

# I-Berhad

ANNUAL REPORT 2023



# COVER RATIONALE



A bird's-eye view of i-City reveals a dynamic cityscape beneath a vast expanse of sky. This aerial perspective encapsulates the multifaceted charm of i-City, drawing viewers into its limitless possibilities.

The culmination of I-Berhad's strategic focus on building a vibrant destination. The Group remains steadfast in elevating i-City's vibrancy even further – a testament to our ongoing pursuit of excellence, where technological innovation seamlessly integrates with the socio-economic construct, ensuring sustained success and enriching connections for all.

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Proxy Form

<p style="text-align: center;"><b>57<sup>TH</sup></b> <b>ANNUAL GENERAL MEETING</b> <b>I-BERHAD</b></p>	<p style="text-align: center;"> <b>Wednesday</b> <b>26 June 2024</b> <b>10.00 a.m</b></p>	<p style="text-align: center;"> Ballroom, Level 2, DoubleTree by Hilton Shah Alam i-City, i-City Finance Avenue 40000 Shah Alam Selangor, Malaysia</p>
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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### **TAN SRI LIM KIM HONG**

Non-Executive Chairman

#### **PUAN SRI TEY SIEW THUAN**

Executive Director/  
Chief Executive Officer

#### **LIM BOON SOON, RICKY**

Executive Director

#### **DATO' EU HONG CHEW**

Non-Independent Non-Executive  
Director

#### **GOH YEANG KHENG**

Independent Non-Executive Director

#### **GAN KIM KHOON**

Independent Non-Executive Director  
(Appointed on 16 August 2023)

#### **PREM KUMAR A/L SUBRAMANIAM**

Independent Non-Executive Director  
(Appointed on 16 August 2023)

#### **NG CHEE KIET**

Independent Non-Executive Director  
(Resigned on 17 May 2023)

#### **PECK BOON SOON**

Independent Non-Executive Director  
(Resigned on 17 May 2023)

### COMPANY SECRETARY

Bu Chew Lin  
SSM Practicing Certificate  
No. 201908000674  
(MAICSA No. 6008132)

### REGISTERED OFFICE

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i-City, Selangor Golden Triangle  
40000 Shah Alam  
Selangor  
Tel : 603-5521 8800  
Fax : 603-5521 8810  
Web : www.i-bhd.com  
Email : cs@i-bhd.com

### AUDITORS

Deloitte PLT  
Level 16, Menara LGB  
1 Jalan Wan Kadir  
Taman Tun Dr. Ismail  
60000 Kuala Lumpur  
Wilayah Persekutuan

### 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  
Wilayah Persekutuan  
Tel : 603-2783 9299  
Fax : 603-2783 9222  
Email : is.enquiry@my.tricorglobal.com

### PRINCIPAL BANKER

Malayan Banking Berhad

### STOCK EXCHANGE LISTING

Listed on the Main Market of  
Bursa Malaysia Securities Berhad  
on 29 September 1969

### STOCK NAME/ STOCK CODE

IBHD/4251

## PROFILE OF DIRECTORS

**TAN SRI LIM KIM HONG**

Non-Executive Chairman

Age : 73 | Nationality : Malaysian | Gender : Male

**TAN SRI LIM KIM HONG** was appointed to the Board on 15 July 1999. He is currently the Group's Non-Executive Chairman and has vast experience in business, marketing and corporate matters as well as has a keen sense of business acumen.

Tan Sri Lim was responsible for the successful listing of Sumurwang Sdn Bhd's ("Sumurwang") manufacturing arm, Dreamland Holdings Berhad on the Kuala Lumpur Stock Exchange (now known as Bursa Malaysia Securities Berhad) in 1987 while he was the Chief Executive Officer of Dreamland Holdings Berhad.

In 1991, he diversified Dreamland Holdings Berhad into the steel industry and subsequently changed its name to Kanzen Berhad ("Kanzen"). In late 1993, he divested Sumurwang's interest in Kanzen to reorganise Sumurwang's corporate structure to focus on three business areas – property development, manufacturing and financial services.

In 1999, Tan Sri Lim acquired I-Berhad through Sumurwang and steered the Group into property development, property investment, leisure and ICT solutions businesses through the i-City Golden Triangle, a smart integrated freehold ultrapolis development with MSC Malaysia Cybercentre Status with gross development value of RM10 billion. i-City Golden Triangle has been endorsed as an International Park by the Selangor State Government and a unique Tourism Destination by Tourism Malaysia.

## PROFILE OF DIRECTORS

(Cont'd)



### **PUAN SRI TEY SIEW THUAN**

Executive Director/Chief Executive Officer

Age : 70 | Nationality : Malaysian | Gender : Female

**PUAN SRI TEY SIEW THUAN** was appointed to the Board on 15 July 1999 and to the position of Chief Executive Officer on 27 February 2008. Subsequently, Puan Sri Tey retired as the Chief Executive Officer on 10 February 2009 but remained as Executive Director of the Company. She was re-appointed to the position of Chief Executive Officer on 1 January 2020.

Puan Sri Tey is currently spearheading the Property Development and Property Investment segments of the Group, where in addition to formulating the strategic and financial direction, she also oversees the operation of all business segments of the Group.

Puan Sri Tey was formerly the Executive Director of Kanzen Berhad and whilst with Kanzen, she was responsible for the Company's investments into China. These investments cover bedding, steel and air-conditioning businesses as well as power industries. She was also responsible for the development of Kanzen's steel export business.



### **LIM BOON SOON, RICKY**

Executive Director

Age : 47 | Nationality : Malaysian | Gender : Male

**MR LIM BOON SOON, RICKY** was appointed as the Executive Director of I-Berhad effective 1 January 2022 to spearhead the Group's Technology Division. He was appointed as the Group's Chief Technology Officer on 2 May 2019.

Mr Lim graduated with a Bachelor of Commerce in Accounting and Finance from the University of Melbourne, Australia in 1998. He started his training as an Auditor with KPMG Malaysia in 1999. He joined WOW CRM in 2011 as an Automation Consultant and CRM specialist for approximately 8 years where he also consulted on Cloud and Salesforce technologies as well as accumulated a wealth of experience in sales and marketing.

In his current role, Mr Lim is responsible for overseeing all aspects of technology of the Group. This includes amongst others, technology strategy, development as well as digitalisation, smart city solutions and innovation. Additionally, he has been driving technology innovations which include bringing new services to the mobile app dubbed i-City SuperApp.

## PROFILE OF DIRECTORS

(Cont'd)

**DATO' EU HONG CHEW**

Non-Independent Non-Executive Director

Age : 71 | Nationality : Malaysian | Gender : Male

**DATO' EU HONG CHEW** was re-appointed as Non-Independent Non-Executive Director of I-Berhad effective 1 January 2022. He is the Chairman of the Remuneration Committee as well as a member of the Audit, Nomination and Risk Management Committees of the Board. He was previously appointed to the Board on 15 July 1999 but retired on 25 June 2020.

Dato' Eu was educated at the Royal Military College and graduated with a first-class honours degree in Mechanical Engineering from the University of Glasgow, United Kingdom (UK) in 1976. Subsequently, in 1980, he obtained his Masters in Business Administration from the University of Bradford, UK.

Dato' Eu has been associated with Sumurwang and its Group of Companies ("Sumurwang Group") as its Chief Executive with many years of experience including charting the path for Sumurwang's manufacturing arm, firstly under Dreamland Holdings Berhad and its subsequent venture into the steel business and thereafter, the acquisition of I-Berhad.

Prior to joining Dreamland, Dato' Eu was with PA Management Consulting for 10 years where he was appointed as the Director of Studies for the Cranfield PA MBA Programme in Malaysia.

**GOH YEANG KHENG**

Independent Non-Executive Director

Age : 59 | Nationality : Malaysian | Gender : Female

**MADAM GOH YEANG KHENG** was appointed to the Board as an Independent Non-Executive Director on 1 July 2013 and is currently the Chairman of the Nomination Committee and a member of the Audit, Remuneration and Risk Management Committees of the Board.

Madam Goh graduated from The Institute of Chartered Secretaries and Administrators (ICSA), United Kingdom (now known as The Chartered Governance Institute) in 1990.

She has more than 30 years of experience in finance and operations in the retail, manufacturing and leisure industries.

## PROFILE OF DIRECTORS

(Cont'd)




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### GAN KIM KHOON

Independent Non-Executive Director

Age : 61 | Nationality : Malaysian | Gender : Male

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**MR GAN KIM KHOON** was appointed as Independent Non-Executive Director of I-Berhad effective 16 August 2023. He is the Chairman of the Audit Committee as well as a member of the Nomination, Remuneration and Risk Management Committees of the Board. He has over 30 years of experience in the financial services industry, encompassing investment banking, equity capital markets, fund raising, investment research, stockbroking and commercial banking. He has substantial experience in origination and business development and in managing the marketing and distribution of equity fund raising exercises such as initial public offerings and private placements, as well as in investment research, stockbroking and auditing.

Mr Gan began his career in 1982 with KPMG Malaysia. He subsequently transitioned to the banking and finance sector, where he held various positions throughout the different stages of his career, from Internal Auditor, Financial Officer, Head of Research, Regional Head of Equity Capital Markets to Head of Equity Markets at a number of financial institutions.

His career spanned several prominent organisations in the financial services industry, namely Standard Chartered Bank Malaysia Bhd, HSBC Research (Malaysia) Sdn Bhd, SG Research (M) Sdn Bhd, AmResearch Sdn Bhd, OSK Investment Bank Bhd, RHB Investment Bank Bhd and AmInvestment Bank Bhd.

His last held position was Executive Vice President/Head, Equity Markets at AmInvestment Bank Bhd. Throughout his career, Mr Gan played crucial and leading roles in strategy, corporate planning and business development, equity fund raising, investment research and stockbroking.

Mr Gan was a former Chairman of the FTSE Bursa Malaysia Index Advisory Committee from 2019 to 2023 and a member of the Listing Committee of Bursa Malaysia (a Board Committee of Bursa Malaysia Bhd) from 2008 to 2014.

Presently, Mr Gan is an Advisor to a couple of companies in the securities and private capital markets industry.

Mr Gan is also currently an Independent Non-Executive Director of Supermax Corporation Berhad, a healthcare supplies company listed on the Main Market of Bursa Malaysia.

Mr Gan is a Chartered Accountant with the Malaysian Institute of Accountants and an Associate of the Asian Institute of Chartered Bankers.



## PROFILE OF DIRECTORS

(Cont'd)



### PREM KUMAR A/L SUBRAMANIAM

Independent Non-Executive Director

Age : 60 | Nationality : Malaysian | Gender : Male

**Sr PREM KUMAR A/L SUBRAMANIAM** was appointed as Independent Non-Executive Director of I-Berhad effective 16 August 2023. He is the Chairman of the Risk Management Committee as well as a member of the Audit, Nomination and Remuneration Committees of the Board. He is a well-respected real estate professional and consultant with over 37 years of work experience in the industry. During his 35-year career tenure with Jones Lang Wootton (chartered surveying and property consultancy firm), he advanced from a Graduate Valuer to Deputy Managing Director and led the team to win the Valuation Team of the Year award for South-East Asia (Year 2021), awarded by the Royal Institution of Chartered Surveyors (RICS), the most prominent international professional institution for surveyors. Sr Prem Kumar took on the role of Managing Director (Marketing & Sales) with Tropicana Corporation Berhad in year 2022.

Sr Prem Kumar is a Chartered Surveyor and Fellow of RICS, Fellow of the Royal Institution of Surveyors Malaysia (RISM), Fellow of the Association of Valuers, Property Managers, Estate Agents and Property Consultants in the Private Sector, Malaysia (PEPS) and Fellow of the Malaysian Institute of Property and Facility Managers Malaysia (MIPFM). He is also a Registered Valuer, Registered Estate

Agent and Registered Property Manager with the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia and also a senior member of the Real Estate Valuation (REV) expert panel under the National Property Research Coordinator (NAPREC).

He has extensive experience in valuation of real estate and plant and machinery, real estate marketing and advisory, research and development consultancy as well as asset and property management and has provided professional advice for numerous flag-ship real estate developments in Malaysia. He is well-respected by his peers as evidenced by his numerous international and local board and committee appointments for both regulatory bodies as well as professional institutions.

Sr Prem Kumar's recognition as a leader within the fraternity of real estate professionals is further evidenced by his involvement (local and international) as lead assessor for granting of professional and chartered status for qualified valuers and surveyors, panel member for granting of fellowship for RICS chartered surveyors, panel member in respect of accreditation and review of real estate courses, moderator at conferences, trainer for practitioners and advisor on real estate for public and private corporations.

#### Notes:

None of the Directors of the Company has:

- any family relationship with other Directors or substantial shareholders of the Company save for Y. Bhg. Tan Sri Lim Kim Hong who is the spouse of Y. Bhg. Puan Sri Tey Siew Thuan (Y. Bhg. Tan Sri Lim is the Non-Executive Chairman and major shareholder of the Company); and Mr Lim Boon Soon, Ricky, being the son of both Y. Bhg. Tan Sri Lim Kim Hong and Y. Bhg. Puan Sri Tey Siew Thuan
- any conflict of interest with the Company
- any conviction for offences within the past 5 years other than traffic offences, if any
- any directorships in public companies and listed issuers, save for Mr Gan Kim Khoon
- any sanctions and penalty imposed by regulatory bodies

## PROFILE OF KEY SENIOR MANAGEMENT

### TANG KOK CHIN Head of Corporate Planning

Age : 45 | Nationality : Malaysian | Gender : Male

**MR TANG KOK CHIN** joined the Group as Head of Corporate Planning on 16 April 2018. He graduated from Monash University, Australia with a Bachelor of Business (Accounting) in the year 2000. He is a member of the Certified Practising Accountant, Australia and a member of the Malaysian Institute of Accountants (MIA).

His current portfolio at I-Berhad includes the strategic planning and development of the Group. He is also overseeing the corporate finance, investor relations and treasury functions of the Group. He works closely with the Board of Directors in creating, communicating, executing and sustaining short to long-term strategic initiatives for the Group.

Prior to joining I-Berhad, he has spent more than 10 years in an Investment Bank advising a wide range of corporate finance activities including mergers and acquisitions, valuations, restructuring of corporate debts, the preparation of independent advice and fund raising, covering clients in various sectors of the economy. He was also attached to a big four accounting firm in assurance services prior to his stint at the Investment Bank.

### RAYMOND LAI KOK LEONG Head of Property

Age : 56 | Nationality : Malaysian | Gender : Male

**MR RAYMOND LAI KOK LEONG** joined the Group as Head of Property on 1 February 2022. He graduated from Imperial College, University of London in 1991 with a Bachelor in Civil Engineering. Subsequently, he obtained his Masters in Business Administration from Heriot Watt University in 1996.

Mr Raymond is currently heading the Group's property division with responsibility from concept inception to completion and handing over of projects. His experience encompasses all aspects of property development including planning, alienation, feasibility studies, design, budgeting, tendering, authority approvals, construction and handover of projects; as well as facilities management and car park management.

His extensive experience includes working with housing developers and construction firms covering project and construction management of diverse projects ranging from large developments, high rise building projects, highway construction, bridge, river channelisation to terrace houses and bungalow developments and has successfully implemented many development projects over a span of more than 30 years.

He was previously with the Group from 2013 to 2016 when he was the Senior General Manager successfully in charge of property development and construction management of several projects in i-City. Prior to rejoining the Group, he held the position of Project Director of Malaysia Land Properties Sdn Bhd ("Mayland"), where he was overall in charge of its Project Department and responsible for all property developments and construction matters within Mayland.

#### Notes:

None of the above key Senior Management:

- holds any directorship in public companies and listed issuers
- has any family relationship with any director and/or major shareholder of the Company
- has any conflict of interest with the Company
- has any conviction for offences, other than traffic offences (if any), within the past five (5) years
- has any public sanction or penalty imposed by the relevant regulatory bodies during the financial year

## PROFILE OF KEY SENIOR MANAGEMENT

(Cont'd)

### HOW KAI WEI Head of Finance

Age : 37 | Nationality : Malaysian | Gender : Male

**MR HOW KAI WEI** assumed the role of Head of Finance on 15 April 2024, bringing with him over a decade of diverse industry experience. He is responsible for the entire finance and accounting functions of the Group. He graduated with a Bachelor of Accountancy with Honours from Universiti Utara Malaysia in 2010. He holds the professional memberships of ASEAN Chartered Professional Accountant of the ASEAN Chartered Professional Accountants Coordinating Committee (ACPACC) and Chartered Accountant of the Malaysian Institute of Accountants (MIA).

Prior to joining I-Berhad, Mr How served as the Director of Finance at an IHG Hotels & Resorts property and a Rosewood Hotel Group property where he was based in

Mainland China. He had also spent several years in senior financial leadership positions with Accor and various Shangri-La Hotels in Mainland China. In these roles, he made significant contributions to sustained growth and profitability, as well as ensuring compliance with internal controls and procedures.

Mr How had also worked with Gamuda Berhad and Baker Tilly Malaysia and the experiences have honed his ability to identify risks, perform audit procedures, develop strategic recommendations, and ensure regulatory compliance across all financial operations.

### ONG POH LING, MONICA Head of Marketing

Age : 60 | Nationality : Malaysian | Gender : Female

**MADAM ONG POH LING, MONICA** served on the Board of Directors of I-Berhad since 1999 and retired from the Board in 2015. She currently sits on the board of various subsidiaries of the Group. Prior to joining I-Berhad, she was with Dreamland Holdings Berhad since 1987. She graduated with a Bachelor of Law from the University of Wolverhampton, United Kingdom.

Throughout her tenure, she has demonstrated a strong commitment to the Group's growth and has played an integral role in its evolution from the mattress industry to stainless steel, consumer/digital products, and now property development.

She heads the marketing portfolio of the Group, overseeing the marketing operations and strategy of its various businesses which include property development, hospitality and leisure.

Her achievements at the Group include the successful conceptualisation of the i-brand name in 1999, and drive brand recognition for its consumer/digital products and now i-City, the Group's flagship development. She continues to play a critical role in shaping i-City as Malaysia's No.1 Technology City and its future growth and development.

### TANG SOKE CHENG Head of Hospitality and Leisure

Age : 46 | Nationality : Malaysian | Gender : Female

**MS TANG SOKE CHENG**, the Head of Hospitality and Leisure at I-Berhad, is a dynamic professional with over two decades of impactful contributions to the Group's growth and diversification.

Joining the Group in 2001 after graduated from Curtin University with a specialisation in Management & Information System, Ms Tang swiftly ascended the ranks. Beginning as a Management Trainee in the Chairman's office, she gained a profound understanding of operational intricacies crucial to the Group's success.

Her journey expanded into the property sector, where she excelled as an authorities liaison officer, facilitating

the leasing of MSC Malaysia Cybercentre offices in i-City. Notably, she played a pivotal role in the inauguration of the Leisure Park in December 2009 and headed the i-Home retail business during the digital appliances era.

Having served as Head of Corporate Communications, Ms Tang's versatile skill set is exemplified by her current leadership in the hospitality segment. Overseeing prestigious properties such as DoubleTree by Hilton Shah Alam i-City, Wyndham Suites KLCC, and Best Western i-City Shah Alam, her strategic vision and extensive experience contribute significantly to the Group's prominent position in the competitive hospitality industry.

## MANAGEMENT DISCUSSION AND ANALYSIS



▲ YAB Dato' Seri Anwar Ibrahim, the Prime Minister and Tan Sri Lim Kim Hong, I-Berhad's Chairman at the DoubleTree by Hilton Shah Alam i-City

## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)



▲ A skyline of global brand names

“  
The direction of  
the Group remains  
unchanged,  
with a focus  
on becoming  
a diversified  
Property group  
incorporating  
Technology.”

The business strategy revolves around leveraging our core businesses in property development, property investment, and leisure and hospitality, while integrating Technology to differentiate and capitalise on Malaysia’s ambition to boost finance and information technology.

Central to this is i-City, a vibrant hub that attracts global and local entities, highlighting the Company’s formidable reputation in the market. With exciting projects on the horizon, i-City is poised to become the ultimate “Destination” for living, working, and playing.

Despite the challenges of a dynamic global economic landscape in 2023, we continue to make substantial progress delivering our business strategy. We remain committed to delivering sustainable long-term value, maintaining financial stability, fostering partnerships, and seizing growth opportunities.

#### **BUSINESS DIRECTION AND OPERATIONAL STRATEGY**

Last year stated our aim to be a billion-value company in 3 years. The roadmap to achieve this included:

- Rebuilding our Property Development pipeline.
- Improving the yield of our investment properties and growing this portfolio for sustainable recurring income.
- Expanding our Leisure and Hospitality businesses.

We are pleased to share what the Group have achieved in 2023 to meet these goals.

## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

With a keen focus on differentiation, the Group aims to evolve into a comprehensive property entity integrating Technology. This distinct strategy aims to leverage Malaysia's ambition to boost finance and information technology within the service sector. Positioned strategically, the Group is poised to benefit from Malaysia's digital economy blueprint, foreseeing significant contributions from Property Development and Property Investment segments. Additionally, complementary growth is anticipated from the Leisure and Hospitality segments.

The Group's overarching plans and strategies revolve around leveraging i-City as the cornerstone for building a robust property development business and constructing a diversified property portfolio. With i-City as the focal point, the Group aims to capitalise on its potential to cultivate a diverse range of properties and offerings. This strategic approach not only solidifies the Group's presence within the real estate market but also positions it as a leader in creating innovative and dynamic living spaces. As we embark on the journey of BeCentral residences, 8Premier and Twenty8 corporate/retail spaces with total gross development value (GDV) of RM0.7 billion as part of re-building property development pipeline, our vision is to redefine modern urban living, creating a sanctuary where luxury meets functionality, and community thrives. Our strategy for BeCentral residences revolves around three key pillars: design excellence, community integration, and sustainable living.

Its strategic location at the heart of i-City Finance Avenue, a dynamic hub poised to revolutionise the financial landscape at the Selangor's western corridor. By positioning BeCentral within this thriving ecosystem, we offer residents unparalleled access to a myriad of financial institutions, investment opportunities, and career prospects. Finance Avenue represents more than just a collection of offices and institutions; it embodies a vibrant community of professionals, innovators, and thought leaders shaping the future of finance.

Moreover, the synergy between BeCentral residences and Finance Avenue extends beyond mere proximity; it is a testament to our commitment to holistic urban planning and sustainable development. By integrating residential living with commercial and financial activities, we create a vibrant, mixed-use environment that promotes convenience, connectivity, and quality of life.

The overwhelming response to the launch of the first tower is a testament to the resonance of our vision, with sales already surpassing the 50% mark for BeCentral Tower 1. This enthusiastic reception reaffirms our belief in the demand for premium residential offerings that prioritise quality, convenience, and community at i-City.

Looking ahead, the development of BeCentral residences, along with the remaining RM5 billion worth of properties, will not only catalyse the growth of I-Berhad but also solidify our position as the premier property developer within this region.

Moreover, at the launchpad, depending on market conditions, we have AI Central Park, which comprises 2 Corporate Towers and 1 Residential Tower with gross development value ("GDV") of RM0.6 billion. This dynamic addition to our portfolio further underscores our commitment to integrating AI and technology elements into our developments. AI Central Park is envisioned as a cutting-edge hub that seamlessly integrates smart technologies, fostering innovation and connectivity. By infusing AI and technology into both commercial and residential spaces, we aim to create a forward-thinking environment that not only enhances the quality of life for occupants but also drives economic growth and sustainability. With AI Central Park, we are poised to lead the way in shaping the future of urban living and business ecosystems.



▲ BeCentral, serviced residences in i-City Finance Avenue, walking distance to LRT3 (operational by March 2025)

## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)



▲ Central i-City Mall

The Group will continue its plans and strategies revolve around leveraging i-City as the cornerstone for building a robust property development business and constructing a diversified property portfolio. This portfolio serves multiple purposes, including generating sustainable income through assets such as the prestigious Mercu Maybank Corporate Office Tower (Grade A, GBI). Awarded by FIABCI, Mercu Maybank stands as a testament to our commitment to excellence in sustainable development.

Furthermore, assets like Tier-3 Data Centre, Central i-City Mall, and Citywalk retails, car parks play a crucial role in bolstering the Property Investment segment, thereby enriching the portfolio's stability and growth potential. Additionally, the

Group will support its operations through properties in the Leisure and Hospitality segment, such as the 5-star DoubleTree by Hilton Shah Alam i-City and the long-established Best Western Hotel within i-City. These properties have competitive advantage that helped attract and retain tenants as well as becoming a significant contributor to the Group's financial performance in the future.



▲ Hyperscale Data Centre

To achieve its ambitious growth targets, the Group is focusing on enhancing the yield of its investment properties. This entails implementing strategic initiatives aimed at maximising returns from existing assets while identifying opportunities to optimise operational efficiency and revenue generation. By adopting proactive asset management strategies and leveraging market insights, the Group aims to unlock the full potential of its investment properties, thereby driving sustained growth and delivering value to stakeholders.

With a flourish of creativity, the Leisure Theme Park has transcended expectations, casting a spellbinding spell with its new attractions and the captivating "One Shah Alam

## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

One Destination” campaign. Some of the new attractions introduced during the year including Digital Sports Arena, Immersive Winterland and Race Karting, play a pivotal role in revenue generation and footfall.

Notably, through the transformative power of the “One Shah Alam One Destination” initiative, the Leisure Theme Park has witnessed remarkable performance metrics, boasting increase in profitability and surge in footfall traffic. This resounding success underscores the enduring appeal and unparalleled allure of our leisure offerings, solidifying our position as a premier destination for unforgettable experiences and cherished moments.

Building upon the resounding success of the Leisure Theme Park during the recent year-end season, we are placing a strategic investment of RM10 million aimed at further enhancing profitability and footfall. This substantial commitment underscores our unwavering dedication to elevating the visitor experience and cementing our position as the ultimate “Destination” of choice. Through this investment, we aim to create an unparalleled environment where individuals are not just visitors, but enthusiasts eager to immerse themselves in the unparalleled allure of our offerings.

Continuing forward, we steadfastly uphold our commitment to raising the bar in hospitality. Our aim is to ensure that each guest’s stay goes beyond mere accommodation, evolving into an unforgettable journey of indulgence and rejuvenation. With the remarkable performance of DoubleTree by Hilton Shah Alam i-City despite the hotel is still at the infant stage, it stands as another promising income contributor as well as further solidifying our position as a premier “Destination” for discerning travellers and investors alike.

Amidst a period of remarkable performance, Best Western has embarked on an invigorating journey of transformation, signaling the dawn of a new era characterised by resilience and innovation. With steadfast dedication, we embody the essence of hospitality, enriching every encounter with genuine warmth and elegance. Anticipating the unveiling of our revitalised identity, we are committed to continuing this journey through the year 2024 and beyond, reshaping the hospitality landscape, setting fresh benchmarks of excellence, and reaffirming our pledge to crafting unmatched guest experiences, establishing ourselves as the preferred “Destination” of choice.

Expanding on our technological advancements, the introduction of AI Handsfree License Plate Recognition (LPR) during the year further reinforces the i-City SuperApp as the linchpin of connectivity within our vibrant community. Seamlessly integrating this feature

into our digital ecosystem enhances the convenience and accessibility offered to both residents and visitors alike. With its innovative capabilities, the SuperApp continues to transcend traditional boundaries, attracting individuals from far and wide to experience the unmatched offerings of our destination. From effortless navigation to personalised recommendations, the SuperApp caters to diverse needs, fostering a profound sense of belonging and connectivity that elevates every interaction into a memorable experience. As we persist in our journey of evolution and innovation, the SuperApp remains resolute in shaping the future of i-City, propelling growth, prosperity, and unparalleled success for all who consider our destination home.



▲ i-City SuperApp

Additionally, we have forged a strategic partnership with CelcomDigi during the year. This collaboration capitalises on CelcomDigi’s robust network infrastructure and i-City’s Multimedia Super Corridor (MSC) Cybercentre status, promising boundless possibilities as 5G adoption accelerates in Selangor’s western corridor. With a focus on enhancing connectivity and lifestyle offerings, the partnership aims to revolutionise the way residents of Shah Alam, particularly those within i-City, experience digital services. As Malaysia embraces 5G technology, the potential for IoT-driven automation and control to transform lives grows exponentially.

In tandem with our strategic initiatives, we place a strong emphasis on organising events that not only drive footfall but also align with our commitment to environmental, social, and governance (ESG) principles. These events serve as dynamic platforms to attract both existing patrons and new visitors to our destination, fostering engagement and interaction while creating memorable experiences.



## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)



▲ Tosca Italian Trattoria at DoubleTree by Hilton Shah Alam i-City

By curating a diverse range of events, from cultural festivals to wellness retreats and sustainability forums, we cater to a broad audience and promote inclusivity within our community. Moreover, our events incorporate various ESG components, such as eco-friendly practices, community outreach programmes, and partnerships with local NGOs, demonstrating our dedication to responsible and sustainable business practices. Through these efforts, we not only enhance the vibrancy of our destination but also contribute positively to society and the environment, reinforcing our commitment to creating a holistic and impactful experience for all stakeholders involved.

With a clear roadmap for growth and a strong commitment to sustainability, the Group is poised to become a billion-value company.

### 2023 FINANCIAL PERFORMANCE

For the financial year ended 31 December 2023 ("FY 2023"), the Group recorded revenue of RM175.6 million (2022: RM119.6 million) and profit before tax of RM17.7 million (2022: RM27.5 million), representing an increase of 47% and decrease of 36% respectively as compared to the previous financial year ended 31 December 2022. The higher profit before tax for the previous financial year was mainly due to one-off gain arising from remeasurement on liabilities of RM15.1 million resulting from the variation of terms of its redeemable convertible unsecured loan stocks (RCULS).

#### GROUP



REVENUE

# RM175.6 MILLION

(2022: RM119.6 MILLION)

▲ 47% increased

#### Property Development

The Property Development segment generated revenue of RM61.2 million (2022: RM41.9 million) and a pre-tax profit of RM1.9 million for FY 2023 (2022: pre-tax profit of RM12.6 million). The higher profit before tax for the previous financial year was mainly due to one-off gain arising from remeasurement on liabilities of RM15.1 million as mentioned in the above whereas the pre-tax profit during the financial year was mainly attributed by the recognition of profits from the sale of the ongoing development of BeCentral residences.

## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)



▲ Immersive Winterland

### Property Investment

The Property Investment segment recorded a revenue of RM22.9 million (compared to RM19.1 million in 2022) and a pre-tax profit of RM9.6 million (compared to RM15.2 million in 2022). The higher profit before tax for the previous financial year was mainly contributed from revaluation surplus of the investment property held by the associate whereas the pre-tax profit during the financial year were mainly attributed from the rental of investment properties held by the Group, such as the Corporate Office Mercu Maybank, car parks and data centre in i-City as well as the share of results of an associate, i.e. the Central i-City Mall. The continuous effort in strengthening our investment properties portfolio as well as attracting more tenants

and business partners to our investment properties has reflected positively in the segment results with higher occupancy rate of Mercu Maybank and the improved foot traffic at Central i-City Mall.

### Leisure and Hospitality

The Leisure and Hospitality segment recorded a substantial increase in revenue and pre-tax profit in FY2023. The revenue was RM87.3 million (2022: RM53.8 million) and pre-tax profit was RM9.0 million (2022: RM0.9 million) representing an increase of 62% and >100% respectively as compared to the previous financial year ended 31 December 2022. The DoubleTree by Hilton Shah Alam i-City was the major contributor to the revenue growth. Additionally, the newly opened rides of Immersive Winterland and the Digital Sports Arena as well as the One Shah Alam One Destination campaign which was held during the year end has contributed to the improved visitation to theme park which in turn contributed to a significant improved result to the segment.



▲ Wyndham Suites KLCC

#### THE LEISURE AND HOSPITALITY SEGMENT



REVENUE

**RM87.3 MILLION**

(2022: RM53.8 MILLION)

▲ **62% increased**

## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

### FUTURE OUTLOOK

With a clear focus on delivering sustainable value and maximising returns for stakeholders, the Group is confident in its ability to unlock the full potential of its assets and pave the way for continued success in the future.

The Group aims to transform i-City into a dynamic urban centre with a total development value of RM10 billion, with RM5 billion worth of projects still in the pipeline. Recognition from “The Malaysia Developer Award” for the “transformation category”; underscores the commitment to reshaping landscapes and driving innovation in urban development.

Our plans for 2024 included the launch of the second BeCentral residences tower is the significant step in the strategy to rebuild our Property Development pipeline. Additionally, the re-branding of our 8Kia Peng project as the Wyndham Suites KLCC signifies an exciting addition to our Hospitality portfolio. Moreover, our plans to invest in new attractions at the Leisure Theme Park further underscore our commitment to enhancing guest experiences and ensuring the continued vibrancy of i-City. Through strategic investments and innovative offerings, we aim to solidify i-City’s position as a premier “Destination”, attracting visitors from far and wide.

Capitalising on Malaysia’s position as a leading technology hub, the Group will continue to refresh the technology to attract multinational corporations and fintech companies to set up regional offices in i-City. The Malaysia Digital Township initiative positions i-City as a premier “Destination” for tech-driven innovation and growth.

Overall, our dedication to innovation, technology, and experiential design positions i-City as a tech-driven, integrated development where people can live, work, and play which will be providing quality jobs for 25,000 residents and 30,000 knowledge workers. With a clear focus on delivering sustainable value and maximising returns for stakeholders, we are confident in our ability to unlock the full potential of our assets and pave the way for continued success in the future.



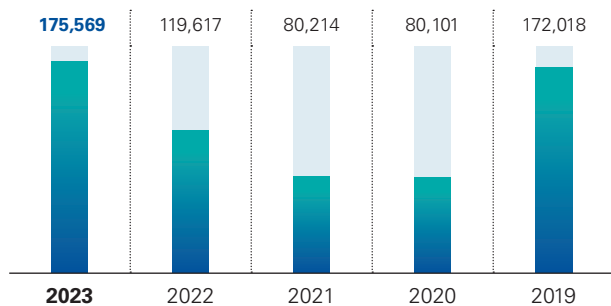
▲ i-City Finance Avenue

## FINANCIAL HIGHLIGHTS

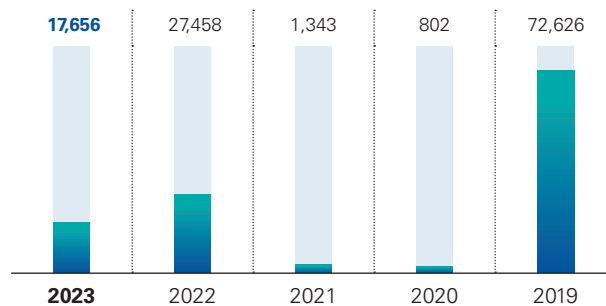
### FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

FINANCIAL YEAR ENDED 31 DECEMBER	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000	2019 RM'000
Revenue	<b>175,569</b>	119,617	80,214	80,101	172,018
Profit Before Tax	<b>17,656</b>	27,458	1,343	802	72,626
Profit After Tax	<b>12,083</b>	27,305	424	1,629	58,264
Profit Attributable to Shareholders	<b>11,995</b>	27,215	369	1,665	58,207
Total Assets	<b>1,831,714</b>	1,919,403	1,906,876	1,926,621	1,893,940
Shareholders' Equity	<b>1,177,717</b>	1,169,348	1,142,043	1,139,154	1,146,252
EBITDA	<b>42,948</b>	48,480	20,332	11,303	85,461
Earnings Per Share (Sen)	<b>0.64</b>	2.27	0.03	0.15	5.47
Net Asset Per Share (RM)	<b>0.63</b>	0.63	1.00	1.02	1.04
Return on Equity (%)	<b>1.03</b>	2.34	0.04	0.14	5.08

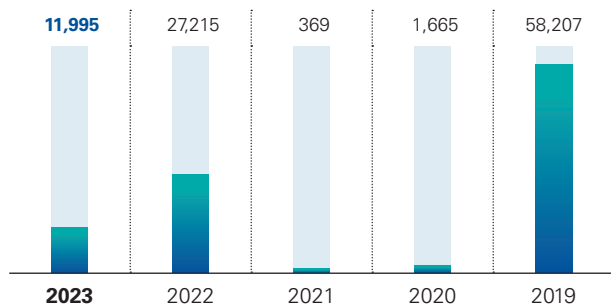
**REVENUE**  
RM'000



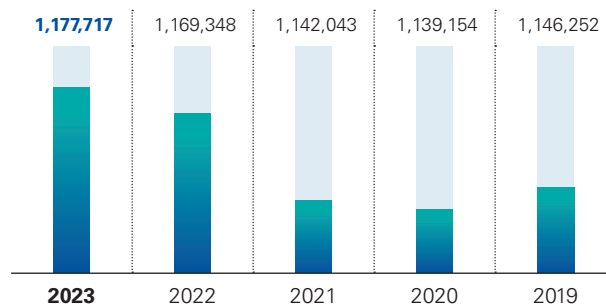
**PROFIT BEFORE TAX**  
RM'000



**PROFIT ATTRIBUTABLE TO SHAREHOLDERS**  
RM'000



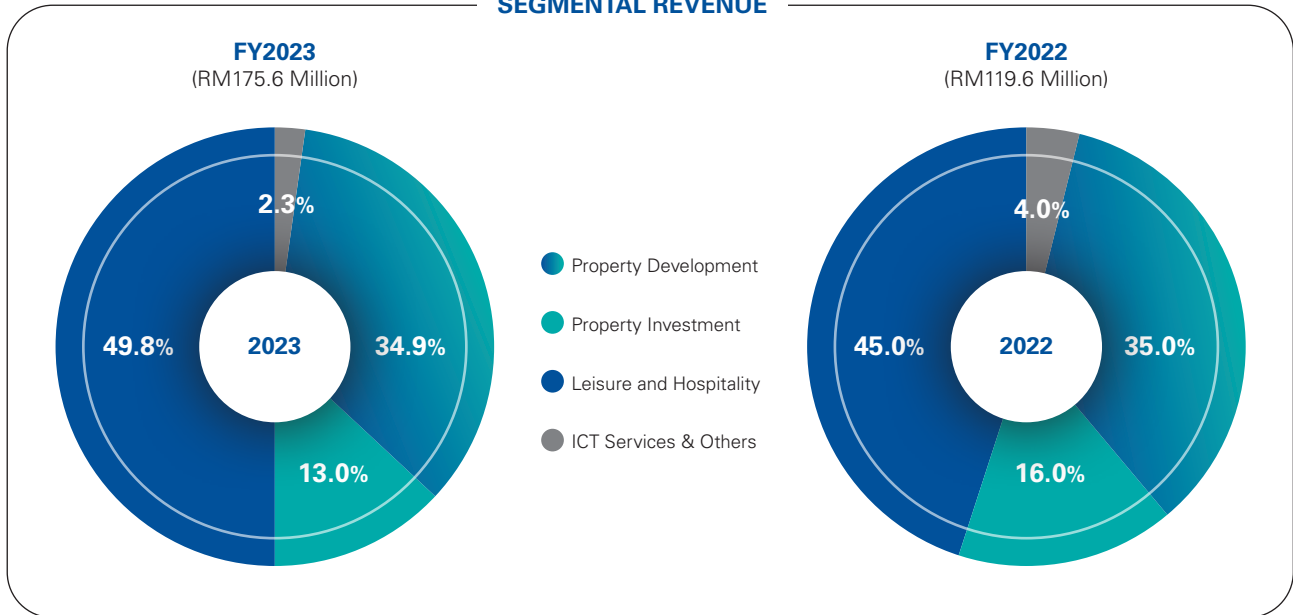
**SHAREHOLDERS' EQUITY**  
RM'000



FINANCIAL HIGHLIGHTS

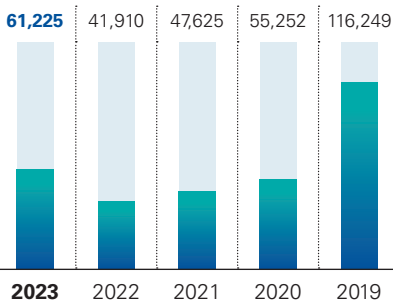
(Cont'd)

SEGMENTAL REVENUE

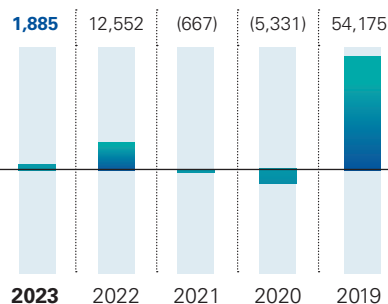


PROPERTY DEVELOPMENT

REVENUE  
RM'000

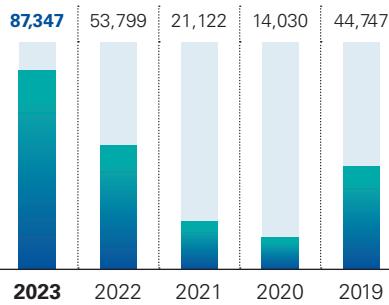


PROFIT BEFORE TAX  
RM'000

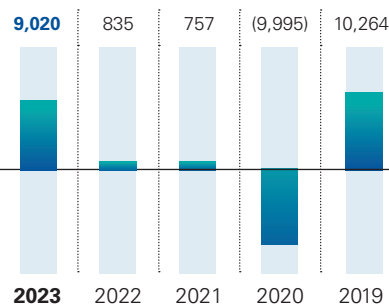


LEISURE AND HOSPITALITY

REVENUE  
RM'000

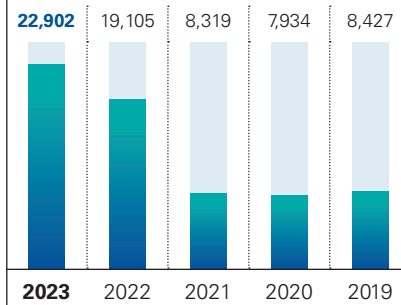


PROFIT BEFORE TAX  
RM'000

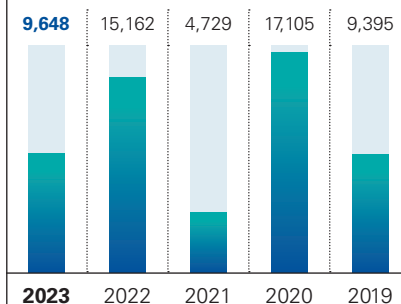


PROPERTY INVESTMENT

REVENUE  
RM'000



PROFIT BEFORE TAX  
RM'000



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (the “Board”) of the Company recognises the importance of adopting high standards of corporate governance as a fundamental part of its responsibility, in protecting and enhancing shareholders’ value and financial performance of the Group. The Board is pleased to report to the shareholders on the manner in which the Group has applied the following principles as set out in the Malaysian Code on Corporate Governance 2021 throughout the financial year ended 31 December 2023:-

- (i) Board leadership and effectiveness;
- (ii) Effective audit and risk management; and
- (iii) Integrity in corporate reporting and meaningful relationship with stakeholders

Corporate governance practices will form the fundamental aspect in managing the business and affairs of the Group in a responsible and ethical manner.

### A. BOARD LEADERSHIP AND EFFECTIVENESS

#### (1) Roles and Responsibilities of the Board

- (a) An effective Board leads and controls the Group whereby all Directors participate fully in decision making process on key issues faced by the Group. The Executive Directors are responsible for implementing the policies and decisions of the Board, overseeing the operations as well as coordinating the development and implementation of business and corporate strategies while the Independent Non-Executive Directors play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience towards the formulation of policies and in the decision making process.

The responsibilities of the Board include defining and determining the strategic direction, ensuring that the necessary resources are in place for the Company to meet its objectives, review management performance, directing future expansion, implementing corporate governance, identifying principal risks and ensuring the implementation of appropriate systems to manage these risks, human resource planning and development, reviewing investments made by the Company, overseeing the proper conduct of business, reviewing the adequacy and the integrity of the Company’s internal control system and management information system. Towards this end, the Directors have demonstrated their ability to devote sufficient time and commitment to their roles and responsibilities.

- (b) The Board composition is listed in the Corporate Information section and the profiles of the members of the Board are provided in the Profile of Directors section of this Annual Report. The Chairman of the Board is responsible to instill good corporate governance practices, leadership and effectiveness of the Board.
- (c) The Executive Directors are responsible for implementing the Group’s policies, business plans and executing decision making and leads the discussion at Board level. The Executive Directors are assisted by the Senior Management of the Company.
- (d) The Board has adopted the Board Charter as well as the Code of Ethics and Conduct on 13 May 2013 which are published on the Group’s website at [www.i-bhd.com](http://www.i-bhd.com). The Board Charter sets out the role, functions, composition, operation and processes of the Board and is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members, whilst the Code of Ethics and Conduct is formulated to enhance the standard of corporate governance and corporate behavior with the intention of establishing a standard of ethical behavior for Directors based on trustworthiness and values that can be accepted or upheld by any person and to uphold the spirit of social responsibility in line with the legislation, regulations and guidelines for administering the Company.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

The Board Charter also spells out the issues and decisions reserved for the Board which are as follows:-

- (i) Approval of corporate plans and programmes;
- (ii) Approval of annual budgets, including major capital commitments;
- (iii) Approval of new ventures;
- (iv) Approval of material acquisitions and disposals of undertakings and properties;
- (v) Changes to the management and control structure within the Company and its subsidiaries including key policies and delegated authority limits; and
- (vi) Participation in the adjudication of tenders for property projects in excess of established limit of RM20 million for local projects. The threshold will be reviewed if the Board deems appropriate.

Major investment decisions and management's proposals above certain limits are reserved for decision by the Board.

The Board will review the Board Charter from time to time, if necessary, to ensure that it remains consistent with the Board's objectives and is in line with current laws, regulations and best practices.

The Board has also established together with management, the policies and procedures on whistleblowing and anti-corruption policy in relation to all forms of bribery and corruption, improper conduct, fraud, abuse consisting of practices which caused unnecessary costs to the Company and wastage on goods or resources.

- (e) The Board is aware of the importance of business sustainability and promotes sustainability to be embedded in the development of the Group's strategies and business direction, taking into account the environmental and social aspects of its various business operations. These strategies seek to meet the expectations of stakeholders in which the Group operates as it is critical for the long term success of the Group.

The details of the sustainability initiatives of the Group are set out in the Sustainability Statement in this Annual Report.

### (2) Board Composition

During the financial year, the Board composition totalled 7 Directors comprising a Non-Executive Chairman, 2 Executive Directors and 4 Non-Executive Directors (out of which 3 are Independent Directors). As such, the Company has fulfilled the minimum one-third (1/3) independence requirement throughout the financial year.

The Board will review the size of its members based on the Group's business needs from time to time. The position of the Chairman and Chief Executive Officer (CEO) are held by different individuals with the aim of promoting accountability and facilitating the division of responsibilities between them.

The Board is supported by the Senior Management team which will be developed and groomed to a stage where they could take on Executive roles on the Board.

### (3) Board Committees

The Board is collectively responsible for the proper stewardship of the Group's business and the creation of long-term shareholders' value, while taking into account the interests of other stakeholders. In order to ensure the effective discharge of the Board's functions and responsibilities, the Board delegates specific responsibilities and functions to various committees.

The Board is assisted by several Board Committees which operate within clearly defined Terms of Reference namely:-

- Audit Committee
- Nomination Committee
- Remuneration Committee
- Risk Management Committee

The Chairman of the Board is not a member of the above Board Committees.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

### (4) Conduct of Board Meetings

The Board met a total of 4 times during the financial year ended 31 December 2023. Details of attendance of each individual Director in respect of the meetings held are as follows:-

Members	Attendance
Tan Sri Lim Kim Hong	4/4
Puan Sri Tey Siew Thuan	4/4
Mr Lim Boon Soon, Ricky	4/4
Dato' Eu Hong Chew	4/4
Madam Goh Yeang Kheng	4/4
Mr Gan Kim Khoon <i>(Appointed on 16 August 2023)</i>	2/2
Mr Prem Kumar A/L Subramaniam <i>(Appointed on 16 August 2023)</i>	2/2
Mr Ng Chee Kiet <i>(Resigned on 17 May 2023)</i>	1/1
Mr Peck Boon Soon <i>(Resigned on 17 May 2023)</i>	1/1

The Board will hold additional meetings as and when necessary to consider business issues that require the urgent decision of the Board. Urgent matters would also be circulated for Board approval via written resolutions.

The Directors are required to disclose and update their directorships in other companies as and when necessary. The Directors are also expected to comply with Paragraph 15.06 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") on the maximum number of five (5) directorships they could hold in public listed companies to ensure that all Directors are able to commit sufficient time for the Company. For the financial year under review, all Directors complied with the said requirement of the MMLR.

Board meetings are conducted with a structured pre-set agenda and are not held together with the Audit Committee meetings. For all major financial, operational and corporate matters which require the Board's decision, all Directors are provided with sufficient and timely reports and supporting documents which are circulated 7 days in advance of each meeting to ensure sufficient time is given to understand the key issues and contents. The Directors' materials for meetings include, among others, information on the Group's financial and operational performance, corporate proposals, annual budgets, significant acquisitions and disposals, minutes of Board Committees, securities transactions of the Directors and substantial shareholders and other related matters that require the Board's deliberation and due approval.

In the event of any potential conflict of interest, the Director in such position is required to make a declaration in the meeting and abstain from deliberation and decision of the Board on the subject proposal. A record of the Board's deliberations of the issues discussed and conclusions reached in discharging its duties and responsibilities is captured in the minutes of each meeting. Minutes of each Board meeting are circulated to each Director prior to confirmation of the minutes in the next meeting. Senior Management is invited to present and provide explanation on the Board reports.

The Board has unrestricted access to the advice and services of the Company Secretary. The Company Secretary organises and attends all Board Meetings thus ensuring that Board meeting procedures are followed and that applicable rules and regulations are complied with. All matters arising therefrom and conclusions of the Board meetings are recorded in the minutes of Meetings by the Company Secretary which are thereafter confirmed and signed as correct records of the proceedings thereat by the Chairman.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

External independent professional advisers are also made available to render their independent views and advice to the Board, whenever deemed necessary and in appropriate circumstances, at the Company's expense.

The Directors are notified of any corporate announcement released to Bursa Securities and the impending restriction in dealing with the securities of the Company prior to the announcement of financial results or corporate proposals. Directors are also expected to observe insider trading laws at all times when dealing with securities within the permitted trading period. Each Director is required to give notice to the Company of his acquisition of shares or of changes in the number of shares which he holds or in which he has an interest, within three market days after such acquisition or changes in interest outside closed periods and within 1 full market day after dealing during closed periods. All dealings in shares by Directors are announced to Bursa Securities within the required timeframe.

At Board meetings, written resolutions passed and all announcements to Bursa Securities since the last Board meeting were circulated to all members of the Board for notation.

**(5) Appointment of Board Members**

The Nomination Committee which was formed on 13 May 2002 is entrusted with the task of reviewing and recommending the appropriate mix of expertise and experience and the appropriate balance of Executive and Non-Executive Directors (including Independent Non-Executive Directors).

During the financial year, the Nomination Committee comprises 3 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director and the meeting attendance of the Nomination Committee members is as follows:-

Members	Designation	Attendance
Madam Goh Yeang Kheng (Chairman) <i>(Redesignated as Chairman on 16 August 2023)</i>	Independent Non-Executive Director	1/1
Dato' Eu Hong Chew	Non-Independent Non-Executive Director	1/1
Mr Gan Kim Khooon <i>(Appointed on 16 August 2023)</i>	Independent Non-Executive Director	–
Mr Prem Kumar A/L Subramaniam <i>(Appointed on 16 August 2023)</i>	Independent Non-Executive Director	–
Mr Ng Chee Kiet <i>(Resigned on 17 May 2023)</i>	Independent Non-Executive Director	1/1
Mr Peck Boon Soon <i>(Resigned on 17 May 2023)</i>	Independent Non-Executive Director	1/1

**(a) Terms of Reference**

The Terms of Reference of the Nomination Committee are as follows:-

- (i) Recommending to the Board, candidates for Directorships to be filled by the shareholders or the Board;
- (ii) Considering candidates for Directorships proposed by any Directors or shareholder or by any other Senior Management;
- (iii) Recommending to the Board, Directors to seat on Board Committees;
- (iv) Assessing the effectiveness of the Board and Board Committees (including size and composition) and contributions of each individual Director;
- (v) Reviewing and recommending to the Board the required mix of skills, independence and experience, and other qualities, including core competencies which Non-Executive Directors should bring to the Board;
- (vi) To determine the core competencies and skills required of Directors to best serve the business and operations of the Group as a whole;

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

- (vii) To review Board balance and determine if additional Directors are required and also to ensure that at least one-third (1/3) of the Board is independent;
- (viii) To review the Board's succession plan, in recommending the appropriate Board balance;
- (ix) To facilitate Board's induction and training programmes in areas which Directors could improve on; and
- (x) To introduce such regulations, guidelines and/or procedures to function effectively and fulfill the Committee's objectives.

The Terms of Reference of the Nomination Committee are available at the Company's website at [www.i-bhd.com](http://www.i-bhd.com).

### (b) Board Diversity

The Board's composition represents a mix of knowledge, skills and expertise from varied business backgrounds which are vital to the stewardship of the Group.

The Board acknowledges the importance of diversity in its membership including gender and age and strives to maintain the right balance for effective functioning of the Board. The Board is cognizant of the need for gender diversity and towards this end, there are 2 women Directors on Board and therefore comply with the MMLR of Bursa Securities where at least 1 woman director on Board is required. For the financial year ended 31 December 2023, 2 out of 7 (approximately 29%) of the Board are women Directors. At the Group's Senior Management level, there is 60% women representation in support of gender diversity.

### (c) Board Nomination and Election Process

The sequence of the Board nomination and election process is summarised as follows:-

- (i) Selection of candidates to be considered for appointment as recommended by the Directors, shareholders or Senior Management;
- (ii) The Nomination Committee will meet up with the shortlisted candidates to assess their suitability based on his/her skills, expertise, background, experience and such other relevant factors as may be determined by the Nomination Committee before considering and recommending them for appointment to the Board;
- (iii) Recommendation is then made by the Nomination Committee to the Board which includes the appointment as a member of the various Board Committees, depending on their skills and expertise; and
- (iv) Decision would then be made by the Board as a whole on the appointment of the proposed candidate to the Board as well as to the various Board Committees.

### (d) Activities of the Nomination Committee

During the financial year, the Nomination Committee conducted a Board Evaluation exercise to independently assess the performance of the Board and the Board Committees. The evaluation was based on specific criteria such as the composition, roles and structure, responsibilities, time commitment and contribution as well as the process and governance of the Board and Board Committees.

The following assessments were undertaken by the Nomination Committee during the year under review:-

- (i) mix of skills, core competencies and experience of the Directors;
- (ii) size, balance and composition of the Board;
- (iii) independence assessment of the Independent Directors;
- (iv) the effectiveness of the Board as a whole;
- (v) the terms of office and performance of the Audit Committee and each of its members; and
- (vi) the effectiveness of the Nomination, Remuneration and Risk Management Committees.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

The Board acknowledges the importance of Independent Non-Executive Directors, who provide objectivity, impartiality and independent judgement to ensure that there is an adequate check and balance to the Board. They perform a key role by providing unbiased and independent views, advice and judgment, which take into account the interests of the Group and all its stakeholders including shareholders, employees, customers, business associates and the community as a whole.

At the forthcoming 57<sup>th</sup> Annual General Meeting of the Company, Madam Goh Yeang Kheng will be attaining a cumulative term of 11 years as Independent Non-Executive Director of the Company. The Nomination Committee had recommended for her retention as Independent Non-Executive Director at the forthcoming 57<sup>th</sup> Annual General Meeting of the Company through a two-tier voting process.

The Nomination Committee concluded that the Board as a whole has performed well, is effective and has all the necessary skills, experiences and qualities to lead the Company.

During the year under review, the Nomination Committee also reviewed the training programmes attended by all Directors and assessed the training needs of each Director from time to time.

### (e) Directors' Fit and Proper Policy

The Group had on 7 June 2022 adopted the Directors' Fit and Proper Policy to ensure that individuals of high caliber who possess the right blend of qualification, expertise, track record, competency and integrity are appointed to the Board of the Company and its subsidiaries. All candidates to be appointed to the Board of the Company and its subsidiaries including those seeking for re-election shall undergo a review of fit and properness by the Board in accordance with the Directors' Fit and Proper Policy.

The Directors' Fit and Proper Policy is available on the Company's website at [www.i-bhd.com](http://www.i-bhd.com).

## (6) Re-election of Directors

In accordance with Clause 96 of the Constitution of the Company, one-third (1/3) of the Directors shall retire from office at each Annual General Meeting and if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office. An election of Directors shall take place each year. All Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election.

Clause 84 of the Constitution of the Company also provides that the appointment of any person as a Director either to fill a casual vacancy or as an addition to the Board, such appointed Director shall hold office only until the next Annual General Meeting and shall then be eligible for re-election.

The Nomination Committee had reviewed and recommended the re-election of the following Directors who are retiring pursuant to the Company's Constitution, and being eligible, offered themselves for re-election:-

- (i) Dato' Eu Hong Chew (Clause 96 of the Constitution)
- (ii) Mr Gan Kim Khoo (Clause 84 of the Constitution)
- (iii) Mr Prem Kumar A/L Subramaniam (Clause 84 of the Constitution)

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

(Cont'd)

**(7) Directors' Remuneration**

## (a) The level and make-up of Remuneration

The primary objective of the Remuneration Committee is to act as a Committee of the full Board to assist in assessing the remuneration of the Executive Directors to reflect the responsibility and commitment of Board membership so that the Company attracts, motivates and retains the Directors needed to run the Group successfully. The Board has in place, the written Terms of Reference of the Remuneration Committee and the Remuneration Policy and Procedures for Directors and Key Senior Management as disclosed in the Company's website.

The component parts of their remuneration are structured so as to link rewards to corporate and individual performance in the case of Executive Directors. Remuneration practices of comparable companies are taken into consideration in determining the remuneration package of the Executive Directors.

In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the individual Non-Executive Director concerned. Remuneration for the services of Non-Executive Directors shall be aligned with market terms, taking into consideration remuneration paid to Non-Executive Directors of other comparable companies, whether in size and/or industry, the individual's experience, performance and responsibility assumed.

During the financial year, the Remuneration Committee comprises 3 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director and the meeting attendance of the Remuneration Committee members is as follows:-

<b>Members</b>	<b>Designation</b>	<b>Attendance</b>
Dato' Eu Hong Chew (Chairman) <i>(Redesignated as Chairman on 16 August 2023)</i>	Non-Independent Non-Executive Director	1/1
Madam Goh Yeang Kheng	Independent Non-Executive Director	1/1
Mr Gan Kim Khoon <i>(Appointed on 16 August 2023)</i>	Independent Non-Executive Director	–
Mr Prem Kumar A/L Subramaniam <i>(Appointed on 16 August 2023)</i>	Independent Non-Executive Director	–
Mr Ng Chee Kiet <i>(Resigned on 17 May 2023)</i>	Independent Non-Executive Director	1/1
Mr Peck Boon Soon <i>(Resigned on 17 May 2023)</i>	Independent Non-Executive Director	1/1

## (b) Procedure

The Remuneration Committee was formed on 23 July 2001 and its Terms of Reference are as follows:-

- (i) Determining and developing the remuneration policy for the Directors and Senior Management;
- (ii) Recommending to the Board, the remuneration of the Directors in all its forms, drawing from outside advice where necessary;
- (iii) Assisting the Board in ensuring that the remuneration of the Directors reflect the responsibility and commitment of the Directors concerned;
- (iv) Recommending to the Board, the appointment of the services of such advisers or consultants as it deems necessary to fulfill its responsibilities;
- (v) Conduct continuous assessments of individual Directors to ensure that remuneration is directly related to corporate and individual performance;

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

- (vi) Obtain the advice and information from external source, if necessary, to compare the remuneration currently earned by the Directors and those paid to Directors of other companies of a similar size in a comparable industry sector; and
- (vii) To provide an objective and independent assessment of the benefits granted to Directors.

In accordance with the Companies Act 2016, payment of directors' fees and benefits shall be approved at a general meeting. The Board shall seek shareholders' approval at the forthcoming Annual General Meeting for the payment of directors' fees and benefits.

## (c) Disclosure

The details of the remuneration of Directors of the Company on named basis which comprise remuneration received/receivable from the Company and its subsidiary during the financial year ended 31 December 2023 together with the remuneration of its key management personnel are disclosed in the Corporate Governance Report which is available at the Company's website at [www.i-bhd.com](http://www.i-bhd.com).

**(8) Directors' Training**

The Directors will be regularly updated on the latest regulatory requirements as well as accounting standards to enable them to keep abreast with new statutory and regulatory requirements. During the financial year, the Directors have attended the following training:-

Director's Name	Date	Type	Subject	Organiser
Tan Sri Lim Kim Hong	6 November 2023	Webinar	Will your Grandchildren benefit from the Business Empire and Legacy that you leave behind?	Rockwills Business Solutions
Puan Sri Tey Siew Thuan	12 September 2023	Webinar	Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers	Bursa Malaysia Berhad
Mr Lim Boon Soon, Ricky	10 May 2023	Webinar	Public Listed Companies (PLC) Transformation Programme #digital4ESG Forum	Bursa Malaysia Berhad
Dato' Eu Hong Chew	6 November 2023	Webinar	Will your Grandchildren benefit from the Business Empire and Legacy that you leave behind?	Rockwills Business Solutions
Madam Goh Yeang Kheng	6 November 2023	Webinar	Will your Grandchildren benefit from the Business Empire and Legacy that you leave behind?	Rockwills Business Solutions
Mr Gan Kim Khoon	9 & 10 October 2023	Webinar	Mandatory Accreditation Programme	Institute of Corporate Directors Malaysia
	27 November 2023	Physical training	Audit Oversight Board Conversation with Audit Committees	AOB, Securities Commission Malaysia
Mr Prem Kumar A/L Subramaniam	22 & 23 November 2023	Webinar	Mandatory Accreditation Programme	Institute of Corporate Directors Malaysia
	1 December 2023	Webinar	Climate Change & Carbon Footprint – Getting the Right Financial Risk & Reporting Perspectives	Institute of Corporate Directors Malaysia

Both Mr Gan Kim Khoon and Mr Prem Kumar A/L Subramaniam, who were appointed on 16 August 2023, had attended the Mandatory Accreditation Programme within the stipulated timeframe.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

(Cont'd)

**B. EFFECTIVE AUDIT AND RISK MANAGEMENT****(1) Audit Committee**

The Board aims to present a balanced, clear and meaningful assessment of the Company and Group's financial performance and prospects via the Company's Annual Report and quarterly announcements of unaudited financial results and the press releases.

The Board, assisted by the Audit Committee, oversees the financial reporting process and the quality of the financial reporting of the Group. The Audit Committee reviews and monitors the integrity of the annual and interim financial statements. It also reviews the appropriateness of the Group's accounting policies and the changes to these policies as well as ensures these financial statements comply with financial reporting standards and regulatory requirements.

**(2) Risk Management and Internal Control Framework**

The Risk Management Committee was formed on 30 December 2021 and during the financial year, the Risk Management Committee comprises 3 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director and the meeting attendance of the Risk Management Committee members is as follows:-

<b>Members</b>	<b>Designation</b>	<b>Attendance</b>
Mr Prem Kumar A/L Subramaniam (Chairman) <i>(Appointed on 16 August 2023)</i>	Independent Non-Executive Director	1/1
Dato' Eu Hong Chew	Non-Independent Non-Executive Director	1/1
Madam Goh Yeang Kheng	Independent Non-Executive Director	1/1
Mr Gan Kim Khoon <i>(Appointed on 16 August 2023)</i>	Independent Non-Executive Director	1/1
Mr Ng Chee Kiet <i>(Resigned on 17 May 2023)</i>	Independent Non-Executive Director	–
Mr Peck Boon Soon <i>(Resigned on 17 May 2023)</i>	Independent Non-Executive Director	–

The Board has delegated the tasks of implementing the risk management and internal control framework to the Risk Management Committee to identify, assess and monitor operational, financial, compliance and non-financial risks facing the Group.

The Risk Management Committee will meet periodically to deliberate on the prevailing and emerging risks surrounding the Group. Matters to be deliberated and any recommendations made during the Risk Management Committee meetings will be escalated to the Board for decision.

Information on the Group's risk management and internal control framework and the adequacy and effectiveness of this framework is set out in the Statement on Risk Management and Internal Control contained in this Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

### (3) Internal Audit

The Group has its own Internal Audit Department during the financial year. The internal audit function is described in the Audit Committee Report set out in this Annual Report. The internal audit function of the Group is currently carried out by the Internal Auditor, Mr Lim Ai Jet with a Bachelor of Accounting qualification as well as a member of the Malaysian Institute of Accountants (MIA) who is free from any relationship or conflicts of interest. The internal audit function carries out its responsibilities in conformance to the International Standards for the Professional Practice of Internal Auditing (Standards) as confirmed by a quality assurance review conducted by the Institute of Internal Auditors Malaysia.

### (4) Relationship with External Auditors

The Board has established a formal and transparent relationship with the External Auditors via the Audit Committee. The External Auditors attend the Audit Committee meetings where the Group's annual financial statements are considered as well as meetings to review and discuss the Group's accounting policies, audit findings and improvements to be made on existing internal control measures and accounting policies and procedures.

The Audit Committee has assessed the suitability, objectivity and independence of the External Auditors including considering the information presented in the External Auditors' Annual Transparency Report.

## C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### (1) Company's Annual Publication

The Company recognises the importance of communication with its shareholders through its distribution of the Annual Report.

### (2) Bursa Malaysia Securities Berhad Announcements

The various announcements on the corporate developments made during the year coupled with the Group's timely release of unaudited financial results on a quarterly basis, as well as other periodic announcements, provide shareholders with an overview of the Group's performance and operations.

### (3) Corporate Disclosure Policy

The Company is committed to ensure that all information such as corporate announcements, circular to shareholders and financial results are disseminated to the general public in a timely and accurate manner.

The Company's quarterly unaudited financial results are released within two (2) months from the end of each financial quarter and the Annual Report, which remains a key channel of communication, is published within four (4) months after the financial year end, barring any unforeseen circumstances. The Annual Report is not merely a factual statement of financial information and performance of the Group; but through the Management Discussion and Analysis provide an insightful interpretation of the Group's performance, operations, and other matters affecting shareholders' interest. It is hoped that such insights will allow shareholders and investors to make more informed investment decisions based not only on past performance but also the future direction of the Group.

### (4) Website of the Company

The Company has also established its website ([www.i-bhd.com](http://www.i-bhd.com)) in which shareholders can access for updated information on the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

### (5) i-City SuperApp

i-City SuperApp serves as the glue that brings the community and the stakeholders together by providing a platform for communication and engagement among its users. The app offers a unique experience by providing a space for its users to connect, share their thoughts, and engage with each other. It also allows the users to host activities and events, inviting others to join and creating a sense of belonging. By offering a single platform for community-related information and facilitating connections among its members, i-City SuperApp plays a crucial role in fostering a cohesive and inclusive community. The app's features serve to strengthen the bonds between i-City and its community members as well as its stakeholders, making it a more vibrant and enjoyable place to stay, play, and work.

### (6) The General Meetings

The Annual General Meeting (AGM) remains the pivotal means of direct interaction between the Board of Directors and shareholders of the Company. Shareholders are given at least 28 days' notice prior to the AGM.

Shareholders are encouraged to attend the Company's general meetings and to participate in its proceedings through the 'questions and answers' session where shareholders are accorded both the opportunity and the time to raise questions on the agenda items of the general meetings. All Directors attend the general meetings. The Directors and the Chairmen of the respective board committees are present at general meetings together with Senior Management to provide meaningful response to shareholders' queries. Shareholders who are unable to attend are allowed to appoint proxies to attend and vote on their behalf. Poll voting would be implemented for all resolutions set out in the notice of general meetings. All participating shareholders would be briefed on the voting procedures by the poll administrator prior to poll voting and an independent scrutineer would be appointed to validate the votes cast prior to the announcement of poll results at general meetings.

The minutes of the general meetings held (including pertinent questions raised by shareholders and the respective responses and outcome of the voting results) are made available for viewing at the Company's website within 30 business days after the said meeting.

Shareholders' proposals and comments are reviewed and considered for implementation wherever possible. Shareholders and the public can convey their concerns and queries to the Corporate Communications Department.

### (7) Investor Relations

In addition to the dialogue with invaluable shareholders of the Company, the Board values dialogue with investors.

The Company aims to communicate with fund managers, institutional investors and analysts upon request. The Company's Corporate Planning Department is responsible for investors' relations and attending to communication and meeting with investors and analysts. Information is also disseminated in strict adherence to the disclosure requirements of Bursa Securities. Where a press conference is held after the Annual General Meeting, the Board of Directors together with the relevant Senior Management would advise the media on the resolutions approved by the shareholders and brief the media on the operations, performance and financial results of the Group for the year under review and clarify issues and answer questions posed by the media. Such press conferences are intended not only to promote the dissemination of the financial results of the Group to as wide an audience as possible, but also to keep the investing public and shareholders updated on the progress and development of the business of the Group.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

### STATEMENT OF DIRECTORS' RESPONSIBILITY FOR PREPARING THE ANNUAL FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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The Directors are responsible for ensuring that the financial statements of the Group are drawn up in accordance with applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016 so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2023 and of the results and cash flows of the Group and the Company for the financial year ended on that date.

In preparing the financial statements, the Directors have:-

- adopted appropriate accounting policies and have applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- ensured adherence to all applicable approved accounting standards; and
- used the going concern basis for the preparation of the financial statements.

The Directors are also responsible for ensuring that the Company and Group maintain accounting records that disclose with reasonable accuracy the financial position of the Company and Group, and which enables them to ensure that the financial statements comply with the Companies Act 2016.

Furthermore, the Directors have the general responsibility of taking such steps necessary to safeguard the assets of the Company and Group and to prevent and detect fraud and other irregularities.

This statement is made in accordance with the resolution of the Board of Directors dated 18 April 2024.

## AUDIT COMMITTEE REPORT

The Audit Committee of the Board comprises the following members during the financial year ended 31 December 2023:-

### **Chairman**

#### **MR GAN KIM KHOON**

Independent Non-Executive Director

*(Appointed on 16 August 2023)*

#### **MR NG CHEE KIET**

Independent Non-Executive Director

*(Resigned on 17 May 2023)*

### **Members**

#### **DATO' EU HONG CHEW**

Non-Independent Non-Executive Director

#### **MADAM GOH YEANG KHENG**

Independent Non-Executive Director

#### **MR PREM KUMAR A/L SUBRAMANIAM**

Independent Non-Executive Director

*(Appointed on 16 August 2023)*

#### **MR PECK BOON SOON**

Independent Non-Executive Director

*(Resigned on 17 May 2023)*

### **COMPOSITION**

The Committee shall be appointed by the Board of Directors amongst the Directors of the Company which fulfils the following requirements:-

1. The Committee must be composed of not fewer than three (3) members;
2. All the Committee members must be Non-Executive Directors with a majority of them being Independent Directors; and
3. At least one (1) member of the Committee:-
  - (i) must be a member of the Malaysian Institute of Accountants; or
  - (ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years of working experience; and
    - he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
    - he must be a member of one of the Association of Accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
  - (iii) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Securities").

### **COMPOSITION COMPLIANCE**

Currently, all members of the Audit Committee are Non-Executive Directors with the majority of them being Independent Directors. No alternate Director has been appointed as a member of the Audit Committee. The Chairman of the Committee, Mr Gan Kim Khoo, is a member of the Malaysian Institute of Accountants ("MIA") and an Independent Non-Executive Director. No former audit partner has been appointed to the Board of the Company.

## AUDIT COMMITTEE REPORT

(Cont'd)

Following the resignation of Mr Ng Chee Kiet and Mr Peck Boon Soon as the Chairman and member of the Audit Committee respectively on 17 May 2023, the vacancy in the Audit Committee was filled within 3 months on 16 August 2023 upon the appointment of Mr Gan Kim Khoon and Mr Prem Kumar A/L Subramaniam as Chairman and member of the Audit Committee respectively.

The terms of office and performance of the Committee and each of its members have been reviewed by the Nomination Committee ("NC") of the Company and the NC was satisfied that the Audit Committee and its members have carried out their duties in accordance with their Terms of Reference.

### MEETING PROCEDURES

#### Frequency

In accordance with the Terms of Reference of the Committee, meetings shall be held not less than four (4) times a year, with additional meetings convened as and when necessary. Upon the request of the External or Internal Auditors, the Chairman of the Committee shall convene a meeting of the Committee to consider any matter the External or Internal Auditors believe should be brought to the attention of the Directors or shareholders.

Due to the absence of a quorum following the resignation of Mr Ng Chee Kiet and Mr Peck Boon Soon, the Committee held three (3) meetings during the financial year under review. The Board of Directors undertook the duties and responsibilities of the Committee in their absence.

In the interval between Audit Committee meetings, for exceptional matters requiring urgent decisions, Audit Committee approvals are sought via circular resolutions which are attached with sufficient information required for an informed decision.

#### Quorum

The quorum for the meeting shall be 2 members, both being Independent Directors.

#### Secretary

The Company Secretary shall be the Secretary of the Committee or in her absence, another person authorised by the Chairman of the Committee.

#### Reporting Procedure

The minutes of each meeting of the Committee are to be duly circulated to the Committee members and to all members of the Board.

#### Attendance

Other Directors and employees may attend any particular meeting only at the Audit Committee's invitation, specific to the relevant agenda of the meeting.

Details of attendance of the members of the Audit Committee at the meetings held during the financial year ended 31 December 2023 are as follows:-

Members	Designation	Attendance
Mr Gan Kim Khoon (Chairman) <i>(Appointed on 16 August 2023)</i>	Independent Non-Executive Director	2/2
Dato' Eu Hong Chew	Non-Independent Non-Executive Director	3/3
Madam Goh Yeang Kheng	Independent Non-Executive Director	3/3
Mr Prem Kumar A/L Subramaniam <i>(Appointed on 16 August 2023)</i>	Independent Non-Executive Director	2/2
Mr Ng Chee Kiet <i>(Resigned on 17 May 2023)</i>	Independent Non-Executive Director	1/1
Mr Peck Boon Soon <i>(Resigned on 17 May 2023)</i>	Independent Non-Executive Director	1/1

## AUDIT COMMITTEE REPORT

(Cont'd)

### SUMMARY OF WORK OF THE AUDIT COMMITTEE IN DISCHARGING ITS FUNCTIONS AND DUTIES DURING THE YEAR

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- Discussed and recommended for the Board's approval the audited financial statements together with reports thereon for the financial year ended 31 December 2022.
- Reviewed and recommended for the Board's approval, the unaudited Quarterly Reports for release to Bursa Securities.
- Reviewed and recommended for the Board's approval the following reports covering the financial year ended 31 December 2022 for inclusion in the Annual Report 2022:-
  - (i) Audit Committee Report;
  - (ii) Statement on Risk Management and Internal Control;
  - (iii) Sustainability Statement;
  - (iv) Corporate Governance ("CG") Overview Statement; and
  - (v) CG Report for submission to Bursa Securities.
- Discussed and approved the External Auditor, Messrs. Deloitte PLT's Audit Report in relation to the statutory audit of I-Berhad and its subsidiaries for the financial year ended 31 December 2022.
- Reviewed and approved the External Auditor's Audit Plan for the financial year ended 31 December 2023.
- Reviewed and approved the non-assurance services provided by Deloitte PLT.
- Reviewed the performance of the External Auditor in respect of the audit for the financial year ended 31 December 2022.
- Reviewed the compliance checklist in relation to compliance with the Audit Committee's Terms of Reference.
- Reviewed and approved the updated Audit Committee's Terms of Reference.
- Reviewed and approved the Internal Audit Report for the financial year ended 31 December 2023 in relation to the Audit of Property Development (Post Completion) – Hill10 project.
- Reviewed the Internal Audit Plan for the financial year ending 31 December 2024.
- Reviewed and discussed the follow-up reports in relation to the Internal Audit Reports for the financial year ended 31 December 2022.
- Reviewed the performance of the Internal Auditor in respect of the internal audit for the financial year ended 31 December 2022.
- Discussed with the External Auditor as well as the Internal Auditor (in the absence of Management) matters or issues that arose in the course of their audit for the financial year ended 31 December 2022.
- Reviewed the related party transactions and conflicts of interest situations that may arise within the Group to ensure that the transactions are fair and reasonable to the Group and are not to the detriment of the non-controlling shareholders.

## AUDIT COMMITTEE REPORT

(Cont'd)

During the year, the Audit Committee had conducted a self-assessment on the function of the Audit Committee to ascertain what the Committee could do better or differently to be more effective covering the following areas:-

- (i) Creating and running an effective Audit Committee;
- (ii) Overseeing financial reporting, risk management and internal control; and
- (iii) Overseeing both external and internal audits.

The members of the Committee had also conducted its own peer evaluation during the year focusing on the following:-

- (i) Evaluation of the skills and experience of the Committee member;
- (ii) Evaluation of their understanding of the Company's significant financial and non-financial risks, compliance processes, financial and statutory reporting requirements, significant accounting policies, accounting estimates and financial reporting practices; and
- (iii) Evaluation of their trustworthiness, dynamic participation, integrity, capability to handle conflict constructively, interpersonal skills and enthusiasm to tackle problems proactively.

### INTERNAL AUDIT FUNCTION

The Group has in place, its own Internal Audit Department during the financial year. The Internal Auditor reports directly to the Audit Committee on his internal audit activities and audit plan for the year. During the financial year, the Internal Auditor had conducted audits on the Audit of Property Development (Post Completion) – Hill10 project and presented his Internal Audit reports comprising audit findings together with recommendations for improvements to the Audit Committee for deliberation.

The Internal Auditor has also presented his Internal Audit Plan for the financial year ending 31 December 2024 as well as the follow-up internal audit reports to the Audit Committee. The internal audit plan 2024 and the internal audit reports prepared by the Internal Auditor were duly reviewed by the Audit Committee and reported to the Board of Directors.

The cost of the internal audit function incurred in respect of the financial year ended 31 December 2023 amounted to RM98,667.00.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTRODUCTION

The Board of Directors of I-Berhad is committed to maintain a sound risk management framework and internal control system and is pleased to present its Statement on Risk Management and Internal Control of I-Berhad Group for the financial year ended 31 December 2023 pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

### BOARD RESPONSIBILITY

The Board recognises the importance for the Group to have a sound internal control system as well as risk management practices and affirms its overall responsibility for the Group’s approach to assessing risks and the system of internal control, and for reviewing the adequacy and effectiveness of the Group’s internal control systems and management information systems, including compliance with applicable laws, regulations, rules, directives and guidelines. The review covers financial, operational and compliance controls, and risk management procedures of the Group. Moreover, the Board has via the Audit Committee and Risk Management Committee obtained the additional assurance on the adequacy and effectiveness of the Group’s internal control systems and risk management framework through ongoing and independent reviews carried out by the internal audit function and assessments by the Management.

Due to inherent limitations in any system of risk management and internal controls, such systems can only manage rather than eliminate all possible risks. Nevertheless, the system can provide reasonable, but not absolute, assurance against material misstatement or loss.

### RISK MANAGEMENT PROCESS

The Board has established a risk management framework and communicated the policies on risk management to the Management on the risk appetite and tolerance that the Group is willing to accept in pursuit of its objectives. The oversight role of risk management is carried out by the Risk Management Committee and ultimately the Board. The Board regards risk management as part of business operations and involves an on-going process for identifying, evaluating, managing and reviewing any changes in the significant risks faced by the business in the Group in its achievement of objectives and strategies. Also, the risk management process involved the business and functional units of the Group in identifying significant risks impacting the achievement of business objectives of the Group.

The management of risks in the daily business operations is assigned to management team and significant risks

are identified and related mitigating responses as well as the corresponding internal controls are discussed during scheduled operational and management meetings. If there is any matter unresolved at the management level, the matter will be escalated to the Risk Management Committee and the Board for discussion.

The abovementioned practices serve as the ongoing process adopted by the Management to identify, evaluate and manage significant risks faced by the Group in achieving the business objectives and strategies. The Group’s internal audit function provides further independent assurance on the adequacy and effectiveness of the internal control system.

The internal audit function has also assessed the key risks and challenges of the Group and had documented the same in the strategic internal audit plan. Internal audits were subsequently conducted systematically based on the plan.

The Board is of the opinion that the risk management and internal control systems of the Group are adequate and effective. The Board endeavors to maintain a sound system of internal control and will periodically evaluate and take precautionary measures to further improve and strengthen the control environment to ensure the achievement of the Group’s business objectives.

### SYSTEM OF INTERNAL CONTROL

The main features of the Group’s internal control system established are summarised as follows:-

- **Organisation Structure**

The Group maintains a defined organisation structure with clear lines of reporting to the operating unit heads and the Board, including defined lines of accountability. Key responsibilities are properly segregated in order that no employee has total control of a transaction.

- **Authorisation Procedures**

The Group maintains a defined authority chart with clear authority limits and approval procedures. Changes in authority limits are brought up to the attention of the Board for discussion and approval.

- **Standard Operating Procedures**

Documented standard operating policies and procedures are reviewed and updated by Management, as when required. The Management is responsible for handling matters that are not within the standard operating procedures including seeking guidance and direction from the Board, if necessary.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

### • Periodic Management Meeting

Regular meetings are held at operational and management levels to identify and resolve operational and business matters. Deviation in targeted goals and corrective actions implemented where necessary are reported by the Heads of Department in the meetings. Senior Management and each Head of Department who has accumulated years of experience within the Group exercise a hands-on approach on the operational and financial matters of the Group.

### • Annual Budget

Budgetary control is implemented for the key business operations of the Group, where actual performance is closely monitored against budget to identify and address significant variances so that corrective actions can be taken to improve the achievement towards the budgeted results, sustainable operations and achieving the Group's business objectives as a whole.

### • Financial Reporting Timeline

Financial and operational reports are prepared on a timely basis for Management's review and action and thereafter submitted to the Board for deliberation.

### • Site Visits

Regular site visits are essential for the Group to maintain the quality of the Group's products and services and ensure that its operations processes are in compliance with applicable laws, rules, regulations, and directives.

### • Human Resources Structure

The Group's centralised human resource function sets out the procedures for recruitment, training and appraisal of the employees within the Group.

### INTERNAL AUDIT FUNCTION

The Group's internal audit function evaluates the effectiveness of the governance, risk management and internal control framework and recommends enhancement, where appropriate. The work of the internal audit function is focused on areas of priority in accordance with the strategic internal audit plan. Internal audit work is prioritised based on current Group risk profile, core activities and the Internal Auditor has direct access to the Audit Committee.

During the financial year, the Group's Internal Audit has reviewed the Property Development post-completion process and the property sales and sales administration function.

The review was conducted to address effectiveness of the governance, risk management, internal control processes as well as enhancement of standard operating policies and procedures for the aforesaid operations, where required.

### ASSURANCE FROM MANAGEMENT

The Board has received assurances from the Chief Executive Officer and the Head of Finance that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management and internal control system of the Group.

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of Bursa Securities' Main Market Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the External Auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

### CONCLUSION

The Board recognises the importance of maintaining a sound system of internal controls and risk management which is an ongoing process to support the Group's business objective as well as safeguard shareholders' investments and Group's assets. No material losses were incurred during the financial year under review as a result of weaknesses in risk management and the internal control system of the Group.

The Group's risk management and internal control system do not apply to its associated companies as the Board does not have control over its operations. Nevertheless, the Group's interest is served through representation on the board of the associated companies, which allow for timely information and decision making with regards to the Group's investment in its associated companies.

The Board and Management will continue to take adequate measures to strengthen the control environment in which the Group operates.

## ADDITIONAL INFORMATION

### 1. AUDIT AND NON-AUDIT FEES PAID/PAYABLE

During the financial year ended 31 December 2023, the amount of audit and non-audit fees paid and payable by the Company and the Group to the External Auditors, Messrs. Deloitte PLT (Deloitte) are as follows:-

	Group (RM'000)	Company (RM'000)
Audit Fees	569	157
Non-Audit Fees	199	21.5

The amount of non-audit fees paid by the Group to the External Auditors, Deloitte amounted to RM78,000 while the balance of RM121,000 was paid to the tax agent, Messrs. PricewaterhouseCoopers Taxation Services Sdn Bhd.

### 2. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries, involving the Directors and major shareholders' interest which were still subsisting at the end of the financial year or which were entered since the end of the previous financial year save for the following:-

- (i) The Sale and Purchase Agreement (SPA) dated 20 December 2013 entered into between I-Berhad (as the issuer), City Centrepoint Sdn Bhd (as the purchaser) and The Peak @ KLCC Sdn Bhd (as the vendor and beneficial owner of Tower Land) together with the Land Proprietors (as the registered proprietors\* of Tower Land) and supplemented by a supplemental agreement dated 12 May 2014 in relation to the Tower Land acquisition at a purchase consideration of RM129,000,000 through the issuance of RM105,000,000 ICULS and RM24,000,000 RCULS-B by the Company upon the terms and subject to the conditions of the Tower Land SPA;
- (ii) The Sale and Purchase Agreement (SPA) dated 20 December 2013 entered into between I-Berhad (as the issuer), I-City Properties Sdn Bhd (as the purchaser) and The Peak @ KLCC Sdn Bhd (as the vendor and beneficial owner of SOHO Land) together with the Land Proprietors (as the registered proprietors\* of the SOHO Land) and supplemented by a supplemental agreement dated 12 May 2014 in relation to the SOHO Land acquisition at a purchase consideration of RM241,300,000 through the issuance of RM196,300,000 ICULS and RM45,000,000 RCULS-B by the Company upon the terms and subject to the conditions of the SOHO Land SPA;
- (iii) The Sale and Purchase Agreement (SPA) dated 24 October 2013 entered into between I-Berhad (as the issuer), I-Marcom Sdn Bhd (as the purchaser) and Sumuracres Sdn Bhd (as the vendor) in relation to the Kia Peng Land acquisition at a purchase consideration of RM132,000,000 through the issuance of RM132,000,000 RCULS-A by the Company upon the terms and subject to the conditions of the Kia Peng Land SPA;
- (iv) The joint venture agreement dated 10 February 2009 entered into between I-Berhad and The Peak @ KLCC Sdn Bhd for the development of the Master Land (freehold land previously held under Geran 27449, Lot 4598, Mukim Bukit Raja, District of Petaling, Selangor Darul Ehsan) of which the parent title was subsequently subdivided into six (6) block titles;
- (v) The Supplemental Deed Poll dated 16 August 2019 constituting the RM132 million 2014/2022 RCULS-A (which was issued to Sumuracres Sdn Bhd on 27 August 2014) to extend the maturity date of RCULS-A for an additional 3 years to 27 August 2022 upon the same terms and conditions of the Deed Poll dated 18 August 2014 (collectively, the Deed Poll dated 18 August 2014 and Supplemental Deed Poll dated 16 August 2019 are referred as "Deed Poll for RCULS-A");



## ADDITIONAL INFORMATION

(Cont'd)

- (vi) The Supplemental Deed Poll dated 16 August 2019 constituting the RM69 million 2014/2022 RCULS-B (which was issued to Sumurwang Sdn Bhd on 27 August 2014) to extend the maturity date of RCULS-B for an additional 3 years to 27 August 2022 upon the same terms and conditions of the Deed Poll dated 18 August 2014 (collectively, the Deed Poll dated 18 August 2014 and Supplemental Deed Poll dated 16 August 2019 are referred as "Deed Poll for RCULS-B");
- (vii) The Supplemental Deed Poll 2 dated 25 July 2022 to extend the tenure of RCULS-A for an additional 5 years to 27 August 2027 and to vary the interest rate of RCULS-A at the coupon rate of 3% per annum for the first 3 years and the coupon rate of 5% per annum for the subsequent 2 years. The Supplemental Deed Poll 2 is supplemental to the Deed Poll for RCULS-A.
- (viii) The Supplemental Deed Poll 2 dated 25 July 2022 to extend the tenure of RCULS-B for an additional 5 years to 27 August 2027 and to vary the interest rate of RCULS-B at the coupon rate of 3% per annum for the first 3 years and the coupon rate of 5% per annum for the subsequent 2 years. The Supplemental Deed Poll 2 is supplemental to the Deed Poll for RCULS-B.

**Note:**

\* Sumur Heights Sdn Bhd, Sumurwang Industries Sdn Bhd, Top Capital Sdn Bhd, Sumur Marketing Sdn Bhd and Sumurwang Development Sdn Bhd, collectively known as "registered proprietors."

**3. CONTRACTS RELATING TO LOANS**

During the financial year ended 31 December 2023, there were no material contracts relating to loans entered into by the Company and its subsidiaries involving its Directors or major shareholders.

## SUSTAINABILITY STATEMENT

### OUR COMMITMENT TO SUSTAINABILITY

Sustainability remains a fundamental pillar of I-Berhad's success, guiding our values and strategic objectives. We are dedicated to conducting business fairly and ethically, prioritising the interests of all stakeholders for long-term, sustainable growth. Our commitment to sustainability is reflected in our continuous improvement efforts, supported by a comprehensive set of tools and processes.

We recognise the importance of incorporating sustainable business practices to minimise adverse environmental and social impacts. To this end, we have developed long-term sustainability strategies with a core focus on Economic + Environmental, Social, and Governance (ESG) aspects. These strategies guide our daily operations and decision-making, ensuring that we contribute positively to society and the environment while maintaining strong governance practices.



### Sustainability Frameworks

The sustainability statement is prepared in accordance with Bursa Malaysia Securities Berhad Sustainability Reporting Guide Third Edition. The sustainability framework mainly covers the sustainability governance structure, scope of statement and material sustainability matters.

### Reporting Period

The sustainability statement covers the reporting period from 1 January 2023 to 31 December 2023.

### Reporting Scope

Our reporting scope covers the operations and strategic decisions from its principal activities in Malaysia, operating under its subsidiaries which are involved in:

- Property Development
- Property Investment
- Leisure and Hospitality

### Assurance

Our sustainability statement has yet to undergo an assurance process. However, I-Berhad is committed to ensuring that assurance will be undertaken to enhance the credibility and transparency of our sustainability reporting. This commitment underscores our dedication to upholding the highest standards of accountability and sustainability performance. We believe that undergoing assurance will provide our stakeholders with greater confidence in the accuracy and reliability of our sustainability disclosures, further strengthening our commitment to sustainable business practices.

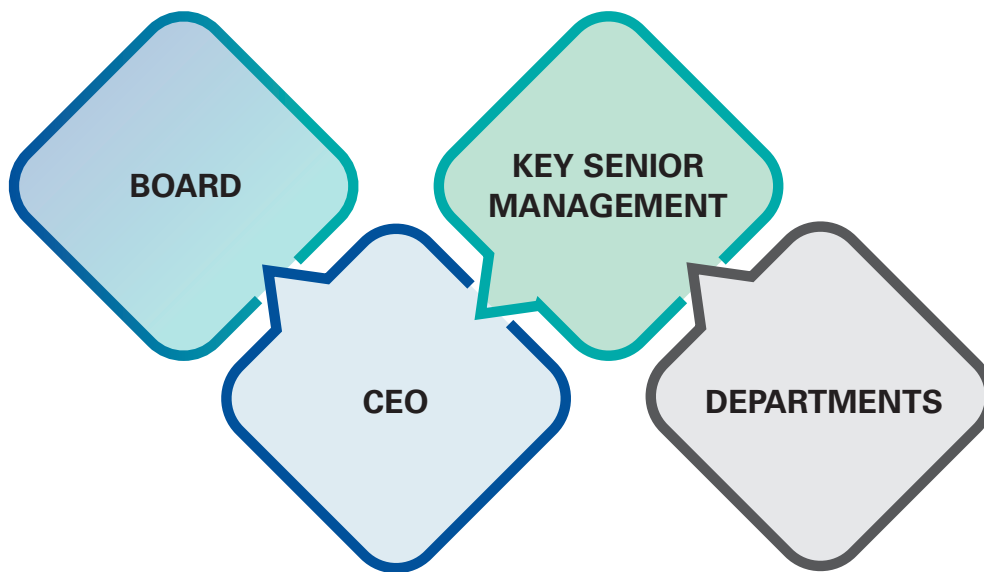
SUSTAINABILITY STATEMENT

(Cont'd)

**SUSTAINABILITY GOVERNANCE**

For the year under review, the Group’s sustainability commitment, strategy, and performance are governed by the Board of Directors. The Board is assisted by Key Senior Management, who are responsible for identifying, evaluating, and reviewing sustainable practices across the Group’s businesses in a continuous and systematic manner. This collaborative approach ensures that sustainability considerations are integrated into the Group’s decision-making processes and that progress is monitored effectively.

The Sustainability Governance Structure is as follows:










<p><b>Board</b></p>	<p>At I-Berhad, board-level oversight and responsibility for the sustainability agenda are paramount. The Board provides strategic direction to ensure alignment between the business model and objectives with material sustainability risks and opportunities. These include considerations related to climate change, anti-corruption, human rights, energy, community, and staff welfare.</p>
<p><b>CEO</b></p>	<p>CEO-level oversight involves setting broad goals and objectives and integrating sustainability risks into the business model and risk management frameworks.</p>
<p><b>Key Senior Management</b></p>	<p>Led by Senior Management, the sustainability team develops sustainability strategies and oversees their implementation and the results achieved.</p>
<p><b>Departments</b></p>	<p>The execution of strategies is the responsibility of a team comprising representatives from the Property Development, Property Investment, and Leisure &amp; Hospitality divisions. This team is tasked with reporting on progress and resolving any issues or challenges to facilitate corrective actions, ensuring that sustainability remains at the forefront of the Group's operations.</p>

## SUSTAINABILITY STATEMENT

(Cont'd)

### Stakeholder Engagement

Effective engagement is key to translating stakeholders' needs into organisational goals and developing effective strategies. By discovering points of consensus or shared motivation, stakeholders can arrive at decisions that result in meaningful outcomes. Our engagement efforts are aimed at building a healthy workplace culture and establishing mutually beneficial relationships with our stakeholders. This approach not only helps us understand and address stakeholder needs but also ensures that our strategies are aligned with their expectations, leading to sustainable business practices and positive outcomes for all involved.

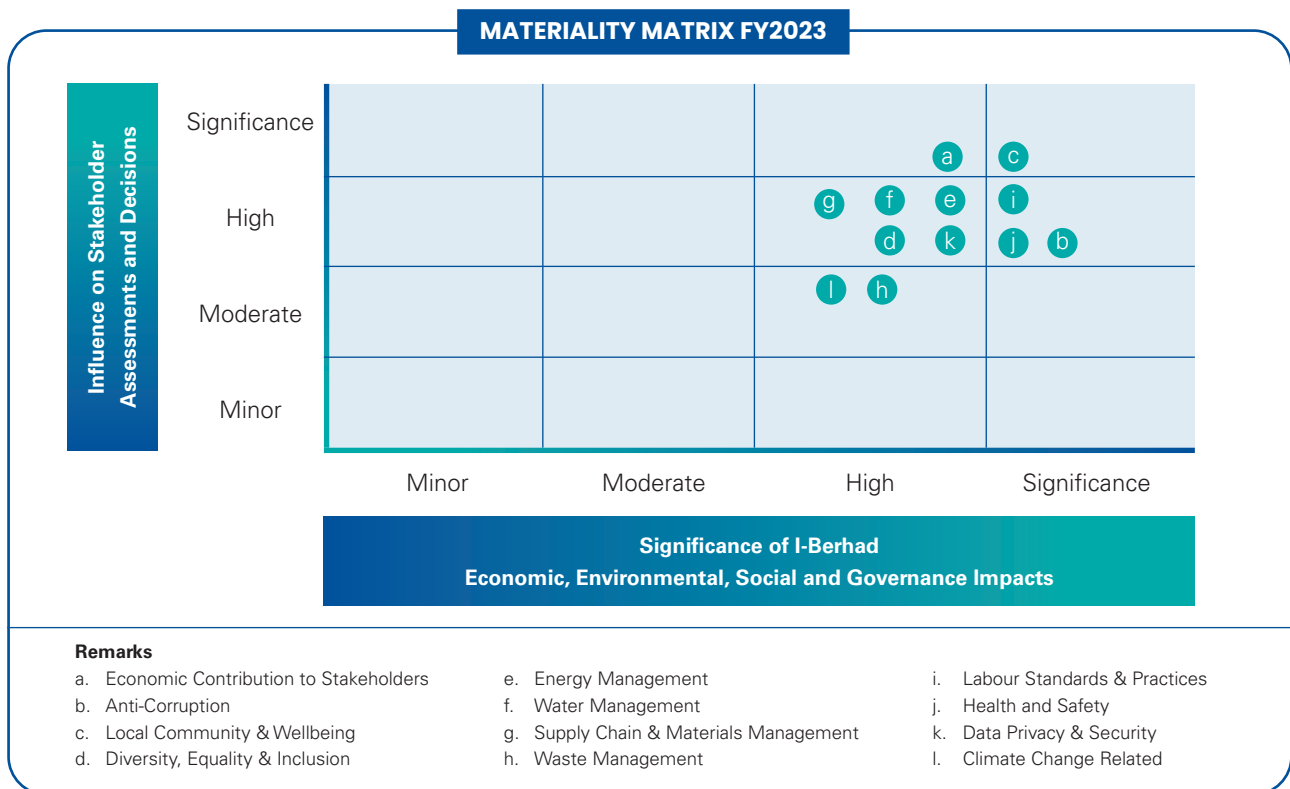
Stakeholder Group	Engagement Methods	Area of Interest
 <b>Board of Directors</b>	<ul style="list-style-type: none"> <li>Annual General Meeting and Extraordinary General Meeting</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability profitability matters</li> <li>Group's performance and targets</li> <li>Compliance with relevant requirements</li> </ul>
 <b>Investors &amp; Media</b>	<ul style="list-style-type: none"> <li>Annual General Meeting and Extraordinary General Meeting</li> <li>Annual Report</li> <li>Media Release</li> <li>Press Conference</li> <li>Company Website</li> <li>Social Media</li> <li>Analysts Briefing</li> </ul>	<ul style="list-style-type: none"> <li>Group's strategy for growth and value creation</li> <li>Effective communications and timely reporting</li> <li>Prudent risk management</li> <li>Market performance, business outlook and strategies</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Regular Townhall Meetings</li> <li>Performance Review</li> <li>Employee Engagement Activities</li> <li>Notion – AI-connected workspace</li> </ul>	<ul style="list-style-type: none"> <li>Group's performance and direction</li> <li>Human capital competencies and capabilities</li> <li>Welfare and remuneration</li> <li>Health and safety practices</li> <li>Workplace and living conditions</li> <li>Career path and progression</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Company Website</li> <li>Social Media</li> <li>Events and Activities</li> <li>i-City SuperApp</li> </ul>	<ul style="list-style-type: none"> <li>Product quality</li> <li>Timely and transparent information for business operations</li> <li>Customer service and experience</li> </ul>
 <b>Local Communities</b>	<ul style="list-style-type: none"> <li>Social Events and Activities</li> <li>Social Media</li> <li>i-City SuperApp</li> </ul>	<ul style="list-style-type: none"> <li>Social and economic development contribution</li> <li>Socio-economic impact</li> <li>Pollution and cleanliness</li> </ul>
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>Tender Interviews</li> <li>Procurement Evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Fair treatment</li> <li>Professional and transparent procurement</li> <li>Timely payments</li> </ul>
 <b>Government Authorities</b>	<ul style="list-style-type: none"> <li>Compliance</li> <li>Working Hand in Hand on Government Initiatives</li> <li>Attending Seminars and Training Sessions</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with regulations</li> <li>Support for policies of national interest including sustainability initiatives and innovation</li> <li>Implementation of policies and requirements by relevant agencies or professional bodies</li> </ul>

## SUSTAINABILITY STATEMENT

(Cont'd)

### Materiality

The Group conducts internal material assessments and engages with stakeholders to align priorities and concerns with business practices, strategies, and ESG themes. This ongoing effort aims to understand stakeholder expectations and develop a sustainable business. These practices are integrated into the Group’s core values and operating strategies, positively impacting the business, community, and stakeholders. Regular assessments ensure that economic and ESG factors remain relevant and impactful.



### Anti-Corruption

I-Berhad upholds integrity in all its business dealings, strictly avoiding bribery and corruption. The company has a zero-tolerance policy against such practices, as detailed in its Code of Conduct. The Board of Directors approved the Anti-Bribery and Anti-Corruption Policy (“ABAC Policy”) on 27 February 2020. This policy outlines parameters against bribery and corruption for directors, employees, and persons representing the Group. I-Berhad is committed to maintaining the highest ethical standards in its operations.

The ABAC Policy can be accessed via I-Berhad corporate website at:  
<https://www.i-bhd.com/investor-relations/corporate-governance/anti-corruption-policy/>

The Policy covers a broad spectrum of behaviours that constitute bribery and corruption, including:

- Gift, Entertainment and Hospitality Procedures
- Sponsorship, Donation and Charitable Contribution Procedures
- Dealing with Service Providers Procedures
- Dealing with Government and Public Officials Procedures
- Red Flags
- Compliance with Law and Regulations
- Whistleblowing

## SUSTAINABILITY STATEMENT

(Cont'd)

### Anti-Corruption Briefing

In 2023, the company conducted briefing sessions on Anti-Bribery and Anti-Corruption for management and executive staff across the Group. Non-executive and general workers will receive similar briefings in 2024. Additionally, new employees are given a comprehensive briefing via the 'Group Anti-Bribery and Anti-Corruption System,' which includes information about the whistleblowing process. These initiatives demonstrate the company's commitment to preventing bribery and corruption at all levels of the organisation.

Employee Category	Employee Received Briefing
Management	90%
Executive	80%
Non-executive/technical staff	Kickstart in the year 2024
General workers	Kickstart in the year 2024

### Whistleblowing

The Group has set out secured whistleblowing channels below:-

- Whistleblowing e-Form at: [http://www.i-bhd.com/wp-content/uploads/2021/06/2021-05-28\\_Whistle-Blowing-Policy-and-Procedure-V14.pdf](http://www.i-bhd.com/wp-content/uploads/2021/06/2021-05-28_Whistle-Blowing-Policy-and-Procedure-V14.pdf)
- Emails: [ajjet.lim@i-city.my](mailto:ajjet.lim@i-city.my)
- Letters to Internal Audit Department at:  
I-Berhad, Level 31, Mercu Maybank, i-City, Selangor Golden Triangle, 40000 Shah Alam, Selangor, Malaysia.

The company has established appropriate channels for reporting acts of bribery and corruption, ensuring the protection of the whistleblower's identity. These channels are essential for deterring, preventing, and uncovering such acts, as they provide a safe and confidential way for individuals to report misconduct without fear of retaliation.

### Compliance with Law and Regulations

The company's ABAC Policy comply with the Malaysian Anti-Corruption Commission Act 2009 (Act 694) and the Malaysian Anti-Corruption Commission (Amendment) Act 2018. Section 17A of the MACC Act 2009 (Amendment Act 2018) establishes corporate liability for bribery practices involving any person associated with the organisation, if such practices benefit the organisation. This legal

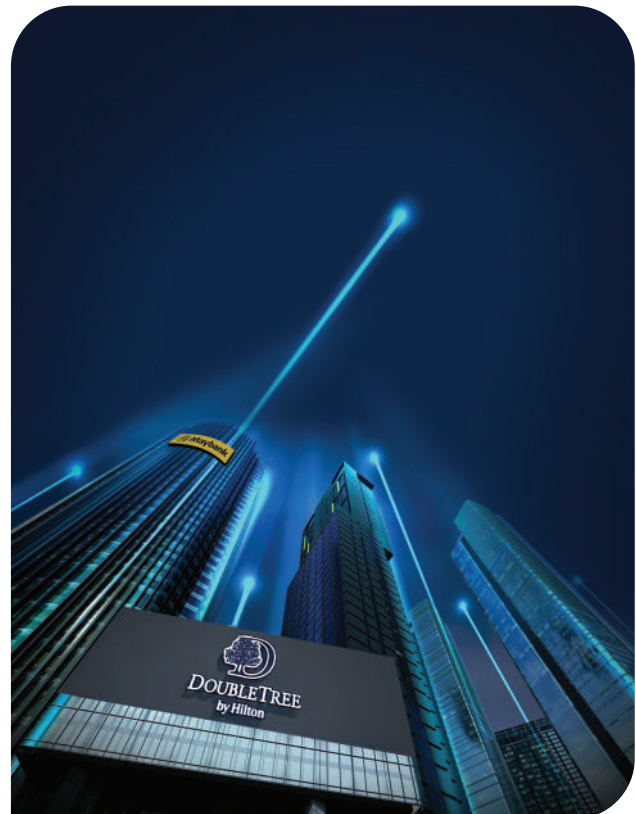
framework reinforces the company's commitment to preventing bribery and corruption in all its forms.

### Data Privacy and Security

I-Berhad is committed to protecting its cloud server with a dedicated IT department that monitors and enforces policies and procedures. A recent report confirms that the server has never been attacked, and no data has been lost. The IT department promptly addresses any potential threats to ensure the server's security and data protection.

### Company Awards

In August 2023, I-Berhad was honoured to receive The Malaysia Developer Awards (MDA) in collaboration with The Star Malaysia, in the Transformation Category. The award recognised I-Berhad's outstanding project, i-City. This prestigious award celebrates developers who have transformed projects, whether by rescuing abandoned projects, rejuvenating old and dilapidated buildings, or converting disused land into grand developments. We are proud to have received this award and remain committed to delivering transformative projects that positively impact our community.



▲ DoubleTree by Hilton Shah Alam i-City

## SUSTAINABILITY STATEMENT

(Cont'd)

### CREATING CSR + ECONOMIC VALUE IN SHAH ALAM

#### One Shah Alam One Destination



#### Why One Shah Alam One Destination?

The One Shah Alam One Destination programme exemplifies I-Berhad's dedication to Shah Alam's development, Selangor's capital. It's not only timely but also pays homage to Klang, which was declared a city in November 2023. Through this initiative, I-Berhad aims to establish Shah Alam as a global B-leisure destination, enhancing its reputation.

The programme has included national public events, local community initiatives, and brand-sponsored extravaganzas around i-City, ensuring inclusivity and engagement for all. Collaborations with key stakeholders such as the government sector, DoubleTree by Hilton Shah Alam i-City, Central i-City Mall, Best Western Hotel, Mercu Maybank,

and the Federation of Malaysian Manufacturers (FMM) underscore the collective efforts behind this programme's success.

#### What's so fun in One Shah Alam One Destination?

What makes One Shah Alam One Destination so enjoyable? The programme aims to provide a delightful stay experience in i-City for all visitors, whether they're here for leisure or business. Through a series of events and attractions, it also aims to draw new visitors to Shah Alam.

In the spirit of celebrating unity and diversity, I-Berhad has generously offered free entrance tickets to all attendees who participated in the event. Over the course of the 3-month duration, we distributed 31,000 complimentary tickets, valued at RM1.6 million.

Visitors to i-City can experience the best of Shah Alam in one destination, with a range of attractions including:

#### Destination lightscapes:

The City of Digital Lights boasts over one million LED lights, creating a dazzling and immersive experience. This lightscape is more than just a visual spectacle; it's a representation of the radiant diversity that defines Shah Alam.



▲ One Shah Alam One Destination, a shared journey where diversity is celebrated. From left are DoubleTree by Hilton Shah Alam i-City General Manager Gagan Talwar, Maybank Distribution Strategy and Performance Head Diana Mohamad, I-City (Selangor) Sdn Bhd Chairman Tengku Datuk Seri Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah, FMM Selangor and Kuala Lumpur Branch Chairman Mag Ng and Central i-City Mall Chief Operating Officer Anthony Dylan.

## SUSTAINABILITY STATEMENT

(Cont'd)

### Immersive edutainment:

I-Berhad Leisure & Hospitality offers new lightscapes in line with the festivities theme. Additionally, visitors can enjoy the new Immersive Winterland, featuring 7D rides and interactive features, as well as Digital Sports Arena catering to all ages.



▲ Immersive Winterland



▲ Digital Sports Arena



## SUSTAINABILITY STATEMENT

(Cont'd)

### Community engagement:

I-Berhad organised a Holiday Fiesta Marathon from November 2023 to January 2024. This marathon includes a variety of events and activities such as Makan Sama-Sama, Red Carpet Free Entrance, Modest Selangor Runway, Beauty Parlour, Laksa Attack, Water World Free Tickets, Community Fitness Class, Carol Christmas and Ring in 2024 with Us. These events were organised in collaboration with partners to foster community engagement and create a festive atmosphere.

I-Berhad is more than just a township; it embodies a strong sense of community spirit that transcends barriers and fosters togetherness. The company’s commitment to the One Shah Alam One Destination corporate social responsibility (CSR) programme is a testament to this ethos. This programme is not just about CSR; it represents a visionary pledge to unite Malaysians of diverse beliefs, cultural affiliations, and generations. This commitment echoes the core principles of the Malaysia Madani concept, highlighting I-Berhad’s dedication to creating a harmonious and inclusive society.

### Community within fingertips

The Group has showcased its commitment to technology integration with the recent roll-out of the i-City SuperApp. This app integrates various functions such as payments, parking, theme park tickets and office tower access, creating a cohesive and connected smart living community within i-City. Developed in collaboration with Touch ‘n Go, this digital transformation programme aims to create a cashless community, enhancing customer experience and reducing plastic and paper usage. The growth in cashless and ticketless transactions is highlighted below:

Year	Percentage of cashless/ticketless	
	Leisure Park@i-City	Carparks
2023	61.00%	73.90%
2022	51.70%	53.90%
2021	56.00%	53.60%
2020	52.00%	35.00%
2019	25.00%	9.80%
2018	12.00%	1.00%

In addition, we have enhanced the parking system at Mercu Maybank with an AI Handsfree License Plate Recognition (LPR) system. This upgrade allows for a cashless payment option, providing customers with convenience, safety, and fast payment options for goods and services.

### Procurement

The Group’s procurement process is strategic, focusing not just on understanding business requirements but also on supply efficiency and effectiveness. This approach includes developing strong relationships with vendors.

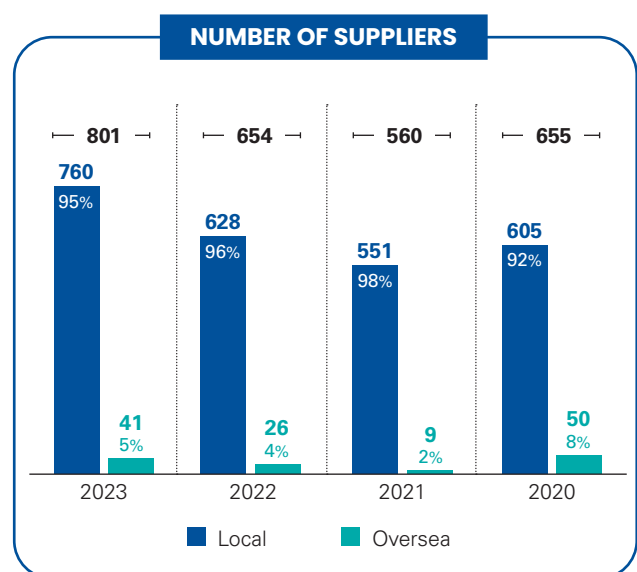
To achieve its strategic goals, the Group continuously identifies suppliers who can provide high-quality materials. It also emphasises developing long-term relationships with these suppliers, integrating them as partners in the value creation process.

### Support for Local Suppliers

The Group’s strategic initiative to prioritise locally based suppliers is aimed at building stronger relationships and ensuring a reliable supply chain. This approach leads to higher quality goods, dependable delivery times, and lower transportation costs.

By supporting local businesses, the Group contributes to the growth of the local economy and aligns with its values of community development and environmental stewardship.

The Group’s consistent support for local suppliers, at 90% and above from 2020 to 2023, demonstrates the success of this strategy and its commitment to sustainable practices and responsible corporate citizenship.



## SUSTAINABILITY STATEMENT

(Cont'd)



### ENVIRONMENTAL

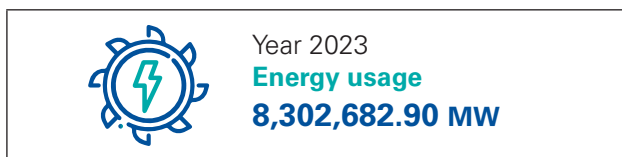
#### Energy conservation

As a leading industry player in the merging of real estate and technology sectors, the Group is dedicated to continuously implementing efficient energy consumption measures and reducing carbon emissions across its value chain. Our flagship office, Mercu Maybank, was designed to achieve Green Building Index (GBI) certification, which recognises resource-saving and environmentally efficient features.

The Group has taken significant steps to improve energy efficiency, including:

- Implementing LED lighting throughout the i-City development, reducing CO<sub>2</sub> emissions and reducing energy usage by 50%-60% compared to fluorescent tube lights.
- Ensuring air-conditioning performance complies with MS1525:2019 (Energy Efficiency and Use of Renewable Energy for Non-Residential Buildings).
- Installing solar lights along the Mercu Maybank walkways for energy saving.
- Implementing motion sensor control for office light management.

These initiatives demonstrate the Group's commitment to sustainable practices and environmental stewardship.



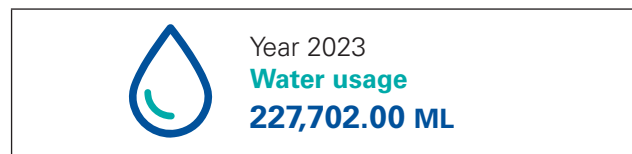
#### Water Management

The Group places a strong emphasis on reducing water consumption and improving water waste management through the prudent use of water resources. This commitment is evident in several key initiatives:

- Rainwater harvesting: The Group has implemented rainwater harvesting systems at construction sites to collect and store rainwater for use in cleaning purposes. This sustainable practice helps to reduce the demand for potable water and minimises the impact on local water sources.

- Groundwater usage: To further reduce reliance on municipal water sources, the Group has installed pumps and utilises groundwater for construction activities. By tapping into groundwater reserves, the Group reduces its carbon footprint associated with water transportation and contributes to local water conservation efforts.
- Automated sanitary fittings: In Mercu Maybank, the Group has installed automated sanitary fittings, including water taps and urinal taps. These fittings are designed to optimise water usage by controlling the flow and duration of water, ensuring efficient water use and reducing water wastage.

These initiatives underscore the Group's commitment to sustainable practices and responsible water management, reflecting its broader commitment to environmental stewardship and resource conservation.



#### Material and Waste Management

As a company involved in building development, we understand the importance of proper waste management for the environment and society. Our commitment to responsible waste management includes storing and disposing waste properly. We use dedicated bins and follow a structured disposal schedule to ensure compliance with regulations.

To prevent environmental contamination, we provide trays for equipment to prevent oil spillage. These efforts demonstrate our dedication to environmental sustainability and responsible business practices.



### SOCIAL

#### Health and Safety

With the stringent standards upheld by our Safety Officers and Supervisors, who enforce policies with zero tolerance for compromise. The company has achieved zero fatalities and only experienced two non-lost time incidents over the past three years, totalling over 2 million worked hours.

## SUSTAINABILITY STATEMENT

(Cont'd)

Our commitment to safety is reinforced by our Environmental, Safety, and Health Committee, and Emergency Response Team. Their efforts ensure that our operations maintain the highest health and safety standards. This accomplishment highlights our commitment to employee well-being and community safety.

### Environmental, Safety and Health Committee Organisation Chart



### Maintaining Workplace Safety at Sites

The Project Director will review and evaluate the site safety aspect for the contractor at the site via actions below:

#### Reporting

- Occupational Safety & Health Administration (OSHA) report and issues highlighted in site meeting.
- Regular safety audits.
- Regular hazard and risk assessment at site.
- Inspection by the management team and QA team during the construction phase.

#### Compliance to regulatory requirements

- Occupational Safety and Health Act 1994.
- Factories and Machineries Act 1967.
- CIDB Guidelines on First Aid Facilities at Workplace.

#### Engagement with site workers

- Daily safety briefing.
- Emergency incident rehearsal.
- Safety training and inspection conducted.
- Open communication to understand on-ground employees point of view in safety matters.

### Safety and health performance

Description	Project Sites		
	2023	2022	2021
Total Hours Worked	614,744	371,280	384,440
Fatalities	0	0	0
First Aid Case	0	0	1
Near Miss	0	0	0
Non-Lost Time Incident	2	0	0



### Employee Rights

We comply with the Employment Act 1955 and all relevant Malaysian labour laws, respecting employees' freedom to join legal associations, cultural societies, professional bodies, or political entities, as long as they are not illegal. In 2023, we did not face fines, censure, or regulatory action for infringing on anyone's rights, nor did we have any incidents of forced or compulsory labour.

We encourage open communication between employees and their superiors, including regular performance discussions and ongoing mentoring programmes to help employees achieve their objectives and career goals.

### The Sharing Platforms

We have implemented Notion as a channel for employees to engage in bottom-up, top-down, and horizontal sharing of information, ideas, and opinions. Notion serves as a platform for management to deliver messages, boost employee morale, and provide guidance on business transformation. Additionally, it supports departments in communication, planning, execution, and filing processes.

In addition, we have adopted usage of ChatGPT for our work purposes. It improved the efficiency, acting as a knowledge repository for employees. Employee can also use ChatGPT to brainstorm solutions, generate ideas, or troubleshoot issues that they may encounter in their work.

## SUSTAINABILITY STATEMENT

(Cont'd)

### Upskilling our Employee

Employee training is an essential investment for any organisation, offering numerous benefits that contribute to overall growth and success. Some key benefits include:

**Enhanced Skills and Knowledge:** Training programmes help employees develop new skills and expand their knowledge, making them more effective in their roles.

**Increased Motivation and Job Satisfaction:** Providing opportunities for growth and development through training can boost employee morale and job satisfaction.

**Improved Employee Performance:** Well-trained employees are more likely to perform better and contribute positively to the company's success.

**Better Employee Retention:** Training programmes show employees that the company is invested in their development, which can lead to higher retention rates.

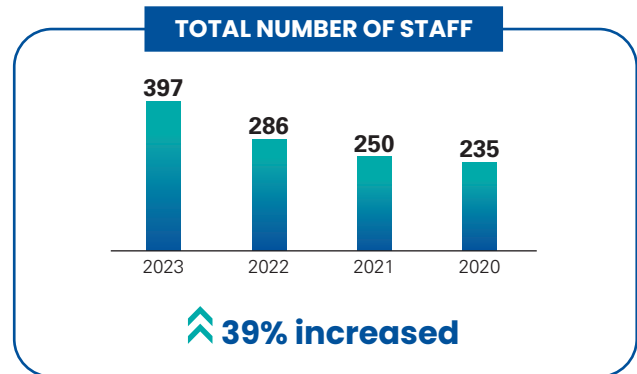
**Cost Savings:** Investing in training can lead to cost savings in the long run, as it can reduce turnover costs and improve overall efficiency.

I-Berhad has recognised the importance of employee training and has recently started providing training programmes to its employees. These programmes are designed to enhance skills, improve job performance, and increase employee engagement. By offering training opportunities, I-Berhad is investing in its employees' development and future success.

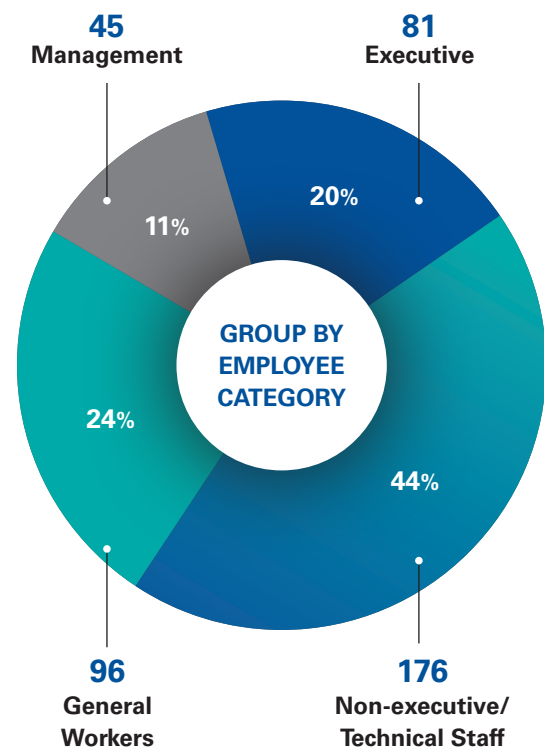


### Recruiting/Retaining employee

As of 31 December 2023, our company employed a total of 397 employees, representing a significant 39% increase compared to FY2022 when we had 286 employees.



The increase in our workforce has been particularly notable in the non-executive category, with 176 staff, and among general workers, with 95 staff. This growth is attributed to the expanding attractions in the leisure and hospitality sectors. Despite the challenges posed by the economic slowdown, we remained committed to expanding our talent pool to ensure optimal efficiency and productivity. The chart below shows the total number of employees that I-Berhad has as of 31 December 2023.



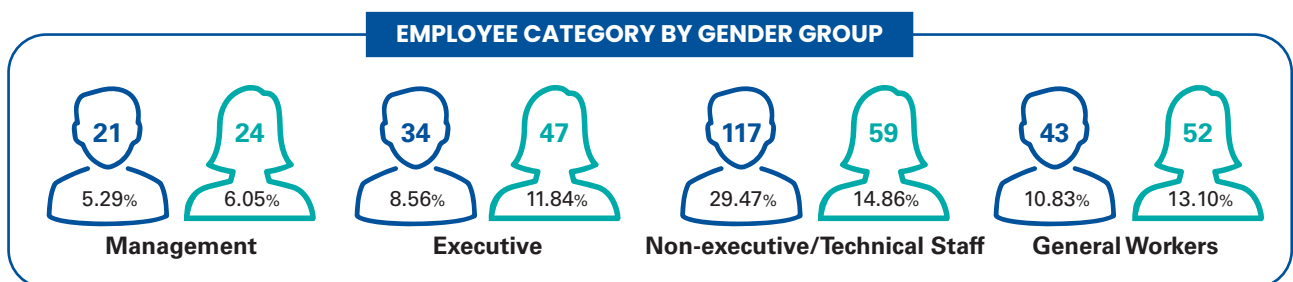
SUSTAINABILITY STATEMENT

(Cont'd)

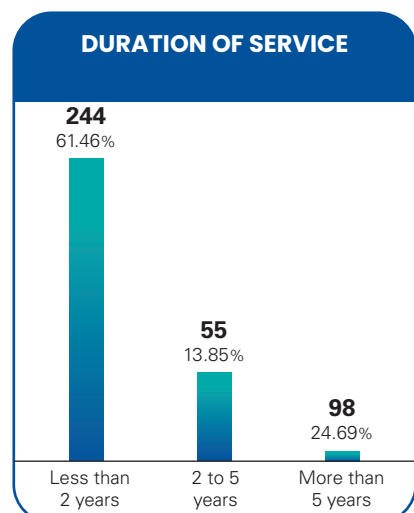
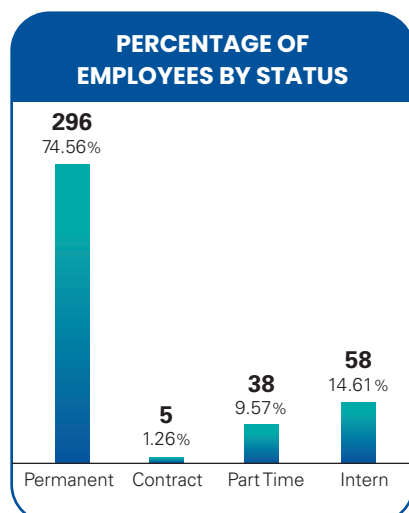
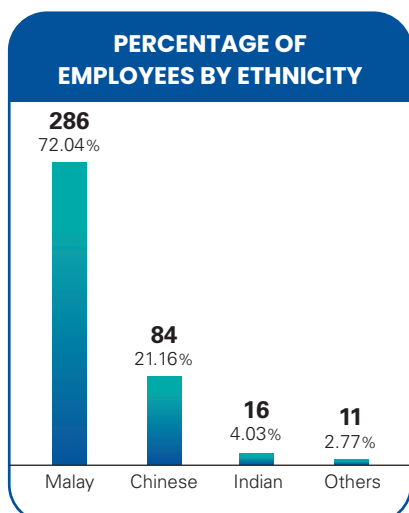
We believe that effective recruitment of suitable talent can bring new, innovative ideas to our management strategies, driving forward-thinking approaches and stimulating our growth. Our recruitment methods include web advertising, social media, talent pool databases, employee referrals, boomerang employees, recruitment agencies, and placements after internships.

Diversity and Inclusiveness

I-Berhad prioritises its employees’ well-being, viewing them as vital to the company’s success and growth. We value diversity and inclusivity for better customer relations and adaptability. The company aims to create a fair and inclusive work environment, rejecting all forms of discrimination.



Employee Category by Age Group	No.	%
Management Under 30	1	0.25
Management Between 30-50	32	8.07
Management Above 50	12	3.02
Executive Under 30	46	11.59
Executive Between 30-50	34	8.56
Executive Above 50	1	0.25
Non-executive/Technical Staff Under 30	116	29.22
Non-executive/Technical Staff Between 30-50	55	13.85
Non-executive/Technical Staff Above 50	5	1.26
General Workers Under 30	93	23.43
General Workers Between 30-50	2	0.50
General Workers Above 50	0	0.00



## SUSTAINABILITY STATEMENT

(Cont'd)

## SUSTAINABILITY PERFORMANCE REPORT

Indicator	Measurement Unit	2023
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	90.00
Executive	Percentage	80.00
Non-executive/Technical Staff	Percentage	0.00
General Workers	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,600,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	31,000
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.25
Management Between 30-50	Percentage	8.07
Management Above 50	Percentage	3.02
Executive Under 30	Percentage	11.59
Executive Between 30-50	Percentage	8.56
Executive Above 50	Percentage	0.25
Non-executive/Technical Staff Under 30	Percentage	29.22
Non-executive/Technical Staff Between 30-50	Percentage	13.85
Non-executive/Technical Staff Above 50	Percentage	1.26
General Workers Under 30	Percentage	23.43
General Workers Between 30-50	Percentage	0.50
General Workers Above 50	Percentage	0.00
Gender Group by Employee Category		
Management Male	Percentage	5.29
Management Female	Percentage	6.05
Executive Male	Percentage	8.56
Executive Female	Percentage	11.84
Non-executive/Technical Staff Male	Percentage	29.47
Non-executive/Technical Staff Female	Percentage	14.86
General Workers Male	Percentage	10.83
General Workers Female	Percentage	13.10

## SUSTAINABILITY STATEMENT

(Cont'd)

Indicator	Measurement Unit	2023
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	14.29
Above 50	Percentage	85.71
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	8,302,682.90
<b>Bursa (Health and safety)</b>		
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	21
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	109
Executive	Hours	50
Non-executive/Technical Staff	Hours	112
General Workers	Hours	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.26
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	18
Executive	Number	44
Non-executive/Technical Staff	Number	94
General Workers	Number	230
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	95.00
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	227,702.000000

## EVENT HIGHLIGHTS 2023

### 14 JULY 2023

With the 5-star city hotel rating presented by the Minister of Tourism, Arts and Culture Malaysia, YB Dato’ Sri Tiong King Sing to DoubleTree by Hilton Shah Alam i-City, the hotel is now officially the first 5-star DoubleTree by Hilton in Malaysia and globally.

The 5-star certification is a testament to the team’s commitment to providing our guests with unparalleled experiences and the creation of a culture of hospitality that sets new standards that exceed expectations.

The event was also graced by YAM Tengku Sulaiman Shah Al-Haj Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Al-Haj.



▲ Presentation of the 5-star certification by YB Dato’ Sri Tiong King Sing, Minister of Tourism, Arts and Culture Malaysia

### 24 AUGUST 2023



▲ Mr Prem Kumar, a Director of the Company, receiving the award on behalf of I-Berhad at The Star Malaysia Developer Award in the Transformation Category

i-City was conferred the much coveted Transformation Award by The Star Malaysia Developer Award. This recognition reflects i-City’s commitment in transforming the landscape of Shah Alam, from a mono-ethnic community into a thriving international hub. This transformation is evident in its carefully planned components - the Business Hub, the International Community and the Entertainment Sector. Guided by principles of connectivity, sustainability and livability, these facets encapsulate the essence of i-City, fostering cultural exchange and driving growth.

i-City’s story is a story of perseverance and single-minded pursuit towards fusing technology to ease the lives of the community. The integration of artificial intelligence (AI) and the Internet of Things (IoT) has redefined urban living. With a Tier-3 certified data center, a robust AI network, and a seamlessly integrated SmartApp that enhances daily life, i-City has earned its place as Malaysia’s No. 1 Technology City.



EVENT HIGHLIGHTS 2023

(Cont'd)

13 SEPTEMBER 2023

DoubleTree by Hilton Shah Alam i-City welcomes Malaysia's 10<sup>th</sup> Prime Minister, YAB Dato' Seri Anwar Ibrahim, on 13 September 2023.



With his launching of the inception of i-City through an aerospace show back in 1995 to the grand reveal of CityWalk in 2018, his visit to the hotel, it was like the premier was with i-City at every important milestone! In his latest visit, he witnessed how i-City skyline today features global brands, including the world's only 5-star DoubleTree by Hilton and Mercu Maybank, showcasing our collective aspirations. YAB Dato' Seri Anwar Ibrahim's constant support embodies the spirit and dreams thriving within i-City.

◀ DoubleTree by Hilton Shah Alam i-City proudly welcomes Malaysia's 10<sup>th</sup> Prime Minister, YAB Dato' Seri Anwar Ibrahim, adding a touch of distinction to our esteemed hospitality

19 SEPTEMBER 2023

The partnership with Wyndham supports i-City's broader vision of developing a destination-oriented community. Tourists staying in the heart of Kuala Lumpur can easily incorporate i-City Shah Alam into their travel plans through cross-marketing initiatives. This connection enhances the visitor experience by offering an array of immersive educational and entertainment opportunities suitable for the entire family, ensuring a cohesive and integrated experience for guests.



▲ Tan Sri Lim Kim Hong, Chairman of I-Berhad and Mr Joon Aun Ooi, Wyndham Hotels and Resorts President of Asia Pacific

27 OCTOBER 2023



▲ Tan Sri Lim Kim Hong, Chairman of I-Berhad and Datuk Mohamad Idham Nawawi, CEO of CelcomDigi

i-City has entered into a collaboration with CelcomDigi to enhance Internet of Things (IoT) experience and drive technological advancements in Shah Alam, particularly for i-City residents. This partnership amplifies the possibilities that can be reimagined in Shah Alam, especially as 5G adoption accelerates.

## EVENT HIGHLIGHTS 2023

(Cont'd)



### NOVEMBER 2023

Immersive Winterland had its grand opening in i-City and the event was inaugurated by YB. Dato' Hajah Nancy Shukri, Minister of Women, Family and Community Development. The highlight of Immersive Winterland is the 360° Immersive Explorer ride, with a 7D experience of snow's serendipity to the ocean's breeze, all while sitting on a plunging craft! There are also winter sports simulations such as the Skii Scape and Snowballing as well as mesmerising digital projections that include the beauty of nature, also engaging animals, which is not only educational but also an opportunity to immerse in a world that combines artistic values and sensational escapades.



▲ Opening of Immersive Winterland at i-City by YB. Dato' Hajah Nancy Shukri, Minister of Women, Family and Community Development together with Tan Sri Lim Kim Hong, Chairman of I-Berhad



### NOVEMBER TO DECEMBER 2023



▲ The 2024 New Year Countdown celebration at i-City is part of the One Shah Alam One Destination programme

The unveiling of our Corporate Social Responsibility, One Shah Alam One Destination programme was a driving force of unity, echoing the Malaysia Madani concept. This initiative is a testament to i-City's commitment to bringing Malaysians of diverse races and religions together, fostering a deeper appreciation for peace and freedom.

As part of the One Shah Alam One Destination initiative, November unveiled our new lightscares and, in December, the opening of two new attractions – the Immersive Winterland and Digital Sports Arena.

But i-City is more than lights and entertainment. National events, local community initiatives and brand-sponsored programmes echoed through spaces around i-City – making it a hub for shared experiences between November 2023 and December 2023.

One Shah Alam One Destination enabled the wider community to experience the best of Shah Alam within a single destination. This had also increased the footfall of CityWalk, benefitting the business operators and communities surrounding i-City.



# FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED  
31 DECEMBER 2023

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## DIRECTORS' REPORT

### DIRECTORS' REPORT

The Directors of I-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 activity of the Company is investment holding. The information on the name, place of incorporation, principal activities and percentage of issued share capital held by the holding company in each subsidiary are set out in Note 12 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

### RESULTS

	<b>Group RM'000</b>	<b>Company RM'000</b>
Net profit/(loss) for the financial year attributable to:		
- Owners of the Company	11,995	(6,458)
- Non-controlling interests	88	–
Net profit/(loss) for the financial year	12,083	(6,458)

In the opinion of the Directors, the results 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, other than cost adjustments for completed properties held for sale as disclosed in Note 16 to the financial statements.

### DIVIDENDS

In respect of financial year ended 31 December 2023:

A final single-tier dividend of 0.20 sen per ordinary share amounting to RM3,625,000 has been proposed by the Directors for shareholders' approval at the forthcoming Annual General Meeting. The payment and entitlement dates will be announced at a later date. Such dividend will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 December 2024.

In respect of financial year ended 31 December 2022:

A final single-tier dividend of 0.20 sen per ordinary share amounting to RM3,714,000, was declared on 28 June 2023 and paid on 27 September 2023. Such dividend is accounted for in equity as an appropriation of retained earnings in the financial year ended 31 December 2023.

### RESERVES AND PROVISIONS

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

### ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

## DIRECTORS' REPORT

(Cont'd)

### OPTIONS GRANTED OVER UNISSUED SHARES

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

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As of the end of the financial year, there were no unissued shares of the Company under options.

### OTHER STATUTORY INFORMATION

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

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves there were no known bad debts to be written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

- (a) which would require any amount to be written off as 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
- (b) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (c) 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; or
- (d) 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.

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

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

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

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

## 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 the report are:

Y. Bhg. Tan Sri Lim Kim Hong  
 Y. Bhg. Puan Sri Tey Siew Thuan^  
 Madam Goh Yeang Kheng^  
 Y. Bhg. Dato' Eu Hong Chew  
 Mr Lim Boon Soon  
 Mr Gan Kim Khoon (Appointed on 16 August 2023)  
 Mr Prem Kumar A/L Subramaniam (Appointed on 16 August 2023)  
 Mr Ng Chee Kiet (Resigned on 17 May 2023)  
 Mr Peck Boon Soon (Resigned on 17 May 2023)

^ *Director of the Company and certain subsidiaries.*

### LIST OF DIRECTORS OF SUBSIDIARIES

The Directors of the subsidiaries (in addition to those who are also Directors of the Company as indicated above) who held in office during the financial year and during the period from the end of the financial year to the date of the report are:

Mr Lee Ming Suan  
 Madam Ong Poh Ling  
 Tengku Ahmad Shah Ibni Sultan A. Aziz

The names of Directors of subsidiaries are set out in the respective subsidiary's statutory financial statements and the said information is deemed incorporated herein by such reference and made a part hereof.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than the benefits shown below) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except for any benefit which may be deemed to have arisen by virtue of the transactions between the Company and certain companies in which certain directors of the Company are also directors and/or shareholders.

Details of Directors' Remuneration are as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
Directors' fees	446	446
Directors' remuneration other than fee	1,074	–
Contributions to defined contribution plan	168	–
	<b>1,688</b>	<b>446</b>

Neither during nor at the end of the financial year was the Company or any of its subsidiaries a party to any arrangements 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' REPORT

(Cont'd)

### DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 are as follows:

	Number of ordinary shares			Balance as at 31.12.2023
	Balance as at 1.1.2023	Acquired	Disposed	
<b>Shares in the Company</b>				
Y. Bhg. Tan Sri Lim Kim Hong				
- direct interests	62,601,200	700,000	–	63,301,200
- indirect interests #	1,331,900,184	3,667,200	–	1,335,567,384
Y. Bhg. Puan Sri Tey Siew Thuan				
- direct interests	3,138,740	–	–	3,138,740
#	<i>Deemed interest through Sumur Ventures Sdn. Bhd., Sumurwang Sdn. Bhd., Sumurwang Capital Sdn. Bhd. and Sumurwang Corporate Services Sdn. Bhd..</i>			

By virtue of his interest in Sumur Ventures Sdn. Bhd., a company incorporated in Malaysia, Y. Bhg. Tan Sri Lim Kim Hong is deemed interested in the shares of the Company and all its subsidiaries to the extent Sumur Ventures Sdn. Bhd. has an interest.

	Number of Redeemable Convertible Unsecured Loan Stocks - A ('RCULS-A') & Loan Stocks - B ('RCULS-B') 2014/2027			Balance as at 31.12.2023
	Balance as at 1.1.2023	Issued	Conversion	
<b>Redeemable Convertible Unsecured Loan Stocks - A</b>				
Y. Bhg. Tan Sri Lim Kim Hong				
- indirect interests*	264,000,000	–	–	264,000,000
<b>Redeemable Convertible Unsecured Loan Stocks - B</b>				
Y. Bhg. Tan Sri Lim Kim Hong				
- indirect interests**	138,000,000	–	–	138,000,000
*	<i>Deemed interest in RCULS-A by virtue of his interest in Sumuracres Sdn. Bhd.</i>			
**	<i>Deemed interest in RCULS-B by virtue of his interest in Sumurwang Sdn. Bhd.</i>			

Y. Bhg. Tan Sri Lim Kim Hong is the spouse of Y. Bhg. Puan Sri Tey Siew Thuan. By virtue of their relationship, they are also deemed to have interests in shares held by each other, both direct and indirect.

Other than disclosed above, none of the other Directors holding office at the end of the financial year held any interest in ordinary shares of the Company and of its related corporations during the financial year.

**DIRECTORS' REPORT**

(Cont'd)

**INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS**

There was no indemnity given to or insurance effected for any Director, officer or auditors of the Company during the financial year in accordance with Section 289 of the Companies Act 2016.

**HOLDING COMPANIES**

The Directors regard Sumur Ventures Sdn. Bhd. and Sumurwang Sdn. Bhd., as the ultimate and immediate holding companies respectively. Both companies are incorporated in Malaysia.

**AUDITORS' REMUNERATION**

The amount payable as remuneration of the auditors for the financial year ended 31 December 2023 are as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
Statutory audit fee	569	157
Non-statutory audit fee	78	10
	647	167

**AUDITORS**

The auditors, Deloitte PLT, have indicated their willingness to accept re-appointment.

Signed on behalf of the Board  
in accordance with a resolution of the Directors, dated 18 April 2024

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**PUAN SRITEY SIEWTHUAN**


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**GOH YEANG KHENG**



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF I-BERHAD

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **I-BERHAD**, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 68 to 137.

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 year then ended in accordance with the 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 audit 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 Code of Ethics for Professional Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("*IESBA Code*"), and we have fulfilled our other ethical responsibilities in accordance with the *By-Laws* and the *IESBA Code*.

#### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current 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.

<i>Key audit matter</i>	<i>How the scope of our audit responded to the key audit matter</i>
<p><b><u>Revenue recognition from property development activities</u></b></p> <p>Property development revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the relevant controls put in place by the Group in respect of revenue recognition for property development activities and performed procedures to evaluate design and implementation and tested operating effectiveness of such controls.</li> <li>• Verified gross development value and assessed the terms and conditions of major sales transactions, in particular non-routine transactions, to ensure that revenue recognised conforms with the Group policy and the requirements of MFRS 15 Revenue from Contract with Customers.</li> </ul>

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF I-BERHAD

(Cont'd)

<i>Key audit matter</i>	<i>How the scope of our audit responded to the key audit matter</i>
<p><b><u>Revenue recognition from property development activities (continued)</u></b></p> <p>The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation (e.g. by reference to the property development costs incurred to date as a percentage of the budgeted total costs of development of the contract). Significant judgement is required in determining the satisfaction of performance obligations as stated in the contracts with customers, transaction price allocations and costs in applying the input method to recognise revenue over time. In making the estimate, management relies on opinion/service of experts, past experience and a continuous monitoring mechanism.</p> <p>Refer to "Key sources of estimation uncertainty" in Note 3(b)(i) to the financial statements.</p>	<ul style="list-style-type: none"> <li>• Evaluated management prepared budgets for property development projects and ensured that budgets are appropriate and reflected current costs of operations and cost to complete. Challenged the reasonableness of management's assumptions and estimations on the budgeted total cost of development projects.</li> <li>• Tested samples of cost incurred to date to supporting documents such as contractor's claim certificates or supplier invoices. Where costs have not been billed or certified, determined adequacy of management's accruals of such costs by reviewing subsequent contractors' claims certificates, supplier invoices or approved architect's certificates.</li> <li>• Checked the mathematical accuracy of revenue and profit by recomputing stage of completion percentages by computing the proportion of property development costs incurred for work performed to date to the estimated total property development costs.</li> <li>• Performed site visit to assess the status of the development projects to arrive at an overall assessment as to whether information provided by management is reasonable.</li> </ul>
<p><b><u>Valuation of investment properties</u></b></p> <p>As at 31 December 2023, the Group's investment properties which are carried at fair value amounted to RM577 million, which represents approximately 32% of the Group's total assets.</p> <p>The fair value of investment properties is estimated by reference to the latest valuation carried out by independent professional valuer firms in December 2023.</p> <p>We focused on this area due to the complexities in determining the fair value of the investment properties, which involved significant estimates and judgements in determining the appropriate valuation methodologies and estimating the underlying assumptions to be applied.</p> <p>Refer to "Key sources of estimation uncertainty" in Note 3(b)(ii) to the financial statements.</p>	<ul style="list-style-type: none"> <li>• Understood the management's control process for the determination of fair value of investment properties and evaluated the design and implementation of controls.</li> <li>• Performed site-visit to assess the physical condition of investment properties, especially the occupancy of the investment properties.</li> <li>• Held discussion with independent external valuer to develop an understanding of the methodologies and assumptions used in performing the valuation. Challenged the basis of methodologies and assumptions used, which included verifying the property related input data applied by external valuer.</li> <li>• Assessed the independent external valuers' competency, capabilities and objectivity by checking the independent external valuers' qualification and declarations.</li> <li>• Obtained and verified the source information provided by management to the said independent valuer. Considered the appropriateness of the valuation techniques and challenged the basis and assumptions used.</li> </ul>

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF I-BERHAD

(Cont'd)

<i>Key audit matter</i>	<i>How the scope of our audit responded to the key audit matter</i>
<p><b><u>Valuation of investment properties (continued)</u></b></p>	<ul style="list-style-type: none"> <li>• Recomputed the sensitivity analysis prepared by management underpinning the valuation, where applicable.</li> <li>• Assessed the adequacy and appropriateness of the related disclosures in the financial statements.</li> </ul>
<p><b><u>Net realisable value of completed inventories held for sale</u></b></p> <p>The Group recorded RM468 million of completed inventories as at 31 December 2023 as disclosed in Note 16 to the financial statements, which represents approximately 26% of the Group's total assets.</p> <p>Completed inventories are stated at the lower of cost and net realizable value ("NRV"). The determination of the estimated NRV of these completed inventories involve considerable analyses of expected future selling price based on prevailing market conditions such as current market prices of comparable properties and locations.</p> <p>Management applies significant judgement in estimating the underlying assumptions in determining the net realizable values of completed inventories.</p> <p>Refer to "Key sources of estimation uncertainty" in Note 3(b)(iii) to the financial statements.</p>	<ul style="list-style-type: none"> <li>• Understood the management's control process and evaluated the design and implementation of controls in respect of determination of net realisable value of completed inventories held for sales.</li> <li>• Evaluated the Group's policy for valuation of completed properties through discussion with management and considered management's basis for determining the net realisable value.</li> <li>• Tested management's assessment of net realisable value by comparing it to recent transacted prices of similar or comparable completed property units and taking into consideration the estimated selling costs. Challenged the reasonableness of management's assumptions and estimation for determining the net realisable value.</li> <li>• Performed site visit to assess the condition of the inventories to arrive at an overall assessment as to whether information provided by management is reasonable and to ascertain if any write-down is warranted on long-aged property units due to physical obsolescence and deterioration of the units.</li> </ul>

We have determined that there are no key audit matters in the audit of the financial statements of the Company to be communicated in our auditors' report.

### 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 information included in the annual report of the Group, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF I-BERHAD

(Cont'd)

### **Responsibilities of the directors for the financial statements**

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

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

### **Auditors' responsibilities for the audit of the financial statements**

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

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

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

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF I-BERHAD (Cont'd)

### **Auditors' responsibilities for the audit of the financial statements (continued)**

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

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

From the matters communicated with Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditor's 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 Matter**

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

**DELOITTE PLT (LLP0010145-LCA)**  
**Chartered Accountants (AF 0080)**

**MURALI A/L SAMY**  
**Partner - 03377/06/2024 J**  
**Chartered Accountant**

18 April 2024

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	4	<b>175,569</b>	119,617	–	–
Cost of sales	5	<b>(81,111)</b>	(53,576)	–	–
Gross profit		<b>94,458</b>	66,041	–	–
Other income		<b>9,086</b>	25,476	<b>36</b>	18,708
Finance income		<b>521</b>	419	<b>10,459</b>	11,113
Finance costs		<b>(15,524)</b>	(13,793)	<b>(10,397)</b>	(10,969)
Fair value (loss)/gain on investment properties		<b>(1,109)</b>	2,852	–	–
Sales and marketing expenses		<b>(10,502)</b>	(8,550)	–	–
Administrative and office expenses		<b>(60,275)</b>	(54,759)	<b>(1,543)</b>	(1,812)
Other operating expenses		–	–	<b>(5,287)</b>	(204)
(Impairment losses on)/Reversal of trade and other receivables - Net		<b>(872)</b>	2,539	–	–
Share of results of associates	13	<b>1,873</b>	7,233	–	–
Profit/(Loss) before tax	6	<b>17,656</b>	27,458	<b>(6,732)</b>	16,836
Taxation	8	<b>(5,573)</b>	(153)	<b>274</b>	(34)
<b>Profit/(Loss)/Total comprehensive income/(loss) for the financial year</b>		<b>12,083</b>	27,305	<b>(6,458)</b>	16,802
Profit/(Loss) for the financial year attributable to:					
Owners of the Company		<b>11,995</b>	27,215	<b>(6,458)</b>	16,802
Non-controlling interests		<b>88</b>	90	–	–
		<b>12,083</b>	27,305	<b>(6,458)</b>	16,802
Total comprehensive income/(loss) for the financial year attributable to:					
Owners of the Company		<b>11,995</b>	27,215	<b>(6,458)</b>	16,802
Non-controlling interests		<b>88</b>	90	–	–
		<b>12,083</b>	27,305	<b>(6,458)</b>	16,802
Earnings per ordinary share attributable to owners of the Company (sen):					
Basic	9 (a)	<b>0.64</b>	<b>2.27</b>		
Diluted	9 (b)	<b>0.64</b>	<b>2.27</b>		

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

## STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>ASSETS</b>					
<b>Non-current Assets</b>					
Property, plant and equipment	10	<b>271,827</b>	270,480	<b>171</b>	1,003
Investment properties	11	<b>577,252</b>	571,726	–	–
Investment in subsidiary companies	12	–	–	<b>1,001,230</b>	1,004,743
Associates	13	<b>240,382</b>	238,531	–	–
Goodwill	14	–	–	–	–
Intangible assets	15	<b>41</b>	79	–	–
Deferred tax assets	25	<b>6,413</b>	9,204	–	–
<b>Total Non-current Assets</b>		<b>1,095,915</b>	1,090,020	1,001,401	1,005,746
<b>Current Assets</b>					
Inventories	16	<b>650,918</b>	749,117	–	–
Receivables and contract assets	17	<b>53,249</b>	35,953	<b>120</b>	115
Amounts due from subsidiary companies, related parties and ultimate holding company	18	<b>963</b>	928	<b>276,416</b>	266,269
Current tax assets		<b>5,314</b>	6,373	–	3
Short-term funds with licensed financial institutions	19	<b>12</b>	11	<b>7</b>	7
Cash and bank balances	20	<b>25,343</b>	19,435	<b>425</b>	60
		<b>735,799</b>	811,817	<b>276,968</b>	266,454
Assets classified as held for sale	21	–	17,566	–	10,163
<b>Total Current Assets</b>		<b>735,799</b>	829,383	<b>276,968</b>	276,617
<b>TOTAL ASSETS</b>		<b>1,831,714</b>	1,919,403	<b>1,278,369</b>	1,282,363
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	22	<b>768,687</b>	768,687	<b>768,687</b>	768,687
Retained earnings	23	<b>394,056</b>	385,775	<b>127,302</b>	137,474
RCULS - equity component	24	<b>14,547</b>	14,547	<b>14,547</b>	14,547
		<b>1,177,290</b>	1,169,009	<b>910,536</b>	920,708
Non-controlling interests		<b>427</b>	339	–	–
<b>TOTAL EQUITY</b>		<b>1,177,717</b>	1,169,348	<b>910,536</b>	920,708

## STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

(Cont'd)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Non-current Liabilities</b>					
Deferred tax liabilities	25	2,177	3,017	–	600
RCULS - liability component	24	187,342	183,021	187,342	183,021
Payables and contract liabilities	26	50,636	50,636	50,636	50,636
Lease liabilities	27	556	1,794	–	527
Bank borrowings	28	67,078	79,025	–	–
<b>Total Non-current Liabilities</b>		<b>307,789</b>	317,493	<b>237,978</b>	234,784
<b>Current Liabilities</b>					
RCULS - liability component	24	6,030	6,030	6,030	6,030
Payables and contract liabilities	26	248,731	351,901	756	1,569
Amounts due to ultimate holding company and immediate holding company	29	48,220	32,652	45,000	30,000
Amounts due to subsidiary companies	29	–	–	77,891	88,771
Current tax liabilities		899	559	2	–
Lease liabilities	27	1,791	1,797	176	501
Bank borrowings	28	40,537	39,623	–	–
<b>Total Current Liabilities</b>		<b>346,208</b>	432,562	<b>129,855</b>	126,871
<b>Total Liabilities</b>		<b>653,997</b>	750,055	<b>367,833</b>	361,655
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,831,714</b>	1,919,403	<b>1,278,369</b>	1,282,363

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



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Note	Non-distributable reserves			Distributable reserve		Total attributable to owners of the Company RM'000	Non-controlling interest RM'000	Total equity RM'000
		Share capital RM'000	RCCPS-equity component RM'000	RCULS-equity component RM'000	Retained earnings RM'000	RM'000			
<b>At 1 January 2023</b>		768,687	-	14,547	385,775	1,169,009	339	1,169,348	
Profit/Total comprehensive income for the financial year		-	-	-	11,995	11,995	88	12,083	
Transactions with owners: Dividends paid	32	-	-	-	(3,714)	(3,714)	-	(3,714)	
<b>At 31 December 2023</b>		768,687	-	14,547	394,056	1,177,290	427	1,177,717	

Group	Note	Non-distributable reserves			Distributable reserve		Total attributable to owners of the Company RM'000	Non-controlling interest RM'000	Total equity RM'000
		Share capital RM'000	RCCPS-equity component RM'000	RCULS-equity component RM'000	Retained earnings RM'000	RM'000			
<b>At 1 January 2022</b>		646,686	122,001	14,547	358,560	1,141,794	249	1,142,043	
Profit/Total comprehensive income for the financial year		-	-	-	27,215	27,215	90	27,305	
Transactions with owners: Conversion of RCCPS	22	122,001	(122,001)	-	-	-	-	-	
<b>At 31 December 2022</b>		768,687	-	14,547	385,775	1,169,009	339	1,169,348	

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

## STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Company	Note	Non-distributable reserves			Distributable reserve	Total equity RM'000
		Share capital RM'000	RCCPS- equity component RM'000	RCULS- equity component RM'000	Retained earnings RM'000	
<b>At 1 January 2023</b>		<b>768,687</b>	–	<b>14,547</b>	<b>137,474</b>	<b>920,708</b>
Loss/Total comprehensive loss for the financial year		–	–	–	<b>(6,458)</b>	<b>(6,458)</b>
Transactions with owners: Dividends paid	32	–	–	–	<b>(3,714)</b>	<b>(3,714)</b>
<b>At 31 December 2023</b>		<b>768,687</b>	–	<b>14,547</b>	<b>127,302</b>	<b>910,536</b>

Company	Note	Non-distributable reserves			Distributable reserve	Total equity RM'000
		Share capital RM'000	RCCPS- equity component RM'000	RCULS- equity component RM'000	Retained earnings RM'000	
<b>At 1 January 2022</b>		646,686	122,001	14,547	120,672	903,906
Profit/Total comprehensive income for the financial year		–	–	–	16,802	16,802
Transactions with owners: Conversion of RCCPS	22	122,001	(122,001)	–	–	–
<b>At 31 December 2022</b>		<b>768,687</b>	–	<b>14,547</b>	<b>137,474</b>	<b>920,708</b>

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
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit/(Loss) before tax	<b>17,656</b>	27,458	<b>(6,732)</b>	16,836
Adjustments for:				
Depreciation of:				
- Property, plant and equipment	<b>9,454</b>	7,097	-	-
- Right-of-use assets	<b>785</b>	509	<b>171</b>	502
Amortisation of intangible assets	<b>50</b>	42	-	-
Finance costs	<b>15,524</b>	13,793	<b>10,397</b>	10,969
Fair value loss/(gain) on investment properties	<b>1,109</b>	(2,852)	-	-
Income on short term funds	<b>(23)</b>	(31)	<b>(23)</b>	(30)
Interest income	<b>(498)</b>	(388)	<b>(10,436)</b>	(11,083)
Impairment of investments in subsidiary companies	-	-	<b>3,622</b>	59
Impairment of amount due from subsidiary companies	-	-	<b>1,774</b>	324
Impairment losses on trade and other receivables	<b>1,031</b>	863	-	-
Reversal of impairment of investment in subsidiary companies	-	-	<b>(109)</b>	(3,566)
Reversal of impairment of amount due from subsidiary companies	-	-	-	(120)
Reversal of impairment losses on trade and other receivables no longer required	<b>(159)</b>	<b>(3,402)</b>	-	-
Share of results of associates, net of tax	<b>(1,873)</b>	(7,233)	-	-
Rent concession received	<b>(311)</b>	(311)	-	-
Gain on disposal of associates	<b>(80)</b>	-	-	-
Gain on modification of lease	<b>(12)</b>	-	<b>(24)</b>	-
Gain on modification of redeemable convertible unsecured loan stocks ("RCULS")	-	(15,137)	-	(15,137)
Operating Profit/(Loss) Before Changes In Working Capital	<b>42,653</b>	20,408	<b>(1,360)</b>	(1,246)
Changes in working capital:				
Inventories	<b>98,199</b>	20,930	-	-
Receivables and contract assets	<b>(18,147)</b>	23,925	<b>(5)</b>	(32)
Payables and contract liabilities	<b>(96,410)</b>	(46,764)	<b>(489)</b>	(13,456)
Cash Generated From/(Used In) Operations	<b>26,295</b>	18,499	<b>(1,854)</b>	(14,734)
Tax refunded	<b>734</b>	1,012	<b>5</b>	259
Tax paid	<b>(2,957)</b>	(3,443)	<b>(326)</b>	(2)
Net Cash Generated From/(Used In) Operating Activities	<b>24,072</b>	16,068	<b>(2,175)</b>	(14,477)

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Advances to subsidiary companies		–	–	(12,415)	(164)
Interest received		521	419	23	30
Withdrawal from short-term funds with licensed financial institutions		39	13,934	39	2,017
Proceeds from disposal of assets held for sale		17,292	–	9,889	–
Proceeds from disposal of investment in associate		80	–	–	–
Development of investment properties under construction	11	(10,752)	(11,185)	–	–
Purchase of property, plant and equipment	10(b)	(12,862)	(20,749)	–	–
Purchase of intangible assets		(12)	(36)	–	–
Net Cash (Used In)/From Investing Activities		(5,694)	(17,617)	(2,464)	1,883
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Coupon payment for RCULS		(6,063)	(10,022)	(6,063)	(10,022)
Repayment of RCCPS		–	(6,844)	–	(6,844)
Repayment of hire purchase liability		–	(53)	–	–
Repayment of lease liabilities		(2,011)	(1,692)	(180)	(541)
Drawdown from bank borrowings		–	11,089	–	–
Repayment of bank borrowings		(10,786)	(6,250)	–	–
Interest payment on bank borrowings		(5,425)	(4,765)	–	–
Dividends paid		(3,714)	–	(3,714)	–
Net advances from immediate holding company		15,000	30,000	15,000	30,000
Advances from ultimate holding company		568	135	–	–
Net Cash (Used In)/From Financing Activities		(12,431)	11,598	5,043	12,593
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>5,947</b>	<b>10,049</b>	<b>404</b>	<b>(1)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>		<b>19,396</b>	<b>9,347</b>	<b>21</b>	<b>22</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	20	<b>25,343</b>	<b>19,396</b>	<b>425</b>	<b>21</b>

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

**STATEMENTS OF CASH FLOWS**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

(i) Changes in liabilities arising from financing activities

Group	Note	Cash flow		Non-cash Changes				At 31.12.2023 RM'000
		At 1.1.2023 RM'000	(including interest paid, if any) RM'000	New lease liabilities RM'000	Interest accretion RM'000	Loss/ (Gain) on modification RM'000	Capitalisation of extension cost RM'000	
RCULS								
- liability component	24	189,051	(6,063)	-	10,384	-	-	193,372
Lease liabilities	27	3,591	(2,011)	279	172	627	(311)	2,347
Bank borrowings	28	118,648	(16,211)	-	5,178	-	-	107,615
Amount due to ultimate holding company and immediate holding company	29	32,652	15,568	-	-	-	-	48,220
		343,942	(8,717)	279	15,734	627	(311)	351,554

Group	Note	Cash flow		Non-cash Changes				At 31.12.2022 RM'000
		At 1.1.2022 RM'000	(including interest paid, if any) RM'000	New lease liabilities RM'000	Interest accretion RM'000	Loss/ (Gain) on modification RM'000	Capitalisation of extension cost RM'000	
RCCPS								
- liability component		6,557	(6,844)	-	287	-	-	-
RCULS								
- liability component	24	203,749	(10,022)	-	10,793	(15,137)	(332)	189,051
Hire purchase liability	52	52	(53)	-	1	-	-	-
Lease liabilities	27	1,278	(1,692)	4,215	101	-	(311)	3,591
Bank borrowings	28	113,435	74	-	5,139	-	-	118,648
Amount due to ultimate holding company and immediate holding company	29	2,517	30,135	-	-	-	-	32,652
		327,588	11,598	4,215	16,321	(15,137)	(332)	343,942

**STATEMENTS OF CASH FLOWS**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

(i) Changes in liabilities arising from financing activities (continued)

Company	Note	Cash flow (including interest paid, if any)		Non-cash Changes			Capitalisation of extension cost	At 31.12.2023
		At 1.1.2023	RM'000	RM'000	RM'000	RM'000		
RCULS								
- liability component	24	189,051	(6,063)	-	10,384	-	-	193,372
Lease liabilities	27	1,028	(180)	-	13	(685)	-	176
Amount due to immediate holding company	29	30,000	15,000	-	-	-	-	45,000
		<b>220,079</b>	<b>8,757</b>	<b>-</b>	<b>10,397</b>	<b>(685)</b>	<b>-</b>	<b>238,548</b>
Company	Note	At 1.1.2022	Cash flow (including interest paid, if any)	RM'000	RM'000	RM'000	RM'000	At 31.12.2022
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
RCCPS								
- liability component		6,557	(6,844)	-	287	-	-	-
RCULS								
- liability component	24	203,749	(10,022)	-	10,793	(15,137)	(332)	189,051
Lease liabilities	27	-	(541)	1,505	64	-	-	1,028
Amount due to immediate holding company	29	-	30,000	-	-	-	-	30,000
		<b>210,306</b>	<b>12,593</b>	<b>1,505</b>	<b>11,144</b>	<b>(15,137)</b>	<b>(332)</b>	<b>220,079</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

### 1. GENERAL INFORMATION

The principal activity of the Company is investment holding. The information on the name, place of incorporation, principal activities and percentage of issued share capital held by the holding company in each subsidiary are set out in Note 12. There have been no significant changes in the nature of these activities during the financial year.

I-Berhad ('the Company') is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company is located at Level 31, Mercu Maybank, i-City, Selangor Golden Triangle, 40000 Shah Alam, Selangor Darul Ehsan.

The Directors regard Sumur Ventures Sdn. Bhd. and Sumurwang Sdn. Bhd., as the ultimate and immediate holding companies respectively. Both companies are incorporated in Malaysia.

The consolidated financial statements for the financial year ended 31 December 2023 comprise the Company and its subsidiaries and the interests of the Group in associates. These financial statements are presented in Ringgit Malaysia ('RM'), which is also the functional currency of the Company.

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors dated 18 April 2024.

### 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### (a) Basis of preparation

The financial statements of the Group and of the Company for the financial year ended 31 December 2023 have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention except for certain non-current assets and financial instruments that are measured at fair value at the end of reporting period as disclosed in this summary of material accounting policies.

The financial statements are presented in Ringgit Malaysia ("RM") which represents the functional currency of the Group and of the Company and all financial information presented in RM are rounded to the nearest thousand ("RM'000"), unless otherwise stated.

#### Adoption of new and amended Malaysian Financial Reporting Standards

In the current financial year, the Group and the Company have adopted all the new and amendments to MFRSs issued by Malaysian Accounting Standards Board ("MASB") that are effective for annual periods beginning on or after 1 January 2023.

MFRS 17	<i>Insurance Contracts</i>
<i>Amendments to:</i>	
MFRS 4	<i>Extension of the Temporary Exemption from Applying MFRS 9</i>
MFRS 17	<i>Insurance Contracts</i>
MFRS 17	<i>Initial application of MFRS 9 and MFRS 17 – Comparative Information</i>
MFRS 101	<i>Disclosure of Accounting Policies</i>
MFRS 108	<i>Definition of Accounting Estimates</i>
MFRS 112	<i>International Tax Reform – Pillar Two Model Rules</i>
MFRS 112	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

### 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### (a) Basis of preparation (continued)

The adoption of these new and amendments to MFRSs did not result in significant changes in the accounting policies of the Group and of the Company and has no significant effect on the financial performance or position of the Group and of the Company.

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

Although the amendments did not result in any changes to the Group's and the Company's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in Note 2.

#### Amendments to MFRSs in Issue But Not Yet Effective

At the date of authorisation for issue of these financial statements, the amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

Amendments to:

MFRS 16	<i>Lease liability in a Sale and Leaseback<sup>1</sup></i>
MFRS 101	<i>Classification of Liabilities as Current or Non-current<sup>1</sup></i>
MFRS 101	<i>Non-current Liabilities with Covenants<sup>1</sup></i>
MFRS 7 and MFRS 107	<i>Supplier Finance Arrangement<sup>1</sup></i>
MFRS 121	<i>Lack of Exchangeability<sup>2</sup></i>
MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>3</sup></i>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2024, with earlier application permitted.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025, with earlier application permitted.

<sup>3</sup> Effective date deferred to a date to be determined and announced by MASB, with earlier application still permitted.

The Directors anticipate that the abovementioned amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these amendments to MFRSs will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

#### (b) 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.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****(b) Consolidation (continued)**

## (i) Subsidiaries (continued)

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statements of profit or loss and other comprehensive income, consolidated statement of changes in equity and statements of financial position respectively.

## (ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. The existence and the effect of potential voting rights are considered when assessing whether the Group exercises significant influence over another entity. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not the power to exercise control over those policies.

Investments in associates are accounted for using equity method of accounting. Under the equity method, the investment is initially recognised at cost, and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the associate in profit or loss, and the Group's share of movements in other comprehensive income of the associate in other comprehensive income. Dividends received or receivable from an associate are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interests in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. The Group's investment in associates includes goodwill identified on acquisition.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. An impairment loss is recognised for the amount by which the carrying amount of the associate exceeds its recoverable amount.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

## (iii) Investments in subsidiaries and associates

Investments in subsidiaries and associates are assessed for indication of impairment. If an indication exists, an impairment test is performed. This exercise is performed annually and whenever events or circumstances occur indicating that impairment may exist.

The amounts due from subsidiaries on which the Company does not expect repayment in the foreseeable future are considered as part of the Company's investments in subsidiaries.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

### 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### (c) Property, plant and equipment

Property, plant and equipment are initially stated at cost.

Freehold land is not depreciated as it has an infinite life. Other property, plant and equipment are depreciated on the straight-line method to allocate the cost to the depreciation rates as follows:

Sales gallery	20%
Hotel properties	
- Hotel building	1%
- Plant and equipment	10%
Office equipment, furniture, fittings and fixtures and renovation	10% to 33%
Motor vehicles	20%
Plant and equipment	10% to 50%

Depreciation on assets under construction commences when the assets are ready for their intended use.

Residual values and useful lives of assets are reviewed and adjusted if appropriate at the end of the reporting period. The Group carries out assessment on residual values and useful lives of assets on an annual basis. There was no adjustment arising from the assessment performed in the financial year.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

#### (d) Investment properties

Investment properties are initially measured at cost, which includes transaction costs. After initial recognition, investment properties are carried at fair value.

If the Group determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably determinable when construction is complete, the Group shall measure that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). Once the Group is able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, the Group shall measure that property at its fair value.

The fair value of investment properties reflect among other things, rental income from current leases and other assumptions that market participants would use when pricing investment properties under current market conditions.

A gain or loss arising from a change in the fair value of investment properties is recognised in the statements of profit or loss and other comprehensive income for the period in which it arises.

#### (e) Inventories

##### (i) Property development costs

Property development costs are recognised as an asset and are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable selling expenses. The property development costs is subsequently recognised as an expense in statements of profit or loss and other comprehensive income when or as the control of the asset is transferred to the customer.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****(e) Inventories (continued)**

## (i) Property development costs (continued)

Property development costs for which work has been undertaken and development activities are expected to be completed within the Group's normal operating cycle, is classified as current asset.

## (ii) Consumables

Consumables are stated at the lower of cost and net realisable value. Cost is determined using the first in, first out formula.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**(f) Financial assets**

## (i) Classification

The Group and the Company classify its financial assets at amortised cost.

## (ii) Measurement

Debt instruments

The Group and the Company classify its debt instruments as amortised cost:

(i) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest ("SPPI") are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Impairment losses are presented as separate line item in the statements of profit or loss and other comprehensive income.

Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Where the Group's and the Company's management have elected to present fair value gains and losses on equity investments in 'Other comprehensive income', there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in statements of profit or loss and other comprehensive income as other income when the Group's and the Company's right to receive payments is established.

## (iii) Subsequent measurement - Impairment

Impairment for debt instruments

The Group and the Company assess on a forward looking basis the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

A significant increase in credit risk is presumed if a debtor is more than 150 days past due in making a contractual payment.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

### 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### (f) Financial assets (continued)

##### (iii) Subsequent measurement - Impairment (continued)

###### Impairment for debt instruments (continued)

The Group has the following financial instruments (trade receivables, other receivables, deposits and amounts due from subsidiaries (applicable in the Company's separate financial statements)) and related companies and contract assets that are subject to the ECL model.

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

At each reporting date, the Group and the Company measure ECL through loss allowance at an amount equal to 12 months ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required. Note 37(c) sets out the measurement details of ECL.

###### Definition of default and credit-impaired financial assets

The Group and the Company define a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

###### *Quantitative criteria:*

The Group defines a financial instrument as default, when the counterparty fails to make contractual payment within 150 days of when they fall due.

###### *Qualitative criteria:*

The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group and the Company consider the following instances:

- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

###### Groupings of instruments for ECL measured on collective basis

##### (i) Collective assessment

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

##### (ii) Individual assessment

Trade receivables and contract assets which are in default or credit-impaired are assessed individually. Amounts due from subsidiaries in the Company's separate financial statements and amount due from related companies and ultimate holding company, are assessed on individual basis for ECL measurement, as credit risk information is obtained and monitored based on each amount due from the subsidiaries, related companies and ultimate holding company.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****(f) Financial assets (continued)**

- (i) Subsequent measurement - Impairment (continued)

Write-off

- (i) Trade receivables and contract assets

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 150 days past due.

- (ii) Other receivables, deposits and amounts due from subsidiaries, related companies and ultimate holding company

The Group and the Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

**(g) Compound financial instruments**

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital of the Company at the option of the holder, and the number of shares to be issued does not vary with changes in the fair value of the shares.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method until it is extinguished on conversion or maturity of the compound instrument. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except when the compound instrument is redeemed or repurchased before maturity.

Upon conversion of the convertible instrument into equity shares, the amount credited to share capital is the aggregate of the carrying amounts of the liability components classified within liability and equity at the time of conversion. No gain or loss is recognised.

**(h) Revenue recognition**Revenue from property development

Revenue from property development, comprising residential and commercial properties are recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

### 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### (h) Revenue recognition (continued)

##### Revenue from property development (continued)

Revenue from property development is recognised over time when control of the asset is transferred over time when Group's performance:

- creates and enhances an asset that the customer controls as the property development is being performed; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

When control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of the performance obligation is measured based on the following methods that best depict the Group's performance in satisfying the performance obligation:

- the Group's efforts or inputs to the satisfaction of the performance obligation (e.g. by reference to the property development costs incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of the contract).

When the Group determines that it is not probable that the Group will collect the consideration in which the Group is entitled to in exchange to the properties, the Group will defer the recognition of revenue from such sales of properties and considerations received from the customers will be recognised as contract liabilities.

Some contracts include multiple deliverables, such as the installation of furniture and fittings. In most cases, the installation is simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin. Revenue for the furniture and fittings is recognised at a point in time upon delivery of the furniture and fittings, the legal title has passed and the customer has accepted the furniture and fittings.

Billings to the customers from property development is in accordance to the terms of the contract. Where revenue recognised in the statements of profit or loss and other comprehensive income exceeds billings to purchasers, the balance is shown as contract assets. Where billings to purchasers exceed revenue recognised in the statements of profit or loss and other comprehensive income, the balance is shown as contract liabilities.

Revenue from the sales of completed properties and land is recognised at a point in time when control of the properties have been transferred to the customer and it is probable that the Group will collect the consideration to which it is entitled.

##### Leisure

Revenue from promotion, marketing and management of events, leisure services and other tourism related activities is recognised as and when services are rendered.

##### Hotel revenue

Hotel revenue represents revenue derived from room rental and sales of food and beverage. Room rental revenue is accrued on a daily basis on customer-occupied rooms. Revenue from the sales of food and beverage is recognised when the customer receives and consumes, and the Group has a present right to payment for, the food and beverage product. Hotel revenue is recorded based on the published rates, net of discounts.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****(i) Contract cost assets**Incremental cost to obtain contract

The Group has recognised an asset of RM4,371,000 (2022: RM2,653,000) (Note 17) in respect of sales commissions incurred to obtain the sales contract. Incremental costs to secure a sales contract such as sales agents' commission that would not have been incurred by the Group if the respective contracts had not been obtained, are recognised as contract cost assets. The Group expects to recover these costs through the margin from sales of property earned from the customer.

**(j) Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Board of Directors that make strategic decisions.

Segment reporting is presented for enhanced assessment of the Group's risks and returns. Business segments provide products or services that are subject to risk and returns that are different from those of other business segments.

Segment revenue, expenses, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expenses, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process.

**(k) Financial liabilities**

The Group classifies its financial liabilities as other financial liabilities. The classification depends on the nature of the liabilities and the purpose for which the financial liabilities were incurred. Management determines the classification at initial recognition.

**(i) Other financial liabilities**

When other financial liabilities (excluding borrowings and trade payables) are recognised initially, they are measured at fair value net of directly attributable transaction costs.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the other financial liabilities are derecognised, and through the amortisation process.

Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled or expired.

**(l) Financial guarantee contract liabilities**

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

Financial guarantee contract liabilities are measured initially at their fair values, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, they are 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 to the principles of MFRS 15 *Revenue from Contracts with Customers*.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's material accounting policies, which are described in Note 2, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### (a) Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2 above, the Directors are of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

#### (b) Key sources of estimation uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the 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 financial year except for the following:

##### (i) Revenue recognition from property development activities

The Group recognises property development revenue in the statements of profit or loss and other comprehensive income by using the stage of completion method. The stage of completion is measured by reference to the property development costs incurred up to the end of the reporting period as a percentage of total estimated costs for the property development projects.

Given the nature of property development projects, significant judgement is required in:

- Determining the extent of property development costs accruals to reflect work performed up to reporting date;
- Determining the estimated total property development costs to completion; and
- Determining the common costs allocation to the project phases from the total budgeted common costs attributable to the respective property development projects.

Substantial changes in cost estimates can in future periods, have a significant effect on the Group's profitability. In making the above judgement, the Group leverages on its past experience and work of specialists.

##### (ii) Valuation of investment properties

The principal assumptions underlying estimation of fair value of investment properties are those related to term rental rate, reversionary rental rate, projected rental rates, projected occupancy rates, rental periods, net lettable area, projected outgoings expenses, term yield, reversion yield and allowance for void based on income approach and recent transacted prices and adjustment factor based on market approach.

Fair values of investment properties are determined based on income and market approach. Investment properties are stated at fair value based on valuations performed by independent external valuers with appropriate recognized professional qualification and has recent experience in the location and category of the investment properties being valued.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)****(b) Key sources of estimation uncertainty (continued)**

## (ii) Valuation of investment properties (continued)

The valuations are compared with actual market yield data, actual transactions and those reported by the market, when available. Assumptions used are mainly based on market conditions existing at each reporting date.

Sensitivity analysis on fair value of investment properties as valued by the independent external valuers is disclosed in Note 11.

## (iii) Net realisable value of completed inventories held for sale

The Group writes down the inventories to their net realisable values based on the estimated selling prices by reference to recent sales transactions of similar properties net of the estimated cost necessary to complete the sale. If needed, these are adjusted to reflect management's latest plans and expected costs to complete the sale based on current market conditions.

Whilst the Directors exercise due care and attention to make reasonable estimates, taking into account all available information in estimating the selling price and the related cost to complete the sale, the estimates will, in all likelihood, differ from the actual transactions achieved in future periods.

## (iv) Measurement of impairment loss for non-financial assets, property, plant and equipment and investment in subsidiaries

The Group and the Company assess whether there is any indication that the non-financial assets, property, plant and equipment and investment in subsidiaries are impaired at the end of each reporting date. Impairment loss is measured by comparing the carrying amount of an asset with its recoverable amount when there is an indication of impairment. Recoverable amount is measured at the higher of the fair value less cost to sell and value in-use for that asset. The assessment of the recoverable amount involves a number of methodology. The impairment loss on property, plant and equipment and investment in subsidiaries are disclosed in Note 10 and Note 12 respectively.

## (v) Measurement of ECL allowance for financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward looking estimates at the end of reporting period.

The Group and the Company further evaluate ECL on customers on a case by case basis, which may be assessed based on indicators such as changes in financial capability of the receivables, and default of significant delay in payments.

## (vi) Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits to the extent it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. 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.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 4. REVENUE

	Note	Group 2023 RM'000	2022 RM'000
Revenue from contract with customers	(a)	151,795	99,942
Revenue from other sources:			
(i) Rental income		23,723	19,474
(ii) Others		51	201
		<b>175,569</b>	119,617

(a) Breakdown of the Group's revenue from contract with customers:

	Group 2023 RM'000	2022 RM'000
<u>Major goods and services</u>		
Property development	42,616	17,772
Sale of completed properties	18,466	24,573
Leisure and hospitality	87,356	54,492
Telephone and network services	3,357	3,105
	<b>151,795</b>	99,942

	Group 2023 RM'000	2022 RM'000
<u>Timing of revenue recognition</u>		
Over time	45,973	20,877
Point in time	105,822	79,065
	<b>151,795</b>	99,942

## 5. COST OF SALES

	Group 2023 RM'000	2022 RM'000
Property development costs (including furniture & fittings)	24,844	12,872
Completed units sold	9,298	11,195
Maintenance costs	4,849	5,734
Leisure activities costs	40,064	21,937
Services rendered	2,056	1,838
	<b>81,111</b>	53,576

In 2022, the costs of completed units sold has included cost savings amounting to RM7,721,000 which were mainly due to cost savings from the building materials works upon the receipt of anticipated final account from the architect.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 6. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax is arrived at after charging:

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Auditors' remuneration:					
- Statutory audit		<b>569</b>	552	<b>157</b>	150
- Non-statutory audit		<b>78</b>	40	<b>10</b>	9
Depreciation of:					
- Property, plant and equipment	10	<b>9,454</b>	7,097	–	–
- Right-of-use assets	10	<b>785</b>	509	<b>171</b>	502
Amortisation of intangible assets	15	<b>50</b>	42	–	–
Employee benefit costs	7(a)	<b>39,777</b>	23,073	<b>251</b>	341
Directors' fees	7(b)	<b>446</b>	480	<b>446</b>	480
Directors' remuneration other than fees	7(b)	<b>1,242</b>	1,228	–	–
Impairment losses on trade and other receivables	17(c)	<b>1,031</b>	863	–	–
Rental expenses in respect of short-term lease		<b>215</b>	146	–	–
Corporate exercise expenses		<b>53</b>	58	<b>53</b>	58
Impairment of investments in subsidiary companies	12	–	–	<b>3,622</b>	59
Impairment of amount due from subsidiary companies		–	–	<b>1,774</b>	324
Finance costs		<b>15,524</b>	13,793	<b>10,397</b>	10,969
Fair value loss on investment properties	11	<b>1,109</b>	–	–	–
And crediting:					
Income on short term funds		<b>23</b>	31	<b>23</b>	30
Interest income		<b>498</b>	388	<b>10,436</b>	11,083
Reversal of impairment losses on trade and other receivables no longer required	17(c)	<b>159</b>	3,402	–	–
Reversal of impairment of investments in subsidiary companies	12	–	–	<b>109</b>	3,566
Reversal of impairment of amount due from a subsidiary company		–	–	–	120
Rent concession received		<b>311</b>	311	–	–
Gain on modification of RCULS		–	15,137	–	15,137
Fair value gain on investment properties	11	–	2,852	–	–
Gain on disposal of associate	13	<b>80</b>	–	–	–
Gain on modification of lease		<b>12</b>	–	<b>24</b>	–

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 7. EMPLOYEE BENEFIT COSTS

(a) Employee benefit costs

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Wages, salaries and bonuses	30,744	15,967	206	293
Contributions to defined contribution plan	3,207	2,037	20	25
Other employee benefits	5,826	5,069	25	23
	39,777	23,073	251	341

(b) The breakdown of the Directors' remuneration of the Group and of the Company is as disclosed in Note 33(b)(i).

## 8. TAXATION

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Malaysian income tax:				
- Income tax expense based on taxable profit for the financial year	4,248	2,587	326	2
- (Over)/Under provision in prior financial year	(626)	1,264	*	-
	3,622	3,851	326	2
Deferred tax (Note 25):				
- Relating to origination and reversal of temporary differences	1,951	(3,698)	(600)	32
	5,573	153	(274)	34

\* Amount is less than RM1,000.

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

**8. TAXATION (CONTINUED)**

The numerical reconciliation between the tax expense/(credit) and the product of accounting profit multiplied by the applicable tax rates 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/(loss) before tax	<b>17,656</b>	27,458	<b>(6,732)</b>	16,836
Tax at Malaysian statutory tax rate	<b>4,238</b>	6,590	<b>(1,615)</b>	4,041
Tax effects in respect of:				
Non-allowable expenses	<b>3,464</b>	816	<b>1,941</b>	481
Non-taxable income	<b>(1,124)</b>	(3,947)	*	(4,519)
Share of post-tax results of associates	<b>(449)</b>	(1,736)	–	–
Different tax rates arising from gain from real property investments	–	(399)	–	–
Utilisation of previously unrecognised tax losses	<b>(4)</b>	(15)	–	–
Utilisation of previously unrecognised capital allowances	<b>(133)</b>	(285)	–	–
Unused tax losses not recognised	<b>755</b>	624	–	–
Unabsorbed capital allowance not recognised	<b>18</b>	–	–	–
(Reversal)/Recognition of previously recognised/unrecognised temporary difference	<b>(566)</b>	(2,759)	<b>(600)</b>	31
(Over)/Under-provision in prior financial year	<b>(626)</b>	1,264	*	–
	<b>5,573</b>	153	<b>(274)</b>	34

**9. EARNINGS PER ORDINARY SHARE**

## (a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2023	2022
Profit attributable to owners of the Company (RM'000)	<b>11,995</b>	27,215
Weighted average number of ordinary shares in issue, net of treasury shares	<b>1,857,299,689</b>	1,136,863,102
Effect of conversion of RCCPS	–	60,036,382
Adjusted weighted average number of ordinary shares applicable to basic earnings per ordinary share	<b>1,857,299,689</b>	1,196,899,484
Basic earnings per ordinary share (sen)	<b>0.64</b>	2.27

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 9. EARNINGS PER ORDINARY SHARE (CONTINUED)

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to owners of the Company by the weighted average number of shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
Profit attributable to owners of the Company (RM'000)	<b>11,995</b>	27,215
Adjusted weighted average number of ordinary shares in issue, net of treasury shares	<b>1,857,299,689</b>	1,196,899,484
Effect of RCULS dilution	– *	– *
Adjusted weighted average number of shares applicable to diluted earnings per ordinary share	<b>1,857,299,689</b>	1,196,899,484
Diluted earnings per ordinary share (sen)	<b>0.64</b>	2.27

\* *Anti dilutive*

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

10. PROPERTY, PLANT AND EQUIPMENT

Group	Sales gallery RM'000	Hotel properties			Office equipment, furniture, fittings and fixtures and renovation RM'000	Motor vehicles RM'000	Plant and equipment RM'000	Right-of-use assets RM'000	Construction in-progress RM'000	Total RM'000
		Freehold land RM'000	Hotel building RM'000	Plant and equipment RM'000						
<b>Net book value</b>										
As at 1 January 2023	*	12,494	224,552	21,109	109	80	5,654	1,450	5,032	270,480
Additions	-	-	-	120	384	-	7,915	-	1,721	10,140
Lease modification	-	-	-	-	-	-	-	639	-	639
Transfer from investment properties (Note 11)	-	-	-	-	825	-	-	-	-	825
Reclassification	-	-	-	-	-	-	998	-	(998)	-
Disposal	-	-	-	-	(18)	-	-	-	-	(18)
Depreciation charge for the financial year	-	-	(2,276)	(3,295)	(574)	(21)	(3,288)	(785)	-	(10,239)
As at 31 December 2023	*	12,494	222,276	17,934	726	59	11,279	1,304	5,755	271,827

94 NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Sales gallery RM'000	Hotel properties		Plant and equipment RM'000	Office equipment, furniture, fittings and fixtures and renovation RM'000	Motor vehicles RM'000	Plant and equipment RM'000	Right-of-use assets RM'000	Construction in-progress RM'000	Total RM'000
		Freehold land RM'000	Hotel building RM'000							
Cost	2,213	12,494	228,743	24,892	22,442	1,532	109,623	4,206	6,753	412,898
Accumulated depreciation	(2,213)	-	(6,467)	(6,958)	(22,370)	(1,473)	(99,327)	(2,902)	-	(141,710)
Transfer from investment properties (Note 11)	-	-	-	-	825	-	-	-	-	825
Reclassification	-	-	-	-	-	-	998	-	(998)	-
Accumulated impairment	-	-	-	-	(153)	-	(15)	-	-	(168)
Disposal	-	-	-	-	(18)	-	-	-	-	(18)
Net book value	-	12,494	222,276	17,934	726	59	11,279	1,304	5,755	271,827

\* Amount is less than RM1,000.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Sales gallery RM'000	Hotel properties		Office equipment, furniture, fittings and fixtures and renovation RM'000	Motor vehicles RM'000	Plant and equipment RM'000	Right-of-use assets RM'000	Construction in-progress RM'000	Total RM'000
		Freehold land RM'000	Hotel building RM'000						
<b>Net book value</b>									
As at 1 January 2022	*	12,906	26,278	560	107	9,127	264	182,841	232,775
Additions	-	-	3,070	266	-	327	1,695	40,384	45,827
Transfer to investment properties (Note 11)	-	-	-	(44)	-	-	-	(60)	(104)
Reclassification	-	-	196,317	-	-	-	-	(218,133)	-
Transfer to property development cost [Note 16(a)]	-	(412)	-	-	-	-	-	-	(412)
Depreciation charge for the financial year	-	-	(1,113)	(673)	(27)	(3,800)	(509)	-	(7,606)
As at 31 December 2022	*	12,494	224,552	109	80	5,654	1,450	5,032	270,480

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

**10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

Group	Sales gallery RM'000	Hotel properties		Plant and equipment RM'000	Office equipment, furniture, fittings and fixtures and renovation RM'000	Motor vehicles RM'000	Plant and equipment RM'000	Right-of-use assets RM'000	Construction in-progress RM'000	Total RM'000
		Freehold land RM'000	Hotel building RM'000							
Cost	2,213	12,906	228,743	24,772	22,102	1,532	101,708	3,567	5,092	402,635
Accumulated depreciation	(2,213)	-	(4,191)	(3,663)	(21,796)	(1,452)	(96,039)	(2,117)	-	(131,471)
Accumulated impairment	-	-	-	-	(153)	-	(15)	-	-	(168)
Transfer to investment properties (Note 11)	-	-	-	-	(44)	-	-	-	(60)	(104)
Transfer to property development cost [Note 16(a)]	-	(412)	-	-	-	-	-	-	-	(412)
Net book value	*	12,494	224,552	21,109	109	80	5,654	1,450	5,032	270,480

\* Amount is less than RM1,000.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Office equipment, computer and software RM'000	Right-of-use assets RM'000	Total RM'000
<b>Net book value</b>			
As at 1 January 2023	*	1,003	1,003
Lease modification	–	(661)	(661)
Depreciation charge for the financial year	–	(171)	(171)
As at 31 December 2023	*	171	171
Cost	49	844	893
Accumulated depreciation	(49)	(673)	(722)
Net book value	*	171	171
<b>Net book value</b>			
As at 1 January 2022	*	*	*
Addition	–	1,505	1,505
Depreciation charge for the financial year	–	(502)	(502)
As at 31 December 2022	*	1,003	1,003
Cost	49	1,505	1,554
Accumulated depreciation	(49)	(502)	(551)
Net book value	*	1,003	1,003

\* Amount is less than RM1,000.

- (a) Included in hotel properties of the Group is freehold land which the title is in the process of being transferred to the Group. The Group has ownership of the said freehold land by virtue of having fulfilled the purchase consideration through the issuance of redeemable convertible unsecured loan stocks ("RCULS") and irredeemable convertible unsecured loan stocks ("ICULS") to the landowner, with the delay in transfer of the land title to the Group being primarily administrative in nature.
- (b) During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	Group	
	2023 RM'000	2022 RM'000
Purchase of property, plant and equipment	10,140	44,132
Interest expenses capitalised	–	(1,498)
Settled/(Unsettled and remained as other payables and accruals)	2,722	(21,885)
Cash payments on purchase of property, plant and equipment	12,862	20,749

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

**10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

- (c) In 2022, interest expense of RM1,498,000 was capitalised in property, plant and equipment, representing 9% of the total borrowings cost of the Group.
- (d) The right-of-use assets recognised and the movements during the financial year are set out below:

The statements of financial position show the following amounts relating to right-of-use assets:

	Land RM'000	Group Computer & software RM'000	Total RM'000	Company Building RM'000
<b>Right-of-use assets</b>				
Net book value:				
At 1 January 2023	1,169	281	1,450	1,003
Lease modification	639	–	639	(661)
Depreciation charge for the financial year	(700)	(85)	(785)	(171)
At 31 December 2023	1,108	196	1,304	171

**Right-of-use assets**

Net book value:				
At 1 January 2022	264	–	264	–
Addition	1,358	337	1,695	1,505
Depreciation charge for the financial year	(453)	(56)	(509)	(502)
At 31 December 2022	1,169	281	1,450	1,003

\* Amount is less than RM1,000.

The statements of profit or loss and other comprehensive income show the following amounts relating to leases:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Finance cost	172	101	13	64
Income from subleasing right-of-use assets	1,074	994	–	–
Total cash outflow for leases	2,010	1,692	180	541

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

**11. INVESTMENT PROPERTIES**

	Group	
	2023 RM'000	2022 RM'000
<u>Completed investment properties</u>		
<u>At fair value</u>		
At 1 January	<b>501,520</b>	477,300
Reclassification from investment properties under construction upon completion	–	27,305
Cost adjustments *	–	(7,300)
Fair value gain recognised in statements of profit or loss and other comprehensive income	<b>300</b>	4,215
At 31 December	<b>501,820</b>	501,520

\* Cost adjustments were from development cost savings recognised arising from corporate office tower.

	Note	Group	
		2023 RM'000	2022 RM'000
<u>Investment properties under construction</u>			
<u>At cost</u>			
At 1 January		<b>68,100</b>	75,755
Additions		<b>7,181</b>	19,546
Transfer (to)/from property, plant and equipment	10	<b>(825)</b>	104
Reclassification to completed investment properties upon completion		–	(27,305)
At 31 December		<b>74,456</b>	68,100
<u>Right-of-use assets</u>			
<u>At fair value</u>			
At 1 January		<b>2,106</b>	949
Additions		<b>279</b>	2,520
Fair value loss for the financial year		<b>(1,409)</b>	(1,363)
At 31 December		<b>976</b>	2,106
Total investment properties		<b>577,252</b>	571,726

- (a) During the financial year ended 31 December 2023, interest expense of RM486,000 (2022: RM479,000) was capitalised in investment properties, representing 3% (2022: 3%) of the total borrowings cost of the Group.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

### 11. INVESTMENT PROPERTIES (CONTINUED)

During the financial year, the Group made the following cash payments for development of investment properties:

	Group	
	2023 RM'000	2022 RM'000
Development of investment properties	7,181	19,546
Interest capitalised	(486)	(479)
Settled/(Unsettled and remained as other payables and accruals)	4,057	(7,882)
<b>Total cash payments on development of investment properties</b>	<b>10,752</b>	<b>11,185</b>

#### Direct operating expenses arising from investment properties

- (a) Direct operating expenses arising from investment properties generating rental income during the financial year are as follows:

	Group	
	2023 RM'000	2022 RM'000
Repair and maintenance	4,101	4,823
Quit rent and assessment	449	405
	<b>4,550</b>	<b>5,228</b>

- (b) There are no direct operating expenses of the Group arising from investment properties that did not generate rental income during the financial year.

#### Title deeds

Title deeds pertaining to certain investment properties of the Group of RM576,276,000 (2022: RM569,620,000) shall be transferred to a subsidiary's name upon issuance of strata titles.

#### Freehold land

The title of the freehold land in respect of the investment properties is in the process of being transferred to the Group. The Group has ownership of the said freehold land by virtue of having fulfilled the purchase consideration through the issuance of redeemable convertible unsecured loan stocks ("RCULS") and irredeemable convertible unsecured loan stocks ("ICULS") to the landowner, with the delay in transfer of the land title to the Group being primarily administrative in nature.

#### Investment properties under construction

Investment properties under construction of the Group represent car park lots and convention centre under construction. The fair value of investment properties under construction cannot be reliably measured until the construction is completed or the fair value becomes reliably measurable, whichever is earlier.

**NOTES TO THE FINANCIAL STATEMENTS**  
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(Cont'd)

**11. INVESTMENT PROPERTIES (CONTINUED)**Fair value

Fair value is determined based on the various valuation techniques using Level 3 significant unobservable inputs. Changes in fair value are recognised in the statements of profit or loss and other comprehensive income during the period in which they are reviewed.

Investment properties of the Group are stated at fair value based on valuation performed by independent professional valuers, Nawawi Tie Leung Property Consultants Sdn. Bhd. and Cheston International (KL) Sdn. Bhd., who hold a recognised relevant professional qualification and have recent experience in the locations and categories of the investment properties valued. Valuations are performed by professional valuers at every year end. The valuation updates are reviewed by the management and approved during the meetings of the Audit Committee and Board of Directors of the Company.

Fair value of right-of-use assets of the Group are stated at RM976,000 (2022: RM2,106,000) based on management's estimates using the income approach by discounting rentals using yield rate.

During the financial year, the unobservable inputs used in the valuations of the investment properties of the Group include:

Unobservable inputs used for income approach

Term rental	-	the expected rental that the investment properties are expected to achieve and is derived from current rental, including revision upon renewal of tenancies during the year
Projected occupancy rate	-	the occupancy rates that the investment property is projected to achieve is derived from analysis of the historical occupancy trend of similar types of building
Projected rental	-	the rental that the investment property is expected to achieve is derived from analysis of current asking rental of similar types of building with projected growth rates
Outgoings	-	including quit rent and assessment, service charges, utilities costs, and repair and maintenance
Reversionary rental	-	the expected rental that the investment properties are expected to achieve upon expiring of term rental
Yield	-	based on actual location, size and condition of the investment properties and taking into account market data at the valuation date
Allowance for void	-	allowance provided for vacancy period
Recent transacted	-	these are obtained by the valuer for similar properties within the vicinity prices
Adjustment factor	-	adjustments are made to account for the differences in locations, size, timing of transactions of these recent transacted prices compared to the properties held by the Group

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
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**11. INVESTMENT PROPERTIES (CONTINUED)**

Fair value (continued)

The valuation techniques used to determine the fair value measurements using significant unobservable inputs are as follows:

Valuation technique	Fair value RM'000	Parameters		Sensitivity analysis on fair value measurements						
		Outgoings RM psf	Yield %	Allowance for void %	Outgoings		Yield rate		Allowance for void	
					RM0.10 Impact of higher rate RM'000	10 basis points Impact of higher rate RM'000	10 basis points Impact of lower rate RM'000	1% Impact of higher rate RM'000		
<b>Group</b>										
31.12.2023										
Mercu Maybank	195,000	1.14	5.50-6.00	7.00	(3,300)	(1,997)	1,749	(1,680)		
Block M - Data Centre	31,900	0.60	6.00-6.50	10.00	(900)	(400)	300	(400)		
C-UG-03A*	4,900	1.30	6.00-6.50	10.00	(300)	(10)	100	(50)		
	231,800									

^ Income approach by using investment method

\* In December 2023, the convention centre of the Group has changed its intended use purpose to a digital sport arena.



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(Cont'd)

**11. INVESTMENT PROPERTIES (CONTINUED)**

Fair value (continued)

The valuation techniques used to determine the fair value measurements using significant unobservable inputs are as follows: (continued)

	Valuation technique	Fair value RM'000	Parameters			Sensitivity analysis on fair value measurements				
			Outgoings RM psf	Yield %	Allowance for void %	Outgoings		Yield rate		Allowance for void
						RM0.10 Impact of higher rate	10 basis points Impact of lower rate	1% Impact of higher rate		
<b>Group</b>										
31.12.2022										
Mercu Maybank	Income approach <sup>^</sup>	195,000	1.00	5.50-6.00	7.00	(6,000)	(3,000)	4,000	(2,000)	
Block M - Data Centre	Income approach <sup>^</sup>	31,700	0.60	6.00-6.50	10.00	(900)	(400)	500	(300)	
Convention Centre	Income approach <sup>^</sup>	4,800	1.30	6.50	10.00	(400)	(30)	100	(100)	
		<u>231,500</u>								

<sup>^</sup> Income approach by using investment method

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**11. INVESTMENT PROPERTIES (CONTINUED)**

Fair value (continued)

The valuation techniques used to determine the fair value measurements using significant unobservable inputs are as follows: (continued)

	<u>Valuation technique</u>	<u>Fair value</u> RM'000	<u>Parameters</u>		<u>Sensitivity analysis on</u> <u>fair value measurements*</u>	
			<u>Unit</u>	<u>Average price</u> <u>of recent</u> <u>transactions</u>	<u>Impact of</u> <u>higher rate</u> RM'000	<u>Impact of</u> <u>lower rate</u> RM'000
<b>Group</b>						
<b>31.12.2023</b>						
Car park bays						
Block JKL basement car park	Comparison approach	11,600	RM per bay	32,500	358	(358)
Car park block	Comparison approach	18,400	RM per bay	32,500	566	(566)
Surface car park	Comparison approach	5,100	RM per bay	16,250	315	(315)
Common area surrounding car park bays	Cost method approach	3,870	RM psf	82	5	(5)
SOHO car park	Comparison approach	166,900	RM per bay	26,000	6,418	(6,418)
Central Tower LG car park	Comparison approach	41,400	RM per bay	32,500	1,273	(1,273)
Central Tower Multistorey car park	Comparison approach	22,750	RM per bay	34,125	732	(732)
		<u>270,020</u>				

\* Changes to market value used in comparison method by RM0.10 psf for common area surrounding car park bays and RM1,000 per bay for car park bays

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**11. INVESTMENT PROPERTIES (CONTINUED)**

Fair value (continued)

The valuation techniques used to determine the fair value measurements using significant unobservable inputs are as follows: (continued)

	<u>Valuation technique</u>	<u>Fair value</u> RM'000	<u>Parameters</u>		<u>Sensitivity analysis on</u> <u>fair value measurements*</u>	
			<u>Unit</u>	<u>Average price</u> <u>of recent</u> <u>transactions</u>	<u>Impact of</u> <u>higher rate</u> RM'000	<u>Impact of</u> <u>lower rate</u> RM'000
<b>Group</b>						
<b>31.12.2022</b>						
Car park bays						
Block JKL basement car park	Comparison approach	11,600	RM per bay	32,500	358	(358)
Car park block	Comparison approach	18,400	RM per bay	32,500	566	(566)
Surface car park	Comparison approach	5,100	RM per bay	16,250	315	(315)
Common area surrounding car park bays	Cost method approach	3,870	RM psf	82	5	(5)
SOHO car park	Comparison approach	166,900	RM per bay	26,000	6,418	(6,418)
Central Tower LG car park	Comparison approach	41,400	RM per bay	32,500	1,273	(1,273)
Central Tower Multistorey car park	Comparison approach	22,750	RM per bay	34,125	732	(732)
		<u>270,020</u>				

\* Changes to market value used in comparison method by RM0.10 psf for common area surrounding car park bays and RM1,000 per bay for car park bays

## NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

## 11. INVESTMENT PROPERTIES (CONTINUED)

Fair value (continued)

The fair value of investment properties of the Group are categorised as follows:

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>31 December 2023</b>				
Investment properties	–	–	502,796	502,796
<b>31 December 2022</b>				
Investment properties	–	–	503,626	503,626

## 12. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2023 RM'000	2022 RM'000
Unquoted equity shares, at cost	826,221	826,221
Less: Impairment loss	(12,856)	(9,900)
Quasi-equity loans to subsidiary companies	813,365	816,321
Less: Impairment loss	(1,713)	(1,156)
	<b>1,001,230</b>	1,004,743

Quasi-equity loans to subsidiary companies are in respect of contribution to subsidiary companies, for which the repayment is at the sole discretion of the Board of Directors of the subsidiary companies, and it is not entitled to interest and dividend. These amounts are, in substance, part of the investments in the subsidiary companies of the Company.

The details of the subsidiary companies are as follows:

Name of company	Principal place of business/ Country of incorporation	Equity interest		Principal activities
		2023 %	2022 %	
I-City Marketing Sdn. Bhd.*	Malaysia	100	100	Property developer, land and property owner and money lending activities
I-City Properties Sdn. Bhd.*	Malaysia	100	100	Property developer, contractor for construction work, land and property owner, marketing and management of events, leisure and other tourism related activities

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 12. INVESTMENT IN SUBSIDIARY COMPANIES

The details of the subsidiary companies are as follows: (continued)

Name of company	Principal place of business/ Country of incorporation	Equity interest		Principal activities
		2023 %	2022 %	
City Centrepoint Sdn. Bhd.*	Malaysia	100	100	Property developer and contractor for construction work, land and property owner  To carry on business as hotel cum restaurant, bars, beauty & healthcare centre
Centralwalk i-City Sdn. Bhd.*	Malaysia	100	100	Property management services
I-City (MM2H) Sdn. Bhd.*	Malaysia	100	100	Dormant since incorporation, intended activities as property management and advisory services in relation to the Malaysia My Second Home Programme
<b>I-City (Selangor) Sdn. Bhd.* and its subsidiary company:</b>	Malaysia	100	100	Management and development of i-City, Shah Alam as a MSC Malaysia Cybercentre
5G World Sdn. Bhd.*	Malaysia	100	100	Retail of wireless technology products, information and communication technology ("ICT") products
<b>I-Marcom Sdn. Bhd.* and its subsidiary companies:</b>	Malaysia	100	100	Investment holding and property development activities
I-Think Sdn. Bhd.*	Malaysia	100	100	Advertising agent, advertiser, advertising contractor, co-working space and events venue and related services
King of The Hill 8Kia Peng Sdn Bhd.*	Malaysia	100	100	Property developer
<b>I-R &amp; D Sdn. Bhd.* and its subsidiary companies:</b>	Malaysia	100	100	Investment and property holdings
I-City Travel Sdn. Bhd.*	Malaysia	100	100	Travel agent
I-Office2 Sdn. Bhd.*	Malaysia	80	80	Management of network and telephony services
<b>I-Silicon Sdn. Bhd.* and its subsidiary company:</b>	Malaysia	100	100	Investment holding, property management and property investment
Metaverse I-City Sdn. Bhd.*	Malaysia	100	100	Dormant during the financial year. Principal activities were promotion, marketing and management of events, leisure and other tourism related activities

## NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

## 12. INVESTMENT IN SUBSIDIARY COMPANIES

The details of the subsidiary companies are as follows: (continued)

Name of company	Principal place of business/ Country of incorporation	Equity interest		Principal activities
		2023 %	2022 %	
Central Park I-City Sdn. Bhd.*	Malaysia	100	100	Dormant during the financial year
Pacific Avenue I-City Sdn. Bhd.*	Malaysia	100	100	Dormant during the financial year
South Gardens Sdn. Bhd.*	Malaysia	100	100	Dormant during the financial year
Garden of Infinity Sdn. Bhd.*	Malaysia	100	100	Dormant during the financial year
The Jewel I-City Sdn. Bhd.*	Malaysia	100	100	Dormant during the financial year
Hollywood I-City Sdn. Bhd.*	Malaysia	100	100	Café, coffee house, food and beverages retail outlet

\* Audited by Deloitte PLT, Malaysia

The Company had assessed the recoverable amount of investments in subsidiary companies based on the net assets of these subsidiary companies. The recoverable amount was determined based on fair value less cost to sell approach using adjusted net assets attributable to ordinary shares at the end of financial year. The review gave rise to the recognition of net impairment of RM3,513,000 (2022: net reversal of RM3,507,000) (categorised as level 3 in the fair value hierarchy) which was recognised in the Company's statement of profit or loss and other comprehensive income. The impairment loss arose mainly due to non-performance of the business operation.

Movements in the accumulated impairment losses of investment in subsidiary companies are as follows:

	Company	
	2023 RM'000	2022 RM'000
At 1 January	11,056	14,563
Add: Impairment loss recognised during the year (Note 6)	3,622	59
	14,678	14,622
Less: Reversal of impairment loss during the year (Note 6)	(109)	(3,566)
At 31 December	14,569	11,056

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**13. ASSOCIATES**

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
At cost:		
- Unquoted equity shares	<b>168,173</b>	168,213
- Share of post-acquisition reserves	<b>72,209</b>	70,010
	<b>240,382</b>	238,223
Amount owing by an associate	-	308
	<b>240,382</b>	238,531

Amount owing by an associate represents contribution to the associate for working capital purposes, which are interest-free, unsecured and settlement is neither planned nor likely to occur in the foreseeable future. These amounts are, in substance, part of the investments in the associates of the Company.

**Disposal of an associate**

On 30 November 2023, the Group disposed of all the interest in associate, Citylight Hotel Sdn. Bhd. to a third party for a consideration of RM80,000. This transaction has resulted in the recognition of a gain in statements of profit or loss and other comprehensive income, calculated as follows:

	<b>RM'000</b>
Proceeds of disposal	80
Less: Carrying amount of investment on date of disposal	-
Gain recognised	80

The details of the associates are as follows:

<b>Name of company</b>	<b>Principal place of business/ Country of incorporation</b>	<b>Equity interest</b>		<b>Principal activities</b>
		<b>2023</b>	<b>2022</b>	
		%	%	
<b>Held by I-R &amp; D Sdn. Bhd.:</b>				
Citylight Hotel Sdn. Bhd. <sup>^</sup>	Malaysia	-	40	Hotel operator
Central Plaza I-City Real Estate Sdn. Bhd. <sup>^</sup>	Malaysia	<b>40</b>	40	Property owner and mall operator

<sup>^</sup> Not audited by Deloitte PLT, Malaysia.

## NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

**13. ASSOCIATES (CONTINUED)**

The Group's share of assets and liabilities of a material associate is as follows:

	Group	
	2023	2022
	RM'000	RM'000
<b>Central Plaza i-City Real Estate Sdn. Bhd.</b>		
<b>Assets and liabilities</b>		
Non-current assets	976,473	975,673
Current assets	22,373	28,362
Non-current liabilities	(40,174)	(36,388)
Current liabilities	(357,716)	(371,418)
Net assets	600,956	596,229
Revenue	84,444	62,466
Other income	1,688	19,049
Profit for the financial year	4,726	18,191
Total comprehensive income	4,726	18,191
Share of net assets/Carrying amount	240,382	238,491
<b>Share of results for the financial year</b>		
Share of profit for the financial year	1,891	7,276
Share of total comprehensive income for the financial year	1,891	7,276

Set out below is the financial information of the other individually immaterial associate:

	Group	
	2023	2022
	RM'000	RM'000
Carrying amount of investment in an associate	–	40
Share of results for the financial year		
Share of loss for the financial year	18	43
Share of total comprehensive loss for the financial year	18	43

**14. GOODWILL**

	Group	
	2023	2022
	RM'000	RM'000
Cost	4,333	4,333
Less: Accumulated impairment loss	(4,333)	(4,333)
At 31 December	–	–



**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

**15. INTANGIBLE ASSETS**

	Group	
	2023 RM'000	2022 RM'000
<b>Software</b>		
<b>Net book value</b>		
At 1 January	79	85
Additions	12	36
Amortisation charge for the financial year	(50)	(42)
At 31 December	41	79
Cost	174	162
Accumulated amortisation	(133)	(83)
Net book value	41	79

**16. INVENTORIES**

	Note	Group	
		2023 RM'000	2022 RM'000
At cost:			
Property development costs	(a)	182,280	178,295
Completed properties held for sale	(b)	355,007	366,121
Consumables		442	383
		537,729	544,799
At net realisable value:			
Completed properties held for sale	(b)	113,189	204,318
Total inventories		650,918	749,117

(a) Property development costs

	Group	
	2023 RM'000	2022 RM'000
Land and development costs		
At 1 January	2,040,302	2,022,809
Additions during the financial year	28,829	17,081
Transfer from property, plant and equipment (Note 10)	–	412
At 31 December	2,069,131	2,040,302

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 16. INVENTORIES (CONTINUED)

(a) Property development costs (continued)

	Group	
	2023	2022
	RM'000	RM'000
Less: Accumulated costs recognised as an expense in statements of profit or loss and other comprehensive income		
At 1 January	(1,862,007)	(1,849,135)
Additions during the financial year	(24,844)	(12,872)
At 31 December	(1,886,851)	(1,862,007)
	<b>182,280</b>	178,295

Property development costs are analysed as follows:

	Group	
	2023	2022
	RM'000	RM'000
Land and development costs	2,069,131	2,040,302
Accumulated costs recognised as expense in statements of profit or loss and other comprehensive income	(1,886,851)	(1,862,007)
	<b>182,280</b>	178,295

Included in property development costs incurred for the financial year ended 31 December 2023 of the Group is interest expense capitalised of RM Nil (2022: RM194,000).

In 2022, interest expense of RM194,000 was capitalised in property development costs, representing 1% of the total borrowings cost of the Group.

The titles to the properties under construction have not been transferred to the Group. Once the properties are completed and sold, the title deeds will be transferred directly from the related companies to the end purchasers.

(b) Completed properties held for sale

	Group	
	2023	2022
	RM'000	RM'000
At 1 January	570,439	595,917
Completed units sold	(9,298)	(18,916)
Cost adjustments	(92,945)	(6,562)
At 31 December	<b>468,196</b>	570,439

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

**16. INVENTORIES (CONTINUED)**

## (b) Completed properties held for sale (continued)

During the financial year, the cost adjustments were mainly resulted from reversal of accrual for renovation, fit-out and furniture & fittings no longer required amounting RM31,145,000 and adjustment to final completion project cost amounting to RM61,800,000 for i-City Plot 2 development projects. On 6 February 2024, the Group received final certification from the approved consultant after the negotiation of the overall completion cost for i-City Plot 2 development projects, which resulted in a cost adjustment of RM61,800,000 to the completed properties held for sale. The negotiation process was carried out during the financial year ended 31 December 2023, and subsequently concluded on 6 February 2024. As a result, the cost adjustments represent an adjusting subsequent event and have been accounted for in the current financial year ended 31 December 2023.

In 2022 included in cost adjustments recognised are cost savings from the building materials works upon receipt of anticipated final account from the architect.

**17. RECEIVABLES AND CONTRACT ASSETS**

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Trade receivables	(a)	<b>37,301</b>	34,145	–	–
Other receivables		<b>18,034</b>	4,536	<b>98</b>	92
Less: Impairment losses	(c)	<b>(12,772)</b>	(11,900)	–	–
		<b>42,563</b>	26,781	<b>98</b>	92
Contract cost assets	(d)	<b>4,371</b>	2,653	–	–
Deposits		<b>5,023</b>	5,568	–	–
		<b>51,957</b>	35,002	<b>98</b>	92
Prepayments		<b>1,292</b>	951	<b>22</b>	23
		<b>53,249</b>	35,953	<b>120</b>	115

- (a) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group ranges from 1 to 30 days (2022: 1 to 30 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Included in trade receivables for the Group is an amount of RM4,687,000 (2022: RM5,632,000), being stakeholder sum for property development.

The Group does not have concentration of credit risk from its property development activities as sale of development units are made to large number of property purchasers with end financing facilities from reputable end-financiers and the ownership and rights to the properties revert to the Group in the event of default. Credit risks with respect to trade receivables are disclosed in Note 37(c).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 17. RECEIVABLES AND CONTRACT ASSETS (CONTINUED)

Ageing analysis of trade receivables:

	Group	
	2023 RM'000	2022 RM'000
Stakeholders' sum	4,687	5,632
Not past due	5,061	2,125
Past due < 30 days	7,718	1,695
Past due 30 – 60 days	545	278
Past due 61 – 90 days	366	217
Past due > 90 days	11,333	13,699
Total	29,710	23,646

## (b) Unsatisfied performance obligations

As at 31 December 2023, the aggregate amount of the transaction price allocated to the remaining performance obligation is RM138,985,128 (2022: RM102,237,000) and the Group will recognise this revenue as and when the building is constructed, which is expected to occur over the next 2 to 4 years.

## (c) Impairment losses on trade and other receivables

Trade and other receivables of the Group and of the Company that are in default at the end of the reporting period are as follows:

	Individually impaired	
	2023 RM'000	2022 RM'000
<b>Group</b>		
Trade and other receivables, gross	12,772	11,900
Less: Impairment losses	(12,772)	(11,900)
	–	–

Movements of the Group's loss allowances on trade and other receivables are as follows:

	Group	
	2023 RM'000	2022 RM'000
At 1 January	11,900	14,439
Charge for the financial year	1,031	863
Reversal of loss allowances no longer required	(159)	(3,402)
At 31 December	12,772	11,900

Trade and other receivables that are individually determined to be impaired at the end of each reporting period relate to those receivables that have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

**17. RECEIVABLES AND CONTRACT ASSETS (CONTINUED)**

(d) Contract cost assets

	Group	
	2023 RM'000	2022 RM'000
Assets recognised from incremental cost of obtaining a contract	9,918	6,478
Cumulative amortisation of contract cost assets	(5,547)	(3,825)
At 31 December	<b>4,371</b>	2,653

The Group recognised an asset in relation to costs incurred in sales agent commission of property development projects and is amortised based on the percentage of completion and is presented as 'Sales and marketing expenses' in the statements of profit or loss and other comprehensive income.

**18. AMOUNTS DUE FROM SUBSIDIARY COMPANIES, RELATED PARTIES AND ULTIMATE HOLDING COMPANY**

Amounts owing by subsidiary companies, related companies and ultimate holding company represent advances and payments made on behalf, which are unsecured, interest-free and receivable on demand.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Amounts owing by:				
Subsidiary companies	–	–	276,386	266,239
Related parties	479	444	30	30
Ultimate holding company	484	484	–	–
	<b>963</b>	928	<b>276,416</b>	266,269

The amounts due from subsidiary companies, related companies and ultimate holding company represent advances and payments made on behalf which are unsecured, non-interest bearing except for loan amount owing from subsidiary companies amounting to RM194,011,025 (2022: RM189,690,261) which bears interest at 5% - 5.5% (2022: 5% - 5.5%) per annum.

**19. SHORT-TERM FUNDS WITH LICENSED FINANCIAL INSTITUTIONS**

Short-term funds represent investment in money market funds.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 20. CASH AND CASH EQUIVALENTS

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash at bank held under Housing Development Accounts	(a)	174	607	–	–
Deposits with licensed financial institutions	(b)	15,824	5,648	–	39
Cash and bank balances	(c)	9,345	13,180	425	21
As reported in the statements of financial position		25,343	19,435	425	60
Less: Deposits with licensed financial institutions					
Less than 3 months	(b)	–	(39)	–	(39)
As reported in statements of cash flows		25,343	19,396	425	21

(a) Bank balances held under the Housing Development Accounts represent receipts from purchasers of residential properties less payments as withdrawals provided under Section 7A of the Housing Development (Control and Licensing) Amendment Act 2002 and Housing Development (Housing Development Account) Regulation 1991 in connection to the Group's property development projects.

(b) Deposits with licensed banks and financial institutions have maturity periods ranges from 1 day to 1 month (2022: 1 day to 1 month).

In 2022, included in deposits with licensed banks and licensed financial institutions of the Group amounting to RM39,000 were pledged to a licensed bank as security bank guarantee.

(c) Bank balances are deposits held at call with banks and earn no interest.

(d) The weighted average interest rates per annum for the Group and the Company are as follows:

	Group		Company	
	2023 %	2022 %	2023 %	2022 %
Cash at bank held under Housing Development Accounts	1.5	1.45	–	–
Deposits with licensed financial institutions	1.07	1.15	–	1.50

## 21. ASSETS CLASSIFIED AS HELD FOR SALE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Investment properties	–	17,566	–	10,163

Assets classified as held for sale are in relation to the management and Directors' commitment to sell leasehold land and building of the investment properties.

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

**21. ASSETS CLASSIFIED AS HELD FOR SALE (CONTINUED)**

On 18 March 2022, the Group and the Company entered into Sales and Purchase Agreements to sell the leasehold lands and buildings. The said transactions were completed on 28 February 2023.

In 2022, the fair value of assets classified as held for sale of the Group and of the Company had been measured using an average asking price of RM22 psf and are categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>Group</b>				
<b>31 December 2022</b>				
Taiping lands	–	–	17,566	17,566
<b>Company</b>				
<b>31 December 2022</b>				
Taiping lands	–	–	10,163	10,163

In 2022, the change in asking price by RM0.10 psf higher and lower, had fair value impacts of RM80,000 and RM46,000 higher and lower for the Group and the Company respectively.

**22. SHARE CAPITAL**

	Group and Company			
	2023 Number of shares	2022 Number of shares	2023 RM'000	2022 RM'000
Issued and fully paid Ordinary shares with no par value				
At 1 January	<b>1,857,299,689</b>	1,136,863,101	<b>768,687</b>	646,686
Issued pursuant to: - conversion of RCCPS	–	720,436,588	–	122,001
At 31 December	<b>1,857,299,689</b>	1,857,299,689	<b>768,687</b>	768,687

Issued and paid-up share capital

In 2022, the issued and paid-up share capital of the Company was increased from RM646,686,000 to RM768,687,000 with issuance of 720,436,588 new ordinary shares pursuant to the conversion of RM122,001,000 RCCPS.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company. There were no other issues of shares or debentures during the financial year.

**23. RETAINED EARNINGS**

At the end of the reporting period, the entire balance of the retained earnings of the Company is available for distribution as dividends under the single-tier income tax system.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

### 24. REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("RCULS")

On 27 August 2014 ('RCULS Issue Date'), the Company issued 264,000,000 five-year 3% to 5% Redeemable Convertible Unsecured Loan Stocks of RM132,000,000 at 100% of its nominal value of RM0.50 each ('RCULS-A') to Sumuracres Sdn. Bhd. as settlement for the acquisition on a piece of freehold land held under Geran No. 26180, Lot No. 242, Seksyen 63, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur ('Kia Peng Land').

On the same date, the Company issued 138,000,000 five-year 3% to 5% Redeemable Convertible Unsecured Loan Stocks of RM69,000,000 at 100% of its nominal value of RM0.50 each ('RCULS-B') to Sumurwang Sdn. Bhd. as part settlement for the acquisitions on a piece of freehold land held under Geran No. 311884, Lot No. 16964, Seksyen 7, Bandar Shah Alam, District of Petaling, State of Selangor Darul Ehsan ('SOHO Land') and a piece of freehold land held under Geran No. 321043, Lot No. 17196, Seksyen 7, Bandar Shah Alam, District of Petaling, State of Selangor Darul Ehsan ('Tower Land').

On 28 June 2022, the tenure of the RCULS-A of RM132.0 million and RCULS-B of RM69.0 million has been extended for another 5 years and shall become due on 27 August 2027, being the 13<sup>th</sup> anniversary of the issue date of RCULS-A and RCULS-B respectively ("RCULS extension"). The shareholders of the Company had approved the above in an Extraordinary General Meeting held on 28 June 2022.

The salient terms of the RCULS are as follows:

(a) Conversion rights and rates

The RCULS are convertible to new ordinary shares in the Company during the conversion period ("Right Issue"). The conversion price is fixed at RM0.84 for RCULS-A or RM0.71 for RCULS-B per ordinary share of the Company. However, the conversion price would be subject to further price adjustments against certain dilutive events as stipulated in the supplemental deed polls executed by the Company on 18 August 2014 ('Supplemental Deed Poll').

Pursuant to the Rights Issue, the conversion price had been adjusted to RM 0.71 for RCULS-A or RM 0.60 for RCULS-B per ordinary share of the Company. The adjusted conversion price will be effective on 5 November 2019, which is the day after the entitlement date of the Rights Issue.

The new ordinary shares to be allotted and issued upon conversion of the RCULS would rank pari passu in all respects with the existing ordinary shares of the Company.

(b) Conversion period

The RCULS are convertible from the period commencing from and including the second anniversary of the RCULS Issue Date up to and on the 13th anniversary of the RCULS Issue Date, 27 August 2027.

(c) Coupon rate

The RCULS bear a coupon interest rate of 3.0% and 5.0% per annum based on the nominal value of the outstanding RCULS, as follows:

<u>Years from Issue Date</u>	<u>Coupon rate per annum</u>
9	3.0%
10	3.0%
11	3.0%
12	5.0%
13	5.0%

The coupons are payable in arrears on a semi-annual basis.



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(Cont'd)

**24. REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("RCULS") (CONTINUED)**

## (d) Redemption

RCULS may at the option of the Company be redeemed, in whole or in part, at any time during the tenure of the RCULS at 100% of their nominal amount plus accrued coupon up to the redemption date with not less than 30 days prior written notice to the RCULS holder prior to the redemption of RCULS. All RCULS which are redeemed by the Company shall be cancelled immediately and cannot be resold or reissued.

The amounts recognised in the statements of financial position of the Group and of the Company are analysed as follows:

	<b>Group and Company RM'000</b>
Nominal value of RCULS issued on 27 August 2014	201,000
Equity component, net of deferred tax liabilities	(14,547)
Deferred tax liabilities	(4,594)
Liability component on initial recognition	181,859

	<b>Group and Company</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January		
Non-current	<b>183,021</b>	–
Current	<b>6,030</b>	203,749
Interest expense	<b>10,384</b>	10,793
Coupon payment	<b>(6,063)</b>	(10,022)
Changes in fair value due to RCULS extension	–	(15,137)
Capitalisation of RCULS extension costs	–	(332)
At 31 December	<b>193,372</b>	189,051
Non-current	<b>187,342</b>	183,021
Current	<b>6,030</b>	6,030
	<b>193,372</b>	189,051
<b>Equity component:</b>		
At 1 January/At 31 December	<b>14,547</b>	14,547

## NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

## 25. DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority.

(a) The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Deferred tax assets	6,413	9,204	–	–
Deferred tax liabilities	(2,177)	(3,017)	–	(600)
	<b>4,236</b>	6,187	–	(600)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 January	6,187	2,489	(600)	(568)
Credited/(Charged) to statements of profit or loss and other comprehensive income (Note 8):				
- property, plant and equipment	(3,215)	4,173	–	–
- investment properties	843	(865)	600	(32)
- RCULS	382	(1,183)	–	–
- unused tax losses	–	(2,278)	–	–
- inventories	506	6,630	–	–
- advance receipts	(13)	88	–	–
- contract cost asset	(696)	(316)	–	–
- provisions	242	(2,551)	–	–
	<b>(1,951)</b>	3,698	600	(32)
At 31 December	<b>4,236</b>	6,187	–	(600)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 25. DEFERRED TAX (CONTINUED)

- (a) The following amounts, determined after appropriate offsetting, are shown in the statements of financial position: (continued)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Subject to income tax				
Deferred tax assets (before offsetting)				
- property, plant and equipment	2,228	5,448	-	-
- inventories	101	-	-	-
- RCULS	427	45	-	-
- advanced receipts	232	245	-	-
- provisions	4,937	4,695	-	-
	7,925	10,433	-	-
Offsetting	(1,512)	(1,229)	-	-
Deferred tax assets (after offsetting)	6,413	9,204	-	-

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Subject to income tax				
Deferred tax liabilities (before offsetting)				
- investment properties	(2,640)	(3,483)	-	(600)
- property, plant and equipment	-	(5)	-	-
- inventories	-	(405)	-	-
- contract cost asset	(1,049)	(353)	-	-
	(3,689)	(4,246)	-	(600)
Offsetting	1,512	1,229	-	-
Deferred tax liabilities (after offsetting)	(2,177)	(3,017)	-	(600)

- (b) The amounts of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group	
	2023 RM'000	2022 RM'000
Unutilised tax losses	21,330	18,200
Unabsorbed capital allowances	4,813	5,291
	26,143	23,491

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

### 25. DEFERRED TAX (CONTINUED)

- (b) The amounts of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows: (continued)

The availability of unutilised tax losses and unabsorbed capital allowances for offsetting future taxable profits of the Group are subject to the agreement with the tax authorities. The comparative information presented above has been restated to conform with the actual income tax computation submitted to tax authorities.

Management judgement is required to assess the likelihood of sufficient future profits available to recover the amounts of the above items. Deferred tax assets have not been recognised in respect of these items as they have arisen in companies that have a recent history of losses or in companies where future taxable profits may be insufficient to trigger the utilisation of these items. The amounts and availability of these items for offsetting future taxable profits of the Group are subject to the agreement with the tax authorities.

Pursuant to an amendment to Section 44(57) of the Income Tax Act 1967, the time limit to utilise tax losses has been extended to a maximum of 10 consecutive years. This amendment is deemed to have effect from the year of assessment 2019.

The expiry of the unutilised tax losses, which no deferred tax assets have been recognised, is as follows:

	Group	
	2023 RM'000	2022 RM'000
<u>Unutilised tax losses</u>		
- expiring by year of assessment 2028 <sup>^</sup>	5,739	7,112
- expiring by year of assessment 2029 <sup>^</sup>	528	528
- expiring by year of assessment 2030 <sup>^</sup>	721	721
- expiring by year of assessment 2031 <sup>^</sup>	4,370	4,393
- expiring by year of assessment 2032 <sup>^</sup>	5,446	5,446
- expiring by year of assessment 2033 <sup>^</sup>	4,526	–
	<b>21,330</b>	18,200

<sup>^</sup> Under the Malaysia Finance Act 2021, the Company's unutilised tax losses can be carried forward for 10 consecutive years from year of assessment.

## NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

## 26. PAYABLES AND CONTRACT LIABILITIES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Trade payables	(a)	<b>16,942</b>	19,234	–	–
Retention sum		<b>42,837</b>	47,725	–	–
Other payables	(b)	<b>62,778</b>	79,094	<b>50,636</b>	51,441
Deposits		<b>7,940</b>	7,103	–	10
Accruals	(c)	<b>157,576</b>	234,105	<b>756</b>	754
		<b>288,073</b>	387,261	<b>51,392</b>	52,205
Contract liabilities in relation to:					
- Property development	(d)	<b>11,294</b>	15,276	–	–
Total		<b>299,367</b>	402,537	<b>51,392</b>	52,205
Non-current		<b>50,636</b>	50,636	<b>50,636</b>	50,636
Current		<b>248,731</b>	351,901	<b>756</b>	1,569
Total		<b>299,367</b>	402,537	<b>51,392</b>	52,205

(a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranges from 1 to 30 days (2022: 1 to 30 days) from date of invoice.

(b) Included in other payables of the Group and of the Company is an amount owing to a third party of RM50,636,000 (2022: RM50,636,000) in which the Group and the Company have the discretion to defer the settlement for at least 12 months from the reporting date.

Included in other payables of the Group is an amount of RM349,000 (2022: RM355,000) being sales and service tax ("SST") payable.

(c) Included in accruals of the Group are accruals for the property development costs of RM133,344,000 (2022: RM224,039,000).

(d) Contract liabilities

The contract liabilities as at reporting dates were not impacted by significant changes in contract terms.

	Note	Group	
		2023 RM'000	2022 RM'000
Net carrying amount of contract liabilities is analysed as follows:			
At 1 January			
- contract liabilities		<b>(15,276)</b>	(3,759)
Property development revenue recognised during the financial year	4	<b>42,616</b>	17,772
Less: Billings during the financial year		<b>(38,634)</b>	(29,289)
At 31 December		<b>(11,294)</b>	(15,276)
At 31 December			
- contract liabilities		<b>(11,294)</b>	(15,276)

## NOTES TO THE FINANCIAL STATEMENTS

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**27. LEASE LIABILITIES**

The lease liabilities recognised and the movements during the financial year are set out below:

The statements of financial position show the following amounts relating to leases:

	Group RM'000	Company RM'000
<b>Lease liabilities</b>		
At 1 January 2023	3,591	1,028
Additions	279	–
Modification of lease contract	627	(685)
Accretion of interests for the financial year	172	13
Rent concession received	(311)	–
Payments	(2,011)	(180)
At 31 December 2023	2,347	176
Current	1,791	176
Non-current	556	–
	2,347	176
<b>Lease liabilities</b>		
At 1 January 2022	1,278	–
Additions	4,215	1,505
Accretion of interests for the financial year	101	64
Rent concession received	(311)	–
Payments	(1,692)	(541)
At 31 December 2022	3,591	1,028
Current	1,797	501
Non-current	1,794	527
	3,591	1,028

**28. BANK BORROWINGS**

	Group	
	2023 RM'000	2022 RM'000
<u>Non-current liabilities</u>		
Term loans	67,078	79,025
<u>Current liabilities</u>		
Term loans	15,537	14,623
Revolving credit	25,000	25,000
	40,537	39,623
	107,615	118,648

The term loans and revolving credit has a maturity of 5 years to 13 years and one month respectively.

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**28. BANK BORROWINGS (CONTINUED)**

The weighted average interest rates per annum of bank borrowings as at the end of the reporting date for the Group are as follows:

	<b>2023</b> %	<b>Group</b> <b>2022</b> %
Term loans	<b>4.92</b>	4.81
Revolving credit	<b>4.55</b>	4.14

The above term loans and revolving credit of the Group are secured by way of the following corporate guarantees from the Company:

- (i) deposits pledged with licensed banks as securities;
- (ii) charged over the freehold land of certain subsidiary as mentioned in Note 10; and
- (iii) secured by corporate guarantee from the Company.

**29. AMOUNTS DUE TO ULTIMATE HOLDING COMPANY, IMMEDIATE HOLDING COMPANY AND SUBSIDIARY COMPANIES**

	<b>Group</b>		<b>Company</b>	
	<b>2023</b> <b>RM'000</b>	<b>2022</b> <b>RM'000</b>	<b>2023</b> <b>RM'000</b>	<b>2022</b> <b>RM'000</b>
Amount due to ultimate holding company	<b>3,220</b>	2,652	–	–
Amount due to immediate holding company	<b>45,000</b>	30,000	<b>45,000</b>	30,000
	<b>48,220</b>	32,652	<b>45,000</b>	30,000
Subsidiary companies	–	–	<b>77,891</b>	88,771

Amounts due to ultimate holding company of the Group and immediate holding company of the Group and the Company, are advances and non-trade transactions, which is unsecured, interest-free and payable on demand.

Amount due to subsidiary companies of the Company, which arose mainly from non-trade transactions, is unsecured, interest free and repayable on demand.

## NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

**30. COMMITMENTS - OPERATING LEASE**

The Group and the Company as lessor

The Group and the Company had entered into non-cancellable lease arrangements for some of its investment properties for a term of one to two years. The future minimum lease receivables as at the end of the reporting period are as follows:

	Group	
	2023 RM'000	2022 RM'000
Less than one year	5,942	5,134
Between one and five years	3,413	5,422
	<b>9,355</b>	10,556

**31. COMMITMENTS - PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES**

	Group	
	2023 RM'000	2022 RM'000
Capital expenditure in respect of additional property, plant and equipment and investment properties: - Approved and contracted but not provided for	<b>28,977</b>	38,835

**32. DIVIDENDS**

	Group and Company			
	2023		2022	
	Single tier dividend per share sen	Amount of single tier dividend RM'000	Single tier dividend per share sen	Amount of single tier dividend RM'000
Ordinary Shares Dividend				
First and final dividend	<b>0.20</b>	<b>3,714</b>	-	-

In respect of the financial year ended 31 December 2022, a final single-tier dividend of 0.20 sen per ordinary share amounting to RM3,714,000 was declared on 28 June 2023 and paid on 27 September 2023. Such dividend is accounted for in equity as an appropriation of retained earnings in the financial year ended 31 December 2023.

In respect of the financial year ended 31 December 2023, a final single-tier dividend of 0.20 sen per ordinary share amounting to RM3,625,000 has been proposed by the Directors for shareholders' approval at the forthcoming Annual General Meeting. The payment and entitlement dates will be announced at a later date. Such dividend will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 December 2024.



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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
(Cont'd)

**32. DIVIDENDS (CONTINUED)**

	Group	
	2023 RM'000	2022 RM'000
Preferential Dividend	–	6,844

On 21 October 2022, the Company recommended cumulative preferential dividend of 5% per annum on a cumulative basis on the Issue Price of the RCCPS during the tenure of the RCCPS for the period from 27 November 2019 to 27 November 2022 (both dates inclusive). The dividends have been paid on 25 November 2022.

**33. RELATED PARTY DISCLOSURES**

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on terms and conditions negotiated amongst the parties.

Related parties of the Group include the following:

<u>Related parties</u>	<u>Relationship</u>
(i) Sumur Ventures Sdn. Bhd.	Ultimate holding company
(ii) Sumurwang Sdn. Bhd.	Immediate holding company
(iii) Sumurfields Sdn. Bhd.	Related party
(iv) Sumuracres Sdn. Bhd.	Related party
(a) The following transactions with related parties were carried out on terms and conditions negotiated amongst the related parties:	

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Subsidiary companies:				
Interest income	–	–	<b>10,384</b>	11,080
Ultimate holding company:				
Rental expense paid	<b>937</b>	518	–	–
Rent concession received	<b>(311)</b>	(311)	–	–
Immediate holding company:				
Interest expense paid	<b>2,081</b>	3,450	<b>2,081</b>	3,450
Related parties:				
Interest expense paid	<b>3,982</b>	6,600	<b>3,982</b>	6,600
Rental expense paid	<b>99</b>	69	–	–

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 33. RELATED PARTY DISCLOSURES (CONTINUED)

(b) Compensation of key management personnel

Key management personnel comprise the Executive Directors and the Senior Management of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group.

(i) Directors:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Directors' fees	446	480	446	480
Directors' remuneration other than fee	1,074	1,062	–	–
Contributions to defined contribution plan	168	166	–	–
	<b>1,688</b>	1,708	<b>446</b>	480

(ii) Senior Management Personnel:

	Group	
	2023 RM'000	2022 RM'000
Salaries, bonuses and allowances	1,824	1,721
Contributions to defined contribution plan	212	201
	<b>2,036</b>	1,922

### 34. CONTINGENT LIABILITY

On 19 April 2021, a wholly owned subsidiary company of I-Berhad received the Writ and Statement of Claim of the civil suit from the plaintiffs. On 8 March 2023, High Court delivered its decision which allowed the plaintiffs to claim. The Group does not agree with the decision and submitted a Notice of Appeal on 22 March 2023 against the High Court Judgement and continues to engage with external legal counsel to pursue the appeal. The hearing appeal is fixed on 10 January 2025, until a final outcome is obtained, the ultimate amount and timing of any potential claim arising from this civil suit cannot be measured reliably as at the reporting date.

### 35. OPERATING SEGMENTS

Management has determined the operating segments based on the various reports prepared for the Board of Directors that are used to make strategic decisions.

The Group is organised into the following main business segments:

- (i) Property development - Development and sale of residential and commercial properties.
- (ii) Property investment - Investment and property holdings.
- (iii) Leisure and hospitality - Promotion, marketing and management of events, leisure, hotel and other tourism related activities.

## NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

**35. OPERATING SEGMENTS (CONTINUED)**

Other operating segments include the provision of managed network and telephony charges (ICT services), investment holding, advertising agent, advertiser and advertising contractor, none of which are individually significant to be reported separately.

Inter-segment revenue comprises revenue from ICT services and advertising charges. These transactions are transacted on agreed terms between the segments.

Segment assets exclude tax assets and cash and cash equivalents of the Group retained for corporate purposes. Segment liabilities exclude tax liabilities.

Details are provided in the reconciliations from segment assets and liabilities to the position of the Group.

The following table provides an analysis of the Group's revenue, results, assets and liabilities and other information by operating segments:

2023	Property development RM'000	Property investment RM'000	Leisure and hospitality RM'000	Others RM'000	Total RM'000
<b>Revenue</b>					
Total revenue	71,008	26,457	87,991	5,205	190,661
Inter-segment revenue	(9,783)	(3,555)	(644)	(1,110)	(15,092)
Revenue from external customers	61,225	22,902	87,347	4,095	175,569
Interest income	420	26	*	75	521
Depreciation of property, plant and equipment	308	745	8,056	345	9,454
Segment profit/(loss)	1,885	7,775	9,020	(2,897)	15,783
Share of results of associates, net of tax	–	1,873	–	–	1,873
Profit/(Loss) before tax	1,885	9,648	9,020	(2,897)	17,656
Taxation					(5,573)
Profit/(Loss) after tax					12,083
Other material non-cash items: (Reversal of)/Impairment losses on receivables	–	(298)	–	1,170	872
Additions to non-current assets other than right-of-use assets, financial instruments and deferred tax assets	40	7,295	9,986	–	17,321

\* Amount is less than RM1,000.

2023	Property development RM'000	Property investment RM'000	Leisure and hospitality RM'000	Others RM'000	Total RM'000
Segment assets	718,308	581,356	278,949	992	1,579,605
Current tax assets					5,314
Deferred tax assets					6,413
Associates					240,382
Total assets					1,831,714
Segment liabilities	462,699	56,765	84,121	47,336	650,921
Current tax liabilities					899
Deferred tax liabilities					2,177
Total liabilities					653,997

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 35. OPERATING SEGMENTS (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets and liabilities and other information by operating segments: (continued)

2022	Property development RM'000	Property investment RM'000	Leisure and hospitality RM'000	Others RM'000	Total RM'000
<b>Revenue</b>					
Total revenue	47,100	21,891	54,448	5,927	129,366
Inter-segment revenue	(5,190)	(2,786)	(649)	(1,124)	(9,749)
Revenue from external customers	41,910	19,105	53,799	4,803	119,617
Interest income	386	*	*	33	419
Depreciation of property, plant and equipment	(2,406)	(962)	(3,375)	(354)	(7,097)
Segment profit/(loss)	12,552	7,929	835	(1,091)	20,225
Share of results of associates, net of tax	–	7,233	–	–	7,233
Profit/(loss) before tax	12,552	15,162	835	(1,091)	27,458
Taxation					(153)
Profit/(loss) after tax					27,305
Other material non-cash items:					
Reversal of impairment losses on receivables	(1,169)	(1,059)	–	(311)	(2,539)
Additions to non-current assets other than right-of-use assets, financial instruments and deferred tax assets	62	19,623	43,974	19	63,678
* Amount is less than RM1,000.					
2022	Property development RM'000	Property investment RM'000	Leisure and hospitality RM'000	Others RM'000	Total RM'000
Segment assets	796,345	589,573	276,773	2,604	1,665,295
Current tax assets					6,373
Deferred tax assets					9,204
Associates					238,531
Total assets					1,919,403
Segment liabilities	555,670	68,528	87,973	34,308	746,479
Current tax liabilities					559
Deferred tax liabilities					3,017
Total liabilities					750,055

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

## 36. FINANCIAL INSTRUMENTS BY CATEGORY

	Group	
	2023 RM'000	2022 RM'000
<u>Financial assets carried at amortised cost</u>		
- Receivables excluding prepayments, contract cost assets and contract assets in respect of property development	47,586	32,349
- Amounts due from subsidiary companies, related parties and ultimate holding company	963	928
- Short-term funds with licensed financial institutions	12	11
- Cash and bank balances	25,343	19,435
	<b>73,904</b>	52,723
<u>Financial liabilities carried at amortised cost</u>		
- Payables excluding SST payables and contract liabilities in respect of property development	287,724	386,906
- Amounts due to ultimate holding company and immediate holding company	48,220	32,652
- RCULS - Liability component	193,372	189,051
- Lease liabilities	2,347	3,591
- Bank borrowings	107,615	118,648
	<b>639,278</b>	730,848
	Company	
	2023 RM'000	2022 RM'000
<u>Financial assets carried at amortised cost</u>		
- Receivables excluding prepayments	98	92
- Amounts due from subsidiary companies, related parties and ultimate holding company	276,416	266,269
- Short-term funds with licensed financial institutions	7	7
- Cash and bank balances	425	60
	<b>276,946</b>	266,428
<u>Financial liabilities carried at amortised cost</u>		
- Payables excluding SST payables	51,392	52,205
- Amounts due to immediate holding company	45,000	30,000
- Amounts due to subsidiary companies	77,891	88,771
- RCULS - Liability component	193,372	189,051
- Lease liabilities	176	1,028
	<b>367,831</b>	361,055

## NOTES TO THE FINANCIAL STATEMENTS

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### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in interest rates and the unpredictability of the financial markets.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group's financial risk management policies. The Group is exposed mainly to interest rate risk, liquidity and cash flow risk and credit risk. Information on the management of the related exposures is as detailed below.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market interest rates.

The exposure of the Group and of the Company to interest rate risk arises primarily from short term bank deposits and short-term funds placed with licensed financial institutions. The interest rates are monitored closely to ensure that they are maintained at favourable rates. The Group considers the risk of significant changes to interest rates to be unlikely.

As at 31 December 2023, the borrowings of the Group of RM34,076,000 (2022: RM40,326,000) are at floating interest rates. The interest rate risk exposure to the profit or loss is deemed immaterial to the Group, hence sensitivity analysis is not presented.

(b) Liquidity and cash flow risk

Liquidity risk arises from management of working capital of the Group and of the Company. It is the risk that the Group and the Company will encounter difficulty in meeting its financial obligations when fall due.

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

The table below summarises the maturity profile of the liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations.

	<b>On demand or within one year RM'000</b>	<b>One to five years RM'000</b>	<b>Over five years RM'000</b>	<b>Total RM'000</b>
<b>As at 31.12.2023</b>				
<b>Group</b>				
<u>Financial liabilities</u>				
RCULS - liability component	6,030	227,130	–	233,160
Trade and other payables	248,731	50,636	–	299,367
Amounts due to ultimate holding company and immediate holding company	48,220	–	–	48,220
Bank borrowings	40,537	49,261	38,714	128,512
Lease liabilities	1,868	568	–	2,436
	<b>345,386</b>	<b>327,595</b>	<b>38,714</b>	<b>711,695</b>
Financial guarantee contracts*	107,996	–	–	107,996

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## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity and cash flow risk (continued)

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Company</b>				
Financial liabilities				
RCULS - liability component	6,030	227,130	–	233,160
Trade and other payables	756	50,636	–	51,392
Amount due to immediate holding company	45,000	–	–	45,000
Amounts due to subsidiary companies	77,891	–	–	77,891
Lease liabilities	180	–	–	180
	<b>129,857</b>	<b>277,766</b>	<b>–</b>	<b>407,623</b>
Financial guarantee contracts*	107,996	–	–	107,996
	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>As at 31.12.2022</b>				
<b>Group</b>				
Financial liabilities				
RCULS - liability component	6,030	233,160	–	239,190
Trade and other payables	336,270	50,636	–	386,906
Amounts due to holding companies	32,652	–	–	32,652
Bank borrowings	39,623	65,186	23,646	128,455
Lease liabilities	1,935	1,853	–	3,788
	416,510	350,835	23,646	790,991
Financial guarantee contracts*	119,100	–	–	119,100

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(Cont'd)

**37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

(b) Liquidity and cash flow risk (continued)

	<b>On demand or within one year RM'000</b>	<b>One to five years RM'000</b>	<b>Over five years RM'000</b>	<b>Total RM'000</b>
<b>Company</b>				
Financial liabilities				
RCULS - liability component	6,030	233,160	–	239,190
Trade and other payables	1,569	50,636	–	52,205
Amount due to immediate holding company	30,000	–	–	30,000
Amounts due to subsidiary companies	88,771	–	–	88,771
Lease liabilities	541	541	–	1,082
	126,911	284,337	–	411,248
Financial guarantee contracts*	119,100	–	–	119,100

\* At the end of reporting date, the counterparties to the financial guarantees do not have a right to demand for cash as the defaults have not occurred.

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It is the Group's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group does not expect to incur material credit losses of its financial assets or other financial instruments.

As at the end of the reporting date, the maximum exposure to credit risk arising from financial assets is limited to the carrying amounts of each class of financial assets recognised in the statements of financial position.

Following are the areas where the Group is exposed to credit risk:

(i) Trade receivables and contract assets

Credit risk, which is the risk of counterparties defaulting, is controlled by the application of credit approvals, credit limits and monitoring procedures. Credit evaluations are performed on all customers requiring credit over a certain amount and strictly limiting the associations of the Group to parties with high credit worthiness. Trade receivables are monitored on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group applies the simplified approach to provide for the expected credit losses prescribed by MFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables and contract assets.

In determining the expected credit loss rate, the Group has considered the payment profiles of sales over a period of 36 months before reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates identified are immaterial and hence, no adjustment has been made.



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(Cont'd)

**37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

## (c) Credit risk (continued)

(i) Trade receivables and contract assets (continued)

The Company's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses ("ECL")
Performing	The customers that have no history of default.	Lifetime ECL
In-default	<ul style="list-style-type: none"> <li>Customers that have history of default.</li> <li>Amount that is more than 150 days past due.</li> </ul>	Lifetime ECL
Write-off	There is evidence indicating that the Group has no realistic prospect of recovery from the customers.	Asset is written off

No significant changes to estimate techniques or assumptions were made during the reporting period.

At the end of the reporting period, there were no significant concentrations of credit risk owned by a single major customer.

(ii) Other debt instruments financial assets at amortised costs

The financial assets of the Group and of the Company with exposure to credit risk include cash and bank balances, fixed deposits and short-term funds, which are placed with banks and other financial and non-financial institutions with good credit ratings and hence, the credit risk is negligible.

Other debt instruments financial assets at amortised cost include other receivables and amounts due from subsidiaries.

All of these financial assets are considered to have low credit risk, and thus the impairment provision recognised during the period was limited to 12 months expected credit losses.

(iii) Financial guarantee

The maximum exposure to credit risk in relation to the financial corporate guarantees given amounts to RM107,996,000 (2022: RM119,100,000) representing the outstanding banking facilities of the subsidiaries as at the end of the financial year.

## (d) Capital risk management

Capital represents equity attributable to the owners of the Company.

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as going concerns while maximising the return to shareholders through the optimisation of the capital structure. The overall strategy of the Group remains unchanged from that in the prior financial year.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2023 and 31 December 2022.

The Group is not subject to any externally imposed capital requirements.

## NOTES TO THE FINANCIAL STATEMENTS

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### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value measurements

The carrying amounts of financial assets and liabilities such as deposit, cash and bank balances, current receivables and payables approximate their fair values due to the relatively short term maturity of these financial instruments.

The fair value for liability components of RCULS and RCCPS are estimated by discounting cash flows at the adjusted market cost of debts of the Company.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. In respect of the liability component of convertible notes, the market rate of interest is determined by reference to similar liabilities that do not have a conversion option.

The valuation techniques and adjustment to inputs used in determining the fair value measurement of Level 2 financial instruments as well as relationship between key adjusted inputs and fair value, is detailed in the table below:

<u>Financial instrument</u>	<u>Fair value hierarchy</u>	<u>Valuation technique used</u>	<u>Adjusted inputs</u>	<u>Inter-relationship between adjusted inputs and fair value</u>
RCULS - liability component	Level 2	Discounted cash flows method	5% - 5.5% adjusted market cost of debts	The higher the discount rate, the lower the fair value of the RCULS would be

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(Cont'd)

**37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

## (e) Fair value measurements (continued)

The following tables set out the financial instruments carried at fair value, together with their fair values and carrying amounts shown in the statements of financial position:

	Fair value of financial instruments carried at fair value				Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	
<b>Group and Company</b>					
<b>31.12.2023</b>					
<u>Financial liabilities</u>					
- RCULS	–	193,372	–	193,372	193,372
<b>31.12.2022</b>					
<u>Financial liabilities</u>					
- RCULS	–	189,051	–	189,051	189,051

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial year ended 31 December 2023 and 31 December 2022.

## STATEMENT BY DIRECTORS

The Directors of **I-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 at 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,

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**PUAN SRI TEY SIEW THUAN**

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**GOH YEANG KHENG**

Kuala Lumpur  
18 April 2024

## DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **HOW KAI WEI**, the Officer primarily responsible for the financial management of **I-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.

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**HOW KAI WEI**  
**(MIA No. 40534)**

Subscribed and solemnly declared by  
the abovenamed **HOW KAI WEI** at  
**KUALA LUMPUR** this 18<sup>th</sup> day of April, 2024.

Before me,

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**YM TENGKU NUR ATHIYA TENGKU FARIDDUDIN** (NO. W881)  
**COMMISSIONER FOR OATHS**  
**KUALA LUMPUR**

## LIST OF PROPERTIES HELD

No.	Location	Description	Tenure	Size	Approximate Age of the Buildings	NBV/Valuation as at 31 December 2023
1	Block M No. 6, Persiaran Multimedia i-City, 40000 Shah Alam Selangor Darul Ehsan	Data Centre	Freehold	76,143 sqft	14 years	31,900,000
2	Part of Geran 312735 Lot 16971 Mukim Bukit Raja District of Petaling Selangor Darul Ehsan	Surface Car Park	Freehold	2.14 acres	14 years	5,100,000
3	Part of Geran 312735 Lot 16971 Mukim Bukit Raja District of Petaling Selangor Darul Ehsan	9-storey Car Park	Freehold	218,944 sqft	14 years	18,400,000
4	Part of Geran 312735 Lot 16971 Mukim Bukit Raja District of Petaling Selangor Darul Ehsan	Basement Car Park	Freehold	133,816 sqft	14 years	11,600,000
5	A-GF-01, No. 6, Persiaran Multimedia i-City, 40000 Shah Alam Selangor Darul Ehsan	3-star Hotel	Freehold	104,777 sqft	9 years	29,230,185
6	I-Walk & Citywalk i-City, 40000 Shah Alam Selangor Darul Ehsan	Themepark Land	Freehold	1.93 acres	N/A	3,870,000
7	i-SOHO, i-City 40000 Shah Alam Selangor Darul Ehsan	Car Park	Freehold	2,319,558 sqft	6 years	166,900,000
8	i-SOHO, i-City 40000 Shah Alam Selangor Darul Ehsan	Convention Centre	Freehold	25,790 sqft	6 years	4,900,000
9	Lot 17196, No. 3, Persiaran Multimedia 40000 Shah Alam Selangor Darul Ehsan	Corporate Tower	Freehold	322,201 sqft	3 years	195,000,000
10	Lot 17196, No. 3, Persiaran Multimedia 40000 Shah Alam Selangor Darul Ehsan	Basement Car Park	Freehold	694,463 sqft	2 years	41,400,000
11	Lot 17196, No. 3, Persiaran Multimedia 40000 Shah Alam Selangor Darul Ehsan	9-storey Car Park	Freehold	330,748 sqft	1 year	22,750,000
12	Lot 17196, No. 3, Persiaran Multimedia 40000 Shah Alam Selangor Darul Ehsan	5-star Hotel	Freehold	179,938 sqft	1 year	205,539,589
<b>Property Development Land</b>						
1	Geran 321043, Lot 17196 Seksyen 7, Bandar Shah Alam District Of Petaling State Of Selangor Darul Ehsan	Land for mixed development in progress	Freehold	7.45 acres	N/A	129,000,000

## ANALYSIS OF SHAREHOLDINGS

AS AT 1 APRIL 2024

<b>TOTAL NUMBER OF ISSUED SHARES</b>	:	1,857,299,689
<b>CLASS OF SHARE</b>	:	Ordinary share
<b>VOTING RIGHTS</b>	:	1 vote per ordinary share

## ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Issued Shares held	% of Issued Shares
Less than 100	593	9.80	17,416	0.00
100 to 1,000	551	9.11	242,270	0.01
1,001 to 10,000	1,873	30.96	11,189,859	0.60
10,001 to 100,000	2,392	39.54	84,256,510	4.54
100,001 to less than 5% of total number of issued shares	638	10.55	544,584,877	29.32
5% and above of total number of issued shares	2	0.04	1,217,008,757	65.53
<b>Total</b>	<b>6,049</b>	<b>100.00</b>	<b>1,857,299,689</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct	No. of Issued Shares held		% of Issued Shares
		% of Issued Shares	Indirect	
Sumurwang Sdn Bhd	1,063,091,309	57.24	118,558,627 *	6.38
Sumur Ventures Sdn Bhd	153,917,448	8.29	1,181,649,936 **	63.62
Tan Sri Lim Kim Hong	63,301,200	3.41	1,335,567,384 ***	71.91

**Notes:-**

\* Deemed interest through its shareholding in Sumurwang Capital Sdn Bhd and Sumurwang Corporate Services Sdn Bhd by virtue of Section 8(4) of the Companies Act 2016.

\*\* Deemed interest through its shareholding in Sumurwang Sdn Bhd, Sumurwang Capital Sdn Bhd and Sumurwang Corporate Services Sdn Bhd by virtue of Section 8(4) of the Companies Act 2016.

\*\*\* Deemed interest through his shareholding in Sumur Ventures Sdn Bhd, Sumurwang Sdn Bhd, Sumurwang Capital Sdn Bhd and Sumurwang Corporate Services Sdn Bhd by virtue of Section 8(4) of the Companies Act 2016.

## THIRTY LARGEST SHAREHOLDERS

AS AT 1 APRIL 2024

No.	Name of Shareholders	No. of Issued Shares held	% of Issued Shares
1	Sumurwang Sdn Bhd	1,063,091,309	57.24
2	Sumur Ventures Sdn Bhd	153,917,448	8.29
3	Sumurwang Capital Sdn Bhd	58,816,627	3.17
4	Lim Kim Hong	55,770,000	3.00
5	Sumurwang Corporate Services Sdn Bhd	37,342,600	2.01
6	Lim Khuan Eng	26,974,900	1.45
7	Sumurwang Capital Sdn Bhd	22,399,400	1.21
8	Lee Kong Yeow	13,465,071	0.72
9	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chin Yat Yin	10,000,000	0.54
10	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Su Ming Keat	9,255,040	0.50
11	Lim Kim Hong	7,531,200	0.40
12	Loo Kuan Chin	7,462,500	0.40
13	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Pow Choo @ Wong Seng Eng (6000090)	7,000,000	0.38
14	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Su Ming Ming	6,941,280	0.37
15	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Koh Boon Poh (008)	6,479,466	0.35
16	Lim Kian Wat	6,054,549	0.33
17	Ong Bee Lian	4,924,882	0.27
18	Victor Lim Fung Tuang	4,259,500	0.23
19	Chin Khee Kong & Sons Sendirian Berhad	4,145,700	0.22
20	Sim Mui Khee	3,986,603	0.21
21	Kenanga Nominees (Tempatan) Sdn Bhd Chin Kiam Hsung	3,922,300	0.21
22	Saw Beng Kee	3,702,692	0.20
23	Wong Wai Kuan	3,149,960	0.17
24	Tey Siew Thuan	3,138,740	0.17
25	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chin Kiam Hsung	3,116,500	0.17
26	Onn Ping Lan	3,055,680	0.16
27	Lim Siew Kheong	2,975,000	0.16
28	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Michael Heng Chun Hong	2,721,094	0.15
29	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chang Sen Siang	2,625,500	0.14
30	Tan Boo Nam	2,390,500	0.13
	<b>Total</b>	<b>1,540,616,041</b>	<b>82.95</b>



## STATEMENT OF DIRECTORS' INTEREST IN THE COMPANY AND ITS RELATED CORPORATIONS

AS AT 1 APRIL 2024

Other than as disclosed below, none of the other Directors of the Company has any interest in the shares and convertible securities of the Company or its related corporations as at 1 April 2024:-

Director	← No. of Issued Shares held →			
	Direct	% of Issued Shares	Indirect	% of Issued Shares
Tan Sri Lim Kim Hong	63,301,200	3.41	1,335,567,384 *	71.91
Puan Sri Tey Siew Thuan	3,138,740	0.17	–	–

Director	Number of Redeemable Convertible Unsecured Loan Stocks – A ("RCULS-A") 2014/2027 held			
	Direct	% of Issued RCULS-A	Indirect	% of Issued RCULS-A
Tan Sri Lim Kim Hong	–	–	264,000,000 **	100.00

Director	Number of Redeemable Convertible Unsecured Loan Stocks – B ("RCULS-B") 2014/2027 held			
	Direct	% of Issued RCULS-B	Indirect	% of Issued RCULS-B
Tan Sri Lim Kim Hong	–	–	138,000,000 **	100.00

**Notes:-**

\* Deemed interest through Sumur Ventures Sdn Bhd, Sumurwang Sdn Bhd, Sumurwang Capital Sdn Bhd and Sumurwang Corporate Services Sdn Bhd.

\*\* Deemed interested in the RM132,000,000 2014/2027 RCULS-A by virtue of his interest in Sumuracres Sdn Bhd and in the RM69,000,000 2014/2027 RCULS-B by virtue of his interest in Sumurwang Sdn Bhd.

By virtue of his interest in Sumur Ventures Sdn Bhd, Y. Bhg. Tan Sri Lim Kim Hong is deemed interested in the shares of the Company and all its subsidiaries to the extent Sumur Ventures Sdn Bhd has an interest.

## NOTICE OF 57<sup>TH</sup> ANNUAL GENERAL MEETING



NOTICE IS HEREBY GIVEN THAT the 57<sup>th</sup> Annual General Meeting (“**AGM**”) of I-BERHAD (the “**Company**”) will be held at the Ballroom, Level 2, DoubleTree by Hilton Shah Alam i-City, i-City Finance Avenue, 40000 Shah Alam, Selangor, Malaysia on Wednesday, 26 June 2024 at 10.00 a.m. to transact the following businesses:

### AGENDA:

#### AS ORDINARY BUSINESS

- |    |  |                       |
|----|--|-----------------------|
| 1. | To receive the audited financial statements for the financial year ended 31 December 2023 together with the Directors’ and Auditors’ Reports thereon.  | <b>Note A</b>         |
| 2. | To approve a final single tier dividend of 0.20 sen per ordinary share for the financial year ended 31 December 2023.  | <b>(Resolution 1)</b> |
| 3. | To approve the payment of Directors’ fees totaling RM240,000 to the Non-Executive Chairman and Executive Director/Chief Executive Officer in respect of the financial year ended 31 December 2023. | <b>(Resolution 2)</b> |
| 4. | To approve the payment of monthly Directors’ fees totaling RM240,000 to the Non-Executive Directors for the period from 27 June 2024 until the next AGM to be held in 2025.                        | <b>(Resolution 3)</b> |
| 5. | To re-elect Y. Bhg. Dato’ Eu Hong Chew who retires pursuant to Clause 96 of the Company’s Constitution and being eligible, offer himself for re-election as Director of the Company.               | <b>(Resolution 4)</b> |
| 6. | To re-elect Mr Gan Kim Khoon who retires pursuant to Clause 84 of the Company’s Constitution and being eligible, offer himself for re-election as Director of the Company.                         | <b>(Resolution 5)</b> |
| 7. | To re-elect Mr Prem Kumar A/L Subramaniam who retires pursuant to Clause 84 of the Company’s Constitution and being eligible, offer himself for re-election as Director of the Company.            | <b>(Resolution 6)</b> |
| 8. | To re-appoint Messrs. Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.  | <b>(Resolution 7)</b> |

#### AS SPECIAL BUSINESS

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

##### **(A) PROPOSED RETENTION OF MADAM GOH YEANG KHENG AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

“**THAT** Madam Goh Yeang Kheng, who will be attaining a cumulative term of eleven (11) years on 30 June 2024 as Independent Non-Executive Director of the Company, to continue to act as Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company.”

**(Resolution 8)**

NOTICE OF 57<sup>TH</sup> ANNUAL GENERAL MEETING

(Cont'd)

**(B) AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

**“THAT** pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being, subject always to the approvals of all the relevant regulatory authorities.

**AND THAT** in connection with the above, pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 45 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank pari passu with existing issued shares in the Company.”

**(Resolution 9)**

10. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

By Order of the Board

**BU CHEW LIN**

Company Secretary

SSM Practicing Certificate No. 201908000674

MAICSA No. 6008132

Shah Alam

30 April 2024

**Notes:**

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 June 2024 (General Meeting Record of Depositors) shall be entitled to attend and vote at this 57<sup>th</sup> AGM.
2. A member entitled to attend, speak and vote at the general meeting is entitled to appoint any person as his proxy to attend, speak and vote in his stead.
3. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
5. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

## NOTICE OF 57<sup>TH</sup> ANNUAL GENERAL MEETING

(Cont'd)

6. The Proxy Form shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, under its common seal or the hand of an officer or attorney duly authorised.
7. For a corporate member who has appointed a representative, please deposit the ORIGINAL certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:
  - (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
  - (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
    - (a) at least two (2) authorised officers, of whom one shall be a director; or
    - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
8. Any authority pursuant to which such an appointment is made by power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., or alternatively, at its Customer Service Centre not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
9. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company's Share Registrar not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
  - (i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., or alternatively, at its Customer Service Centre.
  - (ii) By electronic form

The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIIH Online.
10. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging the proxy form is Monday, 24 June 2024 at 10.00 a.m.
12. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

## NOTICE OF 57<sup>TH</sup> ANNUAL GENERAL MEETING

(Cont'd)

### **EXPLANATORY NOTES**

#### **NOTE A**

This Agenda item is meant for discussion only as under the provision of Section 340 of the Companies Act 2016, the audited financial statements do not require a formal approval of the shareholders. Hence, this resolution will not be put forward for voting.

#### **RESOLUTIONS 2 AND 3**

Section 230(1) of the Companies Act 2016 provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a public company or a listed company and its subsidiaries shall be approved at a general meeting.

The proposed Resolutions 2 and 3, if approved, will authorise the payment of Directors' fees up to a maximum aggregate amount of RM240,000 respectively for the period stated in the respective resolutions. The Directors had abstained from deliberation and voting on their own respective fees.

#### **RESOLUTIONS 4 TO 6**

Based on the Directors' Self and Peer Assessment results of the Board Effectiveness Evaluation, the individual Directors standing for re-election met the performance criteria required of an effective and a high performing Board. In addition, each of the Independent Directors has also provided their annual declaration/confirmation of independence.

Mr Lim Boon Soon, Ricky is due to retire in accordance with Clause 96 of the Company's Constitution. He has expressed his intention not to seek re-election. Hence, Mr Lim Boon Soon, Ricky will retire from office upon the conclusion of the 57<sup>th</sup> AGM.

The Board has approved the Nomination Committee's recommendation that the Directors retiring in accordance with Clause 96 and Clause 84 of the Company's Constitution are eligible to stand for re-election. The retiring Directors had abstained from deliberations and decisions on their eligibility to stand for re-election at the 57<sup>th</sup> AGM of the Company.

#### **RESOLUTION 8**

The ordinary resolution proposed under Agenda 9(A) is in line with the Malaysian Code on Corporate Governance 2021. The Board had via the Nomination Committee, assessed the performance of Madam Goh Yeang Kheng, who will be attaining a cumulative term of eleven (11) years on 30 June 2024 as Independent Non-Executive Director of the Company and has recommended that she continues to act as Independent Non-Executive Director until the conclusion of the next AGM of the Company based on the following justifications:

- Madam Goh's length of service on the Board of approximately eleven (11) years did not in any way interfere with her exercise of objective and independent judgement or her ability to act in the best interests of the Company and the Group. She has devoted sufficient time and commitment to her role and responsibilities as an Independent Director for informed and balanced decision making; and
- She has expressed due care during her tenure as Independent Director of the Company and has discharged her duties with reasonable skill and competence, bringing independent judgement and depth into the Board's decision making in the interest of the Company and its shareholders.

Madam Goh had abstained from deliberation and voting on her proposed retention.

#### **RESOLUTION 9**

The Company has not issued any new shares to-date under the general authority which was approved at the 56<sup>th</sup> AGM held on 28 June 2023 and which will lapse upon the conclusion of the forthcoming 57<sup>th</sup> AGM to be held on 26 June 2024. A renewal of this authority is being sought at the 57<sup>th</sup> AGM under proposed Resolution 9.

## NOTICE OF 57<sup>TH</sup> ANNUAL GENERAL MEETING

(Cont'd)

Resolution 9 proposed under Agenda 9(B), if passed, will give the Directors of the Company authority to issue and allot shares as the Directors in their discretion consider to be in the best interest of the Company, without having to convene a general meeting in the event of any strategic opportunities to broaden the operating base and earnings potential of the Company which may involve the issuance of new shares. Any delay and cost involved in convening a general meeting to approve such issuance of shares would thus be avoided.

### **Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 57<sup>th</sup> AGM and/or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 57<sup>th</sup> AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 57<sup>th</sup> AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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## STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

### **Directors standing for re-election at the 57<sup>th</sup> Annual General Meeting ("AGM") of the Company**

The following Directors are standing for re-election at the 57<sup>th</sup> AGM of the Company pursuant to the Company's Constitution, and their profiles are set out on pages 5, 6 and 7 of this Annual Report:

Clause 96 of the Constitution

- (i) Dato' Eu Hong Chew

Clause 84 of the Constitution

- (ii) Mr Gan Kim Khoon
- (iii) Mr Prem Kumar A/L Subramaniam

## ADMINISTRATIVE GUIDE FOR THE 57<sup>TH</sup> ANNUAL GENERAL MEETING (“57<sup>TH</sup> AGM”)

Date & Time : Wednesday, 26 June 2024 at 10.00 a.m.  
 Venue : Ballroom, Level 2  
 DoubleTree by Hilton Shah Alam i-City  
 i-City Finance Avenue  
 40000 Shah Alam, Selangor  
 Malaysia

### A. REGISTRATION

1. The registration will commence at 9.00 a.m.
2. Please provide your ORIGINAL identity card (for Malaysian) or passport (for non-Malaysian) to the registration staff for verification. Photocopy of identity card or passport will not be accepted.
3. No person will be allowed to register on behalf of another person even with the original identity card or passport of that other person.
4. You will be given a wristband upon registration. The wristband must be worn throughout the AGM. There will be no replacement in the event that you lose or misplace the wristband. No person(s) will be allowed to enter the Ballroom without the wristband.

### B. DOOR GIFT

1. As a token of appreciation to the shareholders of I-Berhad, the Company will distribute door gift to the shareholders attending the AGM.
2. Please refer to the following guide for the redemption of the door gift:-

#### **Before the AGM**

*(For non-subscribers only. If you are already an i-City SuperApp user, you may skip this step).*

- (i) Scan to download i-City SuperApp

Download i-City SuperApp by scanning QR code below:-

**iOS**



**Android**



**Huawei**



## ADMINISTRATIVE GUIDE FOR THE 57<sup>TH</sup> ANNUAL GENERAL MEETING (“57<sup>TH</sup> AGM”) (Cont'd)

- (ii) Sign up / Register as i-City SuperApp user
  - (a) Click on “Sign up”
  - (b) Fill up e-mail and name, click “Next”
  - (c) Enter mobile no. and click “SMS me OTP”
  - (d) Enter OTP and click “Verify my mobile”
  - (e) Set your 6-digit PIN and click “Sign up My Account”
  - (f) Successful sign up. Click “OK”

### **During the AGM**

- (i) Upon provision of the wristband at the registration counter, kindly proceed to the door gift redemption counter.
- (ii) Please log in to your i-City SuperApp.
- (iii) Please scan the QR code provided at the door gift redemption counter using the “Scan” function in your i-City SuperApp. To ensure that you have successfully redeemed the door gift, please click “Theme Park”, then click “My e-Tix”, and you will find the door gift.

### **C. ELIGIBILITY TO ATTEND BASED ON THE RECORD OF DEPOSITORS**

Only a shareholder whose name appears on the Record of Depositors as at 19 June 2024 shall be entitled to attend or appoint proxy(ies) to attend and/or vote on his/her behalf.

### **D. PRE-REGISTRATION PROCEDURE**

Members/proxies/corporate representatives/attorneys who wish to attend and vote at the 57<sup>th</sup> AGM are to follow the procedure as summarised below:

Procedure	Action
<b>BEFORE THE 57<sup>TH</sup> AGM DAY</b>	
(a) Register as a User with TIIH Online	<ul style="list-style-type: none"> <li>• Using your computer, access the website at <a href="https://tiih.online">https://tiih.online</a>. Register as a user under the “e-Services” by selecting “<b>Create Account by Individual Holder</b>”. Refer to the tutorial guide posted on the homepage for assistance.</li> <li>• Registration as a user will be approved within one (1) working day and you will be notified via e-mail.</li> <li>• If you are already a user with TIIH Online, you are not required to register again. You will receive an <b>e-mail to notify</b> you that the Pre-Registration for I-Berhad 57<sup>th</sup> AGM is available for registration at TIIH Online.</li> </ul>
(b) PRE-REGISTRATION to attend AGM	<ul style="list-style-type: none"> <li>• <b>Registration is open from 10.00 a.m. Tuesday, 30 April 2024 up to 10.00 a.m. Monday, 24 June 2024.</b></li> <li>• Login with your user ID and password and select the corporate event: “<b>(REGISTRATION) I-BERHAD 57<sup>TH</sup> AGM</b>”.</li> <li>• Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>• Insert the CDS account number and indicate the number of shares.</li> <li>• Submit to register your physical attendance.</li> <li>• System will send an <b>e-mail to notify</b> you that your registration to attend the AGM physically is received and will be verified.</li> <li>• After verification of your registration against the General Meeting Record of Depositors as at <b>19 June 2024</b>, the system will send you an <b>e-mail on 24 June 2024 to approve or reject</b> your registration for pre-registration to attend the 57<sup>th</sup> AGM.</li> </ul>



## ADMINISTRATIVE GUIDE FOR THE 57<sup>TH</sup> ANNUAL GENERAL MEETING (“57<sup>TH</sup> AGM”) (Cont’d)

### E. APPOINTMENT OF PROXY

A shareholder who is unable to attend the 57<sup>th</sup> AGM on 26 June 2024 may appoint proxy and indicate the voting instructions in the form of proxy. Please deposit the form of proxy with the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

You may also submit the form of proxy electronically via TIIH Online website at <https://tiih.online>, not less than forty-eight (48) hours before the time appointed for holding the 57<sup>th</sup> AGM or any adjournment thereof, otherwise the form of proxy shall not be treated as valid. Please read and follow the procedures below to submit form of proxy electronically.

### F. ELECTRONIC LODGMENT OF FORM OF PROXY

The procedures to lodge your form of proxy electronically via Tricor’s TIIH Online website are summarised below:

Procedure	Action
<b>i. Steps for individual shareholders</b>	
Register as a User with TIIH Online	<ul style="list-style-type: none"> <li>• Using your computer, please access the website at <a href="https://tiih.online">https://tiih.online</a>. Register as a user under the “e-Services”. Please refer to the tutorial guide posted on the homepage for assistance.</li> <li>• If you are already a user with TIIH Online, you are not required to register again.</li> </ul>
Proceed with submission of form of proxy	<ul style="list-style-type: none"> <li>• After the release of the Notice of Meeting by the Company, login with your username (i.e. email address) and password.</li> <li>• Select the corporate event: <b>“I-BERHAD 57<sup>TH</sup> AGM - Submission of Proxy Form”</b>.</li> <li>• Read and agree to the Terms and Conditions and confirm the Declaration.</li> <li>• Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf.</li> <li>• Appoint your proxy/proxies and insert the required details of your proxy/proxies or appoint the Chairman as your proxy.</li> <li>• Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes.</li> <li>• Review and confirm your proxy(ies) appointment.</li> <li>• Print the form of proxy for your record.</li> </ul>
<b>ii. Steps for corporation or institutional shareholders</b>	
Register as a User with TIIH Online	<ul style="list-style-type: none"> <li>• Access TIIH Online at <a href="https://tiih.online">https://tiih.online</a>.</li> <li>• Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder should select <b>“Create Account by Representative of Corporate Holder”</b>.</li> <li>• Complete the registration form and upload the required documents.</li> <li>• Registration will be verified, and you will be notified by email within one (1) to two (2) working days.</li> <li>• Proceed to activate your account with the temporary password given in the email and re-set your own password.</li> </ul> <p><i>Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.</i></p>

## ADMINISTRATIVE GUIDE FOR THE 57<sup>TH</sup> ANNUAL GENERAL MEETING (“57TH AGM”) (Cont'd)

Proceed with submission of form of proxy	<ul style="list-style-type: none"> <li>• Login to TIIH Online at <a href="https://tiih.online">https://tiih.online</a>.</li> <li>• Select the corporate exercise name: <b>“I-BERHAD 57<sup>TH</sup> AGM - Submission of Proxy Form”</b>.</li> <li>• Agree to the Terms &amp; Conditions and Declaration.</li> <li>• Proceed to download the file format for “Submission of Form of Proxy” in accordance with the Guidance Note set therein.</li> <li>• Prepare the file for the appointment of proxies by inserting the required data.</li> <li>• Login to TIIH Online, select corporate exercise name: <b>“I-BERHAD 57<sup>TH</sup> AGM - Submission of Proxy Form”</b>.</li> <li>• Proceed to upload the duly completed proxy appointment file.</li> <li>• Select “Submit” to complete your submission.</li> <li>• Print the confirmation report of your submission for your record.</li> </ul>
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The last date and time for lodging the form of proxy is **Monday, 24 June 2024 at 10.00 a.m.**

### G. ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

<b>Tricor Investor &amp; Issuing House Services Sdn Bhd</b> Unit 32-01, Level 32, Tower A Vertical Business Suite, Avenue 3 Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia	General Line:	603-2783 9299
	Contact person:	
	Mr Ludwig Wong	603-2783 9244
	En. Harraz Iman	603-2783 9242
	Ms Vivien Khoh	603-2783 9250
Fax Number:	603-2783 9222	
Email:	is.enquiry@my.tricorglobal.com	

No. of Shares Held	CDS Account No.

## PROXY FORM

I/We \_\_\_\_\_

NRIC No./Passport No./Company No. \_\_\_\_\_ of \_\_\_\_\_

being a member of I-BERHAD hereby appoint \_\_\_\_\_

NRIC No./Passport No. \_\_\_\_\_ of \_\_\_\_\_

and/or \_\_\_\_\_

NRIC No./Passport No. \_\_\_\_\_ of \_\_\_\_\_

or failing \*him/her, THE CHAIRMAN OF THE MEETING as \*my/our proxy to vote for \*me/us on \*my/our behalf at the 57<sup>th</sup> Annual General Meeting of the Company to be held at the Ballroom, Level 2, DoubleTree by Hilton Shah Alam i-City, i-City Finance Avenue, 40000 Shah Alam, Selangor, Malaysia on Wednesday, 26 June 2024 at 10.00 a.m. or at any adjournment thereof and \*my/our \*proxy/proxies \*is/are to vote as indicated below:-

No.	Resolutions	For	Against
1.	Approval of a final single tier dividend of 0.20 sen per ordinary share for the financial year ended 31 December 2023.		
2.	Approval of Directors' fees totaling RM240,000 to the Non-Executive Chairman and Executive Director/Chief Executive Officer in respect of the financial year ended 31 December 2023.		
3.	Approval of monthly Directors' fees totaling RM240,000 to the Non-Executive Directors for the period from 27 June 2024 until the next Annual General Meeting in 2025.		
4.	Re-election of Y. Bhg. Dato' Eu Hong Chew as Director of the Company pursuant to Clause 96 of the Company's Constitution.		
5.	Re-election of Mr Gan Kim Khoon as Director of the Company pursuant to Clause 84 of the Company's Constitution.		
6.	Re-election of Mr Prem Kumar A/L Subramaniam as Director of the Company pursuant to Clause 84 of the Company's Constitution.		
7.	Re-appointment of Messrs. Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
8.	Proposed retention of Madam Goh Yeang Kheng as Independent Non-Executive Director.		
9.	Authority for the Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		

Please indicate with a cross ("X") in the spaces provided how you wish your vote to be cast. In the absence of specific directions, your proxy may vote or abstain from voting at his discretion.

Where a member appoints 2 proxies, please specify the proportions of the member's shareholdings to be represented by each proxy:-

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

\_\_\_\_\_  
Signature/Common Seal of Shareholder

**For appointment of two proxies, percentage of shareholdings to be represented by the proxies:**

	No of shares	Percentage
Proxy 1		%
Proxy 2		%
		100%

**Notes:**

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 June 2024 (General Meeting Record of Depositors) shall be entitled to attend and vote at this 57<sup>th</sup> AGM.
- A member entitled to attend, speak and vote at the general meeting is entitled to appoint any person as his proxy to attend, speak and vote in his stead.
- Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- The Proxy Form shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, under its common seal or the hand of an officer or attorney duly authorised.
- For a corporate member who has appointed a representative, please deposit the ORIGINAL certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:
  - If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.

**Notes: (Cont'd)**

- (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
  - (a) at least two (2) authorised officers, of whom one shall be a director; or
  - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- 8. Any authority pursuant to which such an appointment is made by power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., or alternatively, at its Customer Service Centre not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- 9. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company's Share Registrar not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
  - (i) In hard copy form  
In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., or alternatively, at its Customer Service Centre.
  - (ii) By electronic form  
The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tjih.online>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIIH Online.
- 10. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
- 11. Last date and time for lodging the proxy form is Monday, 24 June 2024 at 10.00 a.m.
- 12. Pursuant to Paragraph 8.29A (1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the members accept and agree to the personal data privacy terms set out in the Notice of Annual General Meeting dated 30 April 2024.

PLEASE FOLD HERE TO SEAL

AFFIX  
STAMP

**Share Registrar of I-Berhad**

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

PLEASE FOLD HERE TO SEAL

**I-Berhad**

[i-bhd.com](http://i-bhd.com)