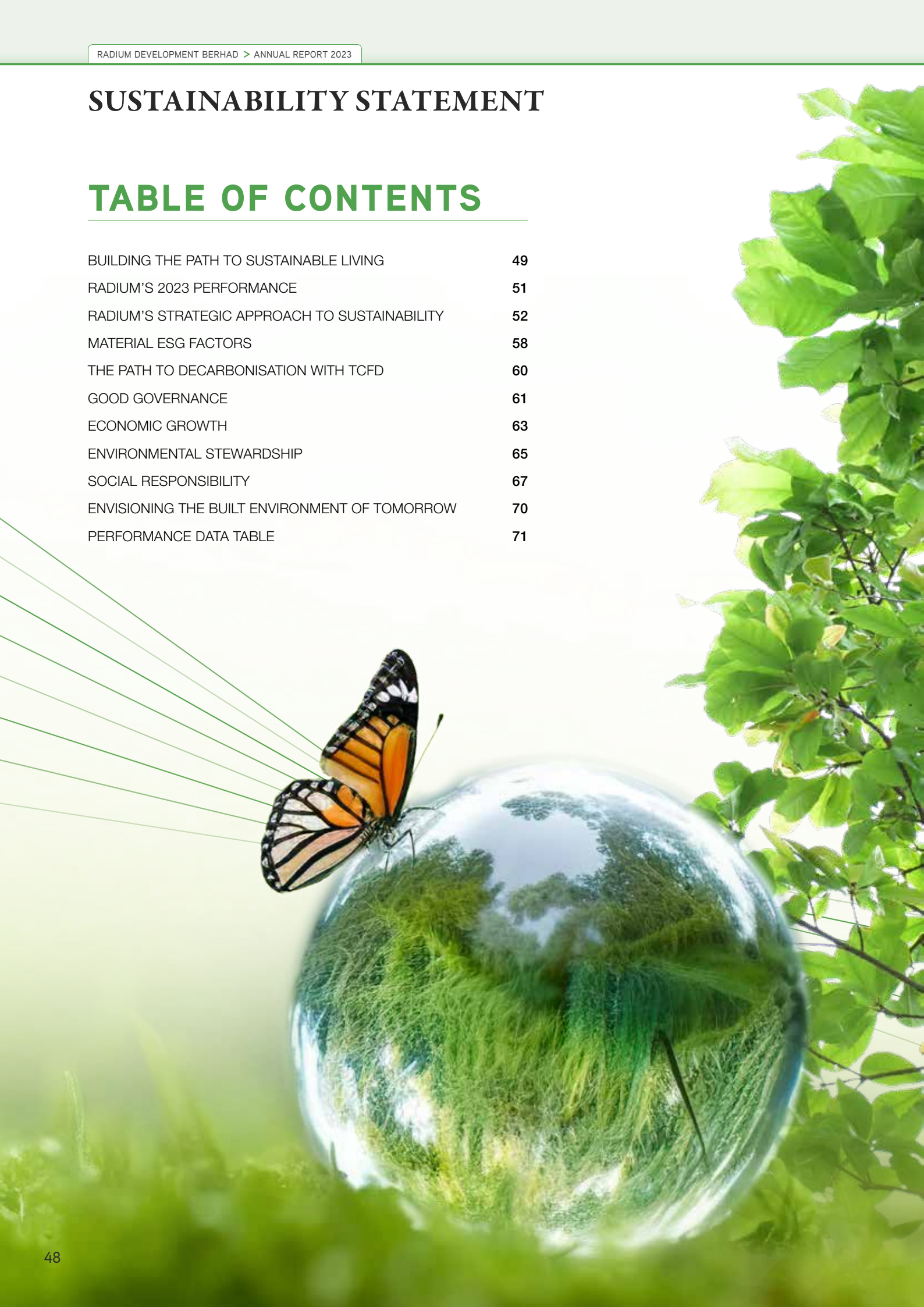


# SUSTAINABILITY STATEMENT

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# SUSTAINABILITY STATEMENT

## BUILDING THE PATH TO SUSTAINABLE LIVING

### A GLIMPSE INTO RADIUM AND THE STATEMENT

Specialising in the development of award-winning residential and commercial properties, Radium Development Berhad (“Radium” or “the Group”) is dedicated to the pursuit of excellence in our operations and sustainability endeavours. Our commitment is to build real estate that meets the highest standards and empowers the communities we serve.

Anchored by this and a steadfast vision of “Building Good”, Radium is pleased to present our inaugural sustainability statement for 2023. This statement articulates our approach to delivering excellence in our environmental, social, governance (“ESG”) and economic aspirations, to how we integrate sustainability considerations throughout our operations.

### SPOTLIGHT ON OUR SUSTAINABILITY MILESTONES

Radium achieved notable accomplishments in our sustainability journey following our public listing on the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market on 31 May 2023. Beyond the publication of this statement, we established an ESG framework to systematically assimilate sustainability action plans into our property development operations. Complementing this framework is our newly published Sustainability Policy that defines our principles, guiding the Group towards achieving our ESG aspirations.

One of the key highlights of Radium’s sustainability efforts is its partnership with MyCharge EV Sdn. Bhd., an electric vehicle (EV) charger service provider, to install EV chargers across its portfolio of properties. This strategic collaboration aims to provide Radium property owners and residents with convenient as well as accessible charging facilities while

reducing their carbon footprint. By supporting the adoption of EVs, Radium enhances the desirability of its properties among environmentally conscious customers while also positioning itself as a trailblazer in the industry.

Our commitment to green building initiatives is best exemplified by the successful recognition of provisional GreenRE certifications for two properties under our subsidiaries, with the Gold certification achieved by Suite Canselor (also known as R Suites Chancery Residences) and the Silver certification obtained by Radium Adesa @ Residensi Desa Timur (also known as Desa East Residences).

Collectively, these initiatives underscore Radium’s steadfast dedication to advancing sustainability across our business operations.



## 2023 AWARDS AND RECOGNITIONS

### SEBA AWARDS 2023

- Most Dynamic Nation Builder
- Most Enterprising Property Developer

### INTERNATIONAL PROPERTY AWARDS 2023

- Best Commercial High-Rise Development
  - R Suites Chancery Residences



# SUSTAINABILITY STATEMENT

## ESTABLISHING THE REPORTING SCOPE

Our statement covers our financial year from 1 January 2023 to 31 December 2023 (“FY2023”), unless otherwise stated. Data presented in this statement will include statistical data covering 3 years whenever available to establish meaningful trends and track comparative performances.



## REPORTING FRAMEWORKS THAT DEFINE OUR DISCLOSURES

Our statement was prepared with reference to the Main Market Listing Requirements published by Bursa Securities together with the Sustainability Reporting Guide (3<sup>rd</sup> Edition) and Illustrative Sustainability Reporting Guide. To align with international reporting standards, we referred to the Global Reporting Initiative (“GRI”) Standards and the United Nations Sustainable Development Goals (“UN SDGs or “SDGs”). This year, we implemented aspects of the Task Force on Climate-related Financial Disclosures (“TCFD”) Bursa Securities to offer decision-useful climate-related disclosures.



## DATA ASSURANCE

Radium involved the relevant business divisions and information holders in our internal data verification process to uphold the accuracy of all sustainability metrics published in this statement. We will continue to routinely assess our data collection and analysis procedures to enhance the quality of our disclosures to ensure accurate and verifiable reporting.

## ENGAGE WITH US

Our stakeholders’ expectations and feedback are vital to enhancing our sustainability performance and creating sustainable value. Please submit any questions or recommendations to improve our reporting process to the contact details as outlined below.

Corporate Affairs Department  
 Email: [enquiry@radiumdevelopment.com](mailto:enquiry@radiumdevelopment.com)

# SUSTAINABILITY STATEMENT

## RADIUM'S 2023 PERFORMANCE

### MARKING SUSTAINABILITY ACHIEVEMENTS

#### Good Governance

**100%**  
of operations were assessed for corruption related risks

**100%** of employees received anti-corruption training

**ZERO** cases of data breach incidents recorded

**40%** women representation across the Board\*

\*exceeded the 30% recommendation by the Malaysian Code on Corporate Governance (MCCG 2021)

#### Economic Growth

**100%** of procurement budget spent on local suppliers

**100%** contractors, consultants and construction-related suppliers received performance evaluation

**89%** average customer satisfaction survey rating

#### Environmental Stewardship

Recycled **0.05** tonnes of waste

Total electricity consumption reduced by **8.63%**

Began reporting on **Scope 2** GHG emissions

Employed **licenced** contractors to manage and dispose of all of our properties' waste in compliance with applicable regulatory requirements.

#### Social Responsibility

**ZERO** cases of harassment, discrimination & human rights violation

Invested a total of **RM 575,464.20** to the community

Recorded **ZERO** fatalities and injuries across the Group

Recorded a total of **922** training hours with an average of **10.13** hours per employee

# SUSTAINABILITY STATEMENT

## RADIUM'S STRATEGIC APPROACH TO SUSTAINABILITY

### A FRAMEWORK FOR ESG EXCELLENCE

To offer guidance in our sustainability endeavours throughout the Group, we developed a structured ESG Framework that properly illustrates our sustainability approach. Delineating our sustainability direction, the framework facilitates integration of ESG considerations into our governance, strategies, performances and initiatives.

In line with local and global sustainability agendas, Radium's ESG Framework is anchored in four sustainability pillars. These pillars, further reinforced in harmony with pertinent UN SDGs, empower us to adeptly address emerging risks and positively impact the communities we serve.

### Establish Radium as a Nation Builder and create opportunities for people from all walks of life to own property. Now and for future generations.

Our Vision and Mission	To specialise in building responsibly and responsively to the needs of people and the market by leveraging on original ideas, emergent technologies and collaboration.				
Our Sustainability Pillars	<p><b>Good Governance</b></p> <ul style="list-style-type: none"> <li>Corporate Governance and Anti-Corruption</li> <li>Data Privacy &amp; Security</li> <li>Risk Management</li> </ul>	<p><b>Economic Growth</b></p> <ul style="list-style-type: none"> <li>Economic Performance</li> <li>Supply Chain Management</li> </ul>	<p><b>Environmental Stewardship</b></p> <ul style="list-style-type: none"> <li>Energy Efficiency &amp; Climate Resilience</li> <li>Waste and Effluent Management</li> <li>Water Consumption</li> </ul>	<p><b>Social Responsibility</b></p> <ul style="list-style-type: none"> <li>Product Quality and Innovation</li> <li>Talent Management</li> <li>Occupational Health and Safety</li> <li>Labour Practices and Standards</li> <li>Diversity and Inclusion</li> <li>Community Enrichment</li> </ul>	
Our Contribution to the UN Sustainable Development Goals					
Our Strategic Stakeholders	<p>Shareholders/ Investors</p> <hr/> <p>Government and Regulatory Authorities</p>	<p>Employees</p> <hr/> <p>Customers</p>	<p>Suppliers/ Contractors</p> <hr/> <p>Media</p>	<p>Communities</p>	
Our Alignment with Relevant Frameworks and Standards					

# SUSTAINABILITY STATEMENT

## ALIGNING WITH THE GLOBAL AGENDA

For the reporting year, Radium adopted five (5) UN SDGs: SDG 3, SDG 8, SDG 12, SDG 13 and SDG 16. These goals resonant with our values, enabling us to make meaningful contributions.



### 3.9

Substantial reduction of the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

- Conduct routine risk assessments to identify potential hazards and risks through the Hazard Identification, Risk Assessment, and Risk Control (“HIRARC”) process.
- Ensure proper storage, handling, and disposal of hazardous chemicals.
- Educate construction teams on the safe use of chemicals and promote responsible chemical management.



### 8.5

Achieve full and productive employment and decent work for all women and men

### 8.8

Protection of labour rights and promotion of safe and secure working environments for all

- Comply with labour laws, uphold decent work standards, safe working conditions and social protection, to ensure the well-being of workers.
- Zero-tolerance towards any form of child labour, forced labour and indentured labour in our business operations.
- A total of 922 training hours recorded.
- Zero fatalities and injuries recorded across the Group.



### 12.5

Reduction of waste generation through prevention, reduction, recycling and reuse

- Waste from construction sites were managed and disposed of by licenced contractors in compliance with applicable regulatory requirements.
- 0.05 tonnes of waste from the corporate office were sent to a recycling centre.



### 13.1

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

### 13.2

Integration of climate change measures into national policies, strategies and planning

- Began reporting Scope 1 and Scope 2 GHG emissions.
- Implemented energy efficiency initiatives by replacing incandescent and compact fluorescent lamp (“CFL”) bulbs with energy-efficient LED lighting and installed inverter air conditioners with higher energy efficiency which consumes less energy.
- Utilising sustainable designs and infrastructure by obtaining provisional GreenRE certifications for properties.



### 16.5

Substantial reduction of corruption and bribery in all their forms

### 16.6

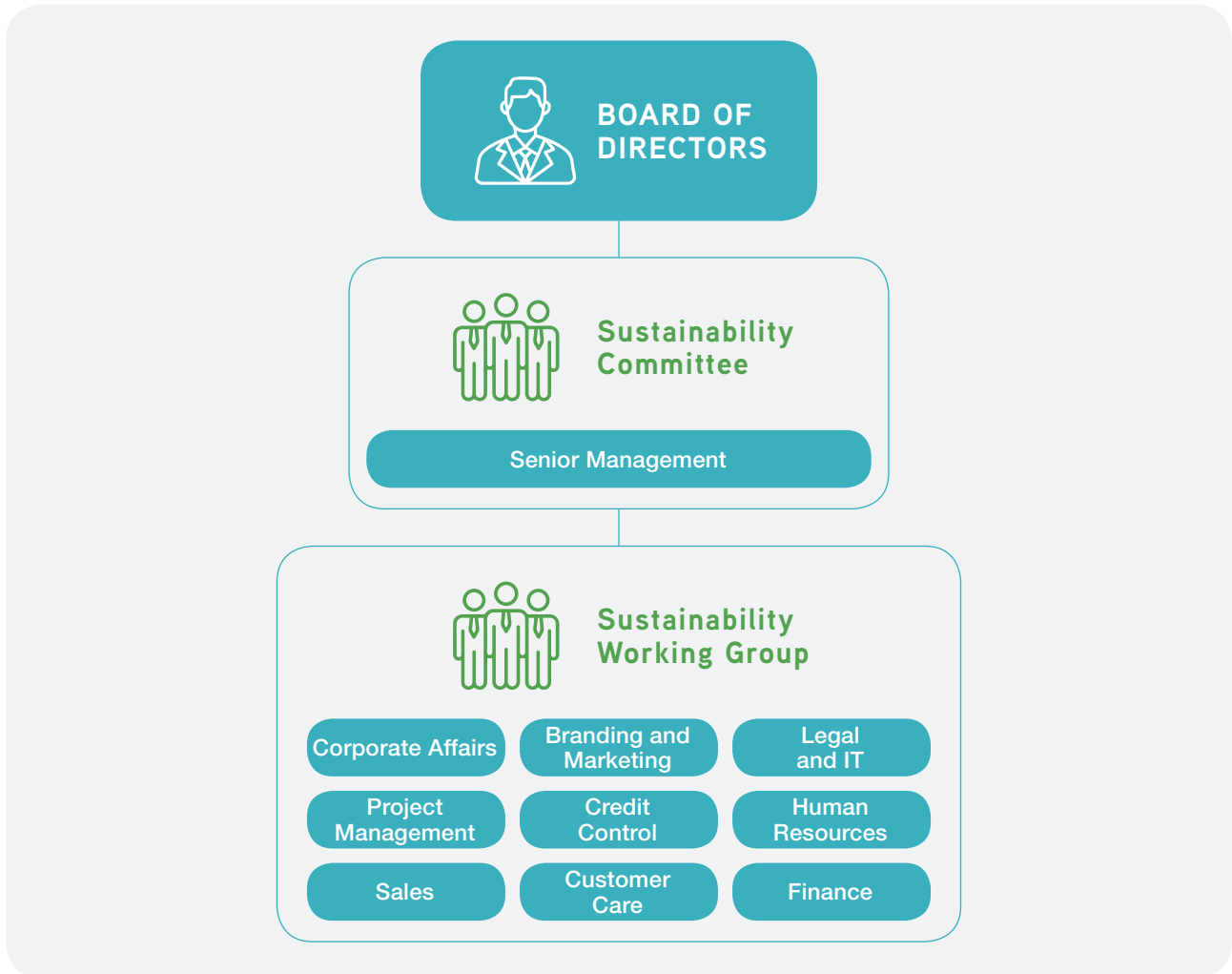
Development of effective, accountable and transparent institutions at all levels

- Zero reported cases of bribery and corruption.
- Established Code of Conduct and Ethics, Anti-Bribery and Corruption Policy, as well as Whistleblowing Policy.
- Review risks on a quarterly basis based on the Enterprise Risk Management (“ERM”) Framework.

# SUSTAINABILITY STATEMENT

## SUSTAINABLE GOVERNANCE AND LEADERSHIP

At Radium, we believe accountability and effective leadership are the two core tenets of good corporate governance. To cascade these values throughout the Group, we established a stable sustainability governance structure that establishes clear functions along with the specific roles and responsibilities of each tier.



Our structure is helmed by the Board of Directors (“the Board”), responsible for directing our sustainability direction and the integration of ESG considerations within the Group’s business strategies. Supporting the Board is the Sustainability Committee (“SC”) which oversees Radium’s sustainability-related strategies and policies. The Sustainability Working Group, in turn, implements sustainability strategies and initiatives into our daily operations, diligently monitoring their progress.

# SUSTAINABILITY STATEMENT

## RADIUM'S POLICY TO ENSURE SUSTAINABILITY

Radium established a Group Sustainability Policy ("the Policy") in FY2023 that outlines our fundamental sustainability values. It effectively incorporates sustainability principles into our everyday operations which is essential for our progress towards sustainable growth.



### Good Governance

At the Group, we ensure good governance by pursuing compliance, better business performance and sustainable value by way of the following:

- To ensure sustainability is an integral part of strategic planning;
- To regularly update sustainability strategies, policies and procedures and provide relevant training;
- To establish and continually improve appropriate governance structures and processes;
- To adopt high ethical values and uphold them across the Group through the Code of Conduct and employee training programmes;
- To assess the impacts and outcomes of sustainability; and
- To plan for long-term resources, including human and financial.



### Economic Growth

To increase our operational efficiency and provide consistent income distribution and capital growth for shareholders while fostering economic development of local communities, we initiated the following:

- To offer secure and consistent income distribution and capital appreciation for stakeholders;
- To provide adequate work, employment opportunities and venues for SMEs to expand their businesses;
- To maintain high customer satisfaction and provide quality housing and services for customers and residents of our properties; and
- To ensure responsible supply chain management by pre-evaluating all suppliers and contractors.



### Environmental Stewardship

We are committed to identifying, managing and minimising the environmental impact of our operations through the following initiatives:

- To reduce the consumption of non-renewable and non-recycled materials;
- To pursue and encourage the use of renewable resources;
- To minimise the level of pollutants entering the air and water from daily business operations;
- To comply with environmental regulatory and legal requirements; and
- To create an ever-increasing awareness of this Policy within the Group and stakeholders.



### Social Responsibility

To safeguard our employees and the communities surrounding our operations, protect our assets, ensure business continuity and create public trust, the Group incorporates the following initiatives:




- To maintain a safe and healthy workforce;
- To recruit and retain high potential and high performing employees;
- To use training and development as a strategic investment to shape sustainability governance and behavior within the Group;
- To enable employees to further develop their professional and personal skills;
- To promote racial harmony and prevent racial discrimination;
- To prevent sexual harassment and other forms of violence against women;
- To align our charitable giving with our activities;
- To respond in a professional and timely manner to public inquiries; and
- To continue to improve the public's perception and experience of the Group.



# SUSTAINABILITY STATEMENT





## BUILDING CONNECTIONS WITH STAKEHOLDERS

In keeping with our vision of “Building Good”, we place sustainability at the forefront of all our business operations and aspire to incorporate urban space solutions in our developments. For the optimal implementation of such solutions in alignment with our stakeholder needs, it is imperative to engage with them through diverse channels. Such an approach also allows us to glean invaluable insights into current marketplace trends, the operating environment, workplace growth and community development.

Stakeholder	Why They Are Important	How We Engage	Topics Raised	How We Respond	Frequency of Engagement
<b>Shareholders/ Investors</b> 	Shareholders and investors own shares and provide us with the capital needed to sustain our financial resilience.	<ul style="list-style-type: none"> <li>• Annual general meetings</li> <li>• Corporate website announcements</li> <li>• Annual Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Corporate governance</li> <li>• Business strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Provide regular financial reports</li> <li>• ESG strategy, performance and disclosures</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> </ul>
<b>Government &amp; Regulatory Authorities</b> 	Governance and regulatory authorities are vital to the Group, ensuring we comply with rules, maintain customer trust and contribute to the stability of financial markets. Their oversight is integral for our credibility and success.	<ul style="list-style-type: none"> <li>• Quarterly compliance report to the Board</li> <li>• Site reports</li> <li>• Compliance audits</li> <li>• Regular site inspection</li> <li>• Annual corporate governance meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance to regulations</li> <li>• Labour practices</li> <li>• Transparency and disclosures</li> </ul>	<ul style="list-style-type: none"> <li>• Adhere to local regulatory bodies</li> <li>• Timely submission/filing of regulatory reports</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• Annually</li> <li>• When needed</li> </ul>
<b>Employees</b> 	Employees are essential to us as they play a pivotal role in managing, maintaining, and enhancing, the properties, contributing to the overall operational efficiency and success of the operations.	<ul style="list-style-type: none"> <li>• Performance appraisal and career development plan</li> <li>• Townhall</li> <li>• Revision of salary package</li> <li>• Regular training programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Employee performance and development</li> <li>• Staff well-being</li> <li>• Employee benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Strict occupational safety and health procedures</li> <li>• Benefits review</li> <li>• Performance review</li> <li>• Provide relevant training and development opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly</li> <li>• Annually</li> </ul>

# SUSTAINABILITY STATEMENT

## BUILDING CONNECTIONS WITH STAKEHOLDERS (CONT'D)

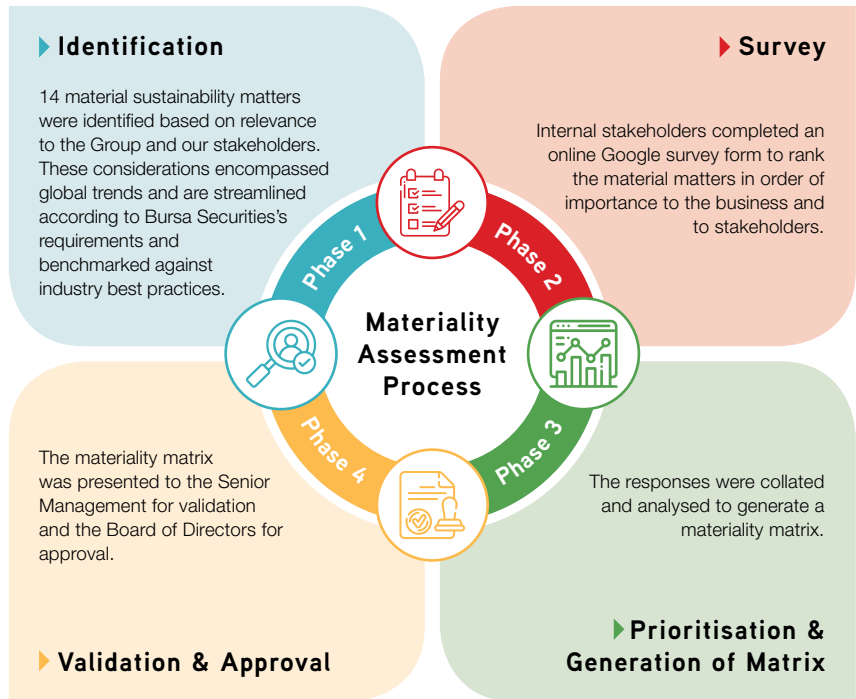
Stakeholder	Why They Are Important	How We Engage	Topics Raised	How We Respond	Frequency of Engagement
<b>Customers</b> 	Our customers and their feedback have an impact on the short-term and long-term sustainability of our business and operations.	<ul style="list-style-type: none"> <li>Complaint management</li> <li>Newsletter and website updates</li> <li>Feedback survey upon vacant possession</li> </ul>	<ul style="list-style-type: none"> <li>Safety and security</li> <li>Product quality</li> <li>Efficient complaint management</li> </ul>	<ul style="list-style-type: none"> <li>Establish a feedback and complaint mechanism to gather input from customers</li> <li>Provide maintenance support to tenants</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
<b>Contractors &amp; Suppliers</b> 	Contractors and suppliers play a crucial role as they contribute to the seamless functioning of property management, maintenance, and other essential services, ensuring the overall well-being and sustainability of the Group.	<ul style="list-style-type: none"> <li>Evaluation &amp; performance reviews</li> <li>Compliance to MACC Act</li> <li>Procurement policy</li> </ul>	<ul style="list-style-type: none"> <li>Transparent procurement practices</li> <li>Health, safety and environment (HSE) compliance</li> </ul>	<ul style="list-style-type: none"> <li>Establish and communicate clear and transparent procurement guidelines</li> <li>Implement a comprehensive Code of Conduct and Ethics that outlines the ethical standards expected from suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
<b>Media</b> 	Media plays an instrumental role in shaping public perception and opinion about our Group and are essential for amplifying our achievements and addressing challenges transparently to foster credibility and maintain public trust.	<ul style="list-style-type: none"> <li>Press releases</li> <li>Press conferences / media events</li> <li>Networking events</li> </ul>	<ul style="list-style-type: none"> <li>Company achievements</li> <li>Crisis management</li> <li>Upcoming events</li> </ul>	<ul style="list-style-type: none"> <li>Press releases when needed</li> <li>Social media engagement</li> <li>Issuing statements when needed</li> </ul>	<ul style="list-style-type: none"> <li>When needed</li> </ul>
<b>Communities</b> 	Strong community participation is essential to our overall Group acceptance and continuity of operations.	<ul style="list-style-type: none"> <li>Voluntary works / charitable contributions</li> <li>Annual financial and sustainability reporting</li> </ul>	<ul style="list-style-type: none"> <li>Social contributions</li> <li>Monetary contributions</li> </ul>	<ul style="list-style-type: none"> <li>Implements CSR programmes that address community needs</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>

# SUSTAINABILITY STATEMENT

## MATERIAL ESG FACTORS

### DETERMINING RADIUM'S FOCUS WITH THE MATERIALITY ASSESSMENT PROCESS

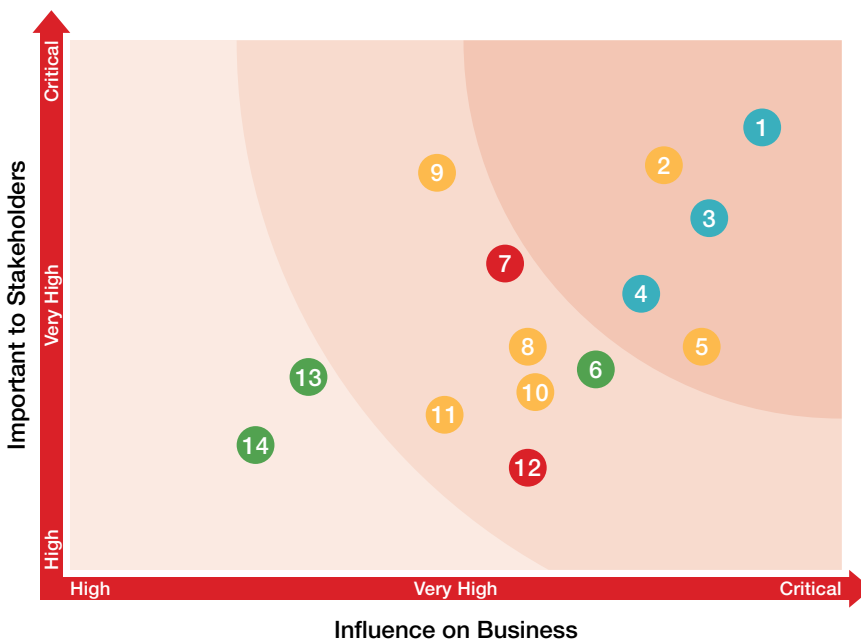
Guided by Bursa Securities's Sustainability Reporting Guide (3rd edition), we selected material sustainability matters most pertinent to our core business activities and stakeholders' expectations. We aim to conduct our four-step materiality assessment process on an annual basis, and evaluate the significance of our primary material sustainability topics for both internal and external stakeholders.



### THE OUTCOME – MATERIALITY MATRIX

After collating the necessary data using the assessment, we determined fourteen (14) material matters of significance. They are mapped on a matrix to clearly illustrate the importance of individual matters to our business operations and our stakeholders, with those plotted in the top right segment highlighting those of the highest priority.

According to the materiality matrix, the first 5 material matters of importance are **Corporate Governance and Anti-Corruption, Product Quality and Design Innovation, Data Security and Privacy, Risk Management** and **Talent Management**.



#### Sustainability Governance

- 1 Corporate Governance & Anti-Corruption
- 3 Data Security & Privacy
- 4 Risk Management

#### Economic Growth

- 7 Economic Performance
- 12 Supply Chain Management

#### Environmental Sustainability

- 6 Energy Efficiency & Climate Resilience
- 13 Waste and Effluent Management
- 14 Water Consumption






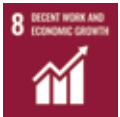







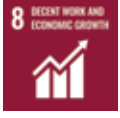
#### Social Sustainability

- 2 Product Quality and Design Innovation
- 5 Talent Management
- 8 Occupational Health and Safety
- 9 Labour Practices and Standards
- 10 Diversity and Inclusion
- 11 Community Enrichment

# SUSTAINABILITY STATEMENT

## MAPPING THE MATERIAL MATTERS

Our material sustainability matters are closely integrated with our ESG objectives. The table shows how our pillars, important stakeholder groups and the pertinent UN SDGs are interconnected to each other.

ESG Pillars	Commitment Statement	Material Matters	Stakeholders	Corresponding SDGs
 <p><b>Good Governance</b></p>	Conducting our business with a high standard of corporate governance and company values, which emphasises managing all relationships with fairness, decency and good citizenship.	Corporate Governance and Anti-Corruption		
		Data Privacy and Cybersecurity		
		Risk Management		
 <p><b>Economic Growth</b></p>	Our commitment to enhancing economic stability revolves around optimising economic performance and driving property innovation, ensuring a prosperous future that harmonises financial growth with ground-breaking sustainable solutions.	Economic Performance		
		Supply Chain Management		
 <p><b>Environmental Stewardship</b></p>	Minimising our environmental impact and carbon emissions by effectively managing energy, waste and water consumption.	Energy Efficiency and Climate Resilience		 
		Waste and Effluent Management		
		Water Consumption		
 <p><b>Social Responsibility</b></p>	Fostering a culture of mutual respect and security, an inclusive and diverse work environment, an array of professional development opportunities, safe working conditions and fair hiring and labour standards.	Product Quality and Innovation		 
		Talent Management		
		Occupational Health and Safety		
		Labour Practices and Standards		
		Diversity and Inclusion		
		Community Enrichment		

# SUSTAINABILITY STATEMENT

## THE PATH TO DECARBONISATION WITH TCFD

We recognise the importance of disclosing climate-related risks and opportunities to offer stakeholders deeper insights into our environmental impact and resilience strategies. Thus, Radium integrated the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) into our reporting framework. Covering crucial areas such as governance, strategy, risk management and metrics, we generate clear climate-related disclosures to encourage informed-decision making and facilitate prudent capital allocation.



### GOVERNANCE

The Board has oversight of climate-related risks and opportunities for our operations.

The Sustainability Committee (“SC”) bears responsibility for assisting the Board in assessing as well as the strategic management of climate-related risks and opportunities.



### STRATEGY

We conducted a materiality reassessment that provided the basis for our climate and sustainability strategies.

We are guided by our established Sustainability Policy in performing sustainable business operations together with our commitment to address climate-related risks.



### RISK MANAGEMENT

ESG risk considerations are integrated into our risk management framework where the Board is supported by our Audit and Risk Management Committee (“ARMC”) in managing risks in a systematic and consistent manner. Through our risk management processes, we identify and assess the main climate-related risks to which we are exposed.



### METRICS AND TARGETS

We identified two (2) material matters related to climate change which are Energy Management and Climate Resilience along with Waste Management. Based on the material matters, we disclosed our Scope 2 GHG emissions, and are aiming to assess our Scope 1 and Scope 3 GHG emissions next year.

## GOOD GOVERNANCE

Radium is committed to uphold sustainable business practices while stringently conducting our operations in accordance with legal and regulatory requirements. The Group's robust governance ensures that our business is performance with ethics and integrity.

- Corporate Governance and Anti-Corruption
- Data Privacy and Security
- Risk Management



# SUSTAINABILITY STATEMENT

## CORPORATE GOVERNANCE AND ANTI-CORRUPTION

In FY2023, Radium documented a 100% employee participation rate in anti-corruption training initiatives, highlighting broad engagement and heightened awareness. In our vigilance to preserve ethical business conduct, we also undergo a Quarterly Enterprise Risk Management Process carried out in an internal audit. We assess departments with high corruption risk possibility, ensuring that their respective staff along with their management team undergo refresher Anti-Bribery and Corruption (“ABC”) Training. They will also be assessed for their familiarity with Radium’s ABC Policy. By taking these anticipative measures, we are pleased to report zero cases of corruption across all our operations in FY2023.

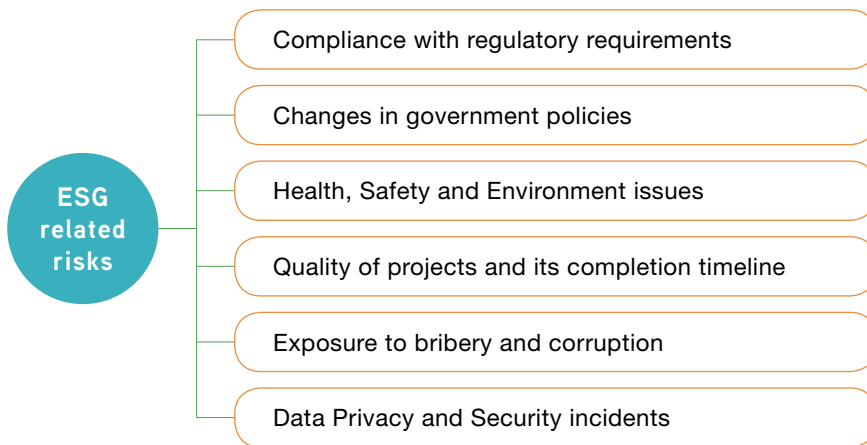
## DATA PRIVACY AND SECURITY

We are pleased to announce that for this financial year, there have been no instances of data breaches or loss of customer data. This accomplishment serves as a testament to the effectiveness of our cybersecurity protocols and the measures we implemented to uphold data privacy.

## RISK MANAGEMENT

Utilising Board-approved risk parameters, the Group identified several ESG-related risks that are documented within a risk register by category, factors, description, as well as the management’s action plans to mitigate said risks.

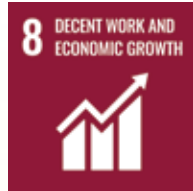
These ESG related risks include:



## ECONOMIC GROWTH

Radium aims to be a model of sustainable stewardship in economic growth. Our diverse economic performance includes robust development, financial stability, dedication to responsible development and ensuring an efficient supply chain management system.

- Economic Performance
- Supply Chain Management





# SUSTAINABILITY STATEMENT

## ECONOMIC PERFORMANCE

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Long-term financial success and investment returns are increasingly contingent on our performance in ESG matters. By evaluating Radium's progress towards economic sustainability, we can provide our stakeholders with an overview of our financial development and illustrate the positive effects of ethical business practices on our operations. As a result, our stakeholders have a deeper understanding of our financial prudence and responsible conduct.

The expansion of our business often demands significant financial investments. Robust revenue generation supplies the financial means required for our Group's growth and also serves as a favourable indicator of our operational expansion. In FY2023, we generated RM128,261,000 and retained RM29,665,000 of our economic value.

## SUPPLY CHAIN MANAGEMENT

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Evaluating our suppliers is an essential element of showcasing our dedication to ethical supply chain management. To this end, we meticulously assess and select our suppliers with consideration to their qualifications and expertise. In doing so, Radium has demonstrated outstanding performance from FY2021 to FY2023 by maintaining a commendable record of sourcing 100% from local suppliers.



## ENVIRONMENTAL STEWARDSHIP

Radium is dedicated to sustainable development, integrating sustainable investment practices into our operations. Recognising the profound impact of the surrounding environment on shaping a sustainable future, we actively explore methods to minimise energy and water consumption while also implementing strategies to reduce waste generation.

- Energy Management and Climate Resilience
- Water Consumption
- Waste and Effluent Management



## SUSTAINABILITY STATEMENT

Radium is dedicated to sustainable development, integrating sustainable investment practices into our operations. Recognising the profound impact of the surrounding environment on shaping a sustainable future, we actively explore methods to minimise energy and water consumption while also implementing strategies to reduce waste generation.

### ENERGY MANAGEMENT AND CLIMATE RESILIENCE

As a testament of our eco-friendly construction practices, we are delighted to announce that several of our properties achieved provisional GreenRE certification. GreenRE, administered by Malaysia's Leading Green Building Certification Body, is a recognition awarded to buildings that exhibit exceptional environmental and sustainability performance.

Idaman Sejiwa (Ampang) Sdn. Bhd. recently achieved provisional Gold certification for the impressive Suite Canselor project (also known as R Suites Chancery Residences), while Fitrah Resources Sdn. Bhd.'s Radium Adesa @ Residensi Desa Timur (also known as Desa East Residences) secured a Silver certification, earning the Provisional GreenRE Certification in the Residential Category. We are continuing this positive momentum by applying for this certification for our upcoming projects including the ongoing Vista Sentul Residences.

In FY2023, Radium recorded a total electricity consumption of 244.604 MWh across the group, a reduction of 8.63% from FY2022 which amounted to 880.550 GJ of energy consumption. The Group's Scope 2 emissions stem from our utilisation of grid energy. We recorded a total of 185.410 tCO<sub>2</sub>e Scope 2 emissions this reporting year.

### WATER CONSUMPTION

Radium has undertaken a thorough assessment to identify water-related impacts associated with our operations. The assessment spans all facets of our projects, encompassing everything from construction and landscaping to the ongoing management of properties. By diligently working to mitigate these water-related impacts, Radium actively emphasises sustainable property development and environmental responsibility.

In FY2023, Radium recorded a total water consumption of 4,510m<sup>3</sup> across the Group, an increase from the previous year. The rise is attributed to the set-up of sales galleries and project offices for new development projects (i.e., Radium Adesa and Vista Adesa), which brought about heightened operational activities and increased water usage.

### WASTE AND EFFLUENT MANAGEMENT

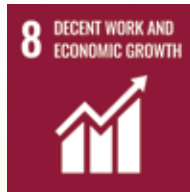
Radium has also taken the initiative to implement waste recycling programmes within our corporate office. This effort began with the organisation of an Environmental Protection Talk on January 2023 to raise staff awareness, followed by an educational visit to the Tzu Chi Centre in February 2023. Subsequently, we initiated the practice of collecting recyclable items such as water bottles, papers, along with thick cardboards, and arranged for their delivery every Tuesday to the Tzu Chi Centre, which operates over 1,000 recycling points throughout Malaysia.

In FY2023, Radium began our recycling initiatives and recorded a total of 0.05 tonnes of recyclable waste generated in our corporate office.

## SOCIAL RESPONSIBILITY

As a distinguished Group, we embrace a broader responsibility to society, developing a meaningful social responsibility strategy that extends beyond conventional financial achievements. Radium works to foster a lasting social impact through our property developments, “Building Good” for our tenants, workforce, and the communities we serve.

- Product Quality and Design Innovation
- Labour Practices and Standards
- Occupational Health and Safety
- Diversity and Inclusion
- Talent Management
- Community Enrichment



# SUSTAINABILITY STATEMENT

## PRODUCT QUALITY AND DESIGN INNOVATION

In FY2023, the Group introduced a four-stage quality assessment process to ensure each of our construction projects undergoes evaluation for top-tier product quality.

In a notable achievement, Radium secured Provisional GreenRE Certificates for two of our prestigious property projects, Suite Canselor (also known as R Suites Chancery Residences) and Radium Adesa @ Residensi Desa Timur (also known as Desa East Residences), in recognition of their commendable performance across various key metrics. These metrics encompass energy and water efficiency, waste management, operations, management and indoor environment quality.

### Customer Satisfaction

Radium demonstrated an exceptional level of customer satisfaction, evidenced through the results of a recent survey where we received a total of 280 responses. The survey encompassed various criteria, including sales and marketing, credit control department and customer service during vacant possession, with Radium achieving a 89% total score.

## LABOUR PRACTICES AND STANDARDS

We maintain zero-tolerance towards any form of child labour, forced labour and indentured labour in our business operations. Our Code of Conduct and Ethics which forms the basis of our equitable employment standards expressly prohibits discrimination based on individual differences in background, race or gender.

Additionally, the Group strictly abides by the Malaysian Employment Act of 1955 and the Employment Act (Amendment) 2022. We also implemented accessible complaint procedures and channels as outlined in the Employee Handbook. The handbook reiterates our uncompromising stance against any form of employee harassment and elaborates on various types of harassment to raise awareness and prevent ambiguity. Due to our concentrated efforts, we recorded zero complaints concerning human rights violations.

In FY2023, our team welcomed 21 new employees. Across the years, we hired more women in comparison to men. We also observed a higher number of new hires falling within the 30-to-50-year age range.

Throughout FY2022 and FY2023, the rate of employee turnover has slightly increased. Notably, this year's turnover comprised a higher percentage of male employees and executive-level staff.

During FY2023, a total of five employees availed parental leave. All of them successfully returned to work and remained employed 12 months after resuming their duties.

# SUSTAINABILITY STATEMENT

## OCCUPATIONAL HEALTH AND SAFETY

Our Safety, Health, and Environment (“SHE”) Committee works to establish a secure workplace environment that prioritises employee well-being. To achieve this, Radium incorporated perspectives from both management and non-management employees to form a complete understanding of the SHE issues prevalent in our daily construction operations. This allows us to continually improve the standards and scope of our safety protocols, promoting a holistic approach to safety.

In FY2023, we recorded a total of 176,176 working hours with zero lost time injury rate (“LTIR”) and fatality.

Maintaining a strict position on Occupational Safety and Health (“OSH”) is fundamental for Radium’s ongoing OSH implementation, improvement and performance within our property development operations. To reinforce stringent adherence to best safety practices, we provide OSH training to our employees, arming them with the knowledge to recognise potential hazards. This heightened OSH awareness empowers them to propose safety improvements, thereby encouraging ongoing workplace safety enhancements. In FY2023, 67 employees attended training on health and safety standards.

## DIVERSITY AND INCLUSION

Radium believes that embracing diversity strengthens the organisation, contributing to the overall success and sustainability of the business. As such, we actively promote equal opportunities for all employees, irrespective of race, gender, age, sexual orientation, or any other characteristic. Through ongoing training, awareness programmes and inclusive policies, Radium cultivates a workplace where each individual feels valued, respected and empowered to contribute their best.

In the current year, Radium achieved a balanced gender representation in our workforce, with a slight increase in the number of women compared to the previous year. This increase can be observed in the Non-Executives positions which recorded a higher percentage.



**Achieved the recommended 30% female representation in the Board of Directors as per the Malaysian Code on Corporate Governance 2021 at 40%**

# SUSTAINABILITY STATEMENT

## TALENT MANAGEMENT

Our Human Resources Department diligently conducts an annual performance review at the conclusion of each fiscal year to evaluate employee progress, providing insights into their skills, achievements and growth throughout their tenure at Radium.

Beyond financial compensation, an effective employee benefits package is designed to elevate employees' health and financial stability, their quality of life and productivity. Such a benefits programme appeals to potential talent and contributes significantly to employee retention. Therefore, Radium provides a robust range of offerings for the physical and financial welfare of our workforce.

### Training Hours

#### Average Training Hours by Employee Category (hours)

Employee Category	FY2022	FY2023
Senior Management	13.15	22.88
Management	9.00	17.88
Executives	6.93	4.91
Non- Executives	5.00	2.30

## COMMUNITY ENRICHMENT

Our focus on community enrichment extends beyond business, reflecting our ingrained sense of corporate social responsibility. Actively engaging in a diverse range of community enrichment initiatives, we lend support to local educational bodies, charities and environmental issues.

Radium participated in nine impactful CSR initiatives that directly benefited a total of 1,004 individuals. Our contributions also extended to providing monetary support which amounted to RM575,464.20 over the course of the year.

In FY2023, the Group actively participated in several CSR initiatives. For detailed reports on these CSR efforts and additional information, please visit Radium's corporate website at: <https://www.radiumdevelopment.com/corporate-social-responsibility/>

### ENVISIONING THE BUILT ENVIRONMENT OF TOMORROW

Radium's inaugural sustainability statement marks a significant milestone in the Group's commitment to ESG principles. From the adoption of energy-efficient technologies and sustainable building practices to inclusive community enrichment programmes, Radium has demonstrated a holistic approach to ESG values.

The Group's focus on sustainability measures and climate resilience further underlines our forward-thinking strategies. Integrating them into our operations aligns Radium with global sustainability goals, positively impacting the environment and society.

Throughout the reporting period, Radium actively places sustainability through these impactful measures. Using our current achievements as a benchmark, we aspire to pursue further successes that will contribute to shaping an equitable future.

# SUSTAINABILITY STATEMENT

## PERFORMANCE DATA TABLE from ESG Reporting Platform

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		
Senior Management	Percentage	100.00
Management	Percentage	100.00
Executive	Percentage	100.00
Non-Executive	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<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 (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	244.60
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	4.510000
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	23
Management	Hours	18
Executive	Hours	5
Non-Executive	Hours	2
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.00
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	2
Management	Number	3
Executive	Number	5
Non-Executive	Number	1
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<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	67



# SUSTAINABILITY STATEMENT

## PERFORMANCE DATA TABLE from ESG Reporting Platform (Cont'd)

Indicator	Measurement Unit	2023
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management (<30)	Percentage	0.00
Senior Management (30-50)	Percentage	77.00
Senior Management (>50)	Percentage	23.00
Management (<30)	Percentage	5.00
Management (30-50)	Percentage	71.00
Management (>50)	Percentage	24.00
Executive (<30)	Percentage	24.00
Executive (30-50)	Percentage	65.00
Executive (>50)	Percentage	11.00
Non-Executive (<30)	Percentage	50.00
Non-Executive (30-50)	Percentage	50.00
Non-Executive (>50)	Percentage	0.00
Gender Group by Employee Category		
Senior Management Male	Percentage	77.00
Senior Management Female	Percentage	23.00
Management Male	Percentage	62.00
Management Female	Percentage	38.00
Executive Male	Percentage	56.00
Executive Female	Percentage	44.00
Non-Executive Male	Percentage	25.00
Non-Executive Female	Percentage	75.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	60.00
Female	Percentage	40.00
<50	Percentage	40.00
>50	Percentage	60.00
<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	575,464.20
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1,004

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Radium Development Berhad (“Radium” or “the Company”) is pleased to present herewith its Corporate Governance Overview Statement (“CG Overview Statement”). This CG Overview Statement exhibits the governance framework of Radium and its subsidiaries (“the Group”), showcase our commitment in conducting business responsibly while maintaining high standards of corporate governance in line with the three (3) Key Principles set out in the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”).

This CG Overview Statement has been prepared in accordance with the MCCG 2021, paragraph 15.25(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“MMLR”), Part 1 of Practice Note 9 by Bursa Securities, and the Corporate Governance Guide (4th Edition) of Bursa Securities.

This CG Overview Statement is supported and should be read in conjunction with the Corporate Governance Report 2023 (“CG Report 2023”), set out in the format prescribed by paragraph 15.25(2) of the MMLR, which is available on the Company’s website at [www.radiumdevelopment.com](http://www.radiumdevelopment.com) as well as on the website of Bursa Securities at [www.bursamalaysia.com](http://www.bursamalaysia.com). The CG Report 2023 provides further detailed account of Radium’s corporate governance processes and activities for the financial year ended 31 December 2023.

This CG Overview Statement is further supported by the other statements in this Annual Report, namely Audit and Risk Management Committee Report as well as the Statement on Risk Management and Internal Control.

## COMPLIANCE WITH THE MCCG 2021

In manifesting the Group’s commitment towards sound corporate governance, the Group has benchmarked its practices against the relevant promulgations as well as other best practices across the three (3) Key Principles set out in the MCCG 2021 during the financial year under review. This CG Overview Statement reports on how the Group has applied the following Key Principles taking into consideration of the Group’s structure, business environment and industry practices:-

**Principle A:** Board Leadership and Effectiveness;

**Principle B:** Effective Audit and Risk Management; and

**Principle C:** Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

An overview of the Group application are as below:-

MCCG 2021	Total	Applied	Departure	Not Applicable
Recommended Practices	43	40	2	1

MCCG 2021	Total	Adopted	Not Adopted
Step-Up Practices	5	4	1

Generally, the Group has conscientiously applied all the recommended practices encapsulated in the MCCG 2021 for the financial year under review and up to the date of this CG Overview Statement except for the following two (2) recommended practices which the Group has departed from:-

- Practice 4.4 : Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.
- Practice 8.2 : The board discloses on a named basis the top five senior management’s remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### COMPLIANCE WITH THE MCCG 2021 (CONT'D)

On the other hand, Practice 12.2 which encouraged large companies to adopt integrated reporting based on a globally recognised framework is not applicable for Radium, as the Company is not a large company as per the definition under the MCCG 2021. The explanations for the aforementioned departures are elaborated further in the appropriate sections hereinbelow.

Conversely, the Board has adopted four (4) out of five (5) Step-Up Practices as advocated by the MCCG 2021, as follows:-

- Step-Up Practice 4.5 : The Board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.
- Step-Up Practice 5.4 : The Board has a policy which limits the tenure of its independent directors to nine years without further extension.
- Step-Up Practice 9.4 : The Audit Committee should comprise solely of Independent Directors.
- Step-Up Practice 10.3 : The Board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Step-Up Practice 8.3 encouraged the Company to fully disclose the detailed remuneration of each member of senior management on a named basis. However, given the confidential and commercial sensitivities associated with remuneration matters and the importance of ensuring stability and continuity of business operations with a competent and experienced management team in place, the Board takes the view that there is no necessity for the Group to disclose the names of the Company's senior management personnel who are not Directors and their specific remuneration.

The Board is mindful on the need for transparency in the disclosure of its senior management remuneration. Nonetheless, it is of the view that such disclosure could be detrimental to its business interests given the highly competitive human resource environment in which the Group operates as this will facilitate opportunity for competitors to pinch the Group's top senior management. As such, disclosure of specific remuneration information could give rise to recruitment and talent retention issues going forward.

Nevertheless, Step-Up Practices are aspirational practices to facilitate companies in achieving greater height of excellence in corporate governance. Accordingly, the adoption of Step-Up Practices is voluntary and in the enlightened self-interest of the Group.

### PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

#### Roles and Responsibilities of the Board

The Board is collectively responsible for the proper stewardship and overall performance of the Group's businesses, long-term success of the Group and the delivery of sustainable value to all its stakeholders. The Board leads the Group and plays a strategic role in formulating, recommending and implementing the Group's corporate objectives in accordance with its direction both mid and long-term goals. To this end, the Board sets goals, policies and targets within a framework of effective governance which reduce risks, and enable steady growth. Apart from this, the Board also ensures the necessary resources and capabilities are in place to deliver its strategic aims and objectives.

The Group is led by an effective and experienced Board with the right mix of skills and balances to contribute to the achievement of the Group's objectives. The Directors collectively, with their different backgrounds and specialisation, bring with them a diverse wealth of experience and expertise in areas such as business, finance and accounting, legal, governance, property development, marketing and operations which are relevant to the Group.

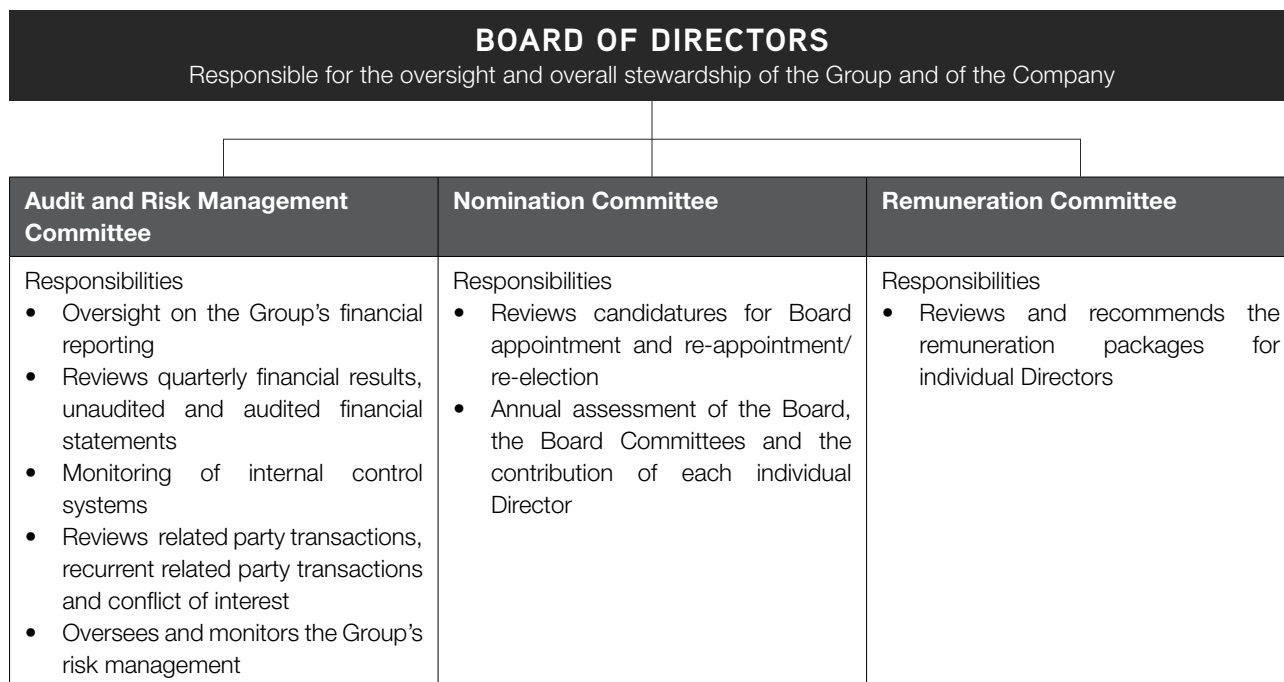
# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### Roles and Responsibilities of the Board (Cont'd)

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

The Board had appropriately delegated specific tasks to three (3) Board Committees, namely, the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). The Board retains collective oversight over the Board Committees. Notwithstanding the delegation of specific powers, the Board retains full responsibility for the strategic initiatives, direction and control of the Company and the Group. The ultimate responsibility for decision-making on all matters lies with the Board.



Each Committee operates within clearly defined terms of reference ("TOR"), which sets out the matters relevant to the functions, responsibilities and authorities of these committees. The TORs can be found on the Company's website at <https://www.radiumdevelopment.com/ir-corporate-governance/>.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### Roles of the Chairman and Group Managing Director

The roles of the Chairman and Group Managing Director remain separate and distinct. This facilitates a clear segregation of roles and responsibilities and creates a balance of power and authority as promulgated in the Board Charter and in line with the MCCG 2021. The Chairman, who is an Independent Non-Executive Director, plays an important leadership role within the Group and is responsible to:-

- providing leadership to the Board, and oversee the Board in the effective discharge of its fiduciary duties;
- leading the Board in the adoption and implementation of good corporate governance practices in the Company;
- setting the Board agenda and ensuring the Board members receive complete and accurate information in a timely manner;
- leading discussions at meetings and ensure efficient and effective conduct of the Board meetings;
- encouraging active participation and allowing dissenting views to be freely expressed;
- promoting constructive and respectful relations between Board members and manage the interface between the Board and Management;
- facilitating effective communication between the Board and the stakeholders and that their views are communicated to the Board as a whole; and
- committing his time and efforts as may be necessary to discharge effectively his role as Chairman.

The Group Managing Director together with the Executive Directors have overall responsibilities on the management of the Group's businesses, implementation of policies and day-to-day running of the businesses. The Group Managing Director provides executive leadership and is accountable to the Board for implementation of strategies, objectives and decision of the Board within the framework of delegated authorities, values and policies.

### The Group's Company Secretaries

The Company Secretaries report directly to the Board. They play a supportive role by ensuring adherence to the Company's Constitution and procedures, advise on relevant corporate governance matters, sustainability issues and compliance with the relevant regulatory requirements, MMLR, MCCG 2021, Companies Act 2016, codes or guidance and any other legislations enacted from time to time. The Board is supported by qualified Company Secretaries who are members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"). The Board has unrestricted access to the services of the Company Secretaries.

The Company Secretaries ensure that all Board and Board Committee meetings are properly convened and that accurate and proper records of the deliberations, proceedings and resolutions passed are recorded and statutory registers are properly maintained at the registered office of the Company. The Board is kept regularly informed about the latest developments concerning the Companies Act 2016, MMLR, directives, and circulars from Bursa Securities and other legal and regulatory developments.

### Board Composition

During the financial year under review and up to the date of this CG Overview Statement, the Board continues to be led and managed by Board members who possess a balance of skills, professional expertise, qualification, knowledge and vast business experience.

As of the date of this CG Overview Statement, the Board has ten (10) members, of whom five (5) are Independent Directors. The Board is chaired by an Independent Non-Executive Director and supported by nine (9) Directors. On an overall basis, four (4) are Executive Directors whilst another one (1) is a Non-Independent Non-Executive Director and the remainder five (5) are Independent Non-Executive Directors. The NC followed by the Board, appraises the Board members (individually and collectively) and reviews the composition of the Board members at least once annually to ensure that the current composition of the Board functions competently. The presence of the Independent Non-Executive Directors ensures that independent views and objectivity are brought into the Board's deliberation and decision-making processes.

The profile of each of the Directors is set out in the Profile of Board of Directors section of this Annual Report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### Board Charter and Terms of Reference of the Board Committees

The Group has in place a Board Charter and TOR of the Board Committees that set out, among others, the duties, responsibilities, authorities, operations, procedures, governance, evaluations and structures of the Board and Board Committees, as well as the relationship between the Board with its Management and Shareholders. Further information on the Board Charter and TOR of the Board Committees can be found on the Company's website at <https://www.radiumdevelopment.com/ir-corporate-governance/>.

### Code of Conduct and Ethics

The Group has in place a Code of Conduct which sets out the principles and provides guidance to stakeholders on ethical behaviours that stakeholders would expect from the Group, responsibilities, implementation of a communication channel and procedures to provide employees with a mechanism to monitor the compliance with the Code of Conduct and Ethics. The Code of Conduct and Ethics includes details such as policies and procedures for managing conflicts of interest as well as preventing corruption, insider trading and money laundering. The Board will periodically review the Code of Conduct and Ethics to ensure it remains relevant and appropriate.

### Anti-Bribery and Anti-Corruption Policies

The Group is committed to conduct its business ethically and in compliance with all applicable laws and regulations in the countries where it does business. These laws include but are not limited to the Malaysian Penal Code 1936 (and its amendments), the Malaysian Anti-Corruption Commission ("MACC"), the Companies Act 2016, and the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001. The policy will be reviewed from time to time to ensure its relevance.

### Whistleblowing Policy

The Group encourages its employees to raise genuine concerns about suspected or possible violations of the Group's Code of Conduct, improprieties in matters of financial reporting, non-compliance with laws and regulations, non-compliances with the Group's policies and procedures and to disclose any improper conduct or other malpractices within the Group i.e., whistleblowing in an appropriate way.

### Time Commitment, Board Meetings and Directors' Training Programme

During the FYE2023, three (3) Board meetings were held where the Board deliberated upon and considered a variety of matters including the Group's quarterly operations and financial results, major investments and strategic decisions, sustainability initiatives, business plans and any other strategic issues that may affect the Group's businesses. In the intervals between Board meetings, approvals are obtained via circular resolutions for exceptional matters requiring urgent Board decision-making which are then supported with information necessary for informed decision-making.

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

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

The Board is satisfied with the level of time commitment given by Directors towards fulfilling their roles and responsibilities as Directors which is evidenced by their attendance at all Board meetings in FYE2023:

No	Name of Directors	Position	No. of Meeting Attended
1.	Tan Sri Mhd Amin Nordin bin Abd Aziz	Independent Non-Executive Chairman	3/3
2.	Datuk Gan Kah Siong	Group Managing Director	3/3
3.	Gan Tiong Kian	Executive Director	3/3
4.	Gan Kok Peng	Executive Director	3/3
5.	Chai Woon Hou	Executive Director	3/3
6.	Datuk Sydney Lim Tau Chin	Non-Independent Non-Executive Director	2/3
7.	Nor Zaemah binti Zainuddin	Independent Non-Executive Director	3/3
8.	Koay Lean Lee	Independent Non-Executive Director	3/3
9.	Nurazlin binti A. Samad	Independent Non-Executive Director	3/3
10.	Phang Sweet Lee	Independent Non-Executive Director	3/3

All the Directors have complied with the minimum attendance requirements as stipulated in the MMLR of Bursa Securities. None of the Directors of the Company hold more than five (5) directorships of listed companies as provided under paragraph 15.06 of the MMLR.

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

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

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

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

Directors	List of Training Attended	Date
Tan Sri Mhd Amin Nordin bin Abd Aziz	Decoding Transactions & RPT Rules; and Key Disclosure Obligations of a Listed Company	21-Aug-23
Datuk Gan Kah Siong	The 2023 Malaysian Housing and Property Summit	28-Feb-23
	Power Talk by ICDM - Generative AI – An Opportunity Or Risk	20-Jul-23
	Decoding Transactions & RPT Rules; and Key Disclosure Obligations of a Listed Company	21-Aug-23
	CEO Series 2023 by REDHA Institute	07-Dec-23
	Anti-bribery and Corruption Policy, Code of Conduct and Ethics, Privacy Policy, Whistleblowing Policy	Self-learning via LMS *
Gan Tiong Kian	The 2023 Malaysian Housing and Property Summit	28-Feb-23
	Power Talk by ICDM - Generative AI – An Opportunity Or Risk	20-Jul-23
	Anti-bribery and Corruption Policy, Code of Conduct and Ethics, Privacy Policy, Whistleblowing Policy	Self-learning via LMS *
Gan Kok Peng	The 2023 Malaysian Housing and Property Summit	28-Feb-23
	Power Talk by ICDM - Generative AI – An Opportunity Or Risk	20-Jul-23
	Anti-bribery and Corruption Policy, Code of Conduct and Ethics, Privacy Policy, Whistleblowing Policy	Self-learning via LMS *
Chai Woon Hou	Power Talk by ICDM - Sustainability Series – (Re)Building the Board for Innovation	28-Feb-23
	In house awareness of First Aid by St John Ambulans Malaysia	16-Mar-23
	Fundamentals of Corporate Finance by MIA	14-Jul-23
	Decoding Transactions & RPT Rules; and Key Disclosure Obligations of a Listed Company	21-Aug-23
	The Cooler Earth Sustainability Summit by CIMB	11 - 12 Sep 2023
		05-Oct-23
	Decoding Transactions & RPT Rules (Advanced Module)	01-Dec-23
	Launch of Bursa IR4U Programme	
Anti-bribery and Corruption Policy, Code of Conduct and Ethics, Privacy Policy, Whistleblowing Policy	Self-learning via LMS *	



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

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

Directors	List of Training Attended	Date
Datuk Sydney Lim Tau Chin	Power Talk by ICDM - Navigating ESG Data into Decisions	21-Mar-23
	Anti-bribery and Corruption Policy, Code of Conduct and Ethics, Privacy Policy, Whistleblowing Policy	Self-learning via LMS *
Nor Zaemah binti Zainuddin	Konvensyen Akauntan Nasional 3.0: Mendepani ESG: Kelestarian dan Cabaran	11-Jan-23
	Persidangan Cukai Kebangsaan 2022 & Seminar Bajet 2023	14 - 16 Mar 2023
	Decoding Transactions & RPT Rules; and Key Disclosure Obligations of a Listed Company	21-Aug-23
	Complimentary Event: Digital Transformation Programme for Small and Medium Practitioners (SMPs)	27-Sep-23
Koay Lean Lee	Decoding Transactions & RPT Rules; and Key Disclosure Obligations of a Listed Company	21-Aug-23
	Launch of Bursa IR4U Programme	01-Dec-23
Nurazlin binti A. Samad	Mandatory Accreditation Programme (MAP)	4 - 6 Apr 2023
	Decoding Transactions & RPT Rules; and Key Disclosure Obligations of a Listed Company	21-Aug-23
Phang Sweet Lee	Mandatory Accreditation Programme (MAP)	7 - 9 Feb 2023
	Decoding Transactions & RPT Rules; and Key Disclosure Obligations of a Listed Company	21-Aug-23

\* LMS is Learning Management System used by the Company for all employees, mainly for self-learning and tracking of training

#### Nomination Committee

The NC currently comprises exclusively of three (3) Non-Executive Directors and is chaired by Koay Lean Lee. The NC is responsible for nominating to the Board individuals as Directors and for assessing the Directors on an ongoing basis.

The NC operates within defined TOR which is available for reference on the Company's website at <https://www.radiumdevelopment.com/ir-corporate-governance/>. The TOR discloses the following in compliance with the MMLR of Bursa Securities:

- i) Board composition
- ii) Objectives of the Committee
- iii) Meetings and access to information
- iv) Authorities, duties and responsibilities

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### Nomination Committee (Cont'd)

In the process of selecting and evaluating candidates, the NC takes into consideration suitability for the role, Board balance and composition, mix of skills, experience, knowledge and other qualities as well as diversity in terms of gender, age and ethnic background. An assessment mechanism is in place to assess on an annual basis, the effectiveness of the Board as a whole and the Board Committees and the contribution of each individual Director. The annual assessment enables the Board to ensure that each of the Board members, including the Group Managing Director has the character, experience, integrity, competence and time to effectively discharge their respective roles.

The NC would meet at least once (1) annually with additional meetings convened as and when the need arises. During the financial year, one (1) NC meeting was held whereby the evaluation forms as well as procedures were considered and adopted. The NC chose to meet post-financial year to evaluate the performance of Directors for the immediate past financial year.

### Gender Diversity Policy

The Company embraces gender diversity for the Board and Senior Management and adheres to the practice of non-discrimination of any form, whether based on age, race, religion or gender, throughout the Group. The Group is committed to provide fair and equal opportunities to candidates with merit and nurturing diversity within the Group.

The Board believes that the presence of diverse ethnicities, age and gender can widen its perspectives and experience in effectively discharging its duties and responsibilities. While promoting diversity, the final decision on the appointment of Directors will be based on financial and technical expertise, knowledge, industry experience, and skill sets that will enhance the effectiveness of the Board.

In acknowledging the recommendation of MCCG 2021 on gender diversity, the Board has adopted a formal gender diversity policy in its Board Charter. There are currently four (4) female Directors on the Board.

### Board Evaluation and Assessment

The purpose of the Board Evaluation is to assess the processes by which the Board fulfils its responsibilities, including those provided by the MCCG 2021 and outlined by the Board Charter.

The Board, through the NC, performs an assessment of the effectiveness and performance of the Board, Board Committees and individual Directors, in order to verify that the Board is functioning appropriately as a whole. Each Director completed a detailed questionnaire in the Directors' Performance Evaluation which covered matters relevant to the Board performance, amongst others, contribution to interaction, quality of input, understanding of role and personal developments.

An evaluation of each Board Committee was done by assessing the structure, roles and responsibilities, performance of the respective Chairman, as well as Committee's performance against its TOR. The assessment was internally facilitated, whereby results of the assessments had been compiled, documented and reported to the Board accordingly, as part of the Company's ongoing corporate governance practices.

### Tenure of Independent Directors

The Board is mindful of the recommendation of the MCCG 2021 for the tenure of an Independent Non-Executive Directors not to exceed a cumulative or consecutive term of 9 years. The Board has adopted the policy of a 9-year tenure for the Independent Director in its Board Charter on 1 March 2023. Upon completion of 9 years, an Independent Director may continue to serve on the Board as a Non-Independent Director. The assessment of the independence of each of its Independent Non-Executive Director is undertaken by the NC annually according to set criteria as prescribed by the MMLR. As at to-date, none of the Independent Non-Executive Directors have served on the Board for a cumulative or consecutive term of 9 years.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### Tenure of Independent Directors (Cont'd)

As for the term limit for Independent Non-Executive Director, the Board has adopted Practice 5.3 of the MCGG 2021 to seek shareholders' approval in the event the Board desires to retain as an Independent Non-Executive Director, a person who has served in that capacity for more than 9 years. If the Board continues to retain the Independent Non-Executive Directors beyond 9 years, the Board will justify its decision and seek shareholders' approval annually through a two-tier voting process.

#### Remuneration

The RC currently is chaired by Datuk Sydney Lim Tau Chin, comprising exclusively of three (3) Non-Executive Directors.

The RC held one (1) meeting during the financial year to carry out its function and duties within its TOR. The details of the TOR of RC are available for reference on the Company's website at <https://www.radiumdevelopment.com/ir-corporate-governance/>.

The Group has adopted the Remuneration Policy for Directors and Senior Management that links the level of remuneration to the experience, expertise and level of responsibilities undertaken by the individuals and to structure the component parts of remuneration so as to link rewards to corporate and individual performance and ensure it is aligned with the business strategies and long-term objectives of the Group.

The RC reviews the remuneration of the Board and Senior Management from time to time with a view to ensuring the Company offers fair compensation and is able to attract and retain talent who can add value to the Company. Fees paid to Non-Executive Directors are tabled at the Company's AGM for approval. Individual Director is not allowed to participate in discussion of his/her own remuneration.

Details of the remuneration of Directors for the FYE2023 are provided in Practice 8.1 of the CG Report.

Given the confidential and commercial sensitivities associated with remuneration matters and the importance of ensuring stability and continuity of business operations with a competent and experienced management team in place, the Board takes the view that there is no necessity for the Group to disclose the remuneration of the Company's Senior Management personnel who are not Directors.

The Board is cognisant of MCGG 2021 on the need for transparency in the disclosure of its Senior Management remuneration. Nonetheless, it is of the view that such disclosure could be detrimental to its business interests given the highly competitive human resource environment in which the Group operates as this will facilitate opportunity for competitors to pinch the Group's top Senior Management. As such, disclosure of specific remuneration information could give rise to recruitment and talent retention issues going forward.

### PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

#### Audit and Risk Management

The ARMC of the Company currently comprises three (3) Independent Non-Executive Directors. The ARMC is chaired by Nor Zaemah binti Zainuddin who is a member of the Malaysian Institute of Accountants since March 2010 and a member of the Malaysian Association of Tax Accountants since November 2020. The ARMC oversees the integrity of the financial statements, compliance with relevant accounting standards and the Group's risk management and internal controls.

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

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

### Compliance with applicable Financial Reporting Standards

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

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

### Suitability, objectivity and independence of the External Auditors

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

The ARMC recommends to the Board the proposed appointment, scope of work and undertakes evaluation of the External Auditors. As part of the ARMC's review processes, for the financial year under review and up to the date of this CG Overview Statement, the ARMC has obtained written assurance from: -

- i. The External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements and that they are not aware of any matters that will impair their professional independence; and
- ii. The Group Managing Director and Chief Financial Officer confirming that to the best of their knowledge, the preparation of the financial statements, all relevant approved accounting standards and policies have been adopted, applied and followed in the financial statements with reasonable and prudent judgements, estimates and assumptions.

An annual assessment on Baker Tilly Monteiro Heng PLT ("BTMH") was conducted on 13 December 2023 in accordance with the criteria set out in the evaluation process. The ARMC was satisfied with the performance of BTMH and has recommended to the Board to put forth the proposal for re-appointment of BTMH as External Auditors of the Company for the FYE2024 to the shareholders for approval at the forthcoming AGM.

### Risk Management and Internal Control Framework

The Board is responsible for the overall oversight of risk management in the Group covering the systems of risk management and internal control for financial, operational and compliance while the Executive Directors and Senior Management team are primarily responsible for managing risks in the Group.

The Board is assisted by the ARMC in overseeing the Risk Management and Internal Control matters within the Group. During the financial year under review, the Board through the ARMC, continued to monitor the Group's risk exposure, and was updated on the review and progress of the risk management to mitigate those risks.

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

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

The Board is cognisant of the fact that they are responsible for the adequacy and effectiveness of the Group's risk management and internal control system. The Board recognises the importance of good corporate governance and is committed to maintaining a sound and robust system of internal controls and risk management. This includes the establishment of an appropriate control environment and risk management framework, processes and structures, and a continuous review of the adequacy and integrity of the said systems.

The features of the Group's Risk Management processes and governance are systematically described in the Statement on Risk Management and Internal Control section of this Annual Report.

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

#### Communication with Stakeholders

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

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

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

#### Conduct of General Meetings

The AGM is the principal forum for dialogue and interaction with the shareholders. The Board is committed to provide shareholders with comprehensive and timely information about the Group's activities and performance to enable investors make informed decisions.

Shareholders are encouraged to attend General Meetings and use the opportunity to ask questions on resolutions being proposed and, on the progress, performance and future prospects of the Company. The Chairman and Board members, with the assistance of Senior Management and External Auditors, where appropriate, are responsible to respond and provide explanations on matters raised. In accordance with the recommendations of the MCCG 2021, the Company gives its shareholders at least 28 days prior notice of its AGM of the Company.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## OTHER COMPLIANCES

### Sustainability through Corporate Social Responsibility

Apart from building a sustainable business, the Group has always embraced the role of a responsible corporate citizen by creating positive impacts in the community where the Group operates within. The Group has actively played an ongoing role in catering to the needs of the communities by placing an important focus on Corporate Social Responsibility (“CSR”) as part of the Group’s commitment to the Group’s sustainability strategies.

The Group joined several CSR activities during the financial year under review, including but not limited to: -

- partnership with Tunku Abdul Rahman University of Management and Technology (“TAR UMT”) to Nurture Malaysian Youth from Underserved Communities. The Group contributed RM500,000 to the TARC-Radium Care Student Loan, which has been formed and is overseen by the TAR UMT Student Loan Fund Committee.
- contributed to the Shelter Home for Children at Taman Overseas Union Garden. The donation was aimed at establishing a nurturing environment for abused and abandoned youths, fostering an atmosphere that is conducive to their growth and well-being.
- participated collaboratively in the PERTIWI Soup Kitchen project. This project, established by Pertubuhan Tindakan Wanita Islam (“PERTIWI”), focused on delivering nutritious meals to underprivileged individuals within local communities across Kuala Lumpur.

Further information on our CSR activities can be found within Sustainability Report published on the Company’s website at [www.radiumdevelopment.com](http://www.radiumdevelopment.com).

### Statement On Compliance and CG Report

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

This CG Overview Statement was approved by the Board on 26 March 2024.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Board of Directors (“the Board”) of Radium Development Berhad (“Radium” or the “Group”) presents herewith, the Statement on Risk Management and Internal Control of the Group which outlines the nature and scope of risk management and the internal control systems for the financial year ended 31 December 2023. This statement is prepared in accordance with paragraph 15.26(b) of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“MMLR”) and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”) and Practice 9.1 for Principle B of the Malaysian Code on Corporate Governance (“MCCG”).

## BOARD RESPONSIBILITY

The Board affirms its overall responsibility for establishing a sound and effective risk management, internal control and accountability framework and systems in safeguarding the Group’s assets and the interests of diverse stakeholders. Recognising its overarching responsibility, the Board is committed to continually establishing and reviewing a resilient risk management framework and internal control system to ensure its effectiveness, adequacy, and integrity in the ever-evolving business environment. The Board has established a governance structure within the Group at all levels. It is assisted by the Audit and Risk Management Committee (“ARMC”) to ensure independent oversight of the framework and system.

The Board is tasked with the establishment of robust risk governance and oversight processes. This involves creating a structured framework that identifies, assesses, and manages risks across various aspects of the organisation’s operations. The goal is to integrate risk considerations into the decision-making processes and strategic planning to enhance the overall resilience of the business.

In cognisance of our responsibility for approving risk policies, we ensure these policies align the organisation’s risk-taking activities with its broader strategic objectives. By linking risk policies to strategic decisions, the Board ensures a cohesive approach that considers both potential risks and rewards. Recognising the dynamic operating landscape, the Board is accountable for managing risk exposure through periodic reviews and assurances of controls conducted to assess the effectiveness of risk mitigation measures and control mechanisms implemented throughout the organisation. Regular evaluations help identify areas that may require adjustments or improvements to maintain an optimal risk posture.

Communication is a crucial aspect of the Board’s responsibilities and entail the effective communication of the Group’s risk profile to key stakeholders. This includes regulators, stock analysts, rating agencies, and business partners. Transparent communication is essential for building trust and confidence among stakeholders, demonstrating the organisation’s commitment to sound risk management practices.

The Board also holds the authority to approve the risk management framework, setting the tone for risk appetite and tolerance. This involves defining the level of risk the organisation is willing to accept in pursuit of its strategic objectives. The Board’s approval ensures a clear understanding of the boundaries within which risk-taking activities should occur.

During the financial year, the Board reviewed the adequacy and effectiveness of the system of internal controls. This encompasses financial controls, operational controls, and compliance controls established by the management. The goal is to ensure that these controls are robust enough to mitigate risks effectively and safeguard the organisation’s assets, integrity, and compliance with relevant regulations. The Board has ensured the Group’s risk management landscape aligns with strategic objectives, complies with regulatory requirements and fosters a culture of effective risk mitigation.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

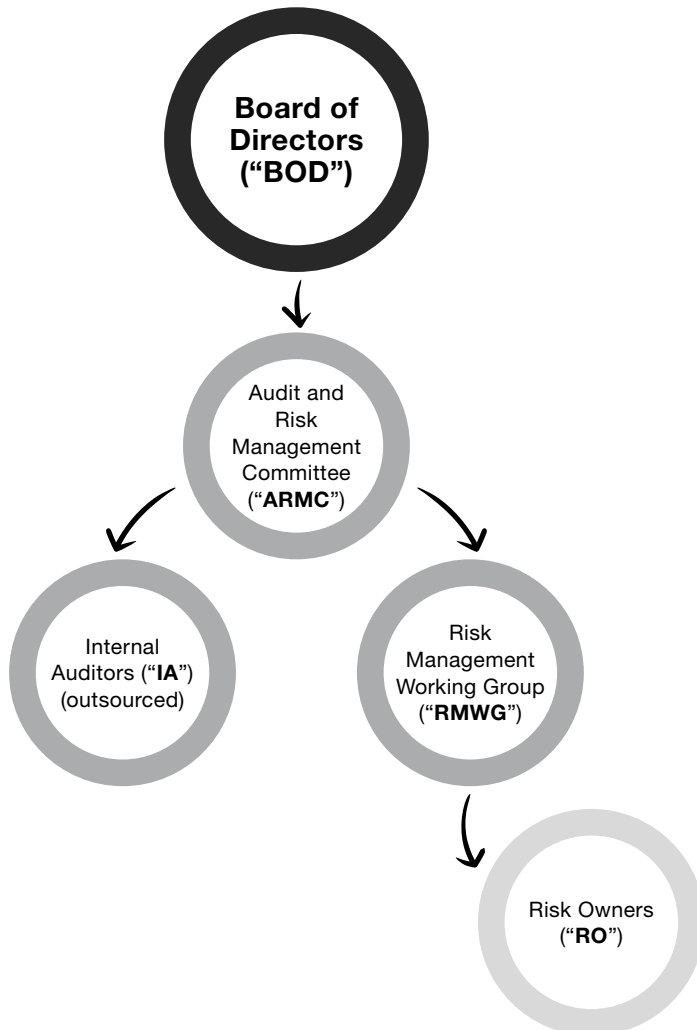
## MANAGEMENT RESPONSIBILITY

The Management is responsible for overseeing the comprehensive development and efficacy of the risk management framework. This includes the implementation of reporting mechanisms at both board and corporate levels across all risk domains and regulatory compliance areas. The responsibilities extend to reviewing specific risk assessments and focal points, encompassing cybersecurity, anti-money laundering, bribery and corruption, third-party oversight, and business contingency planning. Additionally, the Management also reviews and approves recommendations from the Risk Management Working Group regarding capital structure, dividend policy, target debt ratings, and more. Strategic risk management decisions, including those related to major investments and transactions, are reviewed and recommended. Furthermore, a periodic review of the Group’s risk registry is conducted at least once a year to assess the acceptability of residual risks.

## Reporting Structure and Responsibility

The Management is accountable to the Board and responsible for implementing Board-approved frameworks, policies, and procedures on risk management and internal control management, while Corporate Affairs disseminates the Board-level directives throughout the organisation. Each Risk Owner is accountable for overseeing and reporting risks within their respective functional areas, and they are required to complete the Risk Register on a quarterly basis. To ensure comprehensive risk visibility, Corporate Affairs consolidates items from the Risk Register to create an integrated Risk Heatmap, facilitating a holistic view of potential risks across the organisation.

The risk organisational structure and responsibilities of the Group are illustrated in the Diagram below.



**BOD:** Establish risk governance and oversight processes and approve risk policies.

**ARMC:** Implement reporting in all risk areas and regulatory compliance. Review and approve RMWG recommendations. Provide evaluation that assists the risk management process.

**IA:** Assess reporting of key risks and ensure the risks are properly evaluated. Review system of internal controls for adequacy and effectiveness.

**RMWG:** Establish the risk appetite and risk tolerance levels and other corporate risk policies.

**RO:** Accountable for ongoing risk monitoring and oversight. Execute risk policies and standards.



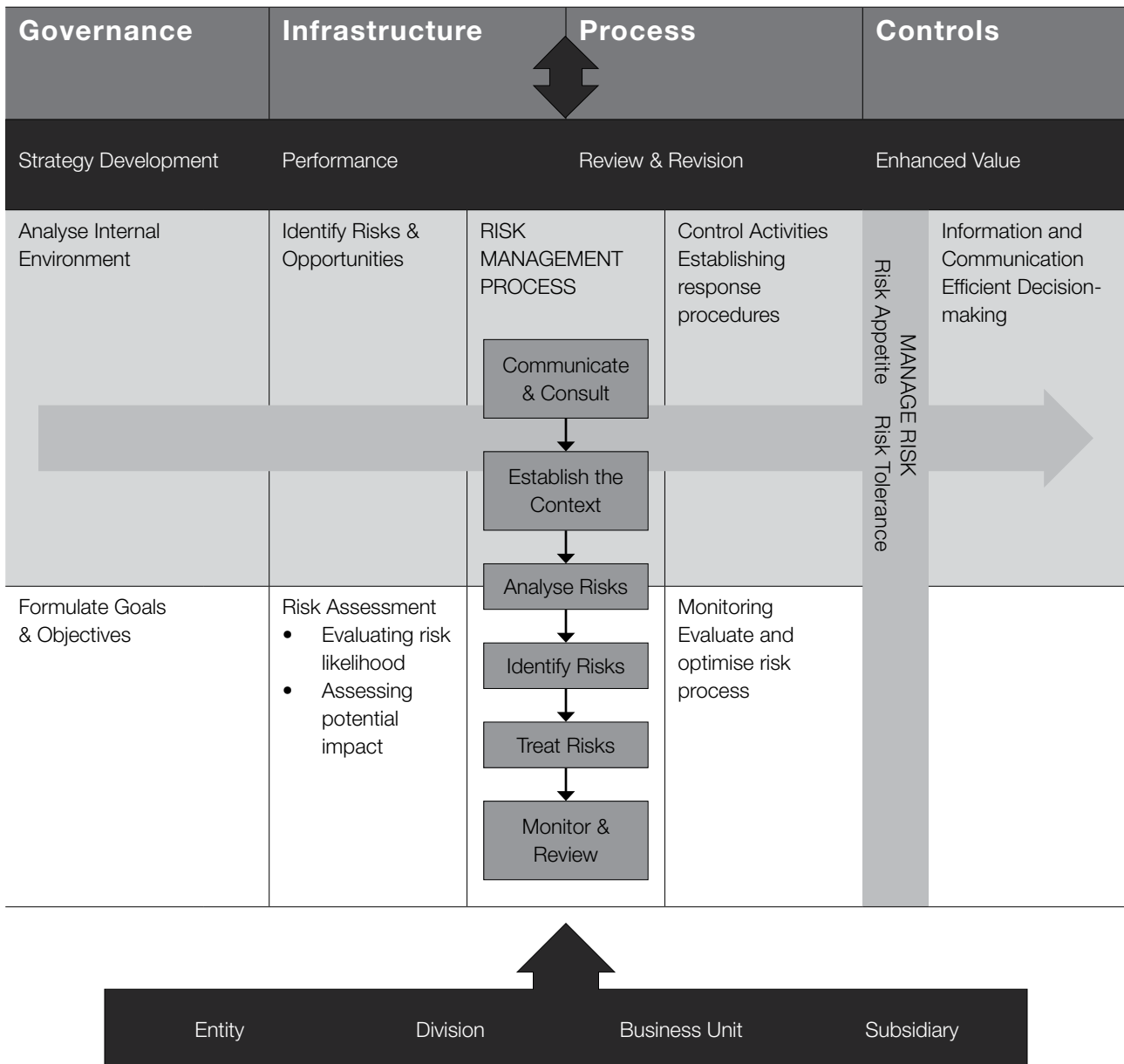
# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT

The Board recognises the obligation to systematically manage and regularly review enterprise-wide risks through the Enterprise Risk Management (“ERM”) framework, which incorporates the principles and guidelines of the COSO-ERM 2017 Risk Management Framework, an internationally recognised standard for risk management. The Board primarily aims to mitigate unforeseen performance fluctuations and optimise the inherent value of the organisation. This systematic process enhances the decision-making capabilities of both the board and management, ensuring more informed choices regarding risk and return. The framework encompasses vital aspects such as governance and policy, risk appetite and tolerance, as well as incorporates elements like risk analytics, risk management and systematic monitoring and reporting.

The framework supports our Group’s efforts to achieve the highest levels of corporate governance, including the creation of value in the short and long-term. The key success factors of our Group’s risk management framework are active contribution and communication at the organisation, division, business unit and subsidiary levels. Our ERM Framework is reflected below:

### Business Objectives



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT (CONT'D)

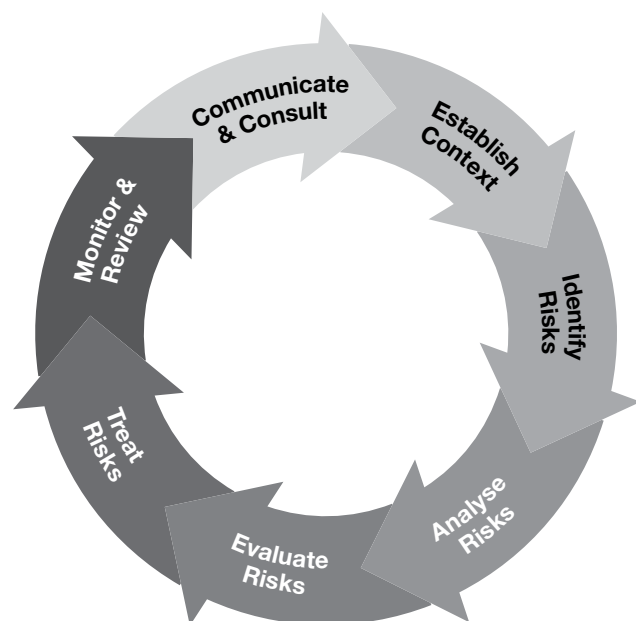
The Board is assisted by the ARMC in overseeing the Risk Management and Internal Control matters within the Group. The Board believes that maintaining a sound risk management system is founded on a clear understanding and appreciation of the guiding principles that govern the Group's risk management framework:

- i. **Comparable Analysis:** The depth of risk analysis correlates with the nature and significance of each decision, ensuring an appropriate level of scrutiny.
- ii. **Informed Decision-making:** Risk owners use the best available information from diverse sources to conduct thorough assessments of potential risks
- iii. **Risk Categorisation:** Comprehensive risk categorisation is employed on both qualitative and quantitative factors, ensuring consistency with the data available.
- iv. **Broad Risk Categorisation:** The classification of risks covers a wide range of possibilities, informing a diverse set of activities designed to mitigate risks.
- v. **Transparency in Judgement:** Explicit statements of judgement, including assumptions, defaults, and uncertainties, guide risk assessments, with clear articulation of their impact.
- vi. **Independent Risk Review:** To uphold the highest professional standards in risk assessments, independent or peer reviews of risk assessment are implemented.
- vii. **Risk Distribution Analysis:** Decisions with significant consequences involve a thorough analysis of how risks are distributed, considering both direct and indirect, quantifiable, and non-quantifiable aspects.
- viii. **Adherence to Criteria:** Risk owners follow established criteria and methods when evaluating the effectiveness of decisions related to risk management.
- ix. **Proactive Risk Mitigation:** Risk owners take a proactive stance, employing various strategies (avoidance, prevention, reduction, transfer, and neutralisation) to address potential risks.
- x. **Open Risk Communications:** Effective risk communication involves transparent and two-way exchanges of information among professionals, policymakers, and relevant experts.

By upholding these principles, the Board ensures a thorough, transparent, and proactive approach to managing risks, fostering resilience, and sustaining success.

### Risk Management Process

The Group's strategic planning and operational processes adhere to a robust risk management framework, fostering a culture of proactive risk identification and mitigation. This framework encompasses governance, infrastructure, processes, and controls to ensure a systematic and consistent approach to risk management. Periodic reviews of the Group's risk appetite and tolerance parameters optimise resource allocation, aligning with changing dynamics. Key risks are assessed using a five-by-five risk matrix, categorised into Strategic, Financial, Operational, and Regulatory/Compliance, and prioritised based on impact and rating. The framework establishes a structured process for risk identification, assessment, communication, monitoring, and continual review, involving internal and external stakeholders. It emphasises contextualising business objectives, risk appetite and evaluation criteria, followed by rigorous risk analysis, evaluation, and prioritisation. The systematic approach includes the development and implementation of cost-effective risk mitigation strategies and action plans. Continuous monitoring and review ensure the operational soundness and cost-effectiveness of the risk management program.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## KEY RISKS AND MITIGATION STRATEGIES

During FYE2023, the Group's operations were influenced by various risk factors. The following risks were identified as most prevalent and corresponding mitigation strategies undertaken are also presented below:

Risk Category	Risk Factors	Proposed Risk Control Actions
<b>Strategic/ Business</b>	Reliance on Klang Valley's prevailing property market sentiments	<ul style="list-style-type: none"> <li>Strategically locate projects in prime areas with developed infrastructure, amenities, and accessibility, offering competitively-priced properties that align with homebuyers' demand.</li> <li>Ensure high-quality and timely delivery of vacant possession.</li> <li>Implement strategic marketing plans, such as easy payment schemes, to alleviate homebuyers' initial down payment commitments.</li> </ul>
	Competitive environment in the property development industry	<ul style="list-style-type: none"> <li>Pursuing joint ventures and strategic partnerships with landowners and established developers.</li> <li>Selecting projects strategically in prime locations with developed infrastructure.</li> <li>Enhancing brand identity through innovative advertising and promotional efforts.</li> <li>Establishing a customer care team to enhance customer experience.</li> <li>Conducting customer satisfaction surveys post vacant possession delivery.</li> </ul>
	Adverse shifts in Government policies	<ul style="list-style-type: none"> <li>Regularly update on changes in legislation, keep track of new enactments and promptly adapt to these changes.</li> <li>Actively engage and collaborate with relevant authorities.</li> </ul>
<b>Financial</b>	Fluctuations in share price and trading volume	<ul style="list-style-type: none"> <li>Enhance stakeholder engagement through diverse investor relations and public relations efforts.</li> </ul>
	Seek competitive financing rates	<ul style="list-style-type: none"> <li>Analyse financial institution offers to secure optimal rates and terms.</li> <li>Explore competitive alternative financing options post-listing on Bursa Securities' main market</li> </ul>
<b>Operational</b>	Reliance on contractors for completion and project quality	<ul style="list-style-type: none"> <li>Adherence to tender SOPs for contractors and ensuring selection based on financial strength, track record, quality, pricing, and timeliness.</li> <li>Secure performance bonds.</li> <li>Conduct annual evaluations for consultants and contractors.</li> </ul>
	Managing unforeseen interruptions or delays in project completion arising from external factors (excluding the COVID-19 pandemic)	<ul style="list-style-type: none"> <li>Cultivating long-term relationships and strategic partnerships with various competent consultants, professionals, contractors, and suppliers to reduce dependence on any single entity.</li> <li>Establishing a proficient authority liaison team and fostering positive relationships with regulatory bodies to ensure the prompt and uninterrupted issuance of necessary licenses, permits, or approvals.</li> <li>Monitoring and maintaining a project implementation program to achieve timely milestones.</li> </ul>

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## KEY RISKS AND MITIGATION STRATEGIES (CONT'D)

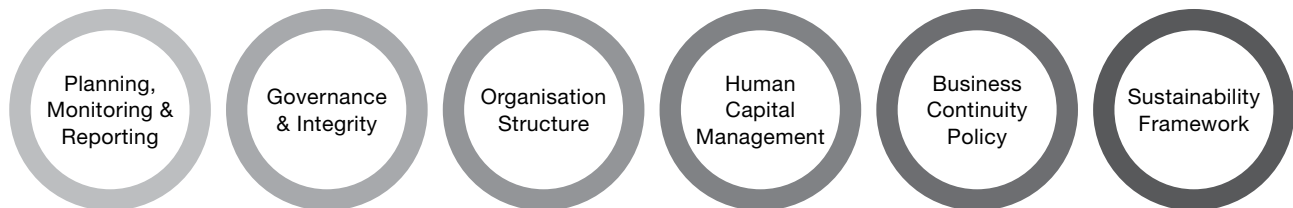
Risk Category	Risk Factors	Proposed Risk Control Actions
<b>Operational (Cont'd)</b>	Total development cost escalation	<ul style="list-style-type: none"> <li>Utilise value engineering for cost optimisation.</li> <li>Implement regular budget systems and realistic projections.</li> <li>Establish effective reporting systems with monthly, quarterly and annual reviews.</li> </ul>
	Health, safety and environmental concerns	<ul style="list-style-type: none"> <li>Regular safety briefings to enhance awareness.</li> <li>Ensuring appropriate and well-maintained personal protective equipment.</li> <li>Adherence to updated laws and regulations.</li> </ul>
	Reliance on Key Senior Management and employee experience	<ul style="list-style-type: none"> <li>Implementing succession planning for seamless transitions in key personnel.</li> <li>Competitive remuneration and maintaining high working standards to attract, recruit and retain relevant talent.</li> <li>Providing regular training to enhance skills and expertise, and facilitate knowledge sharing.</li> </ul>
<b>Regulatory/ Compliance</b>	Vulnerability to bribery and corruption	<ul style="list-style-type: none"> <li>Implement Radium's Anti-Bribery and Corruption ("ABC") Policy, following the "Guidelines on Adequate Procedures" issued by the Prime Minister's Department in 2018.</li> <li>Utilise the "Gifts Declaration Form" as a formal register for all gifts, entertainment and hospitality provided/received.</li> <li>Training/briefing for all directors, employees, and business partners on the ABC Policy and obtaining signed declaration as acknowledgement.</li> <li>Establish and uphold a comprehensive Risk Management Framework, conducting an annual Risk Management Review to monitor, identify, assess, and manage new and existing risks systematically.</li> <li>Maintain a Risk Register documenting identified risks along with proposed mitigation measures and owners.</li> </ul>
	Non-compliance of laws, rules and regulations governing listed issuer	<ul style="list-style-type: none"> <li>Leverage tax advisors to implement thorough transfer pricing documentation, manage tax audits diligently and submit statutory tax returns on time.</li> <li>Ensuring continuous updates on changes in legislation and new enactments through ongoing learning and immediate adoption of the changes.</li> </ul>
	Involvement in legal and other proceedings	<ul style="list-style-type: none"> <li>Adhere to applicable laws and regularly update on relevant regulations.</li> <li>Appoint reputable solicitors for litigation matters.</li> <li>Monitor and restrict access to buyers' personal data.</li> </ul>

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTERNAL CONTROLS

Internal control is integrated into diverse business processes and operations of the Group to ensure effective governance and oversight across our business. The Board acknowledges the importance of sustaining a robust internal control system to protect shareholders' investments and the Group's assets.

The key components of the Group's internal control system are outlined as follows:



### Planning, Monitoring & Reporting

The following internal control processes have been established to ensure effective governance and operational efficiency:

- **Strategic Business Planning Processes:** The Group develops comprehensive business plans annually, articulating business objectives, strategies, and targets for review by the Board. This strategic planning process provides a foundation against which ongoing performance is monitored.
- **Documented Policies and Procedures:** The Group maintains internal policies and procedures outlined in standard operating manuals, covering core operational areas. These documents serve to streamline activities and undergo periodic reviews for relevance and effectiveness.
- **Performance Monitoring and Reporting:** The management team conducts periodic reviews of the Group's financial and operational performance, comparing results against established operating plans. Action plans are formulated and communicated to address any identified areas of concern.
- **Financial Performance Review:** The Audit and Risk Management Committee reviews quarterly and annual results, making recommendations to the Board for approval before regulatory release. Full-year financial statements undergo external audit scrutiny before issuance to regulators and shareholders.
- **Safeguarding of Assets:** Adequate insurance coverage and physical safeguards are in place to protect major Group assets from calamities or theft.

This internal control framework has been consistently applied throughout the financial year under review, up to the date of this Statement's approval for inclusion in the Annual Report of the Company.

### Governance & Integrity

The Group's statements of vision, mission and core values are a shared understanding of what we stand for and how we do things. They underpin our culture and provide a foundation for effective risk management systems and decision-making. We aspire to conduct our affairs in an ethical, responsible and transparent manner recognising the value of transparency and accountability in our business operations. The Group's corporate integrity initiatives are testaments to this commitment. We are committed to the highest standards of integrity, openness and accountability in the conduct of our businesses and operations.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTERNAL CONTROLS (CONT'D)

### Governance & Integrity (Cont'd)

As part of the recommended adequate measures in achieving the highest standards of ethical conduct and in compliance with all applicable laws and regulations, steps were taken to strengthen the state of Governance and Integrity practised at Radium. The Board has approved the following policies which are regularly reviewed and updated to reflect the changing risks regulatory environment:

- **Anti-bribery & Corruption Policy:** The Group adopts a zero-tolerance approach towards all forms of corruption and bribery within the organisation and commits to cooperate with enforcement agencies and relevant authorities in the event of an investigation of corruption. The policy also includes the following matters:
  - o Gifts, Entertainment and Hospitality
  - o Donations, Sponsorships and Corporate Social Responsibilities
  - o Facilitation Payments & Kickbacks
- **The Code of Conduct and Ethics:** The Code establishes fundamental guiding principles and standards for Directors and employees are founded on high standards of professionalism and ethics. It serves as an ethical framework, directing the actions and behaviours of all company personnel during work. Emphasising discipline, good conduct, professionalism, loyalty, integrity and cohesiveness, these principles form the foundation for the Company's success and well-being. The Code of Business Ethics is accessible on Radium's website.
- **The Whistleblowing Policy:** Radium encourages its employees to raise genuine concerns about suspected or possible violations of Radium's Code of Conduct, improprieties in matters of financial reporting, non-compliance with laws and regulations, non-compliances with Radium's policies and procedures and to disclose any Improper Conduct or other malpractices within Radium. The Whistleblowing Policy provides an avenue to raise these concerns through the proper channel without fear of retribution or detrimental action. The Code outlines how to disclose, report or raise concerns on any alleged, suspected or known illegal activity or improper conduct within Radium and assurance that the information and identity of the informant or whistle-blower will be processed confidentially and securely and any complaints received will be processed, proper action will be taken and ends with systematic and effective action. The Policy is accessible on Radium's website.

The policies are audited internally by the Corporate Affairs Department or an external party to validate the relevance of controls and measures in place and the findings are reported to the ARMC for appropriate actions. In the event of non-compliance, the ARMC will initiate disciplinary proceedings to investigate the report.

### Organisation Structure

The organisational structure undergoes regular reviews to accommodate changes in the business environment and align with the Management's level of accountability and empowerment across the Group's major business elements, operations, and functions. It establishes a formal line of authority and responsibility, ensuring a clear segregation of duties for more effective control at different levels within the Group.

### Human Capital Management

Radium fosters and promotes the continual development of employees, and ensures that key positions maintain some measure of stability, thus enabling our Group to achieve its business objectives. We have implemented a management succession plan aimed at identifying key competencies and requirements for managers and higher-ranking personnel. This proactive approach towards talent management ensures that our Group consistently cultivates a pool of capable individuals ready to assume leadership positions. Additionally, we provide frequent training for our middle management, ensuring they are well-equipped with the necessary knowledge to succeed in senior management roles within our Group.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTERNAL CONTROLS (CONT'D)

### Business Continuity Policy

The Business Continuity Policy comprises Business Continuity Management (“BCM”) and Business Continuity Plan (“BCP”) to minimise the impact of any disruption to our operations. The BCM includes guidelines for establishing policies, standards, and procedures for Radium, ensuring that in the event of service disruptions, critical business functions can continue and resume within an appropriate timeframe. The Board and Senior Management are accountable for Radium’s business continuity preparedness.

The BCP covers the following areas:

- **Succession Planning:** Identifying and developing internal individuals with the potential to fill key leadership positions.
- **Disaster Recovery Plan:** Specifying the organisation’s planned strategies to restore services during unforeseen events, ensuring the survival of the organisation, facilitating the resumption of operations, and protecting stakeholders.
- **Pandemic Response Action Plan:** Managing a pandemic to reduce risks to employees’ health and safety and ensure sustained business operations.
- **Community Plan:** Includes external and internal communication plan that specifies responsible persons, communication procedures and channels, disclosure levels, names, and phone numbers of staff and relevant external parties.
- **Training Plan:** Regular trainings on Business Continuity for staff and relevant parties to enhance awareness of their roles and responsibilities when operational disruptions occur.
- **Follow-up and Evaluation:** Including testing and reviewing the BCP.

### Sustainability Framework

Radium endeavours to integrate sustainability practices into our daily business operations and value chain. We aim for sustainable excellence in our Environmental, Social, and Governance (“ESG”) performance, balancing business growth and value creation with responsible environmental management in our operations and communities.

The Board oversees the Group’s sustainability governance structure, delegating responsibility to the ARMC for strategic management of material sustainability matters. The Sustainability Committee, supported by the Sustainability Working Committee, executes and monitors initiatives, aiding the Board in translating sustainability strategies into departmental actions. The Sustainability Working Committee comprises managers and subject matter experts.

The Group carries out periodic reviews to ensure policy alignment with sustainability goals. Our sustainability performance will be compiled on a periodic basis and disclosed to the public. Current disclosures are reflected in the Sustainability Report 2023. A copy of which is available on the corporate website of the Group at <https://www.radiumdevelopment.com/>.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the MMLR of Bursa Securities, the external auditors have reviewed this statement for inclusion in the Annual Report for the financial year ended 31 December 2023. The review was performed pursuant to the scope set out in Audit and Assurance Practice Guide (“AAPG”) 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. The external auditors reported that nothing has come to their attention that caused them to believe that the Statement on Risk Management and Internal Control, in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group’s risk management and internal control system, including the assessment and views by the Board and Management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will in fact, remedy the problems.

## CONCLUSION

The Group’s system of risk management and internal controls does not apply to material joint ventures and associates. Based on the findings and procedures performed by the relevant parties, and assurance from the Group Managing Director and Chief Financial Officer, the Board is of the view that the risk management and internal control system in place for the financial period under review has operated satisfactorily and is sufficient to safeguard shareholders’ investment and the Group’s assets.

This Statement on Risk Management and Internal Control was approved by the Board of Directors on 26 March 2024.



# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The main objective of the Audit and Risk Management Committee (“ARMC”), as a Committee of the Board of Directors (“the Board”) is to assist the Board in ensuring the effective governance over the appropriateness of the financial reporting of Radium and its subsidiary companies (“the Group”), including the adequacy of related disclosures, the performance of both the internal audit function and the external auditor, and the oversight over the Group’s systems of internal and external controls, business risks and related compliance activities.

## COMPOSITION AND MEETINGS

The ARMC comprises three (3) Independent Non-Executive Directors. The Chairperson of ARMC is Nor Zaemah binti Zainuddin, a member of the Malaysian Institute of Accountants (“MIA”) since March 2010 and a member of the Malaysian Association of Tax Accountants since November 2020.

During the financial year under review, four (4) meetings were held, and the record of attendance of the members is as follows:-

Name of Member	Designation	Directorship	Attendance at Meetings
Nor Zaemah binti Zainuddin	Chairperson	Independent and Non-Executive	4/4
Koay Lean Lee	Member	Independent and Non-Executive	4/4
Nurazlin binti A. Samad	Member	Independent and Non-Executive	4/4

## TERMS OF REFERENCE

The Terms of Reference (“TOR”) of ARMC can be found under the “Corporate Governance” section on the Company’s website at <https://www.radiumdevelopment.com/ir-corporate-governance/> for shareholders’ reference pursuant to paragraph 15.11 of MMLR.

During the financial year, the Nomination Committee reviewed the self and peer evaluation conducted by the ARMC and reported that the ARMC and its members had discharged their functions in accordance with its TOR.

## SUMMARY OF ACTIVITIES

The review carried out by the ARMC in discharging their oversight duties on financial reports, risk management, internal control, related party transactions and auditors’ performance and independence during the financial period are summarised as follows:

- a) Reviewed the quarterly financial reports and their disclosure and presentations before recommending them to the Board for approval;
- b) Reviewed the Circular to shareholders in relation to the proposed shareholders’ ratification for recurrent related party transactions of a revenue or trading nature and proposed new shareholders’ mandate for recurrent related party transactions of a revenue or trading nature;
- c) Reviewed the Risk Register, Risk Matrix, Risk Management Framework and Risk Management Manual;
- d) Reviewed and discussed with the External Auditors the 2023 audit status, the key audit matters, audit findings, internal control deficiencies, change in major accounting policy, judgements made by management, significant and unusual events or transactions and how these matters were addressed;

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## SUMMARY OF ACTIVITIES (CONT'D)

- e) Reviewed the External Auditors' audit planning memorandum for the financial year 2023, covering their audit scope, methodology and timetable, audit materiality, key audit matter, and fraud considerations;
- f) Conducted independent private meeting sessions with the External Auditors and Internal Auditors without the presence of executive Board members and management;
- g) Considered and reviewed the performance and independence of the External Auditors and recommended to the Board to propose their re-appointment to the shareholders for approval in the forthcoming Annual General Meeting of the Company;
- h) Reviewed the Corporate Governance Report, Corporate Governance Overview Statement, Audit and Risk Management Committee Report, Statement on Risk Management and Internal Control before recommending to the Board for approval and inclusion in the Annual Report;
- i) Reviewed related party transactions and conflict of interest situations that may arise within the Company and Group, including any transaction, procedure or course of conduct that raises questions of management integrity and ensured that these transactions were transacted at arm's length basis and are not detrimental to the interests of the minority shareholders;
- j) Reviewed the progress of the internal audit plan to ensure that the direction of the audit is appropriate to the changes in the environment in which the Group is operating;
- k) Reviewed the audit findings, management's actions and comments in the Internal Audit Reports and the follow-up audit status to ensure that management responded to the audit findings appropriately; and
- l) Reviewed the adequacy of the scope, functions, competency and resources of the internal audit function and ascertained its effectiveness.

## INTERNAL AUDIT FUNCTION

Paragraph 15.27 of MMLR provides that a listed issuer must establish an internal audit function independent of the activities it audits and ensure it reports directly to the ARMC.

The Company has outsourced its internal audit function to Sterling Business Alignment Consulting Sdn. Bhd., an internal audit consulting firm. The audit team members are independent of the activities audited by them. The roles of Internal Audit remain independent and have no direct operational responsibility or authority over any of the activities audited. Accordingly, Internal Audit shall not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair the internal auditor's judgment and assignments in discharging internal audit functions.

The internal control review uses the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control-Integrated Framework as a basis for evaluating the effectiveness of the Group's internal control systems. The components of the COSO framework include the Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities. At the same time, the Internal Auditors also refer to the International Standards for The Professional Practice Of Internal Auditing (Standards) as guidance for providing a general framework for performing and promoting a broad range of value-added internal auditing functions.

The audit review exercise will be conducted in accordance with accepted auditing practices which involves walking through the processes and procedures, discussing with key staff, reviewing documentation as well as observation of the current practices. The Internal Auditors will review and consider the six broad control components, i.e. Control Activities, Segregation of Duties, Authorisation, Access to Assets, Asset Accountability and Recording in the respective functional areas.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## INTERNAL AUDIT FUNCTION (CONT'D)

The Internal Auditors report and present the Internal Audit reports to the ARMC every quarter. These reports contained the conclusion of control status, overview of management performance, audit findings, management actions for improvement, and target completion dates. In addition, the Internal Auditors also conduct follow-up audits to ascertain the management action status.

The internal audit fee incurred in relation to the activities undertaken during the financial year ended 31 December 2023 was RM16,000.

This Report is made in accordance with a resolution of the Board passed on 26 March 2024.

# ADDITIONAL COMPLIANCE INFORMATION

## 1. Audit and Non-Audit Fees

The total amount of audit and non-audit fees paid/payable to the External Auditors, namely Baker Tilly Monteiro Heng PLT, for the financial year ended 31 December 2023 were as follows:

	Company RM'000	Group RM'000
Audit Fees	57	228
Non-Audit Fees	109	125
<b>Total</b>	<b>166</b>	<b>353</b>

## 2. Material Contracts involving Directors' and Major Shareholders' Interests

There were no material contracts entered into by the Company and/or its subsidiaries involving the interests of Directors and Major Shareholders, which subsisted at the end of the financial year ended 31 December 2023 or, if not then subsisting, entered into since the end of the previous financial year.

## 3. Contracts Relating to Loans

There were no contracts relating to loans by the Company and/or its subsidiaries involving the interests of Directors and Major Shareholders during the financial year ended 31 December 2023.

## 4. Utilisation of IPO Proceeds

On 31 May 2023, the Company was listed on the Main Market of Bursa Malaysia Securities Berhad pursuant to the Initial Public Offering ("IPO") which comprises of a public issuance of 868,000,000 new ordinary shares in the Company at an IPO price of RM0.50 per share.

The status of the utilisation of proceeds from the IPO as at 31 December 2023 is as follows:

Details of use of proceeds	Proposed utilisation RM'000	Actual utilisation RM'000	Reallocation RM'000	Balance unutilised RM'000	Estimated timeframe for the use of proceeds upon Listing
Acquisition of landbank and/or development expenditure	171,000	80,171	-	90,829	Within 36 months
Repayment of bank borrowings	93,870	40,448	-	53,422	Within 24 months
Hotel construction	109,300	9,529	-	99,771	Within 36 months
Working capital	39,830	5,000	3,017*	37,847	Within 24 months
Estimated listing expenses	20,000	16,983	(3,017)*	-	Immediate
<b>Total</b>	<b>434,000</b>	<b>152,131</b>	<b>-</b>	<b>281,869</b>	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company.

\* The unutilised balance of RM3.0 million allocated for estimated listing expenses were allocated to working capital.

# STATEMENT ON DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The Board of Directors of Radium Development Berhad ("Radium" or the "Group") is required to prepare the financial statements which give a true and fair view of the financial position of the Group as at 31 December 2023, and of the results and cash flows of the Group for the financial year then ended, in accordance with the requirements of Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the provisions of the Companies Act 2016 (the "Act") in Malaysia.

In preparing the financial statements the Board of Directors have:

- used appropriate accounting policies that are consistently applied;
- made judgements and estimates that are prudent and reasonable;
- ensured that all applicable accounting standards in Malaysia have been followed, subject to any material departures;
- disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board of Directors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements to comply with MMLR of Bursa Securities and the Act in Malaysia.

The Board of Directors is also responsible for safeguarding the assets of the Group and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# FINANCIAL REPORT

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# DIRECTORS' REPORT

The directors hereby submit their report together with 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 principal activities of its subsidiaries include property development and investment, provision of management services, management consultancy, information technology related services and hotel business.

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>
Profit for the financial year, net of tax	17,863	59,675
Attributable to:		
Owners of the Company	16,799	59,675
Non-controlling interests	1,064	-
	17,863	59,675

## DIVIDENDS

The amount of dividend declared and paid by the Company since the end of the previous financial year were as follows:

	<b>RM'000</b>
Single-tier interim dividend of 1 sen per ordinary share in respect of the financial year ended 31 December 2023, paid on 15 August 2023	34,680

The directors do not recommend the payment of any final dividends in respect of the financial year ended 31 December 2023.

## RESERVES OR PROVISIONS

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

# DIRECTORS' REPORT

## BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that no allowance for doubtful debts were necessary.

At the date of this report, the directors are not aware of any circumstances which would render it necessary to write off any bad debts or to make any allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

## CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

## VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

## CONTINGENT AND OTHER LIABILITIES

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

- (i) any charge on the assets of the Group and of the Company which have arisen since the end of the financial year which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Group and of the Company which have arisen since the end of the financial year.

In the opinion of the directors, no contingent or other liabilities of the Group and of the Company have become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

## CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.



## DIRECTORS' REPORT

### ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

### AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company during the financial year were RM228,000 and RM57,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

### ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued 868,000,000 new ordinary shares at a price of RM0.50 per ordinary share for a total cash consideration of RM434,000,000 pursuant to the Initial Public Offering ("IPO") of the Company on the Main Market of Bursa Malaysia Securities Berhad on 31 May 2023.

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

During the financial year, no new issue of debentures was made by the Company.

### OPTIONS GRANTED OVER UNISSUED SHARES

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

### DIRECTORS

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

Datuk Gan Kah Siong*	
Gan Tiong Kian*	
Gan Kok Peng*	
Datuk Sydney Lim Tau Chin *	
Chai Woon Hou*	
Tan Sri Mhd Amin Nordin bin Abd Aziz	(Appointed on 1 March 2023)
Nurazlin binti A. Samad	(Appointed on 24 March 2023)
Phang Sweet Lee	(Appointed on 24 March 2023)
Nor Zaemah binti Zainuddin	(Appointed on 24 March 2023)
Koay Lean Lee	(Appointed on 24 March 2023)

\* Directors of the Company and certain subsidiaries

# DIRECTORS' REPORT

## DIRECTORS (CONT'D)

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Mark Wing Kong (alternate to Leow Vinken)	
Wan Shafie bin Abdul Rashid	
Sim Guan Yu	
Leow Vinken	(Appointed on 9 August 2023)
Tan Sri Datuk Leow Chong Howa	(Resigned on 9 August 2023)

## DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

### Interests in the Company

	At 1 January 2023	Number of ordinary shares		At 31 December 2023
		Bought	Sold	
<b>Direct interest:</b>				
Datuk Gan Kah Siong	546,000,000	-	-	546,000,000
Gan Tiong Kian	260,000,000	200,000	-	260,200,000
Gan Kok Peng	260,000,000	-	-	260,000,000
Datuk Sydney Lim Tau Chin	-	5,000,000	-	5,000,000
Tan Sri Mhd Amin Nordin bin Abd Aziz	-	20,100	(20,100)	-
<b>Indirect interest:</b>				
Datuk Gan Kah Siong *	1,300,002,167	-	-	1,300,002,167
Gan Tiong Kian *	78,002,167	-	-	78,002,167
Gan Kok Peng *	39,002,167	-	-	39,002,167
Nor Zaemah binti Zainuddin #	-	6,100	(3,000)	3,100

\* Shares held through company in which the director has substantial financial interests.

# Shares held through spouse.

By virtue of his interest in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Datuk Gan Kah Siong is deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares or debentures of the Company and its related corporations during the financial year.

## DIRECTORS' REPORT

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The directors' benefits of the Group and of the Company were as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
<b>Directors of the Company</b>		
Executive directors		
- Salaries, allowances and bonuses	1,748	-
- Defined contribution plans	266	-
- Other staff related benefits	16	-
	2,030	-
Non-executive directors		
- Salaries, allowances and bonuses	618	398
- Defined contribution plans	27	-
- Other staff related benefits	3	-
	648	398
	2,678	398

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

### INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage for the directors of the Group were RM8,710,000.

# DIRECTORS' REPORT

## SUBSIDIARIES

The details of the Company's subsidiaries are as follows:

Name of company	Principal place of business/country of incorporation	Ownership interest		Principal activities
		2023 %	2022 %	
Ambanang Development Sdn. Bhd.	Malaysia	100	100	Property development
Constant Premium Sdn. Bhd.	Malaysia	100	100	Property development
Fitrah Resources Sdn. Bhd.	Malaysia	80	80	Property development
Idaman Sejiwa (Ampang) Sdn. Bhd.	Malaysia	100	100	Property development
Montanica Development Sdn. Bhd.	Malaysia	100	100	Property development
Omega Edisi Sdn. Bhd.	Malaysia	100	100	Provision of management services
Pavilion Integrity Sdn. Bhd.	Malaysia	80	80	Property development and investment
Rasa Wangi Development Sdn. Bhd.	Malaysia	100	100	Property development
Total Solid Holdings Sdn. Bhd.	Malaysia	100	100	Property development
Tradisi Emas Sdn. Bhd.	Malaysia	100	100	Hotel business
Vistarena Development Sdn. Bhd.	Malaysia	80	80	Property development
Radium Global Sdn. Bhd.	Malaysia	100	-	Property development
Radium Management Services Sdn. Bhd.	Malaysia	100	-	Provision of project management consultancy and information technology related services

The available auditors' report on the accounts of the subsidiaries did not contain any qualification.

## SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

### (a) Listing of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Listing")

On 27 April 2023, the Company launched the Prospectus in relation to the IPO comprising the public issue of 868,000,000 new ordinary shares in the Company at an IPO price of RM0.50 per share.

On 31 May 2023, the Company was listed on the Main Market of Bursa Malaysia Securities Berhad comprising public issue of 868,000,000 new ordinary shares.

### (b) Joint venture agreement ("JVA")

On 20 September 2022, Rasa Wangi Development Sdn. Bhd. ("RWDSB"), a wholly-owned subsidiary of the Company, as the developer, entered into a JVA with Kadar Jutajaya Sdn. Bhd. ("KJSB"), as the landowner, to jointly develop a proposed development consisting inter alia 404 units of Residensi Wilayah and 932 units of condominium ("Project") on a piece of leasehold land held under HSD No.123036, No. Lot: PT50316, Negeri Wilayah Persekutuan Kuala Lumpur, Daerah Kuala Lumpur, Mukim Batu measuring approximately 21,505 square metres ("Land"). Pursuant to the JVA, the landowner grants the developer the exclusive right to carry out and implement the development on the Land, and the landowner shall be entitled, subject to the terms and conditions of the JVA, to receive the landowner's entitlement of 23% of the profit after tax of the developer for the Project, and in the event there are any unsold units upon the delivery of vacant possession of the Project, the developer shall at its discretion decide on the composition of the landowner's entitlement, that is, either fully in cash or a combination of cash and unsold units (based on the selling price as determined by the developer) or an amount of RM32,000,000 whichever the higher.

## DIRECTORS' REPORT

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

#### (b) Joint venture agreement ("JVA") (Cont'd)

On 20 September 2023, both KJSB and RWDSB ("the Parties") are agreeable to extend the period for fulfilment of Condition Precedent for a further twelve (12) months commencing from 20 September 2023 to 19 September 2024 free of interest ("First Extension of Time").

In furtherance thereto, KJSB and RWDSB had entered into the Supplemental Agreement on 20 September 2023 to document the Parties' option for further extension of time upon expiry of the First Extension of Time and involvement of KJSB (being the landowner) in project committee in relation to the said Project.

#### (c) Joint Development with N&M Cahaya Sdn. Bhd.

On 6 February 2023, the Company issued a letter of intent ("LOI") to N&M Cahaya Sdn. Bhd. ("N&M Cahaya") to jointly develop the piece of land held under H.S.(D) 123157, PT 50174, Mukim Petaling, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 40,467 square meter ("Land") by subscribing for 300,000 ordinary shares in N&M Cahaya such that the Company will hold 75% of the enlarged issued share capital of N&M Cahaya ("Subscription Shares") on a fully diluted basis as at the date such shares are subscribed with the subscription amount of RM26,715,000 or a price based on valuation to be conducted on the Land by the appointed valuer, whichever lower. Notwithstanding the valuation of the Land, the subscription amount shall not be more than RM26,715,000. The LOI was accepted by N&M Cahaya on 10 February 2023 and the execution of Shares Subscription Agreement and Shareholders Agreement (collectively referred to as "Definitive Agreement") shall occur within 30 days after all the Conditions Precedents are fulfilled within stipulated period or extended period as mutually agreed by the parties.

On 4 August 2023, both the Company and N&M Cahaya are agreeable to extend the period for fulfilment of Conditions Precedent by six (6) months from 7 August 2023 to 7 February 2024. All other terms of LOI shall remain in force and effect.

On 2 February 2024, upon completion of the due diligence on N&M Cahaya, N&M Cahaya is currently implicated in a legal suit involving the Land. As such, both the Company and N&M Cahaya are agreeable to further extend the period for another eighteen (18) months from 7 February 2024 to 6 August 2025 for N&M Cahaya to resolve the legal suit which N&M Cahaya is reasonably confident that it has a good chance to defend its position.

In addition, the future land use zone of the Land is currently pending the "Pelan Tempatan Kuala Lumpur" (PTKL 2040) to be gazetted. Hence, the extension period of 18 months is not an impediment to the progress as without PTKL 2040 being in force, the development order for the proposed development on the Land is unable to be processed by Dewan Bandaraya Kuala Lumpur.

#### (d) Material litigation

##### (i) Datuk Bandar Kuala Lumpur

6 Judicial Review Applications ("JR Applications") were filed by the several applicants against the Menteri Wilayah Persekutuan, Malaysia, Datuk Bandar Kuala Lumpur ("DBKL"), Kerajaan Malaysia and the subsidiary of the Company, Pavilion Integrity Sdn. Bhd. ("Pavilion Integrity"). Pavilion Integrity is the registered proprietor of Lot 810 and is developing a 46-storey building with 698 units of serviced apartments on Lot 810. Pavilion Integrity had obtained the development orders for the construction work.

When the applicants discovered that Pavilion Integrity proposed to develop Lot 810, the applicants wrote to DBKL to reconsider the Pavilion Integrity's development project, specifically for DBKL to acquire a significant part of Lot 810 in order to build an access road known as Jalan Jejaka 1. Having failed to get DBKL to acquire part of Lot 810, the JR Applications were filed in respect of DBKL's refusal to acquire Lot 810.

# DIRECTORS' REPORT

## SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

### (d) Material litigation (Cont'd)

#### (i) Datuk Bandar Kuala Lumpur (Cont'd)

On 21 June 2023, the Federal Court decided that the Court of Appeal's decision on 3 October 2022 stands. Among others, the Court of Appeal held as follows:

"An order of mandamus is granted towards DBKL to issue a Notice of Acquisition under Section 47(3) of the Federal Territory (Planning) Act 1982 to commence acquisition of Lot 810."

As such, Pavilion Integrity expects a compulsory acquisition of Lot 810 by DBKL wherein Pavilion Integrity will be compensated in accordance with the Land Acquisition Act 1960. The solicitor of Pavilion Integrity is of the opinion that Pavilion Integrity should take into consideration on the followings for the claim of compensation against DBKL for acquiring Lot 810:

- i) market value of Lot 810;
- ii) loss of profit in the development project taking into account of the units available and sold under the development;
- iii) any compensation payable to the contractor(s) appointed to complete the development; and
- iv) any other costs and expenses that Pavilion Integrity have incurred in acquiring the land and the costs and expenses in developing Lot 810.

#### (ii) Residensi Platinum OUG

On 9 June 2023, the Company 80% owned subsidiary, namely Vistarena Development Sdn. Bhd. ("the Defendant") had been served with a Writ of Summons and Statement of Claim ("the Suit") dated 1 June 2023 from 241 individual purchasers of Residensi Platinum OUG in Block B ("the Plaintiffs"). Residensi Platinum OUG is the development undertaken by Defendant as the developer in which the vacant possession had been delivered in and around June 2022.

Prior to the filing of the Suit, on 18 October 2022, there was a meeting held between representatives from relevant government authorities, Defendant, the architect, the civil and structural consultant, main contractor as well as purchasers' representatives from all components of the Development to discuss the issues pertaining to the Development including but not limited to the matters raised in the Suit such as the entrances and defects. However, it was concluded in the meeting that the construction of separate entrances will be put on hold until the formation of the management corporation of the Development and Defendant to expedite the defect rectification works.

Despite the proposed direction given by the relevant government authorities in the Meeting, the Plaintiffs had filed in the Suit against the Defendant at Kuala Lumpur High Court ("KLHC"). The Suit is arising from, inter alia, alleged misrepresentation on separate entrances between Block A and Block B, no access control established by the Defendant for the common facilities designated for Block B, safety-related defects are not attended to by the Defendant, and no steps taken by the Defendant to address the alleged declination of the value of Block B.

The Plaintiffs are seeking, inter alia, the following reliefs from the court:

- (a) a declaration that the Defendant has conducted in misrepresentation and breach of contract towards the Plaintiffs in the process of selling units to the Plaintiffs;
- (b) an injunction against the Defendant to take all necessary and reasonable steps to establish two (2) access paths at the entrance to Block A and Block B within a period of three (3) months from the date of judgment/order;

## DIRECTORS' REPORT

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

#### (d) Material litigation (Cont'd)

##### (ii) Residensi Platinum OUG (Cont'd)

The Plaintiffs are seeking, inter alia, the following reliefs from the court (Cont'd):

- (c) a judgment that the Defendant rectifies all listed safety-related defects, and the rectification works are to be completed to the satisfaction of the Plaintiffs' representative within a period of three (3) months from the date of judgment or order, with costs borne solely by the Defendant;
- (d) an order for general damages to be assessed by the Honourable Court;
- (e) Exemplary damages amounting to RM25,000.00 to be paid to each Plaintiff within seven (7) days from the date of judgment/order;
- (f) Cost; and
- (g) 5% interest on the judgement awarded by the Honourable Court from the date of filing the Suit until full settlement.

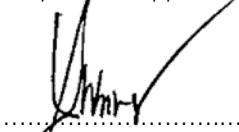
On 21 September 2023, 104 individual purchasers of Block A (civil servants housing), Residensi Platinum OUG filed an Application to Intervene, claiming that, amongst others, they shall be heard/ allowed to intervene the proceeding so to protect their interest in the common properties given that the Plaintiffs' claims involving access to common properties, shared common area, shared entrance to access Residensi Platinum OUG in which their rights and interests would be affected by any decision from the court. The KLHC has on 3 January 2024 allowed the Application to Intervene hence 104 individual purchasers of Block A are now listed as defendants.

The first case management of the Suit was conducted on 3 July 2023 by way of e-review. The Kuala Lumpur High Court allowed the extension of the time for the defendants to file its Statement of Defence on or before 3 August 2023. The case management was held on 6 March 2024 and the case hearing will be held on 4 April 2024.

### AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

  
 .....  
**DATUK GAN KAH SIONG**  
 Director

  
 .....  
**GAN/TIONG KIAN**  
 Director

Date: 1 April 2024

# 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	5	41,704	3,521	860	1,122
Right-of-use assets	6	951	1,549	-	-
Investment property	7	83,000	-	-	-
Investment in subsidiaries	8	-	-	8,454	8,454
Goodwill	9	1,600	1,590	-	-
Deferred tax assets	10	5,892	-	-	-
Trade and other receivables	11	10,351	3,800	-	-
Other investments	12	10,584	10,584	10,584	10,584
<b>Total non-current assets</b>		<b>154,082</b>	21,044	<b>19,898</b>	20,160
<b>Current assets</b>					
Inventories	13	270,467	262,080	-	-
Current tax assets		13,990	7,024	-	-
Trade and other receivables	11	107,302	110,376	551,209	306,118
Contract cost	14	13,698	4,449	-	-
Contract assets	15	6,336	102,396	-	-
Other investments	12	151,376	-	151,376	-
Cash and short-term deposits	16	199,671	105,002	39,971	27,706
<b>Total current assets</b>		<b>762,840</b>	591,327	<b>742,556</b>	333,824
<b>TOTAL ASSETS</b>		<b>916,922</b>	612,371	<b>762,454</b>	353,984
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	17	465,943	42,400	465,943	42,400
Retained earnings		322,327	340,208	295,934	270,939
		788,270	382,608	761,877	313,339
Non-controlling interests		4,316	3,252	-	-
<b>TOTAL EQUITY</b>		<b>792,586</b>	385,860	<b>761,877</b>	313,339
<b>Non-current liabilities</b>					
Loans and borrowings	19	24,054	51,133	-	-
Deferred tax liabilities	10	60	751	-	-
<b>Total non-current liabilities</b>		<b>24,114</b>	51,884	-	-
<b>Current liabilities</b>					
Loans and borrowings	19	16,408	48,433	-	30,000
Current tax liabilities		674	14,228	471	9,908
Trade and other payables	20	83,140	111,966	106	737
<b>Total current liabilities</b>		<b>100,222</b>	174,627	<b>577</b>	40,645
<b>TOTAL LIABILITIES</b>		<b>124,336</b>	226,511	<b>577</b>	40,645
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>916,922</b>	612,371	<b>762,454</b>	353,984

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



# STATEMENTS OF 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	21	<b>128,261</b>	336,410	<b>42,000</b>	198,000
Cost of sales		<b>(88,293)</b>	(197,316)	-	-
<b>Gross profit</b>		<b>39,968</b>	139,094	<b>42,000</b>	198,000
Other income	22	<b>40,098</b>	61,132	<b>23,101</b>	67,334
Marketing expenses		<b>(18,998)</b>	(15,445)	<b>(1,191)</b>	(143)
Administrative expenses		<b>(16,358)</b>	(13,012)	<b>(4,139)</b>	(2,008)
Other operating expenses		<b>(20,503)</b>	(21,175)	<b>(263)</b>	(19,416)
<b>Operating profit</b>		<b>24,207</b>	150,594	<b>59,508</b>	243,767
Finance costs	23	<b>(4,887)</b>	(3,338)	<b>(1,584)</b>	(850)
<b>Profit before tax</b>	24	<b>19,320</b>	147,256	<b>57,924</b>	242,917
Income tax (expense)/credit	26	<b>(1,457)</b>	(45,820)	<b>1,751</b>	(14,055)
<b>Profit for the financial year, representing total comprehensive income for the financial year</b>		<b>17,863</b>	101,436	<b>59,675</b>	228,862
<b>Profit/Total comprehensive income attributable to:</b>					
Owners of the Company		<b>16,799</b>	99,086	<b>59,675</b>	228,862
Non-controlling interests		<b>1,064</b>	2,350	-	-
		<b>17,863</b>	101,436	<b>59,675</b>	228,862
<b>Earnings per share attributable to ordinary equity holders of the Company (sen)</b>	27				
- Basic and diluted		<b>0.54</b>	4.06		

The accompanying notes form an integral part of these financial statement.

# STATEMENTS OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Attributable to owners of the Company			Non-controlling interests		Total equity RM'000
	Share capital RM'000	Retained earnings RM'000	Sub-total RM'000	Sub-total RM'000	RM'000	
<b>Group</b>						
<b>At 1 January 2023</b>	42,400	340,208	382,608	3,252	385,860	
<b>Total comprehensive income for the financial year</b>						
Profit for the financial year, representing total comprehensive income	-	16,799	16,799	1,064	17,863	
<b>Transactions with owners</b>						
Issue of ordinary shares	434,000	-	434,000	-	434,000	17
Transaction costs of share issue	(10,457)	-	(10,457)	-	(10,457)	17
Dividends paid on shares	-	(34,680)	(34,680)	-	(34,680)	28
Total transactions with owners	423,543	(34,680)	388,863	-	388,863	
<b>At 31 December 2023</b>	465,943	322,327	788,270	4,316	792,586	

## STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

		Attributable to owners of the Company -----I						
		Share capital	Redeemable convertible preference shares	Irredeemable convertible preference shares	Retained earnings	Sub-total	Non-controlling interests	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>								
	<b>At 1 January 2022</b>	2,400	40,000	-	306,122	348,522	20,902	369,424
	<b>Total comprehensive income for the financial year</b>							
	Profit for the financial year, representing total comprehensive income	-	-	-	99,086	99,086	2,350	101,436
	<b>Transactions with owners</b>							
	Conversion of redeemable convertible preference shares into irredeemable convertible preference shares	18	(40,000)	40,000	-	-	-	-
	Issuance of ordinary shares pursuant to conversion of irredeemable convertible preference shares	18	40,000	(40,000)	-	-	-	-
	Dividends paid to:	28	-	-	(65,000)	(65,000)	-	(65,000)
	- Owners of the Company	-	-	-	-	-	(20,000)	(20,000)
	- Non-controlling interests	-	-	-	-	-	-	-
	Total transactions with owners	40,000	(40,000)	-	(65,000)	(65,000)	(20,000)	(85,000)
	<b>At 31 December 2022</b>	42,400	-	-	340,208	382,608	3,252	385,860

# STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Attributable to owners of the Company -----						
	Share capital RM'000	Redeemable convertible preference shares RM'000	Irredeemable convertible preference shares RM'000	Retained earnings RM'000	Total equity RM'000	
Note						
<b>Company</b>						
<b>At 1 January 2023</b>						
	42,400	-	-	270,939	313,339	
<b>Total comprehensive income for the financial year</b>						
Profit for the financial year, representing total comprehensive income						
<b>Transactions with owners</b>						
17	434,000	-	-	-	434,000	
17	(10,457)	-	-	-	(10,457)	
28	-	-	-	(34,680)	(34,680)	
	423,543	-	-	(34,680)	388,863	
<b>At 31 December 2023</b>						
	465,943	-	-	295,934	761,877	
<b>At 1 January 2022</b>						
	2,400	40,000	-	107,077	149,477	
<b>Total comprehensive income for the financial year</b>						
Profit for the financial year, representing total comprehensive income						
<b>Transactions with owners</b>						
18	-	(40,000)	40,000	-	-	
18	40,000	-	(40,000)	-	-	
28	-	-	-	(65,000)	(65,000)	
	40,000	(40,000)	-	(65,000)	(65,000)	
<b>At 31 December 2022</b>						
	42,400	-	-	270,939	313,339	

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

# STATEMENTS OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Cash flows from operating activities</b>					
Profit before tax		<b>19,320</b>	147,256	<b>57,924</b>	242,917
Adjustments for:					
Depreciation of right-of-use assets	6	<b>1,226</b>	1,334	-	52
Depreciation of property, plant and equipment	5	<b>1,617</b>	665	<b>262</b>	189
Deposit written off		<b>19</b>	-	-	-
Fair value gain on investment property		<b>(33,077)</b>	-	-	-
Gain on disposal of other investments		<b>(101)</b>	-	<b>(101)</b>	-
Gain on disposal of property, plant and equipment		-	(161)	-	-
Gain on lease modification		<b>(1)</b>	(9)	-	(2)
Fair value adjustment on other investments		-	18,729	-	18,729
Fair value gain on other investments		<b>(1,868)</b>	-	<b>(1,868)</b>	-
Net loss on revocation of sales		<b>11,442</b>	-	-	-
Finance costs	23	<b>4,887</b>	3,338	<b>1,584</b>	850
Interest income		<b>(4,802)</b>	(619)	<b>(21,099)</b>	(7,299)
Dividend income		-	-	<b>(42,000)</b>	(198,000)
Recoupment income		-	(60,000)	-	(60,000)
<b>Operating (loss)/profit before changes in working capital</b>					
		<b>(1,338)</b>	110,533	<b>(5,298)</b>	(2,564)
<b>Changes in working capital:</b>					
Inventories		<b>(39,716)</b>	(21,802)	-	-
Trade and other receivables		<b>(4,244)</b>	(10,118)	<b>(13,001)</b>	(12,206)
Contract assets		<b>66,024</b>	222,442	-	-
Trade and other payables		<b>(28,850)</b>	(35,452)	<b>(631)</b>	589
Contract costs		<b>(9,249)</b>	624	-	-
<b>Net cash (used in)/generated from operations</b>					
		<b>(17,373)</b>	266,227	<b>(18,930)</b>	(14,181)
Income tax paid		<b>(28,560)</b>	(40,133)	<b>(7,686)</b>	(4,067)
Interest received		<b>4,720</b>	619	<b>21,017</b>	7,299
Interest paid		<b>(1,732)</b>	(523)	-	-
<b>Net cash (used in)/from operating activities</b>					
		<b>(42,945)</b>	226,190	<b>(5,599)</b>	(10,949)
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	(a)	<b>(39,800)</b>	(1,574)	-	(717)
Proceeds from disposal of property, plant and equipment		-	161	-	-
Advances to subsidiaries		-	-	<b>(232,008)</b>	-
Net placement of short-term funds		<b>(149,407)</b>	-	<b>(149,407)</b>	-
Acquisition of a subsidiary, net of cash acquired		-	-	*	-
Dividend received		-	-	<b>42,000</b>	290,000
Recoupment income received		-	47,000	-	47,000
Net withdrawal/(placement) of fixed deposits		<b>1,732</b>	(5,512)	<b>(3,552)</b>	-
<b>Net cash (used in)/from investing activities</b>					
		<b>(187,475)</b>	40,075	<b>(342,967)</b>	336,283

# STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Cash flows from financing activities</b>	(b)				
Net proceeds from issuance of ordinary shares		<b>423,543</b>	-	<b>423,543</b>	-
Drawdown of term loans		<b>50,340</b>	37,092	-	-
Repayment of term loans		<b>(78,687)</b>	(32,932)	-	-
Repayment of bridging loans		-	(12,684)	-	-
Drawdown of revolving credit		-	30,000	-	30,000
Payment of lease liabilities		<b>(1,256)</b>	(1,330)	-	(52)
<b>Repayment of revolving credit</b>		<b>(30,000)</b>	-	<b>(30,000)</b>	-
Repayment of hire purchase payables		<b>(102)</b>	(27)	-	-
Repayment to subsidiaries		-	-	-	(229,518)
Advances from/(Repayment to) related parties		<b>14</b>	(200,120)	-	(18,024)
Repayment to a director		-	(14,192)	-	(14,192)
Dividend paid to:					
- Owners of the Company		<b>(34,680)</b>	(65,000)	<b>(34,680)</b>	(65,000)
- Non-controlling interests		-	(20,000)	-	-
Interest paid		<b>(2,325)</b>	(2,814)	<b>(1,584)</b>	(850)
<b>Net cash from/(used in) financing activities</b>		<b>326,847</b>	(282,007)	<b>357,279</b>	(297,636)
Net increase/(decrease) in cash and cash equivalents		<b>96,427</b>	(15,742)	<b>8,713</b>	27,698
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>95,829</b>	111,571	<b>27,706</b>	8
<b>Cash and cash equivalents at the end of the financial year</b>	16	<b>192,256</b>	95,829	<b>36,419</b>	27,706

\* Less than 1,000

- (a) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment.

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Purchase of property, plant and equipment	5	<b>39,800</b>	2,124	-	717
Financed by way of hire purchase arrangements		-	(550)	-	-
<b>Cash payments on purchase of property, plant and equipment</b>		<b>39,800</b>	1,574	-	717

## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

(b) Reconciliation of changes in liabilities arising from financing activities are as follows:

	1.1.2023 RM'000	Cash flows RM'000	Acquisition RM'000	Non-cash Lease modification RM'000	31.12.2023 RM'000
<b>Group</b>					
Term loans	67,396	(28,347)	-	-	39,049
Hire purchase payables	529	(102)	-	-	427
Lease liabilities	1,615	(1,256)	688	(61)	986
Revolving credit	30,000	(30,000)	-	-	-
Amount owing to a related party	-	14	-	-	14
	99,540	(59,691)	688	(61)	40,476

	1.1.2022 RM'000	Cash flows RM'000	Non-cash Others RM'000	31.12.2022 RM'000
<b>Group</b>				
Term loans	63,081	4,160	155	67,396
Bridging loans	12,684	(12,684)	-	-
Hire purchase payables	6	(27)	550	529
Lease liabilities	2,285	(1,330)	660	1,615
Revolving credit	-	30,000	-	30,000
Amounts owing to/(by) related parties	196,178	(200,120)	(9,058)	(13,000)
Amount owing to a director	14,193	(14,192)	(1)	-
	288,427	(194,193)	(7,694)	86,540

	1.1.2023 RM'000	Cash flows RM'000	Non-cash RM'000	31.12.2023 RM'000
<b>Company</b>				
Revolving credit	30,000	(30,000)	-	-

	1.1.2022 RM'000	Cash flows RM'000	Non-cash Others RM'000	31.12.2022 RM'000
<b>Company</b>				
Lease liabilities	196	(52)	(144)	-
Revolving credit	-	30,000	-	30,000
Amounts owing by subsidiaries	(50,647)	(229,518)	(11,950)	(292,115)
Amount owing to/(by) a related company	18,000	(18,024)	(12,976)	(13,000)
Amount owing to a director	14,193	(14,192)	(1)	-
	(18,258)	(231,786)	(25,071)	(275,115)

(c) Total cash outflows for leases

During the financial year, the Group had total cash outflows for leases of RM1,778,596 (2022: RM3,142,401).

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

# NOTES TO THE FINANCIAL STATEMENTS

## 1. CORPORATE INFORMATION

Radium Development Berhad (the “Company”) is a public limited liability company and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at 62C, Jalan SS21/62, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan. The principal place of business of the Company is located at No. 7-2, PV7, Jalan Melati Utama 2, Taman Melati Utama, Setapak, 53100 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 8.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 1 April 2024.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

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

### 2.2 Adoption of new MFRS and amendments to MFRSs

The Group and the Company have adopted the following applicable new MFRS and amendments to MFRSs for the current financial year:

#### New MFRS

MFRS 17 Insurance Contracts

#### Amendments to MFRSs

MFRS 101 Presentation of Financial Statements

MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

MFRS 112 Income Taxes

The adoption of the above new MFRS and amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies, except as discussed below:

#### ***Amendments to MFRS 101 Presentation of Financial Statements***

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements.

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



## NOTES TO THE FINANCIAL STATEMENTS

### 2. BASIS OF PREPARATION (CONT'D)

#### 2.3 Amendments to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following amendments to MFRSs that have been issued, but yet to be effective:

		<b>Effective for financial periods beginning on or after</b>
<u>Amendments to MFRSs</u>		
MFRS 7	Financial Instruments: Disclosures	1 January 2024
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 16	Leases	1 January 2024
MFRS 101	Presentation of Financial Statements	1 January 2024
MFRS 107	Statements of Cash Flows	1 January 2024
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

The Group and the Company plan to adopt the above applicable amendments to MFRSs when they become effective. A brief discussion on the above significant amendments to MFRSs that may be applicable to the Group and to the Company are summarised below:

#### ***Amendments to MFRS 101 Presentation of Financial Statements***

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The latest amendments to MFRS 101 clarify how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability. As such, the amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

#### 2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

#### 2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed.

# NOTES TO THE FINANCIAL STATEMENTS

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

### 3.1 Basis of consolidation

#### (a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

#### (b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at their acquisition-date fair values.

### 3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries are measured at cost less any accumulated impairment losses.

### 3.3 Financial instruments

#### Financial assets – subsequent measurement and gains and losses

##### Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

##### Debt instruments at amortised cost

The Group and the Company subsequently measures these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

#### Financial liabilities – subsequent measurement and gains and losses

##### Financial liabilities at amortised cost

The Group and the Company subsequently measures financial liabilities at amortised cost under the effective interest method. Interest expense and gains and losses are recognised in profit or loss.

### 3.4 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

## NOTES TO THE FINANCIAL STATEMENTS

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 3.4 Property, plant and equipment (Cont'd)

All other property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Computer hardware and software	5
Furniture and fittings	10
Office equipment	10
Motor vehicles	5
Renovation	5

#### 3.5 Leases

##### (a) Lessee accounting

The Group and the Company present right-of-use assets and lease liabilities as separate lines in the statements of financial position.

##### Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group recognise the lease payments as an operating expense on a straight-line basis over the term of the lease.

##### Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

##### Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

##### (b) Lessor accounting

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognise as other income.

# NOTES TO THE FINANCIAL STATEMENTS

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 3.6 Investment properties

Investment properties are measured at fair values with gains and losses arising from changes in the fair values of investment properties recognised in profit or loss for the period in which they arise.

### 3.7 Inventories

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

#### Property under development and completed properties

The cost of property under development recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative sale value of the property sold.

The cost of unsold completed properties is determined on a specific identification basis.

### 3.8 Revenue and other income

#### (a) Property development

The Group develops and sells residential properties as well as sales of land. Contracts with customers may include multiple distinct promises to customers and therefore accounted for as separate performance obligations. In the contract with customer contains more than one performance obligation, when the stand-alone selling price are not directly observable, they are estimated based on expected cost plus margin approach.

For practical expediency, the Group applies revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics in the property development business if the Group reasonably expect that the effects on the financial statements would not differ materially from recognising revenue on each individual contracts (or performance obligations) within that portfolio.

Revenue from residential properties are recognised as and when the control of the asset is transferred to the customer. Based on the terms of the contract and the laws that apply to the contract, control of the asset is transferred over time as the Group's performance do 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. 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 a performance obligation is determined by the proportion of property development costs incurred for work performed to date bear to the estimated total property development costs (an input method).

Revenue from sale of land are recognised at a point in time when the control of the land has been transferred to the purchaser.

The consideration is due based on the scheduled payments in the contract, therefore, no element of financing is deemed present. When a particular milestone is reached in excess of the scheduled payments, a contract asset will be recognised for the excess of revenue recognised to date under the input method over the progress billings to-date and include deposits or advances received from customers. When the progress billings to-date and include deposits or advances received from customers exceeds revenue recognised to date then the Group recognises a contract liability for the difference.

## NOTES TO THE FINANCIAL STATEMENTS

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 3.8 Revenue and other income (Cont'd)

##### (a) Property development (Cont'd)

Based on the Group's customary business practice, the customers' legal fees are borne by the Group. Revenue is recognised based on the transaction price agreed in the contracts, net of the customers' legal fees. The Group uses its experience in estimating the legal fees to be incurred. The Group uses the expected value method because it is the method that the Group expects to better predict the amount of consideration to which they will be entitled. The amount of revenue recognised does not include any customers' legal fees which is constrained.

For residential properties, as part of the statutory requirements, the Group's obligations to repair and made good of any defect, shrinkage or other faults in the building or in the common property which have become apparent within a period of 24 months after the customer takes vacant possession of the building are recognised as a provision.

##### (b) Interest income

Interest income is recognised using the effective interest method.

##### (c) Rental income

Rental income is recognised on a straight-line basis over the term of the leases.

##### (d) Dividend income

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

#### 3.9 Deferred tax

When investment properties are carried at fair value in accordance with the material accounting policy information as disclosed in Note 3.6, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within the business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

### 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

# NOTES TO THE FINANCIAL STATEMENTS

## 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

### (a) Property development revenue and expenses

The Group recognised property development revenue and expenses in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and expenses, as well as the recoverability of the development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of the Group's property development costs and contract assets are disclosed in Notes 13 and 15.

### (b) Fair value of investment property

The Group carries its investment property at fair value. The Group engaged external valuer to determine the fair values. The valuation method adopted by the valuer is income approach by residual method. Judgement is made in determining the appropriate valuation methods and the key assumptions used in the valuations. Any changes in these assumptions will have an impact on the carrying amounts of the investment properties.

The carrying amounts of the investment properties are disclosed in Note 7.

### (c) Impairment of amounts owing by subsidiaries

The impairment provisions for amounts owing by subsidiaries are based on assumptions about risk of default and expected loss rate. The Company uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and forecast of economic conditions over the expected lives of amounts owing by subsidiaries. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of subsidiary's actual default in the future.

The information about the impairment losses on the Company's amount owing by subsidiaries are disclosed in Note 29(b)(i).

## NOTES TO THE FINANCIAL STATEMENTS

## 5. PROPERTY, PLANT AND EQUIPMENT

Group	Computer hardware and software RM'000	Furniture and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Capital work-in-progress RM'000	Total RM'000
<b>Cost</b>							
At 1 January 2023	622	352	352	2,206	1,372	-	4,904
Additions	334	580	200	-	4,289	34,397	39,800
<b>At 31 December 2023</b>	<b>956</b>	<b>932</b>	<b>552</b>	<b>2,206</b>	<b>5,661</b>	<b>34,397</b>	<b>44,704</b>
<b>Accumulated depreciation</b>							
At 1 January 2023	302	126	101	622	232	-	1,383
Depreciation charge for the financial year	153	87	45	431	901	-	1,617
<b>At 31 December 2023</b>	<b>455</b>	<b>213</b>	<b>146</b>	<b>1,053</b>	<b>1,133</b>	<b>-</b>	<b>3,000</b>
<b>Carrying amount</b>							
At 1 January 2023	320	226	251	1,584	1,140	-	3,521
At 31 December 2023	501	719	406	1,153	4,528	34,397	41,704

# NOTES TO THE FINANCIAL STATEMENTS

## 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Computer hardware and software RM'000	Furniture and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Right-of-use assets RM'000	Total RM'000
<b>Cost</b>							
<b>At 1 January 2022</b>							
As previously reported	417	256	192	1,261	654	3,564	6,344
Reclassified to right-of-use assets (Note 6)	-	-	-	-	-	(3,564)	(3,564)
Restated balance at 1 January 2022	417	256	192	1,261	654	-	2,780
Additions	205	96	160	945	718	-	2,124
At 31 December 2022	622	352	352	2,206	1,372	-	4,904
<b>Accumulated depreciation</b>							
<b>At 1 January 2022</b>							
As previously reported	210	96	76	302	34	1,348	2,066
Reclassified to right-of-use assets (Note 6)	-	-	-	-	-	(1,348)	(1,348)
Restated balance at 1 January 2022	210	96	76	302	34	-	718
Depreciation charge for the financial year	92	30	25	320	198	-	665
At 31 December 2022	302	126	101	622	232	-	1,383
<b>Carrying amount</b>							
At 1 January 2022	207	160	116	959	620	2,216	4,278
At 31 December 2022	320	226	251	1,584	1,140	-	3,521



## NOTES TO THE FINANCIAL STATEMENTS

## 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Computer hardware and software RM'000	Furniture and fittings RM'000	Renovation RM'000	Office equipment RM'000	Total RM'000
<b>Company Cost</b>					
At 1 January 2023/31 December 2023	44	14	1,253	20	1,331
<b>Accumulated depreciation</b>					
At 1 January 2023	10	2	197	*	209
Depreciation charge for the financial year	9	1	250	2	262
At 31 December 2023	19	3	447	2	471
<b>Carrying amount</b>					
At 1 January 2023	34	12	1,056	20	1,122
At 31 December 2023	25	11	806	18	860

\* Less than 1,000

# NOTES TO THE FINANCIAL STATEMENTS

## 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Computer hardware and software RM'000	Furniture and fittings RM'000	Renovation RM'000	Office equipment RM'000	Right-of-use assets RM'000	Total RM'000
<b>Cost</b>						
At 1 January 2022	44	14	556	-	293	907
As previously reported	-	-	-	-	(293)	(293)
Reclassified to right-of-use assets (Note 6)						
Restated balance at 1 January 2022	44	14	556	-	-	614
Additions	-	-	697	20	-	717
At 31 December 2022	44	14	1,253	20	-	1,331
<b>Accumulated depreciation</b>						
At 1 January 2022	1	*	19	-	99	119
As previously reported	-	-	-	-	(99)	(99)
Reclassified to right-of-use assets (Note 6)						
Restated balance at 1 January 2022	1	*	19	-	-	20
Depreciation charge for the financial year	9	2	178	*	-	189
At 31 December 2022	10	2	197	*	-	209
<b>Carrying amount</b>						
At 1 January 2022	43	14	537	-	194	788
At 31 December 2022	34	12	1,056	20	-	1,122

\* Less than 1,000

## NOTES TO THE FINANCIAL STATEMENTS

### 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

#### (a) Assets pledged as security

Motor vehicles with carrying amount of RM526,516 (2022: RM671,372) of the Group are under hire purchase arrangement as disclosed in Note 19(b).

### 6. RIGHT-OF-USE ASSETS

Information about leases for which the Group and the Company are lessees are presented below:

	<b>Buildings RM'000</b>
<b>Group</b>	
<b>Cost</b>	
At 1 January 2022	
As previously reported	-
Reclassified from property, plant and equipment (Note 5)	3,564
<hr/>	
Restated balance at 1 January 2022	3,564
Additions	861
Disposal	(351)
Written off	(458)
Derecognition due to end of lease term	(821)
<hr/>	
At 31 December 2022	<b>2,795</b>
Additions	<b>688</b>
Written off	<b>(127)</b>
Derecognition due to end of lease term	<b>(1,126)</b>
<hr/>	
At 31 December 2023	<b>2,230</b>
<hr/>	
<b>Accumulated depreciation</b>	
At 1 January 2022	
As previously reported	-
Reclassified from property, plant and equipment (Note 5)	1,348
<hr/>	
Restated balance at 1 January 2022	1,348
Depreciation charge for the financial year	1,334
Disposal	(351)
Written off	(264)
Derecognition due to end of lease term	(821)
<hr/>	
At 31 December 2022	<b>1,246</b>
Depreciation charge for the financial year	<b>1,226</b>
Written off	<b>(67)</b>
Derecognition due to end of lease term	<b>(1,126)</b>
<hr/>	
At 31 December 2023	<b>1,279</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 6. RIGHT-OF-USE ASSETS (CONT'D)

Information about leases for which the Group and the Company are lessees are presented below: (Cont'd)

	<b>Buildings RM'000</b>
<b>Group</b>	
<b>Carrying amount</b>	
At 31 December 2022	1,549
At 31 December 2023	<b>951</b>
<b>Company</b>	
<b>Cost</b>	
At 1 January 2022	
As previously reported	-
Reclassified from property, plant and equipment (Note 5)	293
Restated balance at 1 January 2022	293
Written off	(293)
At 31 December 2022/31 December 2023	-
<b>Accumulated depreciation</b>	
At 1 January 2022	
As previously reported	-
Reclassified from property, plant and equipment (Note 5)	99
Restated balance at 1 January 2022	99
Depreciation charge for the financial year	52
Written off	(151)
At 31 December 2022/31 December 2023	-
<b>Carrying amount</b>	
At 31 December 2022/31 December 2023	-

The Group and the Company lease buildings for its office and sales gallery. The leases are mainly for an initial lease of a year. The Group has option to renew one of the lease building for another two (2) years. The Company has included the potential future cash flows of exercising the extension option in the lease liability.

## NOTES TO THE FINANCIAL STATEMENTS

### 7. INVESTMENT PROPERTY

	Group	
	2023	2022
	RM'000	RM'000
<b>At fair value:</b>		
At 1 January	-	-
Transfer from inventory	49,923	-
Net gain arising from fair value adjustment	33,077	-
	<hr/>	<hr/>
At 31 December	83,000	-

The Group's investment property comprises a parcel of commercial land with earthworks and piling related works certified completed to-date that is leased to a third party.

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

	Group	
	2023	2022
	RM'000	RM'000
Rental income	6	-
Direct operating expenses:		
- income generating investment	1	-

The directors estimated the fair value of investment property of approximately RM83,000,000 (2022: Nil) is categorised at Level 3 of the fair value hierarchy.

There are no Level 1 and Level 2 investment property or transfer between levels during the financial year.

#### Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within level 3, as well as the significant unobservable inputs used in the valuation models.

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Land with earthwork and piling related works	Income approach by residual method	Residual value	The higher the residual value, the higher the fair value

#### Valuation process applied by the Group

The fair value of investment property is determined by external independent property valuer, Knight Frank Malaysia Sdn. Bhd., a member of the Institute of Valuers in Malaysia, with appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The valuation company provides the fair value of the Group's investment property portfolio yearly. Changes in Level 3 fair values are analysed by the Group yearly after obtaining the valuation report from the valuation company.

#### Highest and best use

In estimating the fair value of the property, the highest and best use of the property is their current use.

# NOTES TO THE FINANCIAL STATEMENTS

## 8. INVESTMENT IN SUBSIDIARIES

	Company	
	2023 RM'000	2022 RM'000
<b>At cost:</b>		
Unquoted shares	8,454	8,454

Details of the subsidiaries are as follows:

Name of company	Principal place of business/country of incorporation	Ownership interest		Principal activities
		2023 %	2022 %	
Ambanang Development Sdn. Bhd.	Malaysia	100	100	Property development
Constant Premium Sdn. Bhd.	Malaysia	100	100	Property development
Fitrah Resources Sdn. Bhd.	Malaysia	80	80	Property development
Idaman Sejiwa (Ampang) Sdn. Bhd.	Malaysia	100	100	Property development
Montanica Development Sdn. Bhd.	Malaysia	100	100	Property development
Omega Edisi Sdn. Bhd.	Malaysia	100	100	Provision of management services
Pavilion Integrity Sdn. Bhd.	Malaysia	80	80	Property development and investment
Rasa Wangi Development Sdn. Bhd.	Malaysia	100	100	Property development
Total Solid Holdings Sdn. Bhd.	Malaysia	100	100	Property development
Tradisi Emas Sdn. Bhd.	Malaysia	100	100	Hotel business
Vistarena Development Sdn. Bhd.	Malaysia	80	80	Property development
Radium Global Sdn. Bhd.	Malaysia	100	-	Property development
Radium Management Services Sdn. Bhd.	Malaysia	100	-	Provision of project management consultancy and information technology related services

### (a) Acquisition of Radium Global Sdn. Bhd.

On 6 June 2023, the Company acquired the entire equity interest, representing one (1) ordinary share in Radium Global Sdn. Bhd. for a total purchase consideration of RM1. Consequently, Radium Global Sdn. Bhd. became a wholly-owned subsidiary of the Company. The principal activity of Radium Global Sdn. Bhd. is property development.

Effect of the acquisition is as follows:

	RM'000
Total assets	*
Total liabilities	(10)
Total identifiable net assets acquired	(10)
Goodwill arising on acquisition (Note 9)	10
Fair value of consideration transferred	*

\* Less than 1,000

## NOTES TO THE FINANCIAL STATEMENTS

### 8. INVESTMENT IN SUBSIDIARIES (CONT'D)

#### (b) Incorporation of Radium Management Services Sdn. Bhd.

On 20 June 2023, the Company had incorporated a wholly-owned subsidiary, namely Radium Management Services Sdn. Bhd., with an issued and paid up capital of RM1 comprising of one (1) ordinary share. The principal activity of Radium Management Services Sdn. Bhd. is provision of project management consultancy and information technology related services.

#### (c) Non-controlling interests in subsidiaries

The financial information of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:

Equity interest held by non-controlling interests:

Name of company	Ownership interest	
	2023	2022
	%	%
Vistarena Development Sdn. Bhd.	20	20
Pavilion Integrity Sdn. Bhd.	20	20
Fitrah Resources Sdn. Bhd.	20	20

Carrying amount of material non-controlling interests:

Name of company	2023	2022
	RM'000	RM'000
Vistarena Development Sdn. Bhd.	3,896	4,207
Pavilion Integrity Sdn. Bhd.	(228)	(570)
Fitrah Resources Sdn. Bhd.	648	(385)

Profit or loss allocated to material non-controlling interests:

Name of company	2023	2022
	RM'000	RM'000
Vistarena Development Sdn. Bhd.	(311)	2,354
Pavilion Integrity Sdn. Bhd.	342	264
Fitrah Resources Sdn. Bhd.	1,033	(268)

# NOTES TO THE FINANCIAL STATEMENTS

## 8. INVESTMENT IN SUBSIDIARIES (CONT'D)

### (d) Summarised financial information of material non-controlling interests

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:

	<b>Vistarena Development Sdn. Bhd. RM'000</b>	<b>Pavilion Integrity Sdn. Bhd. RM'000</b>	<b>Fitrah Resources Sdn. Bhd. RM'000</b>
<b>Summarised statement of financial position</b>			
<b>As at 31 December 2023</b>			
<b>Assets and liabilities:</b>			
Non-current assets	44	83,024	3,540
Current assets	25,878	2,521	129,469
Non-current liabilities	-	(2)	(352)
Current liabilities	(6,440)	(86,688)	(129,413)
Net assets/(liabilities)	19,482	(1,145)	3,244
<b>Summarised statement of comprehensive income</b>			
<b>Financial year ended ("FYE") 31 December 2023</b>			
Revenue	-	-	60,070
(Loss)/Profit for the financial year	(1,554)	1,709	5,166
<b>Summarised cash flow information</b>			
<b>FYE 31 December 2023</b>			
Cash flows from/(used in) operating activities	253	7,914	(22,275)
Cash flows from/(used in) investing activities	503	-	(2,715)
Cash flows (used in)/from financing activities	(1,185)	(9,521)	30,846
Net (decrease)/increase in cash and cash equivalents	(429)	(1,607)	5,856



## NOTES TO THE FINANCIAL STATEMENTS

### 8. INVESTMENT IN SUBSIDIARIES (CONT'D)

#### (d) Summarised financial information of material non-controlling interests (Cont'd)

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows: (Cont'd)

	<b>Vistarena Development Sdn. Bhd. RM'000</b>	<b>Pavilion Integrity Sdn. Bhd. RM'000</b>	<b>Fitrah Resources Sdn. Bhd. RM'000</b>
<b>Summarised statement of financial position</b>			
<b>As at 31 December 2022</b>			
<b>Assets and liabilities:</b>			
Non-current assets	59	133	678
Current assets	34,239	67,414	76,024
Non-current liabilities	(630)	(5,472)	(18,486)
Current liabilities	(12,632)	(64,929)	(60,138)
Net assets/(liabilities)	21,036	(2,854)	(1,922)
<b>Summarised statement of comprehensive income</b>			
<b>FYE 31 December 2022</b>			
Revenue	47,805	19,589	-
Profit/(Loss) for the financial year	11,768	1,318	(1,337)
<b>Summarised cash flow information</b>			
<b>FYE 31 December 2022</b>			
Cash flows from/(used in) operating activities	153,050	(2,046)	(19,718)
Cash flows used in investing activities	(503)	(392)	(26)
Cash flows (used in)/from financing activities	(125,915)	2,344	23,595
Net increase/(decrease) in cash and cash equivalents	26,632	(94)	3,851

# NOTES TO THE FINANCIAL STATEMENTS

## 9. GOODWILL

		Group	
	Note	2023 RM'000	2022 RM'000
At 1 January		1,590	1,590
Acquisition of a subsidiary	8(a)	10	-
At 31 December		1,600	1,590

### Impairment of goodwill

Management reviews the business performance based on the type of services of the strategic business units which represent its reportable operating segments. For the purpose of impairment testing, goodwill acquired through business combinations is allocated to the Group's cash generating units ("CGUs") which are also reportable operating segments, which represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The carrying amounts of goodwill allocated to the CGU are as follow:

	Group	
	2023 RM'000	2022 RM'000
Property development and investment	1,569	1,559
Investment holdings and others	31	31
	1,600	1,590

Goodwill is assessed at each reporting date regardless of any indication of impairment by comparing the carrying amount with the recoverable amount of each CGU.

The recoverable amount of the CGU has been determined based on value-in-use calculations using cash flows projection from financial budgets and forecasts approved by management covering one to three-years period, and an estimated discount rate of 9.61% (2022: 8.96%). The same method has also been used in the previous financial year.

There is no reasonably possible change in any of the key assumptions used that would cause the carrying value of the CGU to exceed its recoverable amounts.

At the end of the reporting period, the Group assessed the recoverable amount of goodwill, and determined that no impairment of goodwill associated with sales of development properties is required, management expects future cash flows will be generated from this CGU.

## NOTES TO THE FINANCIAL STATEMENTS

### 10. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax assets/(liabilities) relates to the following:

	Group	
	2023	2022
	RM'000	RM'000
<b>Deferred tax assets</b>		
At 1 January	-	-
Recognised in profit or loss (Note 26)	5,892	-
At 31 December	5,892	-
<b>Deferred tax liabilities</b>		
At 1 January	(751)	(758)
Recognised in profit or loss (Note 26)	691	7
At 31 December	(60)	(751)

The components of deferred tax assets/(liabilities) as at the end of the financial year are as follows:

	Group	
	2023	2022
	RM'000	RM'000
<b>Deferred tax assets</b>		
Unabsorbed capital allowance	82	-
Unused tax losses	2,302	-
Deductible temporary differences	3,508	-
	5,892	-
<b>Deferred tax liabilities</b>		
Temporary differences between net carrying amount and corresponding tax written down values in relation to property, plant and equipment	(59)	(128)
Taxable temporary differences	(1)	(623)
	(60)	(751)
<b>Presented after appropriate offsetting as follows:</b>		
Deferred tax assets	5,892	-
Deferred tax liabilities	(60)	(751)
	5,832	(751)

# NOTES TO THE FINANCIAL STATEMENTS

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

### Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2023	2022
	RM'000	RM'000
Unabsorbed capital allowance	-	287
Unused tax losses	3,575	6,563
Deductible temporary differences	11,751	7,815
	<b>15,326</b>	14,665
Potential deferred tax benefit at 24%	<b>3,678</b>	3,520

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under the Income Tax Act, 1967 and guidelines issued by the tax authority.

The unused tax losses are available for offset against future taxable profits of the Group up to the following financial years:

	Group	
	2023	2022
	RM'000	RM'000
2028	504	596
2029	11	505
2030	156	188
2031	863	1,254
2032	3,842	4,020
2033	7,790	-
	<b>13,166</b>	6,563

## 11. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
<b>Non-current:</b>					
<b>Trade</b>					
Stakeholders sums	(a)	7,596	-	-	-
<b>Non-trade</b>					
Other receivable		2,755	3,800	-	-
Total trade and other receivables (non-current)		<b>10,351</b>	3,800	-	-

## NOTES TO THE FINANCIAL STATEMENTS

### 11. TRADE AND OTHER RECEIVABLES (CONT'D)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Current:</b>					
<b>Trade</b>					
Trade receivables		<b>34,522</b>	16,030	-	-
Stakeholders sums		<b>30,946</b>	71,532	-	-
	(a)	<b>65,468</b>	87,562	-	-
<b>Non-trade</b>					
Other receivables		<b>448</b>	69	-	-
Deposits	(b)	<b>27,917</b>	6,907	<b>14,004</b>	7
Prepayments		<b>387</b>	2,838	-	996
Amounts owing by subsidiaries	(c)	-	-	<b>524,123</b>	292,115
Amount owing by a related party	(d)	<b>13,082</b>	13,000	<b>13,082</b>	13,000
		<b>41,834</b>	22,814	<b>551,209</b>	306,118
Total trade and other receivables (current)		<b>107,302</b>	110,376	<b>551,209</b>	306,118
Total trade and other receivables (non-current and current)		<b>117,653</b>	114,176	<b>551,209</b>	306,118

#### (a) Trade receivables

Trade receivables are non-interest bearing and normal credit term offered by the Group is 30 days (2022: 30 days) from the date of invoices. Other credit terms are assessed and approved on a case-by-case basis.

The stakeholders sum which is receivable upon the expiry of defect liability period as provided in the contracts with customers.

#### (b) Deposits

Included in deposits of the Group and the Company is an amount of RM24,000,000 and RM14,000,000 (2022: RM3,000,000 and RM Nil) respectively paid in connection to joint venture agreement and joint development agreement as disclosed in Notes 34(b) and 34(c) respectively. The deposit paid by the Group of RM9,000,000 (2022: Nil) was funded through a term loan and secured by a third party open charge over a parcel of leasehold land owned by the landowner.

#### (c) Amounts owing by subsidiaries

Amounts owing by subsidiaries represent loans to subsidiaries which are unsecured, subject to interest rate ranging from 5.01% to 6.68% (2022: 3.44% to 6.42%) per annum, repayable on demand and are expected to be settled in cash.

# NOTES TO THE FINANCIAL STATEMENTS

## 11. TRADE AND OTHER RECEIVABLES (CONT'D)

### (d) Amount owing by a related party

Amount owing by a related party is unsecured, non-trade in nature, subject to interest rate at 10% per annum beginning 10 December 2023, repayable on demand and is expected to be settled in cash.

The information about the credit exposures are disclosed in Note 29(b)(i).

## 12. OTHER INVESTMENTS

	Group and Company	
	2023	2022
	RM'000	RM'000
<b>Financial assets at fair value through profit or loss ("FVPL")</b>		
<b>At fair value:</b>		
<b>Non-current</b>		
<b>Unquoted shares</b>		
- Jayyid Land Sdn. Bhd. ("Jayyid Land")	10,584	10,584
<b>Current</b>		
Short-term cash investments		
- Money market fund	151,376	-

## 13. INVENTORIES

	Group	
	2023	2022
	RM'000	RM'000
<b>Current</b>		
Property under development		
- Freehold land	141,172	104,514
- Leasehold land	32,145	44,249
- Development costs	96,784	112,144
Completed properties	366	1,173
Total inventories	270,467	262,080

- (a) The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM88,293,501 (2022: RM197,316,358).
- (b) Freehold and leasehold land included in the properties under development of RM101,527,901 (2022: RM148,762,988) are pledged as security to secure loans and borrowings granted to the Group as disclosed in Note 19.
- (c) Included in inventories are borrowing costs capitalised in the property development costs during the financial year as follows:

	Group	
	2023	2022
	RM'000	RM'000
Borrowing costs	679	1,676

## NOTES TO THE FINANCIAL STATEMENTS

### 14. CONTRACT COST

	Group	
	2023	2022
	RM'000	RM'000
Costs to obtain contracts	13,698	4,449

#### Cost to obtain contracts

Costs to obtain contracts relate to incremental commission fees paid to intermediaries as a result of obtaining contracts with customers.

The costs to obtain contracts are amortised in accordance with the pattern of transfer of goods or services to which the asset relates. During the financial year, the amortisation of contract costs of the Group recognised were RM5,681,884 (2022: RM5,952,984).

### 15. CONTRACT ASSETS

	Group	
	2023	2022
	RM'000	RM'000
Contract assets relating to property development contracts	6,336	102,396

#### Significant changes in contract balances

	Group	
	2023	2022
	Contract assets increase/ (decrease)	Contract assets increase/ (decrease)
	RM'000	RM'000
Increase due to revenue recognised for unbilled goods or services transferred to customers	54,140	311,410
Decrease as a result of termination of project	(25,401)	-
Transfer from contract assets recognised to receivables	(124,799)	(533,852)

The information about the credit exposures are disclosed in Note 29(b)(i).

# NOTES TO THE FINANCIAL STATEMENTS

## 16. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash and bank balances	<b>192,106</b>	95,855	<b>36,269</b>	27,706
Short-term deposits	<b>7,565</b>	9,147	<b>3,702</b>	-
	<b>199,671</b>	105,002	<b>39,971</b>	27,706

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Deposits placed with licensed banks	<b>7,565</b>	9,147	<b>3,702</b>	-
Less: Deposits with maturity more than 3 months	<b>(1,033)</b>	-	-	-
Less: Pledged deposits	<b>(6,382)</b>	(9,147)	<b>(3,552)</b>	-
	<b>150</b>	-	<b>150</b>	-
Cash and bank balances	<b>192,106</b>	95,855	<b>36,269</b>	27,706
Bank overdrafts	-	(26)	-	-
	<b>192,256</b>	95,829	<b>36,419</b>	27,706

Included in cash and short-term deposits of the Group are amount of RM17,746,503 (2022: RM18,999,298) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and therefore restricted from use in other operations.

Included in the short-term deposits placed with licensed banks of the Group and the Company, RM6,382,271 and RM3,551,867 (2022: RM9,147,164 and RM Nil) respectively are pledged for loan and borrowings granted to the Group and the Company as disclosed in Note 19.

Under the Section 10(4)(c) of Strata Management Act 2013 ("the Act"), the maintenance account shall only be used by the Group solely for the purpose of meeting the actual or expected general or regular necessary in respect of the maintenance of the property. Maintenance accounts held by the Group amounting to RM10,080,760 (2022: RM3,278,100) were excluded in cash and bank balances.

## 17. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2023 Unit'000	2022 Unit'000	2023 RM'000	2022 RM'000
<b>Issued and fully paid up (no par value):</b>				
At 1 January	<b>2,600,000</b>	2,400,000	<b>42,400</b>	2,400
Issued during the financial year	<b>868,000</b>	-	<b>434,000</b>	-
Transaction costs of share issue	-	-	<b>(10,457)</b>	-
Conversion from ICPS to ordinary shares	-	200,000	-	40,000
At 31 December	<b>3,468,000</b>	2,600,000	<b>465,943</b>	42,400



## NOTES TO THE FINANCIAL STATEMENTS

### 17. SHARE CAPITAL (CONT'D)

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meeting of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

On 18 October 2022, the Company issued 200,000,000 new ordinary shares from the conversion of Irredeemable Convertible Preference Shares ("ICPS") with the conversion ratio of two (2) ICPS into one (1) new ordinary share and no additional cash payment is required for the conversion of the ICPS by holder(s) of ICPS ("ICPS holder(s)").

On 26 May 2023, the Company issued 868,000,000 new ordinary shares at a price of RM0.50 per ordinary share for a total consideration of RM434,000,000 pursuant to the Initial Public Offering ("IPO") of the Company on the Main Market of Bursa Malaysia Securities Berhad.

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

### 18. PREFERENCE SHARES

#### (a) Redeemable Convertible Preference Shares ("RCPS")

	Number of preference shares 2022 Unit'000	Amount 2022 RM'000
<b>Group and Company</b>		
At beginning of the financial year	400,000	40,000
Conversion of RCPS into ICPS	(400,000)	(40,000)
<hr/>		
At end of the financial year	-	-

#### (i) Issuance of RCPS

On 28 September 2021, the Company issued 400,000,000 units of RCPS to subscribers at an issue price of RM0.10 per unit, representing a total issue price of RM40,000,000.

The salient features of the RCPS are as follows:

- (a) tenure of 6 years to maturity date on 28 September 2027;
- (b) no dividend shall be paid during the tenure of the RCPS, unless otherwise declared by the Company;
- (c) the RCPS can only be converted from the first anniversary of the admission to the Official List and the listing of and quotation for the RCPS on the Main Market of Bursa Malaysia Securities Berhad;
- (d) Any RCPS which remained outstanding at the end of the tenure shall be converted automatically, whereby the corresponding amount of ordinary shares of the Company will be issued and allotted to the holders of the RCPS at no additional cost; and
- (e) Each RCPS shall be, at the sole option of the Company, be redeemed by the Company at the redemption price of RM0.50 per RCPS, on any date during the tenure and before the maturity date.

#### (ii) Conversion of RCPS into ICPS

On 26 June 2022, the 400,000,000 RCPS was converted into 400,000,000 ICPS.

# NOTES TO THE FINANCIAL STATEMENTS

## 18. PREFERENCE SHARES (CONT'D)

### (b) ICPS

	Note	Number of preference shares 2022 Unit'000	Amount 2022 RM'000
<b>Group and Company</b>			
At beginning of the financial year		-	-
Conversion of RCPS into ICPS	(i)	400,000	40,000
Conversion of ICPS into ordinary share	(ii)	(400,000)	(40,000)
At end of the financial year		-	-

### (i) Conversion of RCPS into ICPS

On 26 June 2022, the 400,000,000 RCPS was converted into 400,000,000 ICPS.

The salient features of the ICPS are as follows:

- (a) tenure of 6 years to maturity date on 28 September 2027;
- (b) the ICPS shall not be redeemable;
- (c) every two (2) ICPS can be converted to one (1) ordinary share and no additional cost or consideration shall be payable by the ICPS holders upon such exercise of the conversion rights;
- (d) the registered ICPS holders shall have the right to convert the ICPS into new shares at the conversion price only commencing from the issue date up to 5 p.m. on the market day immediately preceding the date which is the sixth (6th) anniversary from the issue date; and
- (e) any ICPS which remain outstanding at the end of six (6) years commencing from and including the issue date shall be automatically converted to ordinary shares in accordance with the terms herein.

### (ii) Conversion of ICPS into ordinary share

On 18 October 2022, the Company issued 200,000,000 new ordinary shares from the conversion of ICPS with the conversion ratio of two (2) ICPS into one (1) new ordinary share and no additional cash payment is required for the conversion of the ICPS by ICPS holders.

## NOTES TO THE FINANCIAL STATEMENTS

### 19. LOANS AND BORROWINGS

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Non-current:</b>					
Term loans	(a)	<b>23,337</b>	50,288	-	-
Hire purchase payables	(b)	<b>310</b>	427	-	-
Lease liabilities	(c)	<b>407</b>	418	-	-
		<b>24,054</b>	51,133	-	-
<b>Current:</b>					
Term loans	(a)	<b>15,712</b>	17,108	-	-
Hire purchase payables	(b)	<b>117</b>	102	-	-
Lease liabilities	(c)	<b>579</b>	1,197	-	-
Bank overdrafts	(d)	-	26	-	-
Revolving credit	(e)	-	30,000	-	30,000
		<b>16,408</b>	48,433	-	30,000
<b>Total loans and borrowings:</b>					
Term loans	(a)	<b>39,049</b>	67,396	-	-
Hire purchase payables	(b)	<b>427</b>	529	-	-
Lease liabilities	(c)	<b>986</b>	1,615	-	-
Bank overdrafts	(d)	-	26	-	-
Revolving credit	(e)	-	30,000	-	30,000
		<b>40,462</b>	99,566	-	30,000

#### (a) Term loans

Term loan 1 of the Group of RM Nil (2022: RM5,813,215) bears interest at Base Lending Rate ("BLR") per annum and is repayable by 60 monthly instalments of RM220,356 over 5 years commencing from the 25th month of first drawdown, there is a grace period from 4 November 2022 to 3 November 2023 which the Company only required to pay the interest and is secured and supported as follows:

- (i) Legal charge over the inventories - land held for property development of the Group as disclosed in Note 13;
- (ii) Legal charge over short-term deposits as disclosed in Note 16;
- (iii) Joint and several guarantee by certain directors of the Group; and
- (iv) Corporate guarantee of a related party.

Term loan 2 of the Group of RM Nil (2022: RM24,295,348) bears interest at Base Financing Rate ("BFR") minus 2% per annum and is repayable by monthly instalments of RM702,188 over 5 years commencing from the 25th month of first drawdown and is secured and supported as follows:

- (i) First party legal charge over inventories - land held for development of the Group as disclosed in Note 13;
- (ii) Joint and several guarantee by certain directors of the Group; and
- (iii) Corporate guarantee by former holding company.

# NOTES TO THE FINANCIAL STATEMENTS

## 19. LOANS AND BORROWINGS (CONT'D)

### (a) Term loans (Cont'd)

Term loan 3 of the Group of RM Nil (2022: RM13,954,542) bears interest at BLR plus 0.5% per annum and is repayable by 24 monthly instalments of RM579,000 over 2 years commencing from the 25th month of first drawdown and is secured and supported as follows:

- (i) Legal charge over the inventories - land held for property development of the Group as disclosed in Note 13;
- (ii) Debenture by way of fixed and floating charge over the project;
- (iii) Joint and several guarantee by certain directors of the Group; and
- (iv) Corporate guarantee by the Company.

Term loan 4 of the Group of RM16,842,871 (2022: RM8,621,777) bears interest at BLR plus 0.5% per annum and is repayable by 18 monthly instalments of RM1,667,000 over 1.5 years commencing from the 25th month of first drawdown and is secured and supported as follows:

- (i) Legal charge over the inventories - land held for property development of the Group as disclosed in Note 13;
- (ii) Debenture by way of fixed and floating charge over the project;
- (iii) Joint and several guarantee by certain directors of the Group; and
- (iv) Corporate guarantee by the Company.

Term loan 5 of the Group of RM Nil (2022: RM10,910,819) bears interest at BLR per annum and is repayable by 60 monthly instalments of RM207,751 over 5 years commencing from 36 months from full drawdown date, whichever is earlier and is secured and supported as follows:

- (i) Legal charge over the land held for development of the Group disposed during the year, which the title of the land held for development transferred in the subsequent year;
- (ii) Legal charge over the short-term deposits as disclosed in Note 16;
- (iii) Joint and several guarantee by certain directors of the Group; and
- (iv) Corporate guarantee by the Company.

Term loan 6 of the Group of RM3,823,348 (2022: RM3,799,726) bears interest at BLR plus 0.5% per annum and is repayable by 24 monthly instalments of RM212,000 over 2 years commencing from the 25th month of first drawdown and is secured and supported as follows:

- (i) Legal charge over the inventories - land held for property development of the Group as disclosed in Note 13;
- (ii) Debenture by way of fixed and floating charge over the project;
- (iii) Joint and several guarantee by certain directors of the Group; and
- (iv) Corporate guarantee by the Company.

Term loan 7 of the Group of RM9,382,356 (2022: RM Nil) bears interest at Cost of Fund ("COF") plus 2.25% per annum and is repayable by 47 monthly instalments of RM545,840 each and one (1) final monthly instalment of RM545,520 commencing from the 25th month of first drawdown or by way of Redemption Sum of 30% on the selling price per unit of Phase 2 and is secured and supported as follows:

- (i) First party legal charge over inventories - land held for development of the Group as disclosed in Note 13;
- (ii) Joint and several guarantee by certain directors of the Group; and
- (iii) Corporate guarantee by the Company.

Term loan 8 of the Group of RM9,000,000 (2022: RM Nil) bears interest at BLR minus 2.0% per annum and is repayable by monthly instalments of RM168,196 over 5 years commencing from the 37th month of first drawdown and is secured and supported as follows:

- (i) Third party open charge over the land of the landowner of the joint venture agreement;
- (ii) Memorandum of Change over fixed deposit as disclosed in Note 16;
- (iii) Joint and several guarantee by certain directors of the Company; and
- (iv) Corporate guarantee by the Company.

## NOTES TO THE FINANCIAL STATEMENTS

### 19. LOANS AND BORROWINGS (CONT'D)

#### (b) Hire purchase payables

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group	
	2023	2022
	RM'000	RM'000
Minimum lease payments:		
- Not later than one year	122	126
- Later than one year and not later than five years	337	455
	<b>459</b>	581
Less: Future finance charges	<b>(32)</b>	(52)
Present value of minimum lease payments	<b>427</b>	529
Present value of minimum lease payment:		
- Not later than one year	117	102
- Later than one year and not later than five years	310	427
	<b>427</b>	529
Less: Amount due within twelve months	<b>(117)</b>	(102)
Amount due after twelve months	<b>310</b>	427

Hire purchase payables of the Group of RM426,946 (2022: RM 529,154) bears interest ranging from 3.80% to 4.31% (2022: 3.80% to 4.31%) per annum and are secured by the Group's motor vehicles under hire purchase arrangements as disclosed in Note 5(a).

#### (c) Lease liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group	
	2023	2022
	RM'000	RM'000
Minimum lease payments:		
- Not later than one year	611	1,234
- Later than one year and not later than five years	425	424
	<b>1,036</b>	1,658
Less: Future finance charges	<b>(50)</b>	(43)
Present value of minimum lease payments	<b>986</b>	1,615
Present value of minimum lease payment:		
- Not later than one year	579	1,197
- Later than one year and not later than five years	407	418
	<b>986</b>	1,615
Less: Amount due within twelve months	<b>(579)</b>	(1,197)
Amount due after twelve months	<b>407</b>	418

# NOTES TO THE FINANCIAL STATEMENTS

## 19. LOANS AND BORROWINGS (CONT'D)

### (d) Bank overdrafts

In the previous financial year, bank overdraft of the Group bore interest at BFR plus 0.5% per annum and was secured and supported as follows:

- (i) Legal charge over inventories - land held for property development of the Company as disclosed in Note 13;
- (ii) Specific debenture over the project;
- (iii) Assignment overall sales proceeds in the designated Housing Development account of the project;
- (iv) Joint and several guarantee by certain directors of the Group; and
- (v) Corporate guarantee of former holding company.

### (e) Revolving credit

In the previous financial year, revolving credit of the Group and of the Company bore interest at COF plus 2.5% per annum and was secured and supported by joint and several guarantee by certain directors of the Group.

## 20. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Trade</b>					
Trade payables	(a)				
- Third parties		<b>23,975</b>	26,881	-	-
- Related party		<b>261</b>	17,652	-	-
Retention sums					
- Third parties		<b>11,256</b>	13,934	-	-
- Related party		<b>11,827</b>	18,464	-	-
Accruals		<b>20,117</b>	20,275	-	-
		<b>67,436</b>	97,206	-	-
<b>Non-trade</b>					
Other payables		<b>1,781</b>	8,729	<b>68</b>	97
Accruals		<b>13,267</b>	5,877	<b>38</b>	640
Deposits		<b>642</b>	154	-	-
Amount owing to a related party	(b)	<b>14</b>	-	-	-
		<b>15,704</b>	14,760	<b>106</b>	737
Total trade and other payables		<b>83,140</b>	111,966	<b>106</b>	737

## NOTES TO THE FINANCIAL STATEMENTS

### 20. TRADE AND OTHER PAYABLES (CONT'D)

#### (a) Trade payables

Trade payables are non-interest bearing and the normal trade credit term granted to the Group ranges from 30 days to 90 days (2022: 30 days to 90 days). The retention sums are payable upon the expiry of defect liability period.

#### (b) Amount owing to a related party

Amount owing to a related party is unsecured, non-trade in nature, repayable upon demand, interest free and is expected to be settled in cash.

For explanation on the Group's and the Company's liquidity risk management processes, refer to Note 29(b)(ii).

### 21. REVENUE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Revenue from contract with customers:</b>				
<b>Over time:</b>				
Property development	118,519	311,410	-	-
<b>At a point in time:</b>				
Property development	9,742	25,000	-	-
<b>Revenue from other source:</b>				
Dividend income	-	-	42,000	198,000
	<b>128,261</b>	<b>336,410</b>	<b>42,000</b>	<b>198,000</b>

As of 31 December 2023, the aggregate amount of the transaction price allocated to the remaining performance obligation for property development contracts is RM472 million and the entity will recognise this revenue as the building is completed, which is expected to occur over the next 36 months.

# NOTES TO THE FINANCIAL STATEMENTS

## 22. OTHER INCOME

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Fair value gain on investment property	7	<b>33,077</b>	-	-	-
Interest income		<b>4,802</b>	619	<b>21,099</b>	7,299
Gain on disposal of property, plant and equipment		-	161	-	-
Wages subsidy		-	6	-	-
Rental income		<b>41</b>	16	-	-
Gain on lease modification		<b>1</b>	9	-	2
Recoupment income		-	60,000	-	60,000
Gain on disposal of other investments		<b>101</b>	-	<b>101</b>	-
Fair value gain on other investments		<b>1,868</b>	-	<b>1,868</b>	-
Others		<b>208</b>	321	<b>33</b>	33
		<b>40,098</b>	61,132	<b>23,101</b>	67,334

## 23. FINANCE COSTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest expense on:				
- Term loans	<b>2,274</b>	1,359	-	-
- Bridging loan	-	401	-	-
- Lease liabilities	<b>51</b>	81	-	2
- Hire purchase payables	<b>19</b>	-	-	-
- Bank guarantee commission	-	135	-	-
- Bank overdrafts	<b>127</b>	388	-	-
- Revolving credit	<b>1,584</b>	846	<b>1,584</b>	846
- Advances from a related party	-	128	-	2
- Unwinding of discount	<b>830</b>	-	-	-
- Others	<b>2</b>	-	-	-
	<b>4,887</b>	3,338	<b>1,584</b>	850



## NOTES TO THE FINANCIAL STATEMENTS

### 24. PROFIT BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged in arriving at profit before tax:

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Auditors' remuneration - statutory audit:					
- Baker Tilly Monteiro Heng PLT		228	160	57	20
Other services:					
- Baker Tilly Monteiro Heng PLT		125	-	109	-
Deposit written off		19	-	-	-
Depreciation of property, plant and equipment	5	1,617	665	262	189
Depreciation of right-of-use assets	6	1,226	1,334	-	52
Employee benefits expense	25	9,828	11,225	398	35
Fair value adjustment on other investment		-	18,729	-	18,729
Net loss on revocation of sales		11,442	-	-	-
Expense relating to short-term lease:					
- Car park		56	63	-	-
- Office		216	487	-	-
- Office equipment		59	69	-	-
- Premise		60	1,699	-	-

### 25. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Salaries, allowances and bonuses	8,547	9,636	398	9
Defined contribution plans	1,059	1,184	-	-
Other staff related benefits	222	405	-	26
	9,828	11,225	398	35

Included in employee benefits expense are:

#### Directors of the Company

Executive directors				
- Directors' remuneration	1,748	9	-	9
- Directors' defined contribution plans	266	-	-	-
- Directors' related benefits	16	-	-	-
	2,030	9	-	9
Non-executive directors				
- Directors' remuneration	618	-	398	-
- Directors' defined contribution plans	27	-	-	-
- Directors' related benefits	3	-	-	-
	648	-	398	-
	2,678	9	398	9

# NOTES TO THE FINANCIAL STATEMENTS

## 26. INCOME TAX EXPENSE/(CREDIT)

The major components of income tax expense/(credit) for the financial years ended 31 December 2023 and 31 December 2022 are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Statements of comprehensive income</b>				
<b>Current income tax:</b>				
- Current income tax charge	14,031	40,263	4,543	13,850
- Adjustment in respect of prior years	(11,991)	5,564	(12,294)	205
- Real property gain tax	6,000	-	6,000	-
	<b>8,040</b>	45,827	<b>(1,751)</b>	14,055
<b>Deferred tax (Note 10):</b>				
- (Reversal)/Origination of temporary differences	(5,949)	122	-	-
- Adjustment in respect of prior years	(634)	(129)	-	-
	<b>(6,583)</b>	(7)	-	-
Income tax expense/(credit) recognised in profit or loss	<b>1,457</b>	45,820	<b>(1,751)</b>	14,055

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

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense/(credit) are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit before tax	19,320	147,256	57,924	242,917
Tax at Malaysian statutory income tax rate of 24%	4,637	35,341	13,902	58,300
Adjustments:				
- Income not subject to tax	(493)	(6,332)	(10,529)	(53,860)
- Non-deductible expenses	3,780	11,113	1,170	9,874
- Deferred tax not recognised on tax losses, temporary differences and finance cost adjustment	1,649	2,025	-	-
- Utilisation of previously unrecognised tax losses, capital allowances and finance cost adjustment	(1,491)	(1,762)	-	(464)
- Real property gain tax	6,000	-	6,000	-
- Adjustment in respect of current income tax of prior years	(11,991)	5,564	(12,294)	205
- Adjustment in respect of deferred tax of prior year	(634)	(129)	-	-
Income tax expense/(credit)	<b>1,457</b>	45,820	<b>(1,751)</b>	14,055

## NOTES TO THE FINANCIAL STATEMENTS

### 27. EARNINGS PER SHARE

#### (a) Basic earnings per ordinary share

Basic earnings per share are based on the profit for the financial year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	2023	2022
Profit attributable to ordinary equity holders of the Company (RM'000)	16,799	99,086
Weighted average number of ordinary shares for basic earnings per share (unit '000)	3,108,910	2,440,548
Basic earnings per ordinary share attributable to ordinary equity holders of the Company (sen)	0.54	4.06

#### (b) Diluted earnings per share

The diluted earnings per share of the Group for the financial years ended 31 December 2023 and 31 December 2022 are same as the basic earnings per share of the Group as the Company has no dilutive potential ordinary shares.

### 28. DIVIDENDS

	Group and Company	
	2023	2022
	RM'000	RM'000
<b>Recognised during the financial year:</b>		
Dividends on ordinary shares:		
Single-tier interim dividend of 1 sen per ordinary share in respect of the financial year ended 31 December 2023, paid on 15 August 2023	34,680	-
Single-tier interim dividend of 2.08 sen per ordinary share in respect of the financial year ended 31 December 2022, paid on 8 September 2022	-	50,000
Single-tier interim dividend of 0.58 sen per ordinary share in respect of the financial year ended 31 December 2022, paid on 27 December 2022	-	15,000
	<b>34,680</b>	<b>65,000</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 29. FINANCIAL INSTRUMENTS

### (a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

- (i) Amortised cost
- (ii) Fair value through profit or loss ("FVPL")

	Carrying amount RM'000	Amortised cost RM'000	FVPL RM'000
<b>At 31 December 2023</b>			
<b>Financial assets</b>			
<b>Group</b>			
Other investments	161,960	-	161,960
Trade and other receivables, less prepayments	117,266	117,266	-
Cash and short-term deposits	199,671	199,671	-
	<b>478,897</b>	<b>316,937</b>	<b>161,960</b>
<b>Company</b>			
Other investments	161,960	-	161,960
Trade and other receivables	551,209	551,209	-
Cash and short-term deposits	39,971	39,971	-
	<b>753,140</b>	<b>591,180</b>	<b>161,960</b>
<b>Financial liabilities</b>			
<b>Group</b>			
Loans and borrowings	39,476	39,476	-
Trade and other payables	83,140	83,140	-
	<b>122,616</b>	<b>122,616</b>	<b>-</b>
<b>Company</b>			
Trade and other payables	106	106	-

## NOTES TO THE FINANCIAL STATEMENTS

### 29. FINANCIAL INSTRUMENTS (CONT'D)

#### (a) Categories of financial instruments (Cont'd)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: (Cont'd)

	<b>Carrying amount RM'000</b>	<b>Amortised cost RM'000</b>	<b>FVPL RM'000</b>
<b>At 31 December 2022</b>			
<b>Financial assets</b>			
<b>Group</b>			
Other investments	10,584	-	10,584
Trade and other receivables, less prepayments	111,338	111,338	-
Cash and short-term deposits	105,002	105,002	-
	226,924	216,340	10,584
<b>Company</b>			
Other investments	10,584	-	10,584
Trade and other receivables, less prepayments	305,122	305,122	-
Cash and short-term deposits	27,706	27,706	-
	343,412	332,828	10,584
<b>Financial liabilities</b>			
<b>Group</b>			
Loans and borrowings	97,951	97,951	-
Trade and other payables	111,966	111,966	-
	209,917	209,917	-
<b>Company</b>			
Loans and borrowings	30,000	30,000	-
Trade and other payables	737	737	-
	30,737	30,737	-

# NOTES TO THE FINANCIAL STATEMENTS

## 29. FINANCIAL INSTRUMENTS (CONT'D)

### (b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's and the Company's senior management.

### (i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit worthiness of a customer is assessed based on a set of evaluation criteria and individual credit limits are defined in accordance with this assessment.

The Group and the Company consider a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting period, the Group and the Company assess whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Those events evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

### Trade receivables and contract assets

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

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group and the Company use ageing analysis to monitor the credit quality of trade receivables. In managing credit risks of trade receivables, the Group and the Company also take appropriate actions (including but not limited to legal actions) to recover long past due balances.

## NOTES TO THE FINANCIAL STATEMENTS

### 29. FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Financial risk management (Cont'd)

##### (i) Credit risk (Cont'd)

##### Trade receivables and contract assets (Cont'd)

###### Credit risk concentration profile

The Group determines the credit risk concentration of its trade receivables and contract assets by industry sector profile on an ongoing basis. The credit risk concentration profile of the Group's trade receivables and contract assets at the reporting date are as follows:

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Trade receivables:</b>		
Property development	<b>73,064</b>	87,562
<b>Contract assets:</b>		
Property development	<b>6,336</b>	102,396

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected credit losses provision for all trade receivables and contract assets. The Group and the Company use a provision matrix to measure expected credit losses for trade receivables. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information. Forward-looking information considered includes consideration of various external sources of actual and forecast economic information that relate to the Group's and the Company's core operations. The Group and the Company believe that changes in economic conditions over these periods would not materially impact the impairment calculation of the receivables.

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows:

	<b>Gross carrying amount at default RM'000</b>
<b>Group</b>	
<b>2023</b>	
Current	<b>67,612</b>
1 to 30 days past due	<b>1,704</b>
31 to 60 days past due	<b>920</b>
61 to 90 days past due	<b>749</b>
91 to 120 days past due	<b>1,803</b>
More than 120 days past due	<b>276</b>
	<b>73,064</b>
Contract assets	<b>6,336</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 29. FINANCIAL INSTRUMENTS (CONT'D)

### (b) Financial risk management (Cont'd)

#### (i) Credit risk (Cont'd)

##### Trade receivables and contract assets (Cont'd)

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows: (Cont'd)

	<b>Gross carrying amount at default RM'000</b>
<b>Group</b>	
<b>2022</b>	
Current	71,706
1 to 30 days past due	14,765
31 to 60 days past due	39
61 to 90 days past due	1
91 to 120 days past due	331
More than 120 days past due	720
	87,562
Contract assets	102,396

##### Other receivables and other financial assets

For other receivables and other financial assets (including investment securities, cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than credit terms in making a contractual payment.



## NOTES TO THE FINANCIAL STATEMENTS

### 29. FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Financial risk management (Cont'd)

##### (i) Credit risk (Cont'd)

###### Other receivables and other financial assets (Cont'd)

Some intercompany balances between entities within the Group comprise loans or advances which are repayable on demand. The Company regularly monitors the financial performance and position of these entities on an individual basis. When these entities' financial performance and position deteriorates significantly, the Company assumes that there is a significant increase in credit risk, and thereby a lifetime expected credit loss assessment is necessary. As the Company is able to determine the timing of repayment of the loans or advances, the Company will consider the loans or advances to be in default when these entities are unable to pay based on the expected manner of recovery and recovery period. The Company determines the probability of default for these loans or advances using internally available information. The Company considers the loans or advances to be credit-impaired when the entities are unlikely to repay their debts.

At the end of the reporting date, the Group and the Company consider the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

###### Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks amounts to RM39,048,575 (2022: RM37,286,864) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 29(b)(ii). As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantee is provided as credit enhancement to subsidiaries' secured borrowings.

##### (ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arises principally from trade and other payables, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's finance department also ensures that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

# NOTES TO THE FINANCIAL STATEMENTS

## 29. FINANCIAL INSTRUMENTS (CONT'D)

### (b) Financial risk management (Cont'd)

#### (ii) Liquidity risk (Cont'd)

##### Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

	<----- Contractual cash flows ----->				
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 and 5 years RM'000	More than 5 years RM'000	Total RM'000
<b>Group</b>					
<b>At 31 December 2023</b>					
Trade and other payables	83,140	83,140	-	-	83,140
Term loans	39,049	17,557	19,835	5,791	43,183
Hire purchase payables	427	122	337	-	459
Lease liabilities	986	611	425	-	1,036
	<b>123,602</b>	<b>101,430</b>	<b>20,597</b>	<b>5,791</b>	<b>127,818</b>
<b>At 31 December 2022</b>					
Trade and other payables	111,966	111,966	-	-	111,966
Term loans	67,396	18,163	54,742	-	72,905
Hire purchase payables	529	126	455	-	581
Lease liabilities	1,615	1,234	424	-	1,658
Bank overdraft	26	26	-	-	26
Revolving credit	30,000	30,000	-	-	30,000
	211,532	161,515	55,621	-	217,136
<b>Company</b>					
<b>At 31 December 2023</b>					
Trade and other payables	106	106	-	-	106
Financial guarantee contract	-	39,049	-	-	39,049
	<b>106</b>	<b>39,155</b>	<b>-</b>	<b>-</b>	<b>39,155</b>
<b>At 31 December 2022</b>					
Trade and other payables	737	737	-	-	737
Revolving credit	30,000	30,000	-	-	30,000
Financial guarantee contract	-	37,287	-	-	37,287
	30,737	68,024	-	-	68,024

## NOTES TO THE FINANCIAL STATEMENTS

### 29. FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Financial risk management (Cont'd)

##### (iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments as a result of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from its loans and borrowings with floating interest rates.

##### Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's and the Company's total equity and profit for the financial years:

	Carrying amount RM'000	Change in basis point	Effect on equity and profit for the financial year RM'000
<b>Group</b>			
<b>31 December 2023</b>			
Term loans	39,049	+ 50 - 50	(148) 148
<b>31 December 2022</b>			
Term loans	67,396	+ 50 - 50	(256) 256
Bank overdraft	26	+ 50 - 50	(*) *
Revolving credit	30,000	+ 50 - 50	(114) 114
<b>Company</b>			
<b>31 December 2022</b>			
Revolving credit	30,000	+ 50 - 50	(114) 114

\* Less than 1,000

# NOTES TO THE FINANCIAL STATEMENTS

## 29. FINANCIAL INSTRUMENTS (CONT'D)

### (c) Fair value measurement

The carrying amount of cash and cash equivalents, short-term receivables and payables and short-term loans and borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

There have been no material transfers between Level 1 and Level 2 during the financial year (2022: no transfer in either directions).

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments:

	Carrying amount RM'000	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total RM'000
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b>Group</b>								
<b>At 31 December 2023</b>								
<b>Financial asset</b>								
<b>Non-current</b>								
Other investments								
- unquoted equity investment	10,584	-	-	10,584	-	-	-	-
<b>Current</b>								
Other investments								
- Short-term cash investments	151,376	-	-	151,376	-	-	-	-
- money market funds								
<b>Financial liability</b>								
Hire purchase payables	(427)	-	-	-	-	-	(420)	(420)

## NOTES TO THE FINANCIAL STATEMENTS

## 29. FINANCIAL INSTRUMENTS (CONT'D)

## (c) Fair value measurement (Cont'd)

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments: (Cont'd)

	Carrying amount RM'000	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value			
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>Group</b>									
<b>At 31 December 2022</b>									
<b>Financial asset</b>									
<b>Non-current</b>									
Other investments									
- unquoted equity investment	10,584	-	-	10,584	10,584	-	-	-	-
<b>Financial liability</b>									
Hire purchase payables	(529)	-	-	-	-	-	-	(520)	(520)

# NOTES TO THE FINANCIAL STATEMENTS

## 29. FINANCIAL INSTRUMENTS (CONT'D)

### (c) Fair value measurement (Cont'd)

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments: (Cont'd)

	Carrying amount RM'000	Fair value of financial instruments carried at fair value			
		<----- Fair value ----->			
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>Company</b>					
<b>At 31 December 2023</b>					
<b>Financial asset</b>					
<b>Non-current</b>					
Other investments					
- unquoted equity investment	10,584	-	-	10,584	10,584
<b>Current</b>					
Other investments					
- Short-term cash investments					
- money market funds	151,376	-	-	151,376	151,376
<hr/>					
<b>At 31 December 2022</b>					
<b>Financial asset</b>					
<b>Non-current</b>					
Other investments					
- unquoted equity investment	10,584	-	-	10,584	10,584
<hr/>					

### Level 3 fair value

#### Fair value of financial instruments carried at fair value

The fair value of unquoted equity investments has been estimated using a discounted cash flows model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in the management's estimate of fair value for these unquoted equity investments.

The fair value of the short-term cash investments is determined by reference to redemption price at the end of the reporting period.

#### Fair value of financial instruments not carried at fair value

The fair value of hire purchase payables are determined using the discounted cash flows method based on discount rates that reflects the issuer's borrowing rate as at the end of the reporting period.

## NOTES TO THE FINANCIAL STATEMENTS

### 30. COMMITMENTS

#### Operating lease commitments – as lessor

The Group lease its investment property which has remaining lease term of one year. The maturity analysis of the Group's lease payments, showing the undiscounted lease payments to be received after the reporting date are as follows:

	Group	
	2023	2022
	RM'000	RM'000
Not later than one year	18	-

### 31. CONTINGENT LIABILITIES

	Group	
	2023	2022
	RM'000	RM'000
Legal claims assessed as possible (Note 34(d)(ii))	6,025	-

As disclosed in Note 34(d)(ii), 241 individual purchasers of Residensi Platinum OUG in Block B ("the Plaintiffs"), commenced a civil suit against a 80% owned subsidiary of the Company, namely Vistarena Development Sdn. Bhd. ("VDSB"), the developer of Residensi Platinum OUG for alleged misrepresentation and breach of the sales and purchase agreements.

### 32. RELATED PARTIES

#### (a) Identity of related parties

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

Related parties of the Group and of the Company include:

- (i) Former holding company;
- (ii) Subsidiaries;
- (iii) Entities in which certain directors have interests;
- (iv) Persons connected to the Company;
- (v) Entity in which person connected to certain directors of the Company have interests; and
- (vi) Key management personnel of the Group and of the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

# NOTES TO THE FINANCIAL STATEMENTS

## 32. RELATED PARTIES (CONT'D)

### (b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Sale of properties</b>				
- Directors and/or major shareholders of the Group and persons connected with them	1,070	-	-	-
<b>Construction costs charged by</b>				
- Entity in which certain directors have interests	25,293	121,757	-	-
<b>Services rendered from</b>				
- Entity in which person connected to certain directors of the Company have interests	295	505	-	-
<b>Interest income</b>				
- Subsidiaries	-	-	18,837	7,209
<b>Interest expense</b>				
- Entity in which certain directors have interests	-	353	-	2
<b>Launching and opening expenses</b>				
- Entity in which certain directors have interests	10	-	-	-
<b>Rental expense</b>				
- Entity in which certain directors have interests	464	1,725	-	-
<b>Management fee</b>				
- Subsidiary	-	-	787	196
<b>Dividend income</b>				
- Subsidiaries	-	-	42,000	198,000
<b>License fee</b>				
- Entity in which certain directors have interests	180	360	-	-
<b>Interest income</b>				
- Entity in which person connected to certain directors of the Company have interests	82	-	82	-
<b>Recoupment income</b>				
- Entity in which person connected to certain directors of the Company have interests	-	60,000	-	60,000

Significant outstanding balances with related parties at the end of the reporting periods are as disclosed in Notes 11 and 20.

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to the subsidiaries as disclosed in Note 29(b)(i).



## NOTES TO THE FINANCIAL STATEMENTS

### 32. RELATED PARTIES (CONT'D)

#### (c) Compensation of key management personnel

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Salaries, allowances and bonuses	1,090	1,096	-	-
Defined contribution plans	133	127	-	-
Other staff related benefits	5	9	-	-
	<b>1,228</b>	1,232	-	-

### 33. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximise shareholder value. The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during financial years ended 31 December 2023 and 31 December 2022.

The Group and the Company monitor capital using gearing ratio. The gearing ratio is calculated as total debts divided by total equity. The gearing ratio as at 31 December 2023 and 31 December 2022 are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Loans and borrowings less lease liabilities/total debts	39,476	97,951	-	30,000
Total equity	792,586	385,860	761,877	313,339
Gearing ratio (times)	0.05	0.25	-	0.10

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 34. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

### (a) Listing of the Company on the Main Market of Bursa Malaysia Securities Berhad (“Listing”)

On 27 April 2023, the Company launched the Prospectus in relation to the IPO comprising the public issue of 868,000,000 new ordinary shares in the Company at an IPO price of RM0.50 per share.

On 31 May 2023, the Company was listed on the Main Market of Bursa Malaysia Securities Berhad comprising public issue of 868,000,000 new ordinary shares.

### (b) Joint venture agreement (“JVA”)

On 20 September 2022, Rasa Wangi Development Sdn. Bhd. (“RWDSB”), a wholly-owned subsidiary of the Company, as the developer, entered into a JVA with Kadar Jutajaya Sdn. Bhd. (“KJSB”), as the landowner, to jointly develop a proposed development consisting inter alia 404 units of Residensi Wilayah and 932 units of condominium (“Project”) on a piece of leasehold land held under HSD No.123036, No. Lot: PT50316, Negeri Wilayah Persekutuan Kuala Lumpur, Daerah Kuala Lumpur, Mukim Batu measuring approximately 21,505 square metres (“Land”). Pursuant to the JVA, the landowner grants the developer the exclusive right to carry out and implement the development on the Land, and the landowner shall be entitled, subject to the terms and conditions of the JVA, to receive the landowner’s entitlement of 23% of the profit after tax of the developer for the Project, and in the event there are any unsold units upon the delivery of vacant possession of the Project, the developer shall at its discretion decide on the composition of the landowner’s entitlement, that is, either fully in cash or a combination of cash and unsold units (based on the selling price as determined by the developer) or an amount of RM32,000,000 whichever the higher.

On 20 September 2023, both KJSB and RWDSB (“the Parties”) are agreeable to extend the period for fulfilment of Condition Precedent for a further twelve (12) months commencing from 20 September 2023 to 19 September 2024 free of interest (“First Extension of Time”).

In furtherance thereto, KJSB and RWDSB had entered into the Supplemental Agreement on 20 September 2023 to document the Parties’ option for further extension of time upon expiry of the First Extension of Time and involvement of KJSB (being the landowner) in project committee in relation to the said Project.

### (c) Joint Development with N&M Cahaya Sdn. Bhd.

On 6 February 2023, the Company issued a letter of intent (“LOI”) to N&M Cahaya Sdn. Bhd. (“N&M Cahaya”) to jointly develop the piece of land held under H.S.(D) 123157, PT 50174, Mukim Petaling, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 40,467 square meter (“Land”) by subscribing for 300,000 ordinary shares in N&M Cahaya such that the Company will hold 75% of the enlarged issued share capital of N&M Cahaya (“Subscription Shares”) on a fully diluted basis as at the date such shares are subscribed with the subscription amount of RM26,715,000 or a price based on valuation to be conducted on the Land by the appointed valuer, whichever lower. Notwithstanding the valuation of the Land, the subscription amount shall not be more than RM26,715,000. The LOI was accepted by N&M Cahaya on 10 February 2023 and the execution of Shares Subscription Agreement and Shareholders Agreement (collectively referred to as “Definitive Agreement”) shall occur within 30 days after all the Conditions Precedents are fulfilled within stipulated period or extended period as mutually agreed by the parties.

On 4 August 2023, both the Company and N&M Cahaya are agreeable to extend the period for fulfilment of Conditions Precedent by six (6) months from 7 August 2023 to 7 February 2024. All other terms of LOI shall remain in force and effect.

On 2 February 2024, upon completion of the due diligence on N&M Cahaya, N&M Cahaya is currently implicated in a legal suit involving the Land. As such, both the Company and N&M Cahaya are agreeable to further extend the period for another eighteen (18) months from 7 February 2024 to 6 August 2025 for N&M Cahaya to resolve the legal suit which N&M Cahaya is reasonably confident that it has a good chance to defend its position.

In addition, the future land use zone of the Land is currently pending the “Pelan Tempatan Kuala Lumpur” (PTKL 2040) to be gazetted. Hence, the extension period of 18 months is not an impediment to the progress as without PTKL 2040 being in force, the development order for the proposed development on the Land is unable to be processed by Dewan Bandaraya Kuala Lumpur.

## NOTES TO THE FINANCIAL STATEMENTS

### 34. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

#### (d) Material litigation

##### (i) Datuk Bandar Kuala Lumpur

6 Judicial Review Applications (“JR Applications”) were filed by the several applicants against the Menteri Wilayah Persekutuan, Malaysia, Datuk Bandar Kuala Lumpur (“DBKL”), Kerajaan Malaysia and the subsidiary of the Company, Pavilion Integrity Sdn. Bhd. (“Pavilion Integrity”). Pavilion Integrity is the registered proprietor of Lot 810 and is developing a 46-storey building with 698 units of serviced apartments on Lot 810. Pavilion Integrity had obtained the development orders for the construction work.

When the applicants discovered that Pavilion Integrity proposed to develop Lot 810, the applicants wrote to DBKL to reconsider the Pavilion Integrity’s development project, specifically for DBKL to acquire a significant part of Lot 810 in order to build an access road known as Jalan Jejaka 1. Having failed to get DBKL to acquire part of Lot 810, the JR Applications were filed in respect of DBKL’s refusal to acquire Lot 810.

On 21 June 2023, the Federal Court decided that the Court of Appeal’s decision on 3 October 2022 stands. Among others, the Court of Appeal held as follows:

“An order of mandamus is granted towards DBKL to issue a Notice of Acquisition under Section 47(3) of the Federal Territory (Planning) Act 1982 to commence acquisition of Lot 810.”

As such, Pavilion Integrity expects a compulsory acquisition of Lot 810 by DBKL wherein Pavilion Integrity will be compensated in accordance with the Land Acquisition Act 1960. The solicitor of Pavilion Integrity is of the opinion that Pavilion Integrity should take into consideration on the followings for the claim of compensation against DBKL for acquiring Lot 810:

- i) market value of Lot 810;
- ii) loss of profit in the development project taking into account of the units available and sold under the development;
- iii) any compensation payable to the contractor(s) appointed to complete the development; and
- iv) any other costs and expenses that Pavilion Integrity have incurred in acquiring the land and the costs and expenses in developing Lot 810.

##### (ii) Residensi Platinum OUG

On 9 June 2023, the Company 80% owned subsidiary, namely Vistarena Development Sdn. Bhd. (“the Defendant”) had been served with a Writ of Summons and Statement of Claim (“the Suit”) dated 1 June 2023 from 241 individual purchasers of Residensi Platinum OUG in Block B (“the Plaintiffs”). Residensi Platinum OUG is the development undertaken by Defendant as the developer in which the vacant possession had been delivered in and around June 2022.

Prior to the filing of the Suit, on 18 October 2022, there was a meeting held between representatives from relevant government authorities, Defendant, the architect, the civil and structural consultant, main contractor as well as purchasers’ representatives from all components of the Development to discuss the issues pertaining to the Development including but not limited to the matters raised in the Suit such as the entrances and defects. However, it was concluded in the meeting that the construction of separate entrances will be put on hold until the formation of the management corporation of the Development and Defendant to expedite the defect rectification works.

# NOTES TO THE FINANCIAL STATEMENTS

## 34. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

### (d) Material litigation (Cont'd)

#### (ii) Residensi Platinum OUG (Cont'd)

Despite the proposed direction given by the relevant government authorities in the Meeting, the Plaintiffs had filed in the Suit against the Defendant at Kuala Lumpur High Court ("KLHC"). The Suit is arising from, inter alia, alleged misrepresentation on separate entrances between Block A and Block B, no access control established by the Defendant for the common facilities designated for Block B, safety-related defects are not attended to by the Defendant, and no steps taken by the Defendant to address the alleged decline of the value of Block B.

The Plaintiffs are seeking, inter alia, the following reliefs from the court:

- (a) a declaration that the Defendant has conducted in misrepresentation and breach of contract towards the Plaintiffs in the process of selling units to the Plaintiffs;
- (b) an injunction against the Defendant to take all necessary and reasonable steps to establish two (2) access paths at the entrance to Block A and Block B within a period of three (3) months from the date of judgment/order;
- (c) a judgment that the Defendant rectifies all listed safety-related defects, and the rectification works are to be completed to the satisfaction of the Plaintiffs' representative within a period of three (3) months from the date of judgment or order, with costs borne solely by the Defendant;
- (d) an order for general damages to be assessed by the Honourable Court;
- (e) Exemplary damages amounting to RM25,000.00 to be paid to each Plaintiff within seven (7) days from the date of judgment/order;
- (f) Cost; and
- (g) 5% interest on the judgement awarded by the Honourable Court from the date of filing the Suit until full settlement.

On 21 September 2023, 104 individual purchasers of Block A (civil servants housing), Residensi Platinum OUG filed an Application to Intervene, claiming that, amongst others, they shall be heard/allowed to intervene the proceeding so to protect their interest in the common properties given that the Plaintiffs' claims involving access to common properties, shared common area, shared entrance to access Residensi Platinum OUG in which their rights and interests would be affected by any decision from the court. The KLHC has on 3 January 2024 allowed the Application to Intervene hence 104 individual purchasers of Block A are now listed as defendants.

The first case management of the Suit was conducted on 3 July 2023 by way of e-review. The Kuala Lumpur High Court allowed the extension of the time for the defendants to file its Statement of Defence on or before 3 August 2023. The case management was held on 6 March 2024 and the case hearing will be held on 4 April 2024.

## NOTES TO THE FINANCIAL STATEMENTS

### 35. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by all executive directors for the purpose of making decisions about resource allocation and performance assessment.

#### (a) General information

The Group's operating business is classified according to the following operating divisions:

- (i) Investment holdings and others; and
- (ii) Property development and investment

#### (b) Measurement of reportable segments

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements.

Inter-segment pricing is determined on negotiated basis.

##### Segment profit

Segment performance is used to measure performance as the Group Managing Director believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

##### Segment assets

The total of segment asset is measured based on all assets (excluding deferred tax assets and current tax assets) of a segment, as included in the internal reports that are reviewed by the Group Managing Director.

##### Segment liabilities

The total of segment liabilities are measured based on all liabilities (excluding deferred tax liabilities and current tax liabilities) of a segment, as included in the internal reports that are reviewed by the Group Managing Director.

# NOTES TO THE FINANCIAL STATEMENTS

## 35. SEGMENT INFORMATION (CONT'D)

The segmental information of the Group are as follows:

	Note	Investment holdings and others RM'000	Property development and investment RM'000	Adjustment and elimination RM'000	Total RM'000
<b>2023</b>					
Revenue from external customers		-	128,261	-	128,261
Inter-segment revenue	A	52,254	3,170	(55,424)	-
		52,254	131,431	(55,424)	128,261
<b>Results:</b>					
<i>Included in measure of segment profit/(loss) are:</i>					
Deposit written off		-	(19)	-	(19)
Depreciation of property, plant and equipment		(367)	(1,250)	-	(1,617)
Depreciation of right-of-use asset		(717)	(509)	-	(1,226)
Gain on disposal of other investment		101	-	-	101
Fair value gain on investment property		-	33,077	-	33,077
Fair value gain on other investments		1,868	-	-	1,868
Net loss on revocation of sales		-	(11,442)	-	(11,442)
Finance cost		(1,990)	(19,019)	16,122	(4,887)
Interest income		21,099	2,540	(18,837)	4,802

## NOTES TO THE FINANCIAL STATEMENTS

## 35. SEGMENT INFORMATION (CONT'D)

The segmental information of the Group are as follows: (Cont'd)

	Note	Investment holdings and others RM'000	Property development and investment RM'000	Adjustment and elimination RM'000	Total RM'000
<b>2023</b>					
<b>Segment profit</b>	B	58,005	6,702	(45,387)	19,320
Income tax credit/(expense)		1,790	(4,377)	1,130	(1,457)
Profit for the financial year	B	59,795	2,325	(44,257)	17,863
<b>Assets:</b>					
Segment assets		800,595	654,141	(557,696)	897,040
Deferred tax assets		-	4,762	1,130	5,892
Current tax assets		-	13,990	-	13,990
Total assets	C	800,595	672,893	(556,566)	916,922
<b>Liabilities:</b>					
Segment liabilities		39,377	629,214	(544,989)	123,602
Deferred tax liabilities		-	60	-	60
Current tax liabilities		471	203	-	674
Total liabilities	D	39,848	629,477	(544,989)	124,336

# NOTES TO THE FINANCIAL STATEMENTS

## 35. SEGMENT INFORMATION (CONT'D)

The segmental information of the Group are as follows: (Cont'd)

	Note	Investment holdings and others RM'000	Property development and investment RM'000	Adjustment and elimination RM'000	Total RM'000
<b>2022</b>					
Revenue from external customers		-	336,410	-	336,410
Inter-segment revenue	A	204,320	10,393	(214,713)	-
		204,320	346,803	(214,713)	336,410
<b>Results:</b>					
<i>Included in measure of segment profit/(loss) are:</i>					
Depreciation of property, plant and equipment		(234)	(431)	-	(665)
Depreciation of right-of-use asset		(749)	(585)	-	(1,334)
Fair value adjustment on other investments		(18,729)	-	-	(18,729)
Finance cost		(1,054)	(6,660)	4,376	(3,338)
Recoupment income		60,000	-	-	60,000
Interest income		91	528	-	619
		241,918	105,461	(200,123)	147,256
<b>Segment profit</b>	B	241,918	105,461	(200,123)	147,256
Income tax expense		(14,095)	(31,725)	-	(45,820)
Profit for the financial year	B	227,823	73,736	(200,123)	101,436



## NOTES TO THE FINANCIAL STATEMENTS

### 35. SEGMENT INFORMATION (CONT'D)

The segmental information of the Group are as follows: (Cont'd)

	Note	Investment holdings and others RM'000	Property development and investment RM'000	Adjustment and elimination RM'000	Total RM'000
<b>2022</b>					
<b>Assets:</b>					
Segment assets		382,800	539,974	(317,427)	605,347
Current tax assets		-	7,024	-	7,024
Total assets	C	382,800	546,998	(317,427)	612,371
<b>Liabilities:</b>					
Segment liabilities		60,765	458,863	(308,096)	211,532
Deferred tax liabilities		39	712	-	751
Current tax liabilities		9,908	4,320	-	14,228
Total liabilities	D	70,712	463,895	(308,096)	226,511

# NOTES TO THE FINANCIAL STATEMENTS

## 35. SEGMENT INFORMATION (CONT'D)

Reconciliation of reportable segment revenue, profit or loss, assets, liabilities and other material items are as follows:

### A) Inter-segment revenue

Inter-segment revenues are eliminated on consolidation.

### B) Reconciliation of profit or loss

Profit/(Loss) from other segment transactions are eliminated on consolidation.

### C) Reconciliation of assets

	2023 RM'000	2022 RM'000
Investment in subsidiaries	(8,454)	(8,454)
Amounts owing by subsidiaries	(523,383)	(292,115)
Amounts owing by related companies	(1,750)	(6,125)
Goodwill	1,600	1,590
Intra group transactions	(24,579)	(12,323)
	<b>(556,566)</b>	<b>(317,427)</b>

### D) Reconciliation of liabilities

	2023 RM'000	2022 RM'000
Amounts owing to holding company	(523,383)	(292,115)
Amounts owing to related companies	(1,750)	(6,125)
Intra group transactions	(19,856)	(9,856)
	<b>(544,989)</b>	<b>(308,096)</b>

### Geographical Information

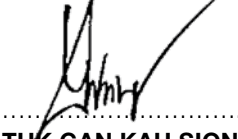
The Group operates predominantly in Malaysia and hence, no geographical segment is presented.

# STATEMENT BY DIRECTORS

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

We, **DATUK GAN KAH SIONG** and **GAN TIONG KIAN**, being two of the directors of RADIUM DEVELOPMENT BERHAD, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 111 to 177 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:

  
 .....  
**DATUK GAN KAH SIONG**  
 Director

Director

  
 .....  
**GAN TIONG KIAN**  
 Director

Director

Kuala Lumpur

Date: 1 April 2024

# STATUTORY DECLARATION

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

I, **SAM YAN LI**, being the officer primarily responsible for the financial management of RADIUM DEVELOPMENT BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 111 to 177 are 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.

  
 .....  
**SAM YAN LI**  
**(MIA Membership No: 30416)**

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 1 April 2024.

Before me,

  
 .....  
 Commissioner for Oaths



CHAMBERS TWENTY - FIVE  
 NO 25, JALAN TUNKU, BUKIT TUNKU  
 50480 KUALA LUMPUR

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RADIUM DEVELOPMENT BERHAD (Incorporated in Malaysia)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Radium Development Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 111 to 177.

In our opinion, the accompanying financial statements give a true and fair view of the financial positions of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with 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 opinion.

#### *Independence and Other Ethical Responsibilities*

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

### Key Audit Matters

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

### Group

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#### **Revenue and corresponding costs recognition for property development activities (Notes 13, 15 and 21 to the financial statements)**

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The Group's accounting policy is to recognise the revenue from property development activities over the period of contract by reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of performance obligation is to be determined by reference to proportion of property development costs incurred for works performed to date bear to the estimated total costs for each project (input method).

We focused on this area because the Group's revenue recognition for property development activities requires the exercise of significant judgement to be made by the directors, particularly in determining the progress towards satisfaction of a performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RADIUM DEVELOPMENT BERHAD (Incorporated in Malaysia)

## Key Audit Matters (Cont'd)

### Group (Cont'd)

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#### Revenue and corresponding costs recognition for property development activities (Notes 13, 15 and 21 to the financial statements) (Cont'd)

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#### Our response:

Our audit procedures on the selected projects included, among others:

- reading the terms and conditions of the agreements with customers;
- understanding the Group's process in preparing project budgets and the calculation of the progress towards complete satisfaction of performance obligations;
- comparing the directors' key assumptions to contractual terms and discussing with the project manager on the changes in the assumptions from the previous financial year;
- comparing the Group's computed progress towards complete satisfaction of performance obligation for identified projects against architect or consultant certificate, if any; and
- checking the mathematical computation of recognised revenue and corresponding costs for the projects during the financial year.

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#### Investment property (Note 7 to the financial statements)

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The Group's accounting policy is to measure investment properties at fair value subsequent to their initial recognition. The Group determines the fair value of the investment properties based on the market valuation performed by an external independent valuer.

We focused on this area because the Group's measurement of fair value requires the exercise of significant judgement to be made by directors, especially in determining the appropriate valuation methods and the key assumptions used in the valuations. These judgements and assumptions are inherently uncertain.

#### Our response:

Our audit procedures included, among others:

- understanding the competence, capabilities and objectivity of the external valuers which included consideration of their qualifications and experience;
- understanding the scope and objective of the valuation by reading the terms of engagement;
- understanding the scope and purpose of the valuation by reading the terms of engagement to assess whether any matters that might have affected the external valuers' objectivity or limited the scope of their work;
- reading the valuation report and discussing with external valuers on their valuation approach and the significant judgements they made;
- discussing with the Group on the valuation approach used and appropriateness of the key assumptions; and
- testing, on sample basis, the key input data used by the external valuers.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RADIUM DEVELOPMENT BERHAD (Incorporated in Malaysia)

## Key Audit Matters (Cont'd)

### Company

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#### Amounts owing by subsidiaries (Note 11 to the financial statements)

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The Company has significant balances of amounts owing by subsidiaries. At the end of the financial year, the directors are required to determine the amount of expected credit losses on the amounts owing by subsidiaries.

We focused on this area because the Company's expected credit losses assessment requires the exercise of significant judgement to be made by the directors, especially in determining the risk of default and expected credit loss rate, which are based on the Company's past history, existing market conditions as well as forward looking estimates at the end of the reporting period. These judgements and assumptions are inherently uncertain.

#### Our response:

Our audit procedures included, among others:

- comparing the directors' key assumptions in cash flow forecast which include the directors' assessment and consideration of the current economic and business environment in relation to key assumptions;
- testing the mathematical computation of the impairment assessments; and
- performing the sensitivity analysis of key assumptions and the impacts of these key assumptions and inputs that are expected to be most sensitive to the recoverable amount.

#### Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

#### Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of 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.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RADIUM DEVELOPMENT BERHAD (Incorporated in Malaysia)

## Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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.

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

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

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

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RADIUM DEVELOPMENT BERHAD (Incorporated in Malaysia)

## 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 contents of this report.



Baker Tilly Monteiro Heng PLT  
201906000600 (LLP0019411-LCA) & AF 0117  
Chartered Accountants



Kenny Yeoh Khi Khen  
No. 03229/09/2024 J  
Chartered Accountant

Kuala Lumpur

Date: 1 April 2024



## LIST OF PROPERTIES AS AT 31 DECEMBER 2023

Address / Location	Description / Existing Use	Tenure	Land Area (sq.m.)	Date of Revaluation/ Acquisition	Approximate Age of Building	Carrying Value RM'000
Geran 80346, Lot 20069 Section 90, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Vacant land	Freehold	7,271	31.12.2023 Revalued	N/A	83,000
GM 9196, No. Lot/PT 38323 and PN 30685, No. Lot/PT 31955, Mukim Petaling, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan	Development land	Freehold 11,536 sqm; and leasehold land of ninety nine (99) years expiring on 17.4.2085 3,285sqm	14,821	09.6.2023 Acquired	N/A	71,789
H.S.(D) 123214, PT 50008, Mukim Ampang, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Development land	Freehold	8,217	5.7.2011 - 4.11.2016 Acquired	N/A	64,985
PN 53589, Lot 481729, Mukim Kuala Lumpur, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Development land	Leasehold land of ninety nine (99) years expiring on 13.11.2118	39,530	21.8.2019 Acquired	N/A	34,752

# ANALYSIS OF SHAREHOLDINGS

## AS AT 29 MARCH 2024

Class of Share : Ordinary shares  
 Voting Rights : One vote per share  
 Issued Share Capital : 3,468,000,000

Category	No. of Holders	% of Holders	No. of Shares	% of Shares
1 - 99	2	0.035	100	0.000
100 - 1,000	1,265	22.346	597,400	0.017
1,001 - 10,000	2,128	37.591	12,126,667	0.350
10,001 - 100,000	1,861	32.874	62,716,600	1.808
100,001 - 173,399,999 (*)	400	7.066	1,167,217,233	33.657
173,400,000 and above (**)	5	0.088	2,225,342,000	64.168
<b>TOTAL</b>	<b>5,661</b>	<b>100.000</b>	<b>3,468,000,000</b>	<b>100.000</b>

**Remark :** \* - Less than 5% of issued shares  
 \*\* - 5% and above of issued shares

### LIST OF SUBSTANTIAL SHAREHOLDERS

No	Name of Substantial Holders	No. of Shares Held			
		Direct	%	Indirect	%
1	CENGAL 2020 SDN BHD	1,199,930,000	34.600	-	-
2	GAN KAH SIONG	275,412,000	7.942	1,199,932,167 <sup>(i)</sup> <sup>(ii)</sup>	34.600
3	GAN TIONG KIAN	260,200,000	7.503	78,002,167 <sup>(ii)</sup> <sup>(iii)</sup>	2.249
4	GAN KOK PENG	260,000,000	7.497	39,002,167 <sup>(ii)</sup> <sup>(iv)</sup>	1.125
5	AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BHD PLEDGED SECURITIES ACCOUNT FOR GAN KAH SIONG	230,000,000	6.632	-	-

#### Notes:

- (i) Deemed interest by virtue of his shareholding in Cengal 2020 Sdn Bhd
- (ii) Deemed interest by virtue of his shareholding in Platinum Victory Holdings Sdn Bhd
- (iii) Deemed interest by virtue of his shareholding in Java Citarasa Sdn Bhd
- (iv) Deemed interest by virtue of his shareholding in Tambun Team Sdn Bhd

### DIRECTORS' SHAREHOLDINGS

No	Name of Directors	No. of Shares Held			
		Direct	%	Indirect	%
1	GAN KAH SIONG	507,612,000	14.637	1,199,932,167 <sup>(i)</sup> <sup>(ii)</sup>	34.600
2	GAN TIONG KIAN	260,200,000	7.503	78,002,167 <sup>(ii)</sup> <sup>(iii)</sup>	2.249
3	GAN KOK PENG	260,000,000	7.497	39,002,167 <sup>(ii)</sup> <sup>(iv)</sup>	1.125
4	SYDNEY LIM TAU CHIN	5,000,000	0.144	-	-

#### Notes:

- (i) Deemed interest by virtue of his shareholding in Cengal 2020 Sdn Bhd
- (ii) Deemed interest by virtue of his shareholding in Platinum Victory Holdings Sdn Bhd
- (iii) Deemed interest by virtue of his shareholding in Java Citarasa Sdn Bhd
- (iv) Deemed interest by virtue of his shareholding in Tambun Team Sdn Bhd

## ANALYSIS OF SHAREHOLDINGS AS AT 29 MARCH 2024

### LIST OF TOP 30 SHAREHOLDERS

The top 30 largest shareholders listing is generated as per the Record of Depositors without aggregating securities from different securities belonging to the same person.

No	Name of Substantial Holders	Holdings	%
1	CENGAL 2020 SDN BHD	1,199,930,000	34.600
2	GAN KAH SIONG	275,412,000	7.942
3	GAN KOK PENG	260,000,000	7.497
4	GAN TIONG KIAN	260,000,000	7.497
5	AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BHD PLEDGED SECURITIES ACCOUNT FOR GAN KAH SIONG	230,000,000	6.632
6	MAYBANK INVESTMENT BANK BERHAD IVT (15) ECD D1-H	144,450,700	4.165
7	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GAN YEE HIN	113,025,500	3.259
8	AMSEC NOMINEES (TEMPATAN) SDN BHD AMBANK (M) BERHAD	84,588,000	2.439
9	AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BHD PLEDGED SECURITIES ACCOUNT FOR FOUNTAIN CIRCLE SDN. BHD.	78,000,000	2.249
10	JAVA CITARASA SDN BHD	78,000,000	2.249
11	KENANGA INVESTMENT BANK BERHAD IVT NAGA 8	44,921,000	1.295
12	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KOH CHUI MING (MH7855)	40,000,000	1.153
13	TAMBUN TEAM SDN BHD	39,000,000	1.125
14	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEOW CHONG HOWA	36,000,000	1.038
15	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD EXEMPT AN FOR AHAM ASSET MANAGEMENT BERHAD (TSTAC/CLNTT)	31,775,200	0.916
16	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG LAI KENG	26,455,600	0.763
17	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHEH HIAN	25,315,200	0.730
18	CGS INTERNATIONAL NOMINEES MALAYSIA (ASING) SDN. BHD. CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD. (PROP A/C)	24,900,000	0.718
19	AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BHD PLEDGED SECURITIES ACCOUNT FOR NG LAI KENG	23,119,700	0.667
20	GITA BUMI SDN BHD	21,999,300	0.634
21	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MONISPRINGS DEVELOPMENT SDN BHD	20,515,800	0.592
22	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KAK SENG (7003247)	20,000,000	0.577
23	HSBC NOMINEES (ASING) SDN BHD SOCIETE GENERALE PARIS	17,157,000	0.495
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM GIN WEN	13,354,500	0.385
25	AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BHD PLEDGED SECURITIES ACCOUNT FOR FLEXWAN SDN. BHD.	12,997,833	0.375
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM KWOK SOON @ KITSON LIM	12,165,600	0.351
27	CHENG, AIJIN	12,004,500	0.346
28	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHEH HIAN	11,623,300	0.335
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KAK SENG	10,000,000	0.288
30	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GAN YEE HIN (7014312)	8,000,000	0.231

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Tenth (10th) Annual General Meeting (“**AGM**”) of Radium Development Berhad (“**Radium**” or “**Company**”) will be held at Platinum Hall @ Platinum Suites, D-50A-01, Level 50A, 1020, Jalan Sultan Ismail, Kampung Baru, 50250 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia on Thursday, 27 June 2024 at 10.30 a.m. for the following purposes: -

## AGENDA

### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon. (Please refer to item 1 of the Explanatory Notes)
2. To approve the payment of fees and benefits to the Non-Executive Directors amounting to RM398,258.08 for the financial year ended 31 December 2023. **(Ordinary Resolution 1)**
3. To approve the payment of fees to the Non-Executive Directors up to RM800,000.00 for the period from 1 January 2024 until the next AGM of the Company. **(Ordinary Resolution 2)**
4. To re-elect the following Directors who retire by rotation in accordance with Clause 109 of the Company’s Constitution and who being eligible offer themselves for re-election:
  - (a) Datuk Gan Kah Siong **(Ordinary Resolution 3)**
  - (b) Mr Gan Tiong Kian **(Ordinary Resolution 4)**
  - (c) Datuk Sydney Lim Tau Chin **(Ordinary Resolution 5)**
5. To re-appoint Baker Tilly Monteiro Heng PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 6)**

### AS SPECIAL BUSINESS

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

6. **AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS TO NEW SHARES UNDER SECTION 85 OF THE COMPANIES ACT 2016 READ TOGETHER WITH CLAUSE 61 OF THE COMPANY’S CONSTITUTION** **(Ordinary Resolution 7)**

“**THAT** pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors of the Company be and are hereby authorised to issue and allot shares in the Company at any time until the conclusion of the next AGM upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issue.

**THAT** the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such relevant documents) as they may consider necessary, expedient or in the interest of the Company to give effect to the aforesaid mandate.

**THAT** pursuant to Section 85 of the Companies Act 2016 read together with Clause 61 of the Company’s Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Companies Act 2016.

**AND THAT** the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company.”

# NOTICE OF ANNUAL GENERAL MEETING

## AS SPECIAL BUSINESS (CONT'D)

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

7. **PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")** (Ordinary Resolution 8)

"**THAT** subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 2016, the Company's Constitution and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given for the Company and/or its subsidiaries ("**Group**") to enter into recurrent related party transactions of a revenue or trading nature with the Related Party(ies) as specified in Section 2.5 of the Circular to Shareholders dated 30 April 2024 ("**Circular**"), provided that such arrangements and/or transactions are:

- (a) necessary for the day-to-day operations;
- (b) undertaken at arm's length basis;
- (c) based on normal commercial terms which are not more favourable to the related party(ies) than those generally available to the public; and
- (d) not detrimental to the minority shareholders of the Company.

**THAT** such approval shall take effect upon the passing of this Ordinary Resolution and shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company following this 10th AGM at which the Proposed Shareholders' Mandate is passed, at which time such mandate will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier.

**AND THAT** the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give full effect to the Proposed Shareholders' Mandate."

8. **ANY OTHER BUSINESS**

To transact any other business of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act 2016.

### BY ORDER OF THE BOARD

**WONG CHOW LAN** (MAICSA 7012088) (SSM PC No. 201908000012)

**WONG KOK XIANG** (MAICSA 7074422) (SSM PC No. 201908003350)

Company Secretaries

Selangor  
30 April 2024

# NOTICE OF ANNUAL GENERAL MEETING

## NOTES:

1. For the purpose of determining who shall be entitled to attend the 10th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at 20 June 2024. Only a member whose name appears on this Record of Depositors shall be entitled to attend, participate, speak and vote in this 10th AGM.
2. A member who is entitled to attend, participate, speak and vote at this 10th AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the 10th AGM. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her holdings to be represented by each proxy, failing which the appointment shall be invalid.
4. 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.
5. Where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act 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.
6. The appointment of a proxy may be made in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 10th AGM or any adjournment thereof:
  - i. In hard copy form  
In the case of an appointment made in hard copy form, the Proxy Form should be lodged at the Share Registrar's office, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.
  - ii. By electronic form  
In the case of an appointment made in electronic form, the Proxy Form must be deposited electronically via the Share Registrar's website, Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> to login and deposit your Proxy Form electronically. Please follow the procedures set out in the Administrative Guide for the electronic lodgement of the Proxy Form.
7. Please ensure all the particulars as required in the Proxy Form are completed, signed and dated accordingly.
8. Last date and time for lodging the Proxy Form is Tuesday, 25 June 2024 at 10.30 a.m.
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar's office, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than forty-eight (48) hours before the time appointed for holding the 10th AGM 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.
10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice of the 10th AGM will be put to vote by poll.
11. By submitting the Proxy Form, the member or shareholder consents to the Company (and/or its agents /service providers) collecting, using and disclosing his/her personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 10th AGM, including any adjournment thereof.

# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES TO THE AGENDA

### Item 1 of the Agenda

#### **Audited Financial Statements for the financial year ended 31 December 2023**

This item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require shareholders' approval for the Audited Financial Statements. Therefore, this item will not be put forward for voting.

### Ordinary Resolutions 1 to 2

#### **Payment of Directors' fees and benefits**

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at the general meeting.

The proposed Ordinary Resolution 1 is to facilitate the payment of fees and benefits to the Non-Executive Directors ("**NEDs**") in respect of the financial year ended 31 December 2023.

The proposed Ordinary Resolution 2 is to facilitate the payment of fees to the NEDs for the period from 1 January 2024 until the next AGM of the Company.

The fees payable to the NEDs for the period commencing from 1 January 2024 until the next AGM will be paid as and when they are incurred. The Board opined that the payments to the NEDs are just and equitable, taking into account their roles and responsibilities towards the Company and the services that they have rendered to the Company.

NEDs who are shareholders of the Company will abstain from voting on the aforesaid resolutions at the 10th AGM.

### Ordinary Resolutions 3 to 5

#### **Re-election of Directors Pursuant to Clause 109 of the Company's Constitution**

The Nomination Committee ("**NC**") had assessed and recommended to the Board the re-election of Datuk Gan Kah Siong, Gan Tiong Kian and Datuk Sydney Lim Tau Chin who are seeking re-election as Directors of the Company at the 10th AGM.

This recommendation is supported by the results of the annual assessment of the Board, Board Committees and Individual Directors whereby the NC reached the consensus that the existing composition of the Board is at optimum where the current mix of knowledge, skills, attributes and competencies sufficed for the Board to carry out their duties adequately.

The following Directors who are seeking re-election as Directors of the Company at the 10th AGM have offered themselves for re-election in pursuance to Clause 109 of the Company's Constitution:

- (a) Datuk Gan Kah Siong
- (b) Gan Tiong Kian
- (c) Datuk Sydney Lim Tau Chin

The Board supports the re-election of the above-mentioned Directors at the 10th AGM as they have the relevant industry-related experience to achieve the Company's business objective and carry the Company through the challenging future ahead.

### Ordinary Resolution 6

#### **Re-appointment of Auditors**

Based on the results of the External Auditors Evaluation for the financial year ended 31 December 2023 and the Audit and Risk Management Committee's recommendation on the re-appointment of Baker Tilly Monteiro Heng PLT as Auditors of the Company, the Board reviewed the recommendation and recommended the same be tabled to the shareholders for approval at the 10th AGM of the Company.

# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES TO THE AGENDA (CONT'D)

### Ordinary Resolution 7

#### **Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016**

The proposed Ordinary Resolution 7, if passed, will empower the Directors to issue and allot up to a maximum of 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier.

The mandate is to provide flexibility to the Company to issue new securities for any possible fund-raising activities including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings and/or acquisitions without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

This is the first general mandate to be sought by the Company since listing on the Main Market of Bursa Malaysia Securities Berhad on 31 May 2023.

The approval of the issuance and allotment of the new shares under Sections 75 and 76 of the Companies Act 2016 shall have the effect of the shareholders having agreed to waive their statutory pre-emptive rights pursuant to Section 85 of the Companies Act 2016 and Clause 61 of the Constitution of the Company. The shareholders of the Company hereby agree to waive and are deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Companies Act 2016 and Clause 61 of the Constitution of the Company pertaining to the issuance and allotment of new shares under Sections 75 and 76 of the Companies Act 2016, which will result in a dilution of their shareholding percentage in the Company. By approving Ordinary Resolution 7, the shareholders of the Company shall agree to waive and are deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Companies Act 2016.

### Ordinary Resolution 8

#### **Proposed Shareholders' Mandate**

The details of the Proposed Shareholders' Mandate are set out in the Circular to Shareholders dated 30 April 2024.



# STATEMENT ACCOMPANYING NOTICE OF 10<sup>TH</sup> ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

**1. Details of individuals who are standing for election as Director (excluding Directors standing for re-election)**

Save for re-election of the retiring Directors, there are no directors standing for election at the 10th AGM.

The profile of the Directors who are standing for re-election (as per Ordinary Resolutions 3 to 5 as stated above) at the 10th AGM of the Company are set out in the “Profile of Board of Directors” section on pages 24 to 34 of the Company’s Annual Report 2023.

The details of any interest in securities held by the said Directors are set out in the “Directors’ Report” section on pages 102 to 110 of the Company’s Annual Report 2023.

**2. General mandate for issue of securities in accordance with paragraph 6.03(3) of Bursa Malaysia Securities Berhad Main Market Listing Requirements**

The details of the general mandate/authority for Directors to issue and allot shares in the Company pursuant to Sections 75, 76 and 85 of the Companies Act 2016 and Clause 61 of the Company’s Constitution are set out in the Explanatory Notes on Special Business of the Notice of the 10th AGM.

# ADMINISTRATIVE GUIDE FOR THE 10TH ANNUAL GENERAL MEETING (“AGM”)

DAY AND DATE	TIME	VENUE
Thursday 27 June 2024	10.30 a.m.	Platinum Hall @ Platinum Suites, D-50A-01, Level 50A, 1020, Jalan Sultan Ismail, Kampung Baru, 50250 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia.

## 1. REGISTRATION

- a) Registration will start at 9.00 a.m. in front of Platinum Hall and end at a time as directed by the Chairman of the meeting.
- b) Please produce your original MyKad/Passport at the registration counter for verification and ensure you collect your MyKad/Passport thereafter.
- c) No person will be allowed to register on behalf of another person with the original MyKad/Passport of that other person.
- d) Upon verification and registration:
  - i. An identification wristband will be provided at the registration counter;
  - ii. If you are attending the 10th AGM as a shareholder as well as a proxy, you will be registered once and will only be given one identification wristband; and
  - iii. No person will be allowed to enter the meeting hall without wearing the identification wristband, and there will be no replacement in the event that the wristband is lost or misplaced.
- e) After registration, please vacate the registration area and proceed to the meeting hall.
- f) The registration counter will only handle verification of identity and registration of attendance.
- g) Help desk support is available for any other enquiries/assistance/revocation of proxy's appointment.

## 2. DOOR GIFT

No door gift will be provided at the 10th AGM.

## ADMINISTRATIVE GUIDE FOR THE 10TH ANNUAL GENERAL MEETING (“AGM”)

### 3. PARKING

Please be informed that parking is complimentary. However, parking availability is still subject to a first come, first served basis.

### 4. ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY

Only members whose name appear on the Record of Depositors as at 20 June 2024 shall be entitled to attend, participate, speak and vote at the 10th AGM or appoint a proxy(ies) to attend and vote on his/her behalf.

The appointment of proxy may be made in the form of hardcopy or by electronic means as specified below and must be received by Boardroom Share Registrars Sdn. Bhd. (“**Boardroom**”) no later than Tuesday, 25 June 2024 at 10.30 a.m. or any adjournment thereof:

#### ***In hard copy form***

Deposited at the office of Boardroom at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.

#### ***By electronic form***

Alternatively, the instrument appointing proxy may also be lodged electronically via Boardroom Smart Investor Portal (“**BSIP**”) at <https://investor.boardroomlimited.com> or by fax to +603-7890 4670 or by email to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com).

If you have submitted your proxy form(s) prior to the 10th AGM and subsequently decide to appoint another person or wish to personally participate in the 10th AGM, please write in to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) or via BSIP (as the case maybe) to revoke your earlier proxy appointment no later than Tuesday, 25 June 2024 at 10.30 a.m. or any adjournment thereof. Please note that upon your registration to appoint another person or to personally participate in the 10th AGM, any previous proxy appointment will be deemed revoked.

If shareholders wish to submit their Proxy Form electronically via BSIP, please refer to the procedures for electronic lodgement of Proxy Form as follows:

#### **Step 1: Register Online with BSIP**

*Note: This is a one-time registration only. If you have already signed up with BSIP, you are not required to register. You may proceed to Step 2.*

- (a) Access website <https://investor.boardroomlimited.com>
- (b) Click “**Register**” to sign up as a user.
- (c) Please select the correct account type i.e. sign up as “**Shareholder**” or “**Corporate Holder**”.
  - For Shareholder, kindly upload a softcopy of MyKad (front and back) or Passport and click “**Sign Up**” to complete the registration.
  - For Corporate Holder, kindly upload a copy of the authorisation letter (template available on BSIP)/ Certificate of Appointment of Corporate Representative/ Power of Attorney and click “**Sign Up**” to complete the registration.
- (d) You will receive an email from Boardroom for email address verification. Click “**Verify Email Address**” from the email received to continue with the registration process.
- (e) Once your email address is verified, you will be re-directed to BSIP for verification of mobile number. Click “**Request OTP Code**” and an OTP code will be sent to the registered mobile number. You will need to enter the OTP code and click “**Enter**” to complete the process.
- (f) Once your mobile number is verified, registration of your new BSIP account will be pending for final verification. Your registration will be verified and approved within one (1) business day and an email notification will be provided once the registration of your new BSIP account is completed.

# ADMINISTRATIVE GUIDE FOR THE 10TH ANNUAL GENERAL MEETING (“AGM”)

## 4. APPOINTMENT OF PROXY (CONT'D)

If shareholders wish to submit their Proxy Form electronically via BSIP, please refer to the procedures for electronic lodgement of Proxy Form as follows (Cont'd):

### Step 2: Submit Proxy Form

*Note: You must be a registered BSIP user in order to submit Proxy Form via BSIP, please refer to Step 1 – Register Online with BSIP above for registration.*

#### ***For Individual and Corporate Shareholders***

- (a) Login to <https://investor.boardroomlimited.com>
- (b) Click “**Meeting Event**” and select “**RADIUM DEVELOPMENT BERHAD TENTH (10TH) ANNUAL GENERAL MEETING**” from the list of companies and click “**Enter**”.
- (c) Click on “**Submit eProxy Form**”.
- (d) Select the company you would like to be represented (*applicable for Corporate Shareholders with more than one company*).
- (e) Enter your CDS account number and number of securities held.
- (f) Select your proxy – either the Chairman of the meeting or individual named proxy(ies).
- (g) Read and accept the Terms and Conditions and click “**Next**”.
- (h) Enter the required particulars of your proxy(ies).
- (i) Indicate your voting instructions – FOR or AGAINST or ABSTAIN. If no indication is given, your proxy(ies) will decide on your votes during the AGM.
- (j) Review and confirm your proxy(ies) appointment.
- (k) Click “**Apply**”.
- (l) Download or print the eProxy form as acknowledgement.

#### ***For Authorised Nominees and Exempt Authorised Nominees***

- (a) Login to <https://investor.boardroomlimited.com>
- (b) Click “**Meeting Event**” and select “**RADIUM DEVELOPMENT BERHAD TENTH (10TH) ANNUAL GENERAL MEETING**” from the list of companies and click “**Enter**”.
- (c) Click on “**Submit eProxy Form**”.
- (d) Select the company you would like to be represented (*if more than one company*).
- (e) Proceed to download the file format for “**Submission of Proxy Form**”.
- (f) Prepare the file for the appointment of proxy(ies) by inserting the required data.
- (g) Proceed to upload the duly completed proxy appointment file.
- (h) Review and confirm your proxy(ies) appointment and click “**Submit**”.
- (i) Download or print the eProxy form as acknowledgement.

*Note: If you are the Authorised Representative for more than one (1) Authorised Nominee/ Exempt Authorised Nominee/ Corporate Shareholder, kindly click the “**home button**” and select “**Edit Profile**” in order to add Company name.*

## 5. ANNUAL REPORT 2023

The following documents are available on the Company’s website at [www.radiumdevelopment.com](http://www.radiumdevelopment.com):

- Annual Report 2023
- Sustainability Report 2023
- Corporate Governance Report 2023
- Notice of 10th AGM, Proxy Form and Administrative Guide

Printed copies of the Annual Report 2023 are also available for collection from the registration counter on the day of the 10th AGM on a first come, first served basis.

## ADMINISTRATIVE GUIDE FOR THE 10TH ANNUAL GENERAL MEETING (“AGM”)

### 6. POLL VOTING

The voting at the 10th AGM will be conducted by way of poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Boardroom as the Poll Administrator to conduct the poll voting by way of electronic voting (e-voting) and SKY Corporate Services Sdn. Bhd. as the independent scrutineers (“Scrutineers”) to verify the poll results.

During the 10th AGM, the Chairman will invite the Poll Administrator to brief you on the e-voting procedures using smartphone or tablet. The voting session will commence from 10.30 a.m. on 27 June 2024 until a time when the Chairman announces the completion of the session. Voting for all the resolutions set out in the Notice of the 10th AGM will take place concurrently after the relevant questions in respect of these resolutions have been addressed.

Upon the completion of the voting session for the 10th AGM, the Scrutineers will verify the poll results followed by the Chairman’s declaration whether the resolutions are duly passed

### 7. SUBMISSION OF QUESTIONS

#### ***Prior to the 10th AGM***

Members and proxies may submit questions before the 10th AGM to the Chairman or Board of Directors via BSIP at <https://investor.boardroomlimited.com> **no later than Thursday, 27 June 2024 at 10.30 a.m.** Click “**Submit Questions**” after selecting “**RADIUM DEVELOPMENT BERHAD TENTH (10TH) ANNUAL GENERAL MEETING**” from “**Meeting Event**”.

#### ***During the 10th AGM***

Verified members and proxies will be able to ask questions in person at the meeting venue.

### 8. ENQUIRY

If you have any enquiries prior to the 10th AGM, please contact Boardroom during office hours from Monday to Friday, 8.30 a.m. to 5.30 p.m. (except for public holidays):

#### **Boardroom Share Registrars Sdn. Bhd.**

General Line : +603 7890 4700  
 Fax number : +603 7890 4670  
 Email : [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com)

### 9. PERSONAL DATA POLICY

By submitting the Proxy Form, the member or shareholder consents to the Company (and/or its agents /service providers) collecting, using and disclosing his/her personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 10th AGM, including any adjournment thereof.

**RADIUM DEVELOPMENT BERHAD**

Registration No. 201301009006 (1038848-V)  
(Incorporated in Malaysia)

CDS ACCOUNT NO.	
NO. OF SHARES HELD	

I/We, \_\_\_\_\_ NRIC/Passport/Company No. \_\_\_\_\_  
(NAME IN FULL AND BLOCK LETTERS)

of \_\_\_\_\_  
(FULL ADDRESS)

and Telephone No./Email Address \_\_\_\_\_ being a member/members

of **RADIUM DEVELOPMENT BERHAD** (“Company”), hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Mobile Phone No.			

and

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Mobile Phone No.			

or failing him/her, THE CHAIRMAN OF THE MEETING as my/our proxy/proxies to vote for me/us and on my/our behalf at the 10th Annual General Meeting (“AGM”) of the Company, to be held at Platinum Hall @ Platinum Suites, D-50A-01, Level 50A, 1020, Jalan Sultan Ismail, Kampung Baru, 50250 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia on Thursday, 27 June 2024 at 10.30 a.m. or at any adjournment thereof.

I/We indicate with an “x” in the spaces below how I/we wish my/our vote to be cast:

RESOLUTION NO.	RESOLUTION	FOR	AGAINST
<b>ORDINARY BUSINESS</b>			
Ordinary Resolution 1	To approve the payment of fees and benefits to the Non-Executive Directors amounting to RM398,258.08 for the financial year ended 31 December 2023		
Ordinary Resolution 2	To approve the payment of fees to the Non-Executive Directors up to RM800,000.00 for the period from 1 January 2024 until the next AGM of the Company		
Ordinary Resolution 3	To re-elect Datuk Gan Kah Siong as Director of the Company		
Ordinary Resolution 4	To re-elect Mr Gan Tiong Kian as Director of the Company		
Ordinary Resolution 5	To re-elect Datuk Sydney Lim Tau Chin as Director of the Company		
Ordinary Resolution 6	To re-appoint Baker Tilly Monteiro Heng PLT as Auditors		
<b>SPECIAL BUSINESS</b>			
Ordinary Resolution 7	Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 and waiver of pre-emptive rights to new shares under Section 85 of the Companies Act 2016 read together with Clause 61 of the Company’s Constitution		
Ordinary Resolution 8	Proposed Shareholders’ Mandate		

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024

Subject to the voting instruction stated above, my/our proxy/proxies may vote or abstain from voting on any resolution as he/she/they may think fit.

\_\_\_\_\_  
Signature(s) or Common Seal of Member(s)



Then fold here

Affix Stamp

**Boardroom Share Registrars Sdn Bhd**  
**(Registration No. 199601006647 (378993-D))**  
11th Floor, Menara Symphony  
No. 5, Jalan Professor Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

1st fold here

**NOTES:-**

1. For the purpose of determining who shall be entitled to attend the 10th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at 20 June 2024. Only a member whose name appears on this Record of Depositors shall be entitled to attend, participate, speak and vote in this 10th AGM.
2. A member who is entitled to attend, participate, speak and vote at this 10th AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the 10th AGM. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her holdings to be represented by each proxy, failing which the appointment shall be invalid.
4. 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.
5. Where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act 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.
6. The appointment of a proxy may be made in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 10th AGM or any adjournment thereof:
  - i. In hard copy form  
In the case of an appointment made in hard copy form, the Proxy Form should be lodged at the Share Registrar's office, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.
  - ii. By electronic form  
In the case of an appointment made in electronic form, the Proxy Form must be deposited electronically via the Share Registrar's website, Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> to login and deposit your Proxy Form electronically. Please follow the procedures set out in the Administrative Guide for the electronic lodgement of the Proxy Form.
7. Please ensure all the particulars as required in the Proxy Form are completed, signed and dated accordingly.
8. Last date and time for lodging the Proxy Form is Tuesday, 25 June 2024 at 10.30 a.m.
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar's office, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than forty-eight (48) hours before the time appointed for holding the 10th AGM 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.
10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice of the 10th AGM will be put to vote by poll.
11. By submitting the Proxy Form, the member or shareholder consents to the Company (and/or its agents /service providers) collecting, using and disclosing his/her personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 10th AGM, including any adjournment thereof.

**RADIUM DEVELOPMENT BERHAD**

REGISTRATION NO.: 201301009006 (1038848-V)



No. 7-2, PV7, Jalan Melati Utama 2,  
Taman Melati Utama, Setapak, 53100 Kuala Lumpur



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