,001 to less than 5% of issued shares	68	4.96	68,458,280	38.17
5% and above of issued shares	3	0.22	94,776,140	52.85
Total	1,372	100.00	179,336,600	100.00

LIST OF TOP THIRTY LARGEST SHAREHOLDERS

	Name	No. of shares held	%
1.	Kencana Bahagia Sdn. Bhd.	64,549,638	35.99
2.	SJ Sec Nominees (Tempatan) Sdn. Bhd. <i>Budaya Dinamik Sdn. Bhd.</i>	20,425,724	11.39
3.	Dato' Tan Boon Kang	9,800,778	5.46
4.	SJ Sec Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Seloka Aman Sdn. Bhd.</i>	6,663,000	3.71
5.	Ir. Tan Chek Siong	6,242,000	3.48
6.	Tan Chek Een	6,000,000	3.35
7.	Tan Chek Ying	6,000,000	3.35
8.	CGS International Nomines Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Tan Kian Ling (MY2236)</i>	3,660,000	2.04
9.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Khoo Bee Lian</i>	3,464,400	1.93
10.	Kencana Bahagia Sdn. Bhd.	3,300,000	1.84
11.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. <i>Pledged Securities Account For Khoo Bee Lian</i>	3,119,000	1.74
12.	To' Puan Lau Pek Kuan	2,320,000	1.29
13.	To' Puan Lau Pek Kuan	2,300,000	1.28
14.	Adat Saga Sdn. Bhd.	2,095,300	1.17
15.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Tan Kian Ling</i>	2,000,000	1.11
16.	Yeoh Phek Leng	1,733,000	0.97
17.	Teo Kwee Hock	1,392,300	0.78
18.	Low Siew Choong @ Liew Siew Meng	1,265,500	0.71
19.	Tan Moon Hwa	1,202,680	0.67
20.	Liew Yoon Yee	1,100,000	0.61

Analysis Of Shareholdings (Cont'd)

LIST OF TOP THIRTY LARGEST SHAREHOLDERS (CONT'D)

	Name	No. of shares held	%
21.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Loke Kok Weng</i>	969,700	0.54
22.	UOB Kay Hian Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Teo Siew Lai</i>	783,600	0.44
23.	Yeoh Khee Huat	593,000	0.33
24.	Lai Jee Hing	591,500	0.33
25.	Lim Hong Liang	493,480	0.28
26.	Liew Yoon Yee	480,000	0.27
27.	Lau Chin Ka	468,320	0.26
28.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Calvin Tan Han Yik</i>	442,700	0.25
29.	See Kiang Noi	430,000	0.24
30.	Lau Chin Kok	426,000	0.24
Total		152,626,920	86.05

SUBSTANTIAL SHAREHOLDERS (AS SHOWN IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS)

	Name of substantial shareholders	No. of ordinary shares			
		Direct	%	Indirect	%
1)	Kencana Bahagia Sdn. Bhd.	67,849,638	37.83	–	–
2)	Dato' Tan Boon Kang	9,800,778	5.47	84,469,638 ⁽¹⁾	47.10
3)	To' Puan Lau Pek Kuan	4,620,000	2.58	89,650,416 ⁽¹⁾	49.99
4)	Anton Syazi bin Ahmad Sebi	–	–	20,425,724 ⁽²⁾	11.39
5)	Aryati Sasya Binti Ahmad Sebi	–	–	20,425,724 ⁽²⁾	11.39
6)	SJ Sec Nominees (Tempatan) Sdn. Bhd. (Budaya Dinamik Sdn. Bhd.)	20,425,724	11.39	–	–

DIRECTORS' SHAREHOLDINGS

	Name of Directors	No. of ordinary shares			
		Direct	%	Indirect	%
1)	Dato' Tan Boon Kang	9,800,778	5.47	84,469,638 ⁽¹⁾	47.10
2)	Ir. Tan Chek Siong	6,242,000	3.48	–	–
3)	Dato' Ir. Dr. Ashaari bin Mohamad	–	–	–	–
4)	Loo Pak Soon	–	–	–	–
5)	Tan Chek Een	6,000,000	3.35	–	–
6)	Dato' Sarul Bahiyah bin Hj. Abu	–	–	–	–
7)	Dato' Noor Azam bin Jamaludin	–	–	–	–

By virtue of his interest in the Company, Dato' Tan Boon Kang is deemed to be interested in the shares in all subsidiaries to the extent that the Company has an interest.

Notes:

- (1) Deemed interested by virtue of his/her substantial shareholding in Kencana Bahagia Sdn. Bhd. and shareholdings of his/her spouse and children in the Company
- (2) Deemed interested by virtue of his/her substantial shareholding in Budaya Dinamik Sdn. Bhd.

**KEN HOLDINGS BERHAD**

Registration No.: 198301010855 (106173-M)
(Incorporated in Malaysia)

PROXY FORM

I/We
(FULL NAME AS PER NRIC / CERTIFICATE OF INCORPORATION IN CAPITAL LETTERS)

Company No. / NRIC No. (new) (old)

of
(FULL ADDRESS)

being a member(s) of KEN HOLDINGS BERHAD hereby appoint:

..... NRIC No. (new) (old)

or failing him/her NRIC No. (new) (old)

or failing him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the 40th Annual General Meeting of the Company to be held at The Space, Level 2, Menara KEN TTDI, No. 37, Jalan Burhanuddin Helmi, Taman Tun Dr Ismail, 60000 Kuala Lumpur on Thursday, 6 June 2024, at 10.00 a.m. or at any adjournment thereof.

(*Strike out whichever is not desired)

(Should you desire to direct your proxy as to how to vote on the Resolutions set out in the Notice of Meeting, please indicate an "X" in the appropriate space. Unless otherwise instructed, the proxy may vote or abstain from voting at his/her discretion.)

NO	RESOLUTIONS	FOR	AGAINST
1)	Ordinary Resolution 1 - To approve the payment of Directors' fees		
2)	Ordinary Resolution 2 - To approve the payment of Directors' benefits to the Non-Executive Directors		
3)	Ordinary Resolution 3 - Re-election of Dato' Noor Azam bin Jamaludin		
4)	Ordinary Resolution 4 - Re-election of Dato' Tan Boon Kang		
5)	Ordinary Resolution 5 - Re-election of Dato' Ir. Dr. Ashaari bin Mohamad		
6)	Ordinary Resolution 6 - Re-appointment of Messrs. UHY as Auditors and authorise the Directors to fix their remuneration		
7)	Ordinary Resolution 7 - Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016		
8)	Ordinary Resolution 8 - Proposed Renewal of Share Buy-Back		
9)	Ordinary Resolution 9 - Retention of Dato' Ir. Dr. Ashaari Bin Mohamad		

Signed this day of 2024

No. of shares held:	
CDS Account No.:	

The proportions of my/our holdings to be represented by my/our proxy(ies) are as follows:

Proxy 1	Shares	%
Proxy 2	Shares	%
Total	Shares	100%

.....
Signature/Common Seal of Member(s)

Notes:

- A member of the Company entitled to attend, speak and vote at 40th AGM is entitled to appoint any person as his/her proxy to attend, speak and vote instead of him/her at the 40th AGM. There shall be no restriction as to the qualification of proxy.
- A member may appoint up to two (2) persons to be his/her proxy. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
- Where a member is an authorised nominee, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares standing to the credit of the said securities account.
- Where a member of the Company is an Exempt Authorised Nominee ("EAN") as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds.
- In the case of a corporate body, the proxy appointed must be in accordance with the Constitution, and the instrument appointing a proxy shall be given under the Company's Common Seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing the proxy must be deposited at the Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur or by electronic lodgement via TIIH Online at <https://tiah.online> (applicable to individual shareholders only), not less than 48 hours before the time set for the meeting or any adjournment thereof. Please refer to the Administrative Guide for the 40th AGM for further information on the electronic lodgement of the Proxy Form.
- For purposes of determining who shall be entitled to attend, speak and vote at the 40th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Clause 63 of the Constitution of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), a Record of Depositors as at 30 May 2024 and a Depositor whose name appears on such Record of Depositors shall be entitled to attend, speak and vote at the 40th AGM or appoint proxy to attend, speak and vote in his/her stead.
- Pursuant to Paragraph 8.29A(1) of the Listing Requirements, all the Resolutions set out in this Notice will be put to vote by poll.



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AFFIX
STAMP

The Share Registrar
TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

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