SPIRIT OF ACHIEVEMENT

Resilient Organisation
Strong Workforce
Radiant Future

Bina Darulaman Berhad

Annual Report 2021

Cover Rationale

2021 was the year of economic resilience for businesses. There was no exception for BDB which was involved in core businesses – Property Development, Construction and Leisure – that were most vulnerable to the effects of the lockdown. There was renewed focus as well as financial and operational discipline on ongoing business sectors in order to remain resolute throughout 2021. We have had to also adapt to new ways of conducting commerce by embracing digital and social media technologies. BDB's willingness to meet adversity, embrace change and transform while reinforcing its foundations is the DNA on which BDB was incorporated on more than 25 years ago.

GO GREEN,
GO PAPERLESS.

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Our Mission

To deliver excellent standard of performance through township development, infrastructure, construction and tourism.

Our Vision

To be a respected and leading conglomerate that delivers excellent products and services.

Our Corporate Objectives

- To maximise returns to shareholders by maximising growth rate in net earnings.
- To ensure that subsidiaries achieve leadership positions in their respective industries.
- To create a conducive environment for the Group's employees to realise their potential.
- To ensure sustainability of our core businesses.
- To create diversified income and revenue sources.
- To contribute positively towards the social and environmental needs of the society in which we operate.

About Us

BINA DARULAMAN BERHAD (BDB) is the Kedah State Government's investment holding company with a 26-year track record in its core businesses of Engineering, Construction and Quarry (ECQ) and Property Development while maintaining its investment interests in the state's tourism sector.

The BDB Group has revitalised the development of Kedah's socioeconomic agenda since it was set up on 7 February 1995 and listed on the Main Board of Bursa Malaysia on 2 February 1996. It has a dedicated and experienced workforce, with a high level of expertise and specialisation. The team has skilfully and efficiently managed a diverse range of projects throughout the state.

With a strong mandate for infrastructure development, affordable housing, wealth generation and job creation, the BDB Group has succeeded in becoming one of the most respected companies in Kedah.

The BDB Group's identity and tagline, "Spirit of Achievement", reflects the company's objectives and goals of forging ahead and marks a corporate culture where teamwork will be crucial in fulfilling corporate goals.

Staying ahead of other companies, BDB will diversify its revenue streams to spread and minimise risks. Its plans moving forward will see the Group branch out into new areas such as telecommunications, renewable energy and minerals while embracing greater levels of cost optimisation, human capital development and digitalisation.

DAULAT TUANKU
BINA
DARULAMAN
BERHAD
B B

Engineering, Construction and Quarry (ECQ) Division

Head of Division :	**Tahir Zin**
Key Subsidiaries :	**BDB Synergy Sdn Bhd (construction and civil engineering)**
	BDB Infra Sdn Bhd (road building and quarrying)
	BDB Constructions Sdn Bhd (Construction material supplier)
Key Contracts :	**Pelubang Water Treatment Plant, Kubang Pasu, Kedah (RM431 million)**
	National Non-Revenue Water Programme, Perlis (RM40 million)
	Kedah State Road Maintenance Project (RM210 million)
FY2021 Revenue :	**RM106.6 million**
FY2021 PBT :	**RM3.36 million**
Contribution to : Group Revenue	**51%**
Headcount:	**338 staff**

BDB Infra Sdn Bhd

Since its inception in 1973, BDB INFRA SDN BHD (BDB Infra) has amassed nearly 50 years of experience in quarry and road construction. BDB Infra is recognised as a reputable class G7 contractor for road works in northern Malaysia.

BDB Infra's name is synonymous with advanced technical know-how and quality road works. It has participated in many road construction projects and maintenance of roads and highways across northern Malaysia.

Originally operating under the name Syarikat Bina Dan Kuari Kedah Sdn. Bhd., BDB Infra is the pioneer of the quarry industry in the north and operates the largest granite quarry in Kedah. Bukit Perak Quarry (BPQ), situated in Pendang, produces various sizes of crushed aggregates and asphaltic bituminous mix products for the construction of roads, highways, railway tracks, bridges, houses, land reclamation and other infrastructure.

The quarry has the capacity to produce 100,000 tonnes of aggregates monthly and based on the current capacity, the quarry has enough reserves to last over 100 years.

In early 2017, BDB Infra had successfully operated a new asphalt premix plant in Kulim, namely Kulim Kedah Premix Plant (KKPP) to cater to the demands of customers from central to southern Kedah, Penang and northern Perak.

The plant is being equipped with a batching system with the capability of producing 40,000 tonnes of asphaltic bituminous mix products monthly. KKPP is the largest addition to BDB Infra's production and manufacturing facilities.

Based on its excellent track record, the state government has awarded BDB Infra a three-year contract worth RM210 million in 2020 for state road maintenance in several districts in Kedah.

The project will run for 36 months, beginning on March 23, 2020, and will include work in Kota Setar, Padang Terap/Pokok Sena, Kuala Muda, Sik, Kubang Pasu, Kulim/Bandar Baharu, Pendang, Yan, and Baling.

For the year 2021, BDB Infra fulfilled 176 work orders totalling RM72.9 million despite the tough Covid-19 pandemic and the Federal Government's enforcement of movement control measures.

Engineering, Construction and Quarry (ECQ) Division

BDB Synergy Sdn Bhd

BDB SYNERGY SDN BHD (BDB Synergy), formerly known as Kedah Sato Sdn. Bhd., was incorporated in 1982 through a joint venture between Kedah State Development Corporation (PKNK) and Sato Kogyo Company Ltd.

BDB Synergy, currently being a wholly owned subsidiary of Bina Darulaman Berhad (BDB), prides itself as one of the major participants in the engineering and construction sector in Malaysia.

BDB Synergy offers a full spectrum of engineering and construction services including Construction Project Management, General Contracting, Design & Build and Preconstruction Planning services from small to multi-million dollar projects.

BDB Synergy, since its inception, has forged a proud track record of delivering major developments and projects across the engineering and construction realm. BDB Synergy has successfully completed diverse range of projects as follows:

- Commercial, leisure and residential developments;
- Airport, educational, healthcare and potable water supply facilities; and
- Industrial and civil infrastructures including jetties, roads and bridges.

BDB Synergy's competitive advantage lies in its key strengths:

- Diverse and depth of experience
- Versatility of planning and construction management skills
- Reliable highly skilled manpower
- A culture of quality, safety and integrity

As a commitment to operational excellence and consistent performance with the core objective of achieving complete stakeholders' satisfaction, BDB synergy subscribes to the following industry's tools and standards in its operations:

- Quality Assessment System In Construction (QLASSIC)
- ISO 9001:2015
- ISO 14001:2015
- ISO 45001:2018

BDB Synergy, Building Trust and Creating Value.

Property Development Division

Head of division :	**Zawawi Wahab**
Subsidiaries :	**BDB Land Sdn Bhd, Kedah Holdings Sdn Bhd, BDB Leisure Sdn Bhd, BDB Darulaman Golf Resort Berhad and BDBMBI Langkawi Ventures Sdn Bhd**
Joint-venture/ associates :	**BDB Setia Sdn Bhd and BDB Lagenda Sdn Bhd**
Key developments :	**Darulaman Lagenda, Darulaman Perdana West, Symphony East Phase 5, Phase 1 of Langkawi Designer Premium Outlets**
FY2021 Revenue :	**RM98.6 million**
FY2021 PBT :	**RM6.4 million**
Contribution to : Group Revenue	**47%**
Headcount :	**137 staff**

BDB LAND SDN. BHD. (BDB Land) has established itself as a reputable leader in township development in Malaysia's northern region.

It was founded on April 7, 1981, and has over 30 years of experience and an impressive track record to its credit. The name BDB Land is associated with prestigious sustainable townships such as:

- Bandar Darulaman (Jitra), a self-sufficient and mature township in Kubang Pasu district;
- Darulaman Perdana (Sungai Petani), a residential mixed development that will provide Sungai Petani residents with a high standard of living;

- Darulaman Utama (Kuala Ketil), a large-scale township development in Kuala Ketil that is expected to transform the Baling district; and
- the new townships, Darulaman Saujana (Jitra) and Darulaman Putra (Sungai Petani), are poised to continue bringing Kedah's people sustainable development and quality of life.

To pivot away from the effects of the Covid-19 pandemic which has affected property development throughout Malaysia, the management has gone ahead with its own developments as well as pursued projects with joint-venture partners.

On 6 April 2021, BDB Land has inked a joint venture cum shareholder's agreement with LPB Development Sdn Bhd, a wholly own subsidiaries of Lagenda Properties Berhad to incorporate a 50 : 50 joint venture company called BDB Lagenda Sdn Bhd to develop Darulaman Lagenda township in Sungai Petani.

BDB Land continues to strive and introduce new products and a new way of life within its townships, as well as play an important role in Kedah's socioeconomic agenda.

In addition to greenfield developments, the division has spill over projects which continue to contribute to its bottom-line.

Founded on 2 February 1982, KEDAH HOLDINGS SDN. BHD. (Kedah Holdings) has 30 years of experience in developing businesses, residential, high level apartments as well as office buildings.

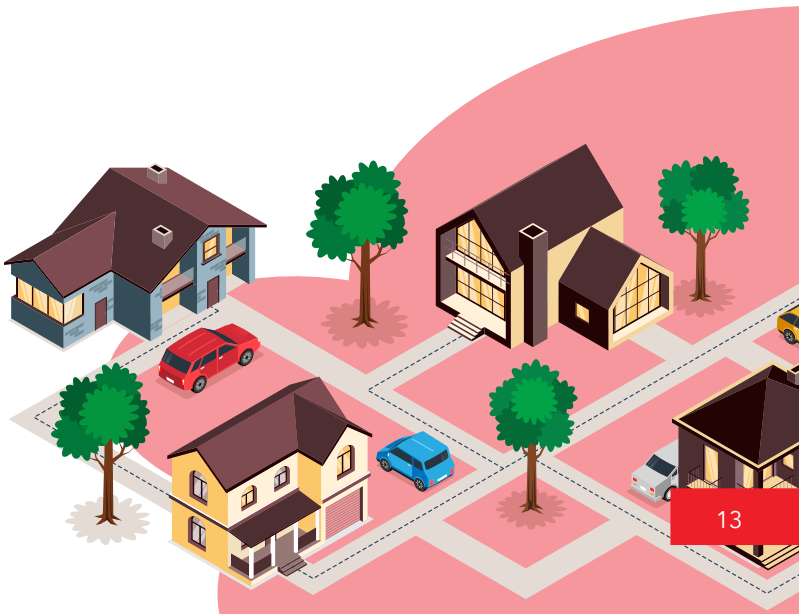
Kedah Holdings intends to develop small to medium-sized housing and commercial projects in order to position itself as a pocket and boutique developer, matching customised needs and lifestyles to people in Kedah state and beyond.

Kedah Holdings past developments include:

- Kompleks Alor Setar, a 3-storey commercial complex located on Lebuhraya Darulaman in Alor Setar; and
- Menara BDB, a 10-storey office building that houses the headquarters of Bina Darulaman Berhad as well as private offices, government and semi-government agencies.
- Taman Nusantara 2A, a housing project on Lot 1198, Mukim Kuala Kedah, Daerah Kota Setar, Kedah Darul Aman, consisting of 1 unit detached house (2-storey) and 52 units of twin houses (2-storey).
- Taman Nusantara 2B, a housing project on Lot 1198, Mukim Kuala Kedah, Daerah Kota Setar, Kedah Darul Aman, consisting of 1 unit of semi-detached house in March 2015 and 30 units of twin homes (2-storey).

In November 2020, Kedah Holdings already signed joint development agreement with Aman Teamwork Sdn Bhd to develop the remaining phases in Bandar Sejahtera, Pokok Sena.

Also, on 20th September 2021, Kedah Holdings signed partnership with Nanyang Equity Sdn Bhd to jointly develop 84 units housing development in Puncak Harmoni, Kuala Kangsar.



Leisure & Hospitality

The Leisure & Hospitality segment focuses on building amusement parks and manages various forms of entertainment, sports, indoor and outdoor recreations.

The company has increased its workforce to streamline operations while raising productivity and efficiency to provide better customer satisfaction. With operations from BDB Leisure outsourced to a third-party it has brought a healthy revenue of RM103,000 in 2021. This result can be attributed to BDB making a decision to outsource operations to a third party to bring down operational costs so that it would not be a drag on the Group's earnings in 2021. At the same time, by retaining ownership of the division's assets, it allows the Group to continue making modest capital investments in future tourism and leisure facilities such as glamping.

The Darulaman Park's development includes the Darulaman Trails, with infrastructure for various sports and recreational activities. It is popular among residents in the Kubang Pasu district. The addition of a marquee tent, wall climbing, and a flying fox to Darulaman Park also contributed to increased visitor attractions and revenue for BDB Leisure.

Aside from that, the Darulaman Sanctuary in Langkawi provides support to the core business to ensure BDB Leisure's success. The gazetted forest reserve at the foot of Langkawi's highest point (Gunung Raya) provides a cool getaway from the urban jungle. It is the best of eco-tourism, as tourists can observe wildlife such as gibbons, hornbills, exotic birds and insects, and gain insights into Lubuk Semilang's flora. There are over 100 medicinal plants along the trail, which were often used by Langkawi natives since decades ago.

BDB Darulaman Golf Resort Berhad (BDB DGRB) has a world-class standard 18-hole 190-acre golf course. It has been a destination for golfers from all over the country since it first opened its doors in 1993. Several professional tournaments have been held here, including the BDB Masters, one of the most anticipated amateur tournaments in the north.

To ensure public safety, BDB DGRB has worked with the Department of Wildlife and National Parks (Perhilitan) to ensure that wild animals do not endanger anyone. Such measures have been taken so that people can co-exist peacefully with nature and this ensures that BDB DGRB will continue to be one of the best golf clubs in the Northern Region.

Corporate Structure

Corporate Information

BOARD OF DIRECTORS

1. TUAN SR. HAJI CHE HAD BIN DHALI
   Executive Chairman
2. DATO' ZAKIAH BINTI KASSIM
   Senior Independent Director
3. TUAN MOHAMAD IBRAHIM BIN GHAZALI
   Independent Director and Non-Executive Director
4. YB SENATOR IR. TS. KHAIRIL NIZAM BIN KHIRUDIN
   Independent Director and Non-Executive Director
5. DATO' HAJI SYED YUSSOF BIN SYED OTHMAN
   Non-Independent and Non-Executive Director
6. DATO' HAJI ABDUL RAHMAN BIN ABDULLAH
   Non-Independent and Non-Executive Director
7. TUAN HAJI MUHAMAD SOBRI BIN OSMAN
   Non-Independent and Non-Executive Director

BOARD AUDIT COMMITTEE

1. TUAN MOHAMAD IBRAHIM BIN GHAZALI
   Chairman
2. DATO' ZAKIAH BINTI KASSIM
   Member
3. YB SENATOR IR. TS. KHAIRIL NIZAM BIN KHIRUDIN
   Member
4. DATO' HAJI ABDUL RAHMAN BIN ABDULLAH
   Member

BOARD RISK COMMITTEE

1. YB SENATOR IR. TS. KHAIRIL NIZAM BIN KHIRUDIN
   Chairman
2. TUAN MOHAMAD IBRAHIM BIN GHAZALI
   Member
3. DATO' HAJI ABDUL RAHMAN BIN ABDULLAH
   Member
4. TUAN HAJI MUHAMAD SOBRI BIN OSMAN
   Member

BOARD NOMINATION, REMUNERATION & ESOS COMMITTEE

1. DATO' ZAKIAH BINTI KASSIM
   Chairman
2. YB SENATOR IR. TS. KHAIRIL NIZAM BIN KHIRUDIN
   Member
3. DATO' HAJI SYED YUSSOF BIN SYED OTHMAN
   Member

BOARD PROCUREMENT COMMITTEE

1. DATO ' HAJI ABDUL RAHMAN BIN ABDULLAH
   Chairman
2. DATO' ZAKIAH BINTI KASSIM
   Member
3. DATO' HAJI SYED YUSSOF BIN SYED OTHMAN
   Member
4. TUAN HAJI MUHAMAD SOBRI BIN OSMAN
   Member

COMPANY SECRETARY

KHAIRULMUNA BINTI ABD GHANI
SSM PC No. 202008004025
LS 0008190

STOCK EXCHANGE LISTING

Listed on the Main Board of Bursa Malaysia Securities Berhad
Stock Name : BDB
Stock Code : 6173

REGISTERED OFFICE

Level 9, Menara BDB,
88, Lebuhraya Darulaman,
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E-mail : bina_darulaman@bdb.com.my
Website : www.bdb.com.my

AUDITORS

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PRINCIPAL BANKS

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Tel : +604 731 3855
Fax : +604 733 1550

AFFIN ISLAMIC BANK BERHAD
147 & 148, Susuran Sultan Abdul Hamid 8, Kompleks Sultan Abdul Hamid Fasa 2,
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05050, Alor Setar,
Kedah Darul Aman.
Tel : +604 772 1477
Fax : +604 771 4796

Board of Directors

TUAN SR. HAJI CHE HAD BIN DHALI
Executive Chairman

DATO' ZAKIAH BINTI KASSIM
Senior Independent Director

TUAN MOHAMAD IBRAHIM BIN GHAZALI
Independent Non-Executive Director

YB SENATOR IR. TS. KHAIRIL NIZAM BIN KHIRUDIN
Independent Non-Executive Director

DATO' HAJI SYED YUSSOF BIN SYED OTHMAN
Non-Independent Non-Executive Director

DATO' HAJI ABDUL RAHMAN BIN ABDULLAH
Non-Independent Non-Executive Director

TUAN HAJI MUHAMAD SOBRI BIN OSMAN
Non-Independent Non-Executive Director

Board of Directors Profile

TUAN SR. HAJI CHE HAD BIN DHALI, B.K.M., 57

EXECUTIVE CHAIRMAN

Date of appointment: 1 February 2022

Date of re-designation as Executive Chairman: 14 April 2022

Securities holdings in the Company: None

ACADEMIC & PROFESSIONAL QUALIFICATIONS

- Bachelor in Valuation & Property Management, Universiti Teknologi Malaysia
- Master in Business Administration, Universiti Utara Malaysia
- Registered Property Manager and Valuer, Board of Valuers, Estate Agents & Appraisers Malaysia
- Valuation Specialist, International Association of Certified Valuation Specialists
- Fellow Member, Royal Institution of Surveyors Malaysia
- Fellow Member, Association of Valuers & Property Consultants in Private Practice
- Member, Royal Institute of Chartered Surveyors
- Member, Malaysian Institute of Estate Agents
- Member, Business Valuers Association Malaysia

Background

Tuan Sr. Haji Che Had Bin Dhali was appointed as a Chairman of Bina Darulaman Berhad ("BDB") on 1 February 2022. As a highly experienced professional Real Estate consultant, Chartered surveyor, and Registered Valuer, Tuan Sr. Haji Che Had brings 33 years of valuable industry experience and insights to BDB's core businesses, particularly its Property Development division.

Tuan Sr. Haji Che Had began his career in 1989 in Valuation & Property Consultancy Services with Jones Lang Wotton ("JLW") in Penang. Thereafter, he joined Henry Butcher, Lim & Long Sdn Bhd in Butterworth. In 1992, he was attached to JB Jurunilai Bersekutu Sdn Bhd in Alor Setar, Kedah for about 16 years. His last position at JB Jurunilai Bersekutu was as Group Executive Director.

In 2008, Tuan Sr. Haji Che Had was invited to join the State Government of Kedah as Special Officer cum Economic and Government Linked Company's Advisor to the Chief Minister of Kedah. His long association with Kedah State Government-owned entities includes the following roles:

- CEO of Perbadanan Menteri Besar Kedah
- Chairman of Darulaman Aset Sdn Bhd
- Chairman of Syarikat Bina & Kuari Kedah Sdn Bhd
- Corporation Member (Director) cum Member of Working Committee (Exco) of the Kedah State Development Corporation (PKNK)
- Board of Director of Bina Darulaman Berhad
- Director of Kedah Agro Holdings Berhad
- Director of Permodalan Kedah Berhad
- Director of Kedah Invest Centre (KIC)

Tuan Sr Hj Che Had is currently the Group Executive Director of IM Global Property Consultants Sdn Bhd and also the Director of Invest Kedah Berhad, a subsidiary of the Menteri Besar Kedah Incorporated (MBI).

Board Committee Membership

None

Other Directorships in Public Listed Companies

None

Attendance at Board Meetings in 2021

Not Applicable

Attendance at Previous AGM

Not Applicable

DISCLAIMER

Tuan Sr. Haji Che Had does not have any family relationship with any Director and/or any major shareholder of the Company and has no conflict of interest with the Company. He has no conviction of any offences over the past five years (other than traffic offenses, if any) and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Board of Directors Profile

DATO' ZAKIAH BINTI KASSIM, 63

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

Date of appointment: 6 September 2020

Date of re-designation as Senior Independent Director: 6 December 2021

Date of re-election: 23 September 2021

Securities holdings in the Company: None

ACADEMIC & PROFESSIONAL QUALIFICATIONS

- Bachelor of Law, Universiti Malaya

Background

Dato' Zakiah Binti Kassim started her career as a Legal Officer at the High Court of Kuala Lumpur in June 1983 before taking up an appointment as Senior Assistant Registrar at the High Court of Pulau Pinang in the same year.

In 1984, Dato' Zakiah became the Director of the Legal Aid Bureau of Negeri Sembilan until she left to assume the position of Magistrate of the Magistrate Court of Kuala Lumpur in 1986. In 1991, she was promoted to Session Court Judge at the Session Court of Kuala Lumpur.

A year later, Dato' Zakiah joined the executive branch of the government upon her appointment as Legal Advisor at the Ministry of Housing & Local Government. In 1997, she was appointed as a Secretary at Perbadanan Putrajaya prior to assuming the role of Federal Counsel at the Ministry of Finance in 1999.

In 2000, Dato' Zakiah was appointed as a Legal Officer, Drafting Division at the Attorney General Chambers, a position she held for four years before she joined the Kedah State as a Legal Advisor in 2005.

In 2009, Dato' Zakiah became Chairman of the Board Advisory in the Prime Minister's Department before returning to the judiciary following her appointment as Judicial Commissioner at the High Court of Johor Bahru, Johor in the same year. She accepted a transfer to the High Court of Alor Setar, Kedah in 2010 and was with the High Court of Shah Alam, Selangor for two years until her retirement in 2017.

Board Commitee Membership

- Chairman, Board Nomination, Remuneration & ESOS Committee
- Member, Board Audit Committee
- Member, Board Procurement Committee

Other Directorships in Public Listed Companies

None

Attendance at Board Meeting in 2021

Attended all 10 meetings held during the Financial Year

Attendance at Previous AGM

Attended

DISCLAIMER

Dato' Zakiah does not have any family relationship with any Director and/or any major shareholder of the Company and has no conflict of interest with the Company. She has no conviction of any offences over the past five years (other than traffic offenses, if any) and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Board of Directors Profile

TUAN MOHAMAD IBRAHIM BIN GHAZALI, 57

INDEPENDENT NON-EXECUTIVE DIRECTOR

Date of appointment: 14 December 2020

Date of re-election: 23 September 2021

Securities holdings in the Company: None

ACADEMIC & PROFESSIONAL QUALIFICATIONS

- Advanced Diploma in Accountancy (ADIA), equivalent to Bachelor of Accountancy, Universiti Teknologi Mara
- Member, Malaysian Institute of Accountants

Background

Tuan Mohamad Ibrahim Bin Ghazali started his career as an auditor in May 1988 where he was involved in audits of various governmental agencies, legal firms and conglomerates. Three years later, he joined Shapadu Group of Companies as an internal auditor.

In January 1995, Tuan Mohamad Ibrahim was appointed as Finance Manager at METC Holdings Sdn. Bhd. before assuming greater responsibilities as Senior Finance Manager from September 1996 to October 1999.

Tuan Mohamad Ibrahim then moved to take on the role of Financial Controller at ARZ Group of Companies in November 1999. He was promoted to General Manager in 2005 where he was responsible for identifying future business opportunities, reviewing the corporate planning and handling all legal and secretarial matters.

In 2009, Tuan Mohamad Ibrahim started his own tax, corporate secretarial, accounting and management advisory firm, MIG Associates.

Board Committee Membership

- Chairman, Board Audit Committee
- Member, Board Risk Committee

Other Directorships in Public Listed Companies

None

Attendance at Board Meeting in 2021

Attended all 10 meetings held during the Financial Year.

Attendance at Previous AGM

Attended

DISCLAIMER

Tuan Mohamad Ibrahim does not have any family relationship with any Director and/or any major shareholder of the Company and has no conflict of interest with the Company. He has no conviction of any offences over the past five years (other than traffic offenses, if any) and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Board of Directors Profile

YB SENATOR IR. TS. KHAIRIL NIZAM BIN KHIRUDIN, 43

INDEPENDENT NON-EXECUTIVE DIRECTOR

Date of appointment: 6 September 2020

Date of re-election: 23 September 2021

Securities holdings in the Company: None

ACADEMIC & PROFESSIONAL QUALIFICATIONS

- Bachelor (Hons) in Mechanical Engineering, Universiti Teknologi PETRONAS
- Master of Science in Asset Maintenance and Management, Universiti Teknologi PETRONAS

Background

YB Senator Ir. Ts. Khairil Nizam Bin Khirudin began his career in PETRONAS Research and Scientific Services Malaysia in 2002. In 2007, he was appointed as a Senior Inspection Engineer at the Inspection Section, Gas Processing Plant Complex B ("GPPB") PETRONAS Gas Berhad

In 2011, YB Senator Ir. Ts. Khairil Nizam moved on to the Inspection and Assurance Section, PETRONAS Carigali Sdn Bhd as an Inspection Technical Manager until 2013. He left PETRONAS in 2013 to be the Lead Integrity Engineer at Talisman Malaysia Limited/REPSOL Oil & Gas Malaysia Limited.

In 2020, YB Senator Ir. Ts. Khairil Nizam was appointed by the Yang di-Pertuan Agong, Al-Sultan Abdullah Ri-ayatuddin Al-Mustafa Billah Shah, as Senator and member of the Senate of the Parliament of Malaysia.

Board Commitee Membership

- Chairman, Board Risk Committee
- Member, Board Audit Committee
- Member, Board Nomination, Remuneration & ESOS Committee

Other Directorships in Public Listed Companies

None

Attendance at Board Meeting in 2021

Attended all 10 meetings held during the Financial Year

Attendance at Previous AGM

Attended

DISCLAIMER

YB Senator Ir. Ts. Khairil Nizam does not have any family relationship with any Director and/or any major shareholder of the Company and has no conflict of interest with the Company. He has no conviction of any offences over the past five years (other than traffic offenses, if any) and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Board of Directors Profile

DATO' HAJI SYED YUSSOF BIN SYED OTHMAN, 60

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Date of appointment: 14 December 2020

Date of re-election: 23 September 2021

Securities holdings in the Company: None

ACADEMIC & PROFESSIONAL QUALIFICATIONS

- Diploma in Accountancy, Universiti Teknologi MARA
- Bachelor of Business Administration, Universiti Teknologi MARA

Background

Dato' Haji Syed Yussof Bin Syed Othman graduated with a Diploma in Accountancy and a Bachelor's degree in Business Administration from UiTM (Universiti Teknologi MARA). Upon graduation, Dato' Haji Syed Yussof served in Public Bank Berhad and later in Amanah Capital Berhad.

In 1994, Dato' Haji Syed Yussof joined Perbadanan Kemajuan Negeri Kedah ("PKNK") as Senior Manager. He was seconded to BDB Infra Sdn. Bhd. ("BISB"), a wholly owned subsidiary of Bina Darulaman Berhad ("BDB"), from 2005 to 2011. His last post in BISB was as General Manager.

In 2011, Dato' Haji Syed Yussof returned to PKNK and was promoted as Head of Business Development. He was also appointed as a board member of PKNK's subsidiaries including Kedah Medical Centre Sdn. Bhd. and Kulim Technology Park Corporation Sdn. Bhd. Dato' Haji Syed Yussof has served as the Chief Executive Officer of PKNK since 12 November 2020.

Board Commitee Membership

- Member, Board Nomination, Remuneration & ESOS Committee
- Member, Board Procurement Committee

Other Directorships in Public Listed Companies

None

Attendance at Board Meeting in 2021

Attended all 10 meetings held during the Financial Year

Attendance at Previous AGM

Attended

DISCLAIMER

Dato' Haji Syed Yussof does not have any family relationship with any Director and/or any major shareholder of the Company and has no conflict of interest with the Company. He has no conviction of any offences over the past five years (other than traffic offenses, if any) and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Board of Directors Profile

DATO' HAJI ABDUL RAHMAN BIN ABDULLAH, 62

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Date of appointment: 1 January 2017

Date of re-election: 25 April 2019

Securities holdings in the Company: None

ACADEMIC & PROFESSIONAL QUALIFICATIONS

- Bachelor of Economics (Hons), Universiti Malaya
- Master of Business Administration, Universiti Utara Malaysia

Background

Dato' Haji Abdul Rahman Bin Abdullah joined Perbadanan Kemajuan Negeri Kedah ("PKNK") in 1984 as Assistant Manager, assuming senior positions with greater roles and responsibilities in Administration and Human Resources Development. He served as Chief Executive Officer of PKNK from 18 August 2016 until his retirement in 2020.

Board Committee Membership

- Chairman, Board Procurement Committee
- Member, Board Audit Committee
- Member, Board Risk Committee

Other Directorships in Public Listed Companies

None

Attendance at Board Meetings in 2021

Attended all 10 meetings held during the Financial Year

Attendance at Previous AGM

Attended

DISCLAIMER

Dato' Haji Abdul Rahman does not have any family relationship with any Director and/or any major shareholder of the Company and has no conflict of interest with the Company. He has no convictions of any offences over the past five years (other than traffic offences, if any) and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Board of Directors Profile

TUAN HAJI MUHAMAD SOBRI BIN OSMAN, 62

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Date of appointment: 6 September 2020

Date of re-election: 23 September 2021

Securities holdings in the Company: None

ACADEMIC & PROFESSIONAL QUALIFICATIONS

- Bachelor of Applied Science (Electronics), Universiti Sains Malaysia
- Master of Business Administration, Universiti Sains Malaysia
- Certified Training Professional, Institute of Training and Development

Background

Haji Muhamad Sobri Bin Osman started his career in 1984 with Hitachi Semiconductor Sdn Bhd as Production Engineer and was promoted to Industrial Engineering Manager, a position he held for 10 years before leaving in 1994. He then moved on to the Human Resources and Training & Development department in Renesas Semiconductor Sdn Bhd.

In 2008, Haji Muhamad Sobri was appointed to head Kulim Technology Park Corporation as Chief Executive Officer where he led a team to build Kulim Technology Park as the leading centre for capital intensive, high-technology manufacturing, advanced technologies and R&D activities until his retirement in 2013.

On 1 September 2020, Haji Muhamad Sobri was appointed as Chief Executive Officer of Menteri Besar Kedah Incorporated ("MBI") and other MBI's subsidiary companies.

Board Commitee Membership

- Member, Board Procurement Committee
- Member, Board Risk Committee

Other Directorships in Public Listed Companies

None

Attendance at Board Meeting in 2021

Attended all 10 meetings held during the Financial Year.

Attendance Aat Previous AGM

Attended

DISCLAIMER

Haji Mohamad Sobri does not have any family relationship with any Director and/or any major shareholder of the Company and has no conflict of interest with the Company. He has no conviction of any offences over the past five years (other than traffic offenses, if any) and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Senior Management Profile

MOHD SOBRI HUSSEIN, 56

ACTING PRESIDENT & GROUP CHIEF EXECUTIVE OFFICER
EXECUTIVE VICE PRESIDENT II & CHIEF OPERATING OFFICER
Date of Appointment: 4 February 2022
Securities holdings in the Company: None

ACADEMIC & PROFESSIONAL QUALIFICATIONS

- Bachelor of Engineering (Civil Engineering), University of Wollongong, Australia

Background

BACKGROUND

Mohd Sobri Bin Hussein joined Kedah Sato Sdn Bhd (before it was rebranded as BDB Synergy Sdn Bhd) in 1994 as a Site Engineer.

Recognising his contribution to the BDB Group, Mohd Sobri was promoted to General Manager of BDB Construction Sdn Bhd in January 2003. He managed the company for 18 months before returning to BDB Synergy as General Manager in 2004. In 2011, he was transferred to BDB Infra Sdn Bhd as General Manager.

Commencing 1 January 2014, Mohd Sobri was appointed as Executive Director of BDB Infra, a position he currently holds. He was also appointed as an Exco Member on 16 March 2018 and served until 2 December 2018.

On 1 November 2020, he was appointed as BDB's Executive Vice President II ("EVP II") – Operations @ Chief Operating Officer to oversee the operations of BDB Group. Then, on 4 February 2022, he was appointed to take the helm of BDB as Acting President/ Group Chief Executive Officer.

During COVID-19 Pandemic 2021, Mohd Sobri managed to implement chile fertigation project as another source of income for BDB Leisure Sdn Bhd. Aside from that, Mohd Sobri also successfully managed to outsource an excess staffs of BDB Darulaman Golf Resort Berhad and Fantasia Aquapark and able to relocate them to other subsidiaries.

Other Directorships in Subsidiary Companies

- BDB Infra Sdn Bhd
- BDB Construction Sdn Bhd
- BDB I Holdings Berhad
- BDBMBI Langkawi Ventures Sdn Bhd

DISCLAIMER

Mohd Sobri does not have any family relationship with any Directors and/or major shareholders of BDB and has no personal interest in any business arrangements involving BDB. He has not been convicted of any offences within the past five years (other than traffic offences, if any) and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Senior Management Profile

MOHD ISKANDAR DZULKARNAIN RAMLI, 38

EXECUTIVE VICE PRESIDENT I & CHIEF CORPORATE OFFICER

Date of appointment: 1 November 2020

Securities holdings in the Company: None

ACADEMIC & PROFESSIONAL QUALIFICATIONS

- Bachelor of Accounting, Universiti Islam Antarabangsa
- Member, Malaysian Institute of Accountants
- Member, Institute of Internal Auditors Malaysia
- Member, Malaysian Association of Risk and Insurance Management

Background

Mohd Iskandar Dzulkarnain Bin Ramli first joined Bina Darulaman Berhad ("BDB") in 2014 as Head of Group Corporate Planning and Enterprise Risk Management ("GCPERM"), where his primary role was to lead, monitor and coordinate the integrated business viability of the Group's business strategy, assess risk on new business opportunities such as commercial development, land development and corporate exercises and its execution.

Upon his appointment as Chief Operating Officer in 2018, his primary role is to lead all the subsidiaries on operational matters, focusing on strategy and leading the turnaround of the Company.

Prior to joining BDB, Iskandar served numerous companies including Khazanah Nasional Berhad, Kumpulan Perangsang Selangor Berhad and Sapuracrest Berhad. Iskandar's experience includes a broad range of strategic risk management, including Strategic Development Risk in reviewing key projects namely the Malaysia-China Kuantan Industrial Park, Kuantan Port Expansion ("KPE") and the Special Water Project Restructuring Programme at a Federal Government statutory body.

Other Directorships in Subsidiary Companies

- BDB Land Sdn Bhd
- Kedah Holdings Sdn Bhd
- BDBMBI Langkawi Ventures Sdn Bhd
- BDB Darulaman Golf Resort Berhad
- BDB Hotels Sdn Bhd
- BDB Construction Sdn Bhd

DISCLAIMER

Iskandar does not have any family relationship with any Director and/or any major shareholder of the Company and has no conflict of interest with the Company. He has no conviction of any offences over the past five years (other than traffic offences, if any) and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Chairman's Statement

Dear Valued Shareholders,

On behalf of the Board of Directors, I hereby present the Annual Report 2021 and the Financial Statements of Bina Darulaman Berhad ("BDB" or "the Group") for the Financial Year ended 31 December 2021 (FY2021).

Overview

Despite adverse operating conditions, BDB hit the ground running in 2021 by identifying key areas for improvement. Our management team distilled the key areas of focus to boosting human capital development, improving our financial and operational position via the Group's turnaround plan, and balancing the Group's goals. At the same time, the Group maintained its efforts in meeting the needs of the people of Kedah via its Corporate Social Responsibility (CSR) initiatives.

Chairman's Statement (continued)

"...2021 was a significant learning curve for the Group and our resilience, focus and determination has demonstrated what the Group will be able to achieve as we emerge from the pandemic into easier business conditions. BDB is optimistic in this endemic period that we can reach greater heights in terms of growing and expanding the business..."

2021 has been an impressive year for BDB as we managed to post a Profit Before tax of RM7.8 million despite containment measures under the National Recovery Plan (NRP). 2021 was a significant learning curve for the Group and our resilience, focus and determination has demonstrated what the Group will be able to achieve as we emerge from the pandemic into easier business conditions. BDB is optimistic in this endemic period that we can reach greater heights in terms of growing and expanding the business.

The Group's Engineering, Constructions and Quarry Division has been the main revenue contributor in 2021. On the back of existing order books, the division continue to excel despite the dampened in the Construction activities cause by the NRP. While there were some slowdown in the Group's Property Development Division, our sales of completed units and on-going projects ensured that there was a steady revenue stream for the division.

Impact of Covid-19

The Group's management team had to make readjustments to the strategies and operations due to the impact of Covid-19. Our Leisure business appeared to be the most challenging during that period. We have used that time to reflect and re-focus our efforts on the strategic planning for BDB during this challenging time.

Looking at operational optimisation we have decided to create a good framework among the staff. Secondly, we had to improve the internal processes within the company to avoid wastage and to increase productivity. In this way, our delivery systems will be functioning more efficiently, and this will be carried out from stakeholders to the customers. Thirdly, another key area of focus is restructuring our Group's corporate culture to place more emphasis towards customer satisfaction, which in turn will ensure business continuity.

Financial & Operational Performance

BDB successfully managed its cash flows without resorting to borrowings or loans via conversion of completed properties.

As a result of our financial discipline and business initiatives the Group's revenue stream recorded only a marginal decline from RM219.6 million in 2020 to RM207.7 million in 2021.

Digitisation

We have improved our operations tremendously while ramping up our reach through social media platforms. Furthermore, it has minimised our communication disruptions with our partners and most meetings were conducted online. Our ongoing adoption of digital and online processes has meant that there has been significant cost savings in our procurement processes.

Corporate Governance and Shareholder

Despite challenging business conditions, the Group remained committed and dedicated to always upholding its integrity and conducting its business in an ethical and transparent manner with robust checks and balances on its conduct.

With regards to engagements and responsibilities to our shareholders, even though nonoperations personnel continued to work from home in 2021, the Group met its targets and obligations to engage with our shareholders.

Chairman's Statement (continued)

Dividend Payout

Despite the challenging business environment, the Board approved an interim dividend to shareholders of 0.75 sen per ordinary share for FY2020 paid in FY2021.The dividend was paid on 30th March 2021.

The dividend payout is a gesture of appreciation to our valued shareholders for their continued trust and confidence whilst being mindful of the need to maintain financial resilience.

Moreover, the decision to a dividend payout was based on our current position and upcoming projects in hand. The turnaround strategies in 2021 were also a big factor in approving the dividend payout. We believe that there will not be much impact on giving a dividend payout in 2021 as business will pick up this year.

Corporate Social Responsibility (CSR)

Despite the pandemic, BDB maintained a full and dynamic calendar of CSR activities throughout the year. BDB continued to give out food packages to policemen, people in need and to hospitals. We also assisted the Kedah State Government in purchasing masks for its frontline staff.

Board Changes

Our Board saw the retirement of Dato' Mohamed Sharil bin Mohamed Tarmizi as BDB's Chairman as well as Datuk Seri Asri bin Hamidon as Director, both on 1 November 2021. I was appointed as Chairman of BDB on 1 February 2022 and redesignated as Executive Chairman on 14 April 2022. The Board would like to thank Dato' Sharil and Datuk Seri Asri for their service to the Group and we wish them well in their future endeavours. The Board remains dedicated to pursuing diversity, inclusion, best practises and corporate governance throughout the Group which will reinforce the Group's core operating strengths and fundamentals moving forward.

2022 Outlook

As the global community returns to normalcy and trade is rekindled, the future for the Group is encouraging. As a Kedah State Government GLC, we want to secure as many new projects as possible in the state of Kedah as well as expand throughout the country and abroad as well. We aim to take advantage of new opportunities with the reopening of domestic and international borders.

We aim to secure more projects in road maintenance, the construction of new water treatment plants and other new revenue streams currently not among our core businesses such as waste management, renewable energy, telecommunications towers and minerals.

Phase 1 of Langkawi Premium Outlets will be completed soon and tenants are expected to commence business by the second half of 2022. This will be a showcase development for BDB and a gamechanger for the retail business in Langkawi as this will be a destination for domestic and international visitors to buy high quality and unique goods. We anticipate the Master Tenancy Agreement for Phase 2, which will see the development of premium retail outlets, to be signed by the end of the year.

As we look to grow BDB's business this year, we anticipate expanding the workforce in 2022. To manage this expansion and growth, it is vital that the Group is able to attract talent from the state of Kedah.

A number of factors and developments give the Group confidence that 2022 will result in a much-needed improvement in the Group's prospects and performance, namely:

1. After a contraction of 5.6% in 2020, Malaysia's GDP is expected to grow between 5.5% to 6.5%, which will spur pent-up demand for housing, retail purchases and travel.
2. The full re-opening of borders and resumption of international air travel on 1 April 2022 is a major step forward to driving domestic and international business opportunities as well as providing a major boost to tourism.
3. Hiring, the normalisation of supply chain disruptions and the resumption of "business as usual" operating conditions will address the pent-up demand for goods and services.
4. The ongoing nationwide vaccination programme and the rollout of even more effective vaccines and treatments are expected to protect Malaysia from experiencing the severe economic and business disruptions of 2021.

BDB will continue to focus on financial discipline, strengthening its core businesses and exploring new businesses to maximise value for our shareholders and other stakeholders in the foreseeable future while continuing to meet our responsibilities.

In Appreciation

Alhamdullilah, the Group's overall positive performance has been largely due to the efforts of our dedicated and committed staff. They have gone beyond the call of duty to ensure that our operations ran smoothly.

We are striving to further improve BDB's corporate culture as the future demands will require us to do so. Our board extends its gratitude and appreciation towards all BDB personnel.

On behalf of the board and the senior management team, I would also like to extend my sincere gratitude to the Menteri Besar of Kedah, YAB Dato' Seri Haji Muhammad Sanusi Md Nor, the Kedah State Government and all government agencies which have supported us through these difficult times. BDB also appreciates continuous support by our associates, customers and shareholders who continue to inspire us to keep performing better and create even greater value.

On a personal note, I would like to thank my fellow Board members for their counsel and invaluable input to the Senior Leadership Team and to me personally during what has been year of recovery and turnaround for our Group.

Tuan Sr. Haji Che Had bin Dhali,
Executive Chairman

Management Discussion & Analysis

Despite the economic headwinds generated by the pandemic, BDB has emerged stronger in 2021, having prudently managed our businesses during the few Movement Control Orders imposed which had a detrimental impact on business conditions in Kedah. We were able to continue executing our operations, thanks to our dedicated and experienced team who have worked tirelessly to ensure that our core businesses and related projects were executed on schedule while keeping to minimal costs.

At the centre of our progress in 2021 was BDB's strategic turnaround plan which provided the Group with a clear and unambiguous roadmap for channelling our resources and assets for maximum impact. At the forefront of our goals in 2021 was stabilising revenues, cost optimisation, maximising operational efficiencies across the Group, digitisation and human capital development. The execution of the turnaround plan ensured the Group's profitability in 2021.

Alhamdulillah, we will maintain our keen focus on our aspirations with the continued leadership of our Board members and a guiding hand from the Kedah State Government. We would like to take special note of the advice and counsel of the Menteri Besar, YAB Dato' Seri Haji Muhammad Sanusi Md Nor, in guiding the Group to meet its corporate objectives without compromising on the well-being of the people of Kedah.

FINANCIAL RESULTS

Key Highlight Financial Year 31 December 2021

Revenue	Profit Before Tax	Total Cash Reserves	Total Borrowings	Gearing Ratio
RM207.7 mil	**RM7.8 mil**	**RM76.2 mil**	**RM105.0 mil**	**0.22**

The Group recorded lower revenue of RM207.7 million for the financial year ended 31 December 2021 compared to RM219.6 million for last year due to the strict containment measures under the National Recovery Plan (NRP) imposed in 2021. Similarly, the Group sustained lower profit before tax (PBT) of RM7.8 million in the current financial year compared to RM8.5 million for the previous year.

In 2021, the focus was on rebalancing and re-optimisation of all our core businesses. Our key success factor was cost restructuring. For us at BDB, this restructuring has resulted in significant cost-savings, due to the shift in work culture, especially with most of our employees working from home.

Our financial position overall remains robust, with assets totalling RM716.3 million. Total equity stands at RM471.8 million and cash reserves amounted to RM76.2 million. Gearing ratio remains favourable at 0.22.

BDB's Engineering, Construction and Quarry division was the largest contributor to group revenue with RM106.6 million recorded in 2021. Our Property Development division was the second largest contributor to group revenue with RM96 million.

For the financial year ended 31 December 2021, the key achievements are as follows:

STAFF WELFARE

Improve on manpower utilisation as well as focusing on their well-being and welfare

CASH FLOW

Optimize on cash conservation

PROFITABILITY

Mitigate/reduce the potential business loss that will impact overall BDB's Profitability

REVIEW OF BUSINESS OPERATIONS

Engineering, Construction and Quarry (ECQ) Division

ECQ's three subsidiaries BDB Infra, BDB Synergy and BDB Construction, continue to be responsible for the division's construction and civil engineering and road building and quarrying operations respectively.

The ECQ Division earned lower revenue of RM106.6 million compared to RM115.0 million in 2020. Construction activities in 2021 were affected by strict containment measures under the National Recovery Plan ("NRP"), particularly in Kedah. The ECQ Division recorded lower profit before tax of RM3.4 million in 2021 compared to RM11.4 million in 2020 due to reduced business activity and an increase in the price of building materials.

Key ongoing projects for the division include:

- Pelubang Water Treatment Plant, Kubang Pasu, Kedah (RM431.0 million) ("PWT Plant")
- Kedah State Road Maintenance Project (RM210.0 million) ("SRM")
- National Non-Revenue Water Programme, Perlis (RM40.0 million) ("NRW")

Property Development

The Property Development division posted slightly lower revenue of RM98.6 million compared to RM102.7 million in 2020. The decrease in revenue was contributed by lesser on-going projects and lower demand for housing. Nonetheless, the division recorded higher PBT of RM6.4 million for the current financial year ended 31 December 2021 compared to PBT of RM2.6 million in 2020.

The Group continues to meet the growing demand for affordable housing in the range from RM180,000 to RM250,000. Darulaman Lagenda, which located in Sungai Petani, Kedah is an example of such targeted development.

The Group completed 100% sales of Symphony East Phase 5 project which consists of 120-unit single storey terrace affordable houses as well as Bandar Sejahtera comprising 70 units of double storey terrace.

To spur demand for housing, BDB offered zero deposit for potential buyers, to encourage sales. This received a favourable response from the public. A 10% rebate as well as free legal fees were also offered as incentives.

Joint-venture developments with other Kedah property developers were also a key focus for the division in 2021. One key joint-venture project signed in 2021 was Darulaman Lagenda, in Sungai Petani, Kedah. The township will be developed by BDB Lagenda Sdn Bhd, a joint venture company set up by BDB Land Sdn Bhd, and Lagenda Properties Sdn Bhd. It will be developed across 93.07 hectares and will include the construction of 2,500 affordable housing units. The project will have a gross development value (GDV) of about RM550.0 million, with unit cost ranging from RM180,000 to RM250,000.

PROSPECTS FOR THE NEXT FINANCIAL YEAR

For 2022, the Malaysian economy is poised to remain on its recovery path. According to Bank Negara Malaysia (BNM), the economy is forecast to grow between 5.5% to 6.5% and this will be bolstered by the continued expansion in global demand and higher private sector expenditure, given improving labour market conditions and ongoing policy support.

The Malaysian Government's decision to move the country from pandemic to endemic, coupled with a robust take-up of vaccination booster shots by Malaysians, will have a major impact on domestic business activity and spurring demand for goods and services, driven by the implementation of major investment projects in both the private and public sectors Additionally, the full re-opening of borders and resumption of international air travel on 1st April 2022 is a major step forward to driving regional and international business and leisure travel.

On the downside, the emergence of hostilities between Russia and Ukraine will dampen global economic growth and exacerbate ongoing global supply chain disruptions. At the same time, the potential emergence of a new vaccine-resistant COVID-19 variant could see the re-imposition of harsh containment measures that could throw business activity into a new downturn.

In line with the Malaysian economic recovery, Kedah's vision for a thriving and productive state as mapped out in the Kedah Strategic Development Plan 2035 remains attainable. As part of Northern Corridor Economic Region (NCER), 12 key development zones and key initiatives such as the Northern Corridor Highway and Bukit Kayu Hitam Special Border Economic Zones will be key drivers in transforming Kedah's economy.

Looking ahead, the Group is focusing on the sustainability of its businesses by minimising risk and broadening its revenue base away from its traditional core businesses. Among the new business areas being considered are waste management, renewable energy, telecommunications towers and minerals.

Engineering, Construction and Quarry (ECQ) Division

BDB remains focused to support the State's visions and initiatives. Its ECQ Division is on track to complete several projects namely National Non-Revenue Water Programme (SRM), the Pelubang Water Treatment (PWT) Plant and the Kedah State Road Maintenance Project (NRW) projects in Perlis.

Property

The Property Development Division will focus on developing its existing townships and unlock the potential value of the remaining landbank. Projects such as joint development between BDB Land Sdn Bhd and LPB Development Sdn Bhd to develop an affordable housing project located at Bandar Amanjaya in Sungai Petani, is expected to generate a Gross Development Value (GDV) of RM550.0 million. BDB Land Sdn Bhd will undertake a joint venture arrangement with Aman Setia Development Sdn Bhd to work together as strategic joint development partners to optimise the value of Darulaman Perdana West in Sungai Petani.

Meanwhile, work on Phase 1 of the Langkawi Premium Outlet (LPO), comprising largely of food and beverage eateries to support local Bumiputra and non-Bumiputra entrepreneurs, will be completed by the end of April 2022. Tenants are expected to occupy the premises in the following three months.

Conclusion

After two years in when revenue generation, business demand and activity as well as general confidence have come to a virtual standstill, the Group is cautious about business prospects in 2022.

We welcome the Malaysian Government's decisions to place the country on a "business as usual" footing and are cautiously optimistic about business recovery prospects in 2022. This is not to say the Group is discounting the possibility of a return to pandemic containment measures as the world continues to be confronted by new COVID-19 variants while the search for a cure remains elusive.

Nonetheless, the Malaysian Government's moves to promote growth and investment after two years, plus our own robust focus on cost-savings, maximising operational efficiencies and increasing digitisation to ensure the sustainability and resilience of our businesses give the Group confidence that we are on the road to recovery.

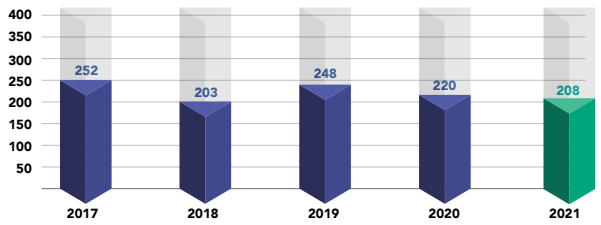
Our ability to remain profitable despite harsh operating conditions in 2021 is due to our focus on the turnaround plan and the dynamism of our workforce and this will prove to be true in 2022.

5 Years Group Financial Highlights

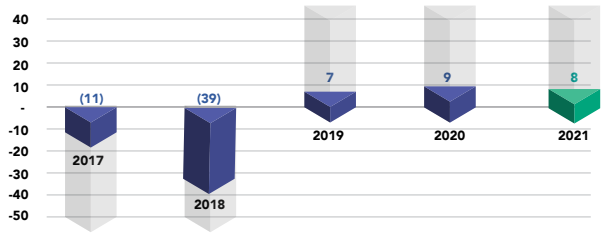
	2017	2018	2019	2020	2021
Revenue	251,707	203,390	248,220	219,585	207,729
Profit/(Loss) Before Taxation	(10,910)	(39,334)	6,799	8,534	7,770
Profit/(Loss) After Taxation	(12,277)	(42,226)	4,707	5,270	5,366
Net Profit/(Loss) Attributable To Owner Of The Company	(12,244)	(42,204)	4,707	5,292	5,387
Share Capital	331,020	331,020	331,020	331,020	331,020
Earnings Per Share (Sen)	(4.03)	(13.89)	1.55	1.74	1.77
Shareholders' Funds	500,870	458,662	463,369	468,639	471,752
Net Tangible Assets Per Share (RM)	1.65	1.51	1.52	1.54	1.55
Dividend Per Share (Sen)	NIL	NIL	NIL	NIL	0.75
Dividend Payment (Net)	NIL	NIL	NIL	NIL	2,273
Total Assets	789,864	745,010	745,627	734,308	716,321
Total Borrowings	161,255	156,651	131,602	124,433	104,975

5 Years Group Financial Highlights

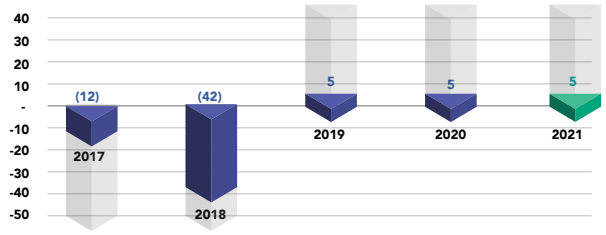
Revenue
(RM million)



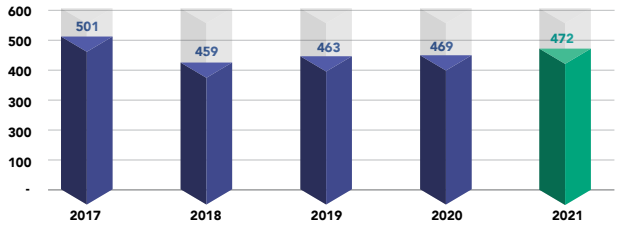
Profit/(Loss) Before Tax
(RM million)



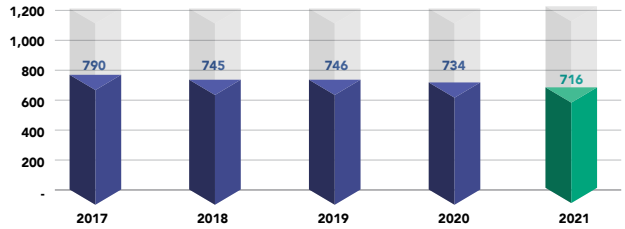
Net Profit/(Loss)
(RM million)



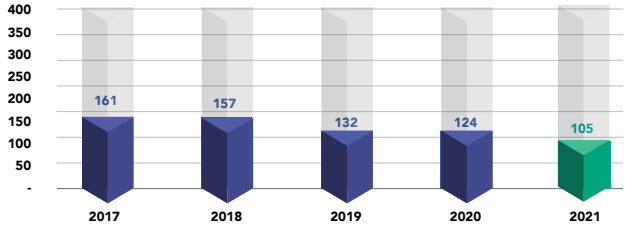
Shareholders' Fund
(RM million)



Total Assets
(RM million)



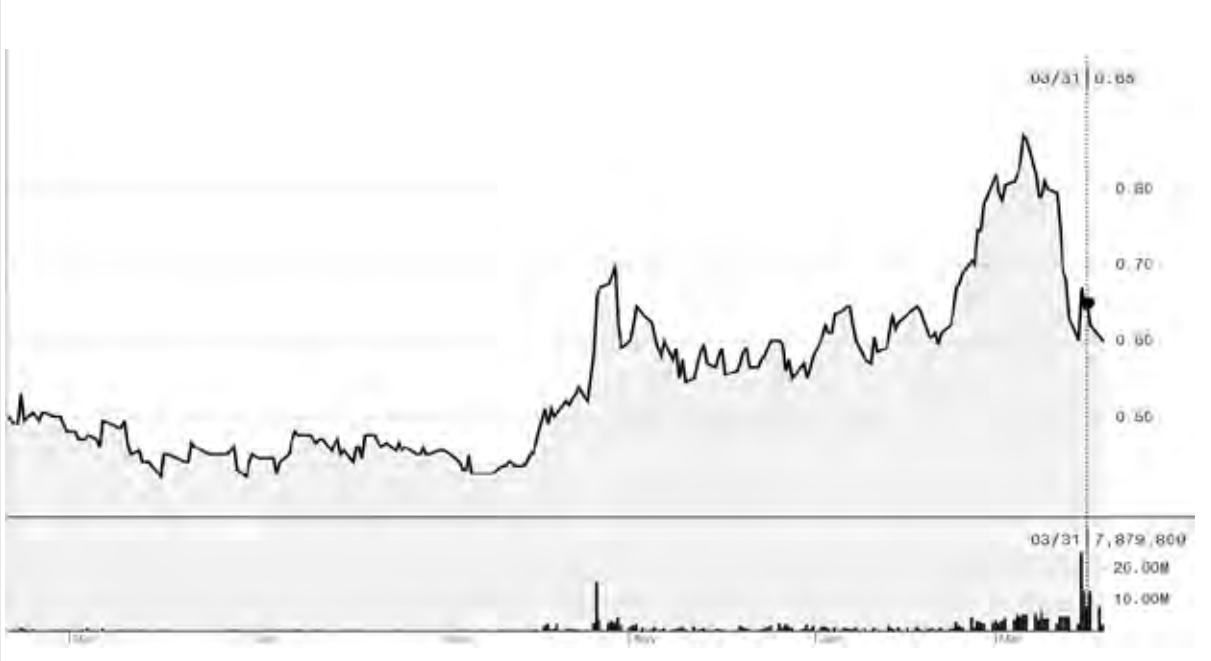
Total Borrowings
(RM million)



Financial Calendar

Financial Year End	31.12.2021
ANNOUCEMENT OF RESULTS	
First Quarter	31.05.2021
Second Quarter	29.09.2021
Third Quarter	25.11.2021
Fourth Quarter	28.02.2022
Notice of Annual General Meeting	**27.04.2022**
Annual General Meeting	**26.05.2022**

Share Price Movement



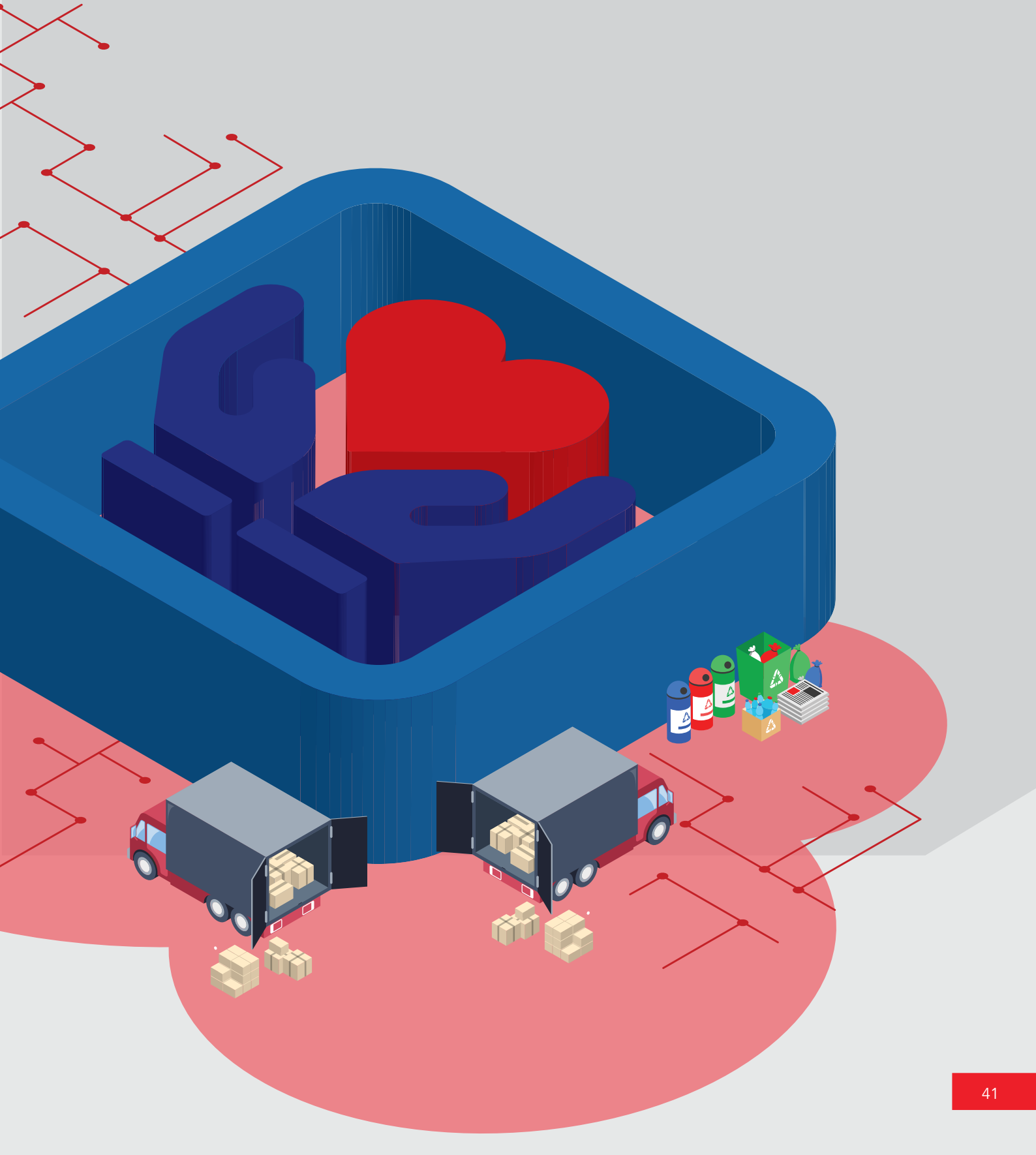
SUMMARY

Highest price during this period : RM 0.87 on 10 March 2022

Lowest price during this period : RM 0.42 on 31 May 2021

Highest volume during this period : 12.947 million 30 March 2022

Corporate Events & Corporate Social Responsibility Activities ("CSR")



Lunch packs Contribution for Officers in Kuala Muda District Police Headquarters

18/2/2021

Lunch packs Contribution for Officers in Kedah Contingent Police Headquarters & Kubang Pasu District Police Headquarters

17/2/2021

Presentation of contribution in conjunction with 'Back to School' Program in Sekolah Jenis Kebangsaan (Tamil) Mahajothi, Sg Petani

3/3/2021

Presentation of contribution in conjunction with 'Back to School' Program in Sekolah Jenis Kebangsaan (Tamil) Taman Keladi, Sg Petani

7/3/2021

Blood Donation Program in Menara BDB, Alor Setar

29/3/2021

Signing Ceremony of the Joint Development Partnership Agreement for the Affordable Township of Darulaman Putra, Sungai Petani between Lagenda Properties Berhad (LPB) and Bina Darulaman Berhad (BDB)

6/4/2021

Retirement Ceremony of Mr. Ishak bin Che Mat

7/7/2021

Presentation of Kurma packs to Kedah Elite Media Club in conjunction with Ramadan 2021

11/4/2021

Presentation of Kurma packs to Officers in Alor Setar Police Station in conjunction with Ramadan 2021

14/4/2021

Presentation of contribution to Masjid Nagore to organise activities throughout Ramadan 2021

18/4/2021

Distribution of Iftar meals to media members in RTM Kedah

18/4/2021

Distribution of Iftar meals to media members in Kosmo! & Utusan Malaysia

19/4/2021

Distribution of Iftar meals to media members in Media Prima

20/4/2021

Distribution of Iftar meals to media members in Sinar Harian

21/4/2021

Distribution of Iftar meals to media members in Astro Awani

22/4/2021

Distribution of Iftar meals to media members in BERNAMA

25/4/2021

Opening of Mobile Zakat Counter at Menara BDB, Alor Setar

28/4/2021

Distribution of Iftar meals to media members in New Straits Times Headquarters, Harian Metro, Berita Harian & BERNAMA (Kuala Lumpur)

28/4/2021

Presentation of Food Donations in Conjunction with Hari Raya Aidilfitri 2021 Celebration Masjid Nagore, Surau Al Ikhwan, Masjid At-Taqwa & Masjid Nurul Iman

2/5/2021

Distribution of Iftar meals to media members in Astro Awani & Malaysia Gazette (Kuala Lumpur)

5/5/2021

Distribution of Iftar meals to media members in Media Prima Headquarters (Kuala Lumpur)

6/5/2021

Distribution of Iftar meals to media members in Sinar Karangkraf Headquarters (Kuala Lumpur)

7/5/2021

Presentation of Medical Equipment Contribution to Sultanah Bahiyah Hospital to handle Covid-19 cases

2/6/2021

Meals contribution for police officers & media members on duty during the Movement Control Order (MCO) 3.0

12/6/2021

Meals contribution for Universiti Pertahanan Nasional Malaysia (UPNM)'s volunteers team for the Flood Relief Mission in Yan, Kedah

3/9/2021

Langkawi Premium Outlet Development Concession Agreement Signing Ceremony between Bina Darulaman Berhad (BDB) and Menteri Besar Incorporated (MBI)

21/9/2021

Presentation of contribution to organise the Corporate Social Responsibility (CSR) Program organized by North Malaysia Malayali Samajam in Conjunction with Deepavali 2021

27/10/2021

Financial contribution and food items from Kumpulan Bina Darulaman Berhad to 15 families in need around Kota Setar

8/11/2021

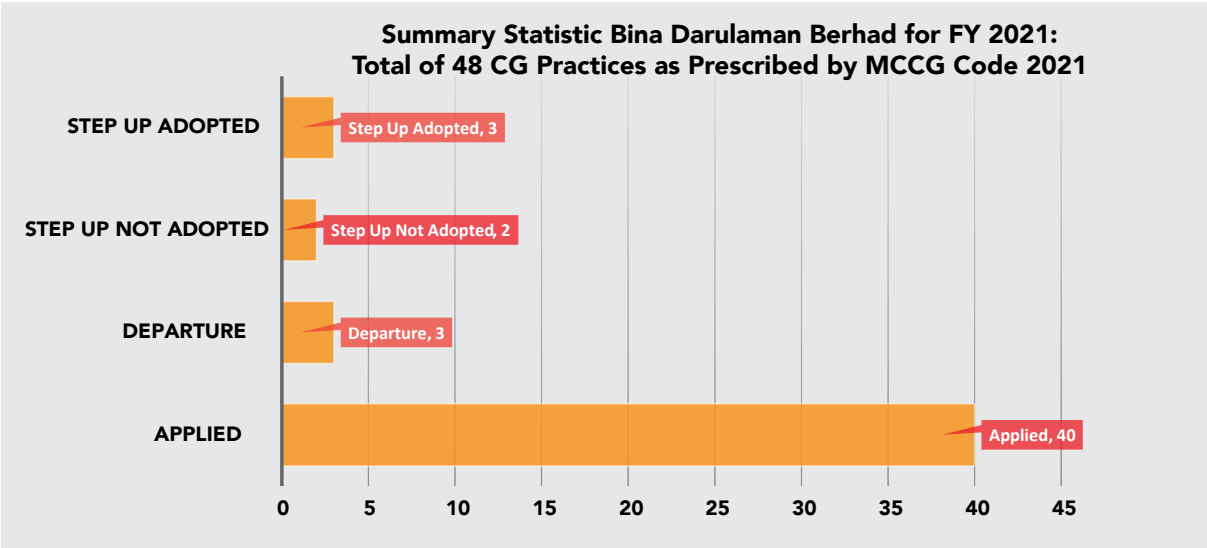
Corporate Governance Overview Statement

The Board of Directors ("Board") of Bina Darulaman Berhad ("the Company" or "BDB") is committed to uphold the high standards of Corporate Governance ("CG") principles as guided under the Malaysian Code on Corporate Governance 2021 ("MCCG"). Despite challenges faced by BDB and subsidiaries ("BDB Group" or "the Group") during financial year ended 31 December 2021 ("FY2021"), BDB has continued to adhere to best corporate values and constantly evaluates its governance practices for improvement. The Group's CG structure is a fundamental part of the Board's responsibility to protect and enhance long-term shareholders value and the financial performance of the Group, whilst taking into account the interests of all stakeholders.

In its application of corporate governance practices, the Board is pleased to report hereunder, its Corporate Governance Overview Statement as required under the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). It sets out the manner in which the Group has applied its corporate governance framework, in particular, the principles and practices as advocated by the MCCG throughout the financial year ended 31 December 2021 ("FY2021"). This overview statement is to be read together with the Corporate Governance Report 2021 ("CG Report") of the Company, which is available on the Company's website at https://www.bdb.com.my/investor-centre/.

Currently, the Group is categorised as "Non-Large Company" pursuant to the MCCG Code. Nevertheless, the Board leadership and management continue with their best effort to adopt the Practices recommended by MCCG 2021, and has adopted some of the Step-Up Practices too.

A snapshot below shows how many of the practices that have been adopted by the Company out of the total 48 Prescribed Practices as set out in the MCCG 2021, during the FY2021. Detail information can be referred to in the **Company's CG Report 2021** as disclosed on the company's website at https://www.bdb.com.my/investor-centre/, and/or the Company's announcement on Bursa Securities website https://www.bursamalaysia.com.



Out of the total 48 practices, BDB has applied 40 practices and with 5 step-up practices, BDB has adopted 3 "step-up practices". Thus far, only 3 practices have departure and 2 step-up practices are not being adopted in FY2021.

The 3 practices whereby BDB has departed due to challenges and still pursuing are: -

(1) Practices 5.9 - The board comprises at least 30% women directors.

The Company is in the process of identifying and selecting more potential women candidates to be proposed to the Board. The selection process is ongoing at the moment. BDB is in construction and property development sector in the Northern region of the country, suitable female board member who are fit for the purpose, is a challenge to be sourced by BDB. The Board currently has Dato' Zakiah Binti Kassim as the Senior Independent Non-Executive Director.

(2) Practices 12.2 - Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Although BDB is still not a large company by definition in FY2021. The Company would review the need to adopt the integrated reporting based on resource and ability. BDB does not fall within the definition of a large company. The adoption of an integrated reporting based on globally recognised framework is an effort that BDB will pursue and adopt upon evaluation and at the appropriate time.

(3) Practices 13.6 - Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

There was a delay in the 2021 circulation of the AGM's minutes but it will be improved in 2022. This was mainly due to disruption during Covid-19 period where all are working from home and the challenges in engagement had caused some delay in the effort to circulate the document earlier. BDB expects to improve this process immediately after 27th AGM.

The 2 step-up practices that are still being pursued by BDB, though it is not a large company, are as follows: -

(1) Practice 8.3 - Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

BDB is a small growing company and needs to take into consideration the importance of internal harmony, effective teamwork environment and competitive external factors that may affect the group's growth and survival in the industry. Such public disclosure may affect the Company's internal balance and function, BDB will review the appropriateness of disclosures and transparency with best effort. BDB will continue to ensure all senior management remuneration packages are fair, just and reasonable to the individual and the Company.

BDB has applied Practice note 8.2 whereby it 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. However, it must be noted that during FY 2021, the top senior management have left only 3 at the C-Level and the 3 individual remunerations have been disclosed by bands of RM50,000.00.

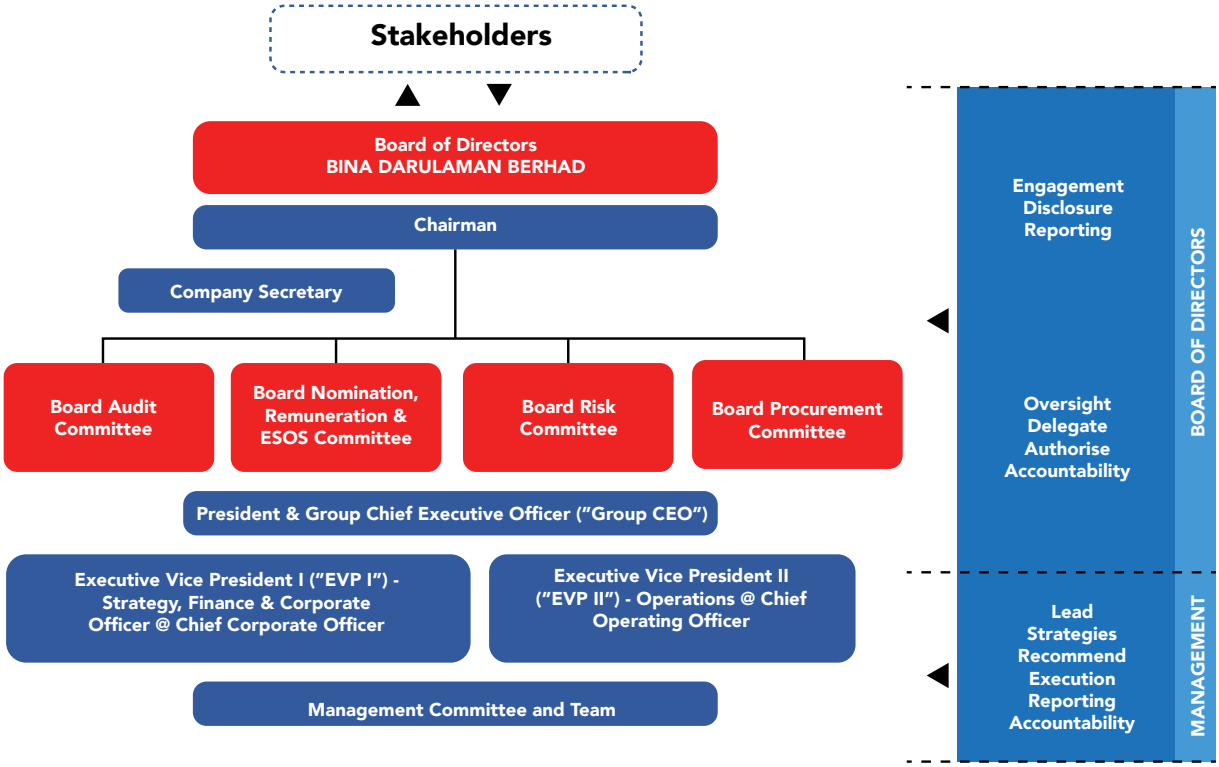
(2) Practice 9.4 - The Audit Committee should comprise solely of Independent Directors.

Currently, the Board Audit Committee consists of four (4) members and three (3) are independent directors and one (1) is non-independent director.

CORPORATE GOVERNANCE FRAMEWORK

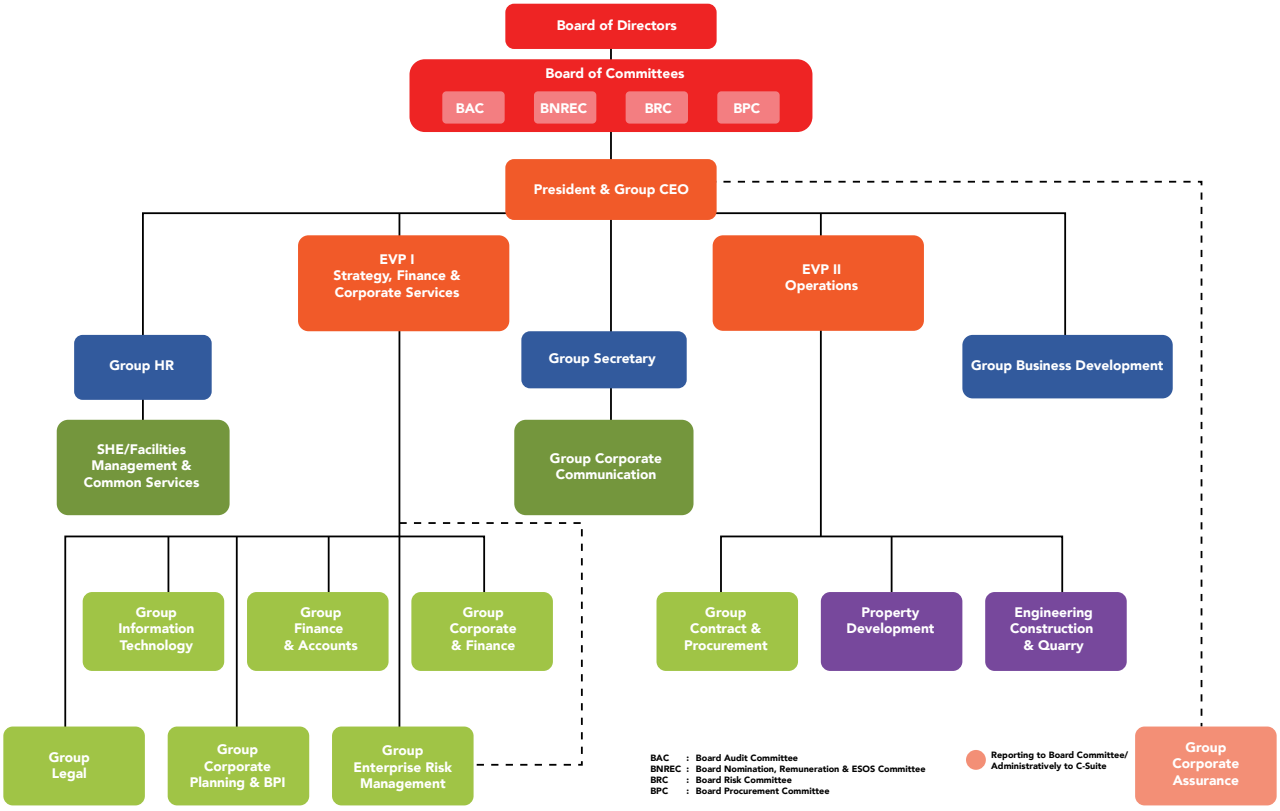
The Board reviewed BDB's CG Structure periodically, improvisation and revision of the structure will be adjusted where appropriate to facilitate a two-way interaction among the Board, the Chairman, the Board Committees, the President & Group Chief Executive Officer, ("Group CEO"), the Executive Vice President I ("EVP I") - Strategy, Finance & Corporate Services @ Chief Corporate Officer and the Executive Vice President II ("EVP II") - Operations @ Chief Operating Officer down to the Management and operational level.

CG Structure



Group Organisation Chart

The Senior Leadership team and Group Organisational Chart which took effect in 2020 and revised in December 2021 are as structured below:



As guided by the MCCG Code, BDB embraces amongst others, the 3 Key Principles in the following manners:

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1.0 BOARD'S ROLES AND RESPONSIBILITIES

The Board's principal role is to effectively promote the best interests of the Company with a view towards enhancing shareholders' and stakeholders' values. In this regard, the Board oversees and evaluates the Group's strategies, policies and performance to ensure the delivery of such values.

The Board assumes, inter-alia the following principal responsibilities:

- Reviewing and adopting a strategic plan for the Company, including its goals and ensuring that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;

- Establishing policies for strengthening the performance of the Company including ensuring that Management is proactively seeking to build the Business through innovation, initiative, technology, new products and the development of its business capital;
- Identifying principal risks, set the risk appetite within which the Board expects the Management to operate and ensuring the implementation of appropriate systems to manage the significant financial and non-financial risks and ensuring there is a sound framework for internal controls and risk management;
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- Deciding on whatever steps necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- Ensuring that the Company's financial statements are true and fair and conform with any applicable laws and/or regulations; and
- Ensuring that the Company adheres to high standards of ethics and corporate behaviours.

In the normal course of events, day-to-day management of the Company will be in the hands of Management, under the stewardship of the Chairman, Board Committees and the Group Chief Executive Officer ("Group CEO").

At each Audit Committee Meeting and Board Meeting, and as and when the need arises, the Group CEO will brief the Directors on the current operations, issues faced and plans of the Group in order for the Board to be kept abreast on the conduct, business activities and development of the Group, and to discuss and advise the Management in its formulation of the Group's business strategies, both short-term and long-term. Discussion would include the deployment of resources efficiently and effectively in achieving the objectives to be met. In making its decisions, the Board would be guided by the Company's values, principles and ethos.

In discharging the Board's duties and responsibilities, the Board has delegated certain duties and responsibilities to four (4) Board Committees with clearly defined terms of reference ("TOR") to assist the Board in discharging its responsibilities:

(i) Board Audit Committee ("BAC");

(ii) Board Nomination, Remuneration & ESOS Committee ("BNREC")

(iii) Board Risk Committee ("BRC")

(iv) Board Procurement Committee ("BPC")

The members of the BNREC are as follows:

No	Name	Directorial Status
1.	**Dato' Zakiah Binti Kassim** (Appointed on 06.12.2021)	Chairman/Senior Independent Director
2.	**YB Senator Ir. Ts. Khairil Nizam Bin Khirudin** (Appointed on 25.11.2021)	Member/Independent Non-Executive Director
3.	**Dato' Haji Syed Yussof Bin Syed Othman** (Appointed on 05.04.2021)	Member/Non-Independent Non-Executive Director

Among the BNREC duties are as follows and the details of TOR are available online at https://www.bdb.com.my/bdbpolicies/.

a) Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.

b) Evaluate the balance of skills, knowledge and experience on the Board, and in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment of Director.

c) Review the time required from a Non-Executive Director. The performance evaluation should be used to assess whether the Non-Executive Director is spending enough time to fulfil their duties.

d) Consider candidates from a wide range of backgrounds and look beyond the "usual suspects".

The members of BPC are as the following table and the function of BPC is to evaluate and appoint of sub-contractors under Delegated Authority Limit ("DAL") and review and approve Procurement policies.

No	Name	Directorial Status
1.	**Dato' Haji Abdul Rahman Bin Abdullah** (Appointed on 01.08.2020)	Chairman/Non-Independent Non-Executive Director
2.	**Dato' Zakiah Binti Kassim** (Appointed on 01.10.2020)	Member/Senior Independent Director
3.	**Dato' Haji Syed Yussof Bin Othman** (Appointed on 05.04.2021)	Member/Non-Independent Non-Executive Director
4.	**Tuan Haji Muhamad Sobri Bin Osman** (Appointed on 01.10.2020)	Member/Non-Independent Non-Executive Director

Corporate Governance Overview Statement (Continued)

The Chairman of each Board Committee will report to the Board on the outcome of the Committees' meetings and resolutions, which would also include the key issues deliberated at the Board Committee's meetings.

1.1 KEY RESPONSIBILITIES OF THE BOARD CHAIRMAN

The Board appoints a chairman from amongst the Directors, who is responsible for instilling good corporate governance practices, leadership and effectiveness of the Board. As Chairman of the Board, Tuan Sr. Haji Che Had Bin Dhali ("Tuan Sr. Haji"), an Independent Director assumes a leadership role on the Board. The key responsibilities of the Chairman include but are not limited to the following:

- Providing leadership for the Board so that the Board can perform its responsibilities effectively;
- Through BDB's Board Committees and BDB Management, sets the Board agenda and ensure that Board members receive complete and accurate information in a timely manner;
- Leading Board meetings and discussions;
- Encouraging active participation and allowed dissenting views to be freely expressed;
- Managing the interface between Board and Management;
- Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board; and
- Leading the Board in establishing and monitoring good corporate governance practices in the Company.

1.2 THE SEPARATION OF THE POSITIONS OF THE BOARD CHAIRMAN, THE BOARD COMMITTEE CHAIRMAN AND GROUP CEO

The Board has a unitary structure where the roles of the Chairman, the Board Committee Chairman and Group CEO are separate.

In BDB's organisation and management structure, the roles of the Chairman as defined in preceding paragraph and the Group CEO are clearly defined and set out in the Board Charter. The Chairman's role includes leading the Board in the oversight of management and is not involved in the day-to-day management of the Group. The roles and functions of a Group CEO is guided by fixed term contract and Board Charter.

1.3 COMPANY SECRETARY

The Company has an in house secretariat function which is led and supported by an internal qualified and competent Company Secretary. The Company Secretary, namely Khairulmuna Abd Ghani is a qualified Secretary under Section 235(2)(a) of the Companies Act 2016 and she is registered with the Companies Commission of Malaysia as well as an affiliate member of the Malaysian Association of the Institute of Chartered Secretaries and Administrators ("MAICSA").

All Directors have an unrestricted access to the advice and report of Company Secretary in relation to Board policies and procedures, compliance of applicable rules and regulations by the Group and corporate governance related practices.

The Company Secretary and her assistants had and will continue to constantly keep themselves abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters, and with changes in the regulatory environment, through continuous training and industry updates. They have also attended many relevant continuous professional development programmes as required by MAICSA, statutory bodies and Suruhanjaya Syarikat Malaysia (SSM) for Practicing Secretaries.

Thus far, the Board is satisfied with the performance and support rendered by the Company Secretary and team to the Board in discharging its function, duties and responsibilities.

1.4 COMMITMENT ON TIMELY CIRCULATION OF MEETING MATERIALS

The Board and management take cognisance of the importance of providing complete and adequate information to the Directors on a timely basis to enable them to make informed decisions to discharge their duties and responsibilities. The notice and agenda of Board Meetings are given to the members of the Board and Board Committee at least five (5) days prior to the meetings, which allows the Directors to plan ahead and to maximise their participation, unless this was not possible where urgent Special Board Meetings were convened.

The Board meets at least every quarter and on other occasions, as and when the need arises, to inter-alia review and approve quarterly financial results, statutory financial statements, the annual report, business ventures as well as to review the performance of the Company and its operating subsidiaries, governance matters and other business development matters.

A corporate calendar of all scheduled meetings and planned events for the financial year are furnished to all Directors and the management by the Company Secretary normally at the 1st quarter Board meeting to aid and facilitate the Directors in scheduling and meeting their time commitments. All Directors are also required to inform the Board before accepting any other directorships in other listed companies or groups.

Corporate Governance Overview Statement (Continued)

All Directors commit and devote their time to make themselves available to attend to any matters arising which requires their attention individually or collectively. The attendance record of the Directors at Board and Committee meetings in respect of the FY2021 are set out below:

Name of Directors	BOD	BAC	BNREC	BRC	BPC
Tuan Sr. Haji Che Had Bin Dhali (Independent Non-Executive Chairman)	Appointment w.e.f. 1.2.2022				
Dato' Zakiah Binti Kassim (Senior Independent Non-Executive Director)	10/10	5/5	3/3	2/2	3/3
Tuan Mohamad Ibrahim Bin Ghazali (Independent Non-Executive Director)	10/10	6/6	n/a	3/3	n/a
YB Senator Ir. Ts. Khairil Nizam Bin Khirudin (Independent Non-Executive Director)	9/10	6/6	1/1	3/3	n/a
Dato' Haji Syed Yussof Bin Syed Othman (Non-Independent Non-Executive Director)	10/10	n/a	2/2	n/a	3/3
Dato' Haji Abdul Rahman Bin Abdullah (Non-Independent Non-Executive Director)	10/10	6/6	0/1	5/5	3/3
Tuan Haji Muhamad Sobri Bin Osman (Non-Independent Non-Executive Director)	10/10	n/a	n/a	3/3	3/3
Dato' Mohamed Sharil Tarmizi (Chairman) (Resigned w.e.f 1.11.2021)	8/8	*1/1	2/2	2/2	n/a
Datuk Seri Asri Bin Hamidin@Hamidon (Senior Independent Director) (Resigned w.e.f 1.11.2021)	7/8	*n/a	2/2	0/2	n/a

*Note: Resigned from BAC w.e.f. 05.04.2021

Corporate Governance Overview Statement (Continued)

The overall calendar of meetings of the Board and Board Committees held in FY2021 is provided below:

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
BOARD	-	*(01/2021) #Full	-	*(02/2021) *(03/2021)	#Full	-	-	*(04/2021)	#Full	*(05/2021)	*(06/2021)	#Full
BAC	-	#Full	-	*(01/2021)	#Full	-	-	*(02/2021)	*(03/2021)	-	#Full	-
BNREC	-	-	-	*(01/2021)	-	-	-	-	-	*(02/2021)	-	#Full
BRC	-	*(01/2021)	#Full	*(02/2021)	-	-	#Full	-	-	-	*(03/2021)	-
BPC		-	-	-	*(01/2021) *(02/2021)	-	*(03/2021)	-	-	-	-	-

Abbreviations/Symbol:

#	Full Board & Committee Meetings
*	Special Board & Committee Meetings
Board / BOD	Board of Directors' Meeting
BAC	Board Audit Committee Meeting
BNREC	Board Nomination, Remuneration & ESOS Committee Meeting
BRC	Board Risk Committee Meeting
BPC	Board Procurement Committee Meeting
-	No Meeting

Total number of Meetings:

No.	Type of Meetings	2021 Total Number of Meetings	Terms of Reference ("TOR") for each Meeting	Complied with TOR
1.	Board	10 times	6 times in each Financial Year	√
2.	BAC	6 times	4 times a Year	√
3.	BNREC	3 times	At least Twice a Year	√
4.	BRC	5 times	At least Quarterly	√
5	BPC	3 times	4 times a Year	X

Corporate Governance Overview Statement (Continued)

1.5 REMUNERATION OF DIRECTORS OF THE COMPANY FOR FY2021 IS AS FOLLOWS:

Name of Directors	Fees (RM)'000	Meeting Allowances (RM) '000	Allowance (RM) '000	Benefit in Kind (RM) '000	Other Emoluments (RM) '000	Total cash & Benefits (RM) '000
Tuan Sr. Haji Che Had Bin Dhali (Independent Non-Executive Chairman)	Appointed w.e.f 1.2.2022					
Dato' Zakiah Binti Kassim (Senior Independent Non-Executive Director) (Re-designate as Senior Independent Director w.e.f 6.12.2021)	48	60.5	-	-	40	148.5
Tuan Mohamad Ibrahim Bin Ghazali (Independent Non-Executive Director)	48	53	-	-	40	141
YB Senator Ir. Ts. Khairil Nizam Bin Khirudin (Independent Non-Executive Director)	48	49.5	-	-	40	137.5
Dato' Haji Syed Yussof Bin Syed Othman (Non-Independent Non-Executive Director)	48	42	-	-	40	130
Dato' Haji Abdul Rahman Bin Abdullah (Non-Independent Non-Executive Director)	48	61.5	-	-	40	149.5
Tuan Haji Muhamad Sobri Bin Osman (Non-Independent Non-Executive Director)	48	44	-	-	40	132
Dato' Mohamed Sharil Tarmizi (Chairman) (Resigned w.e.f 1.11.2021)	40	41.5	105	66.0	33.3	285.8
Datuk Seri Asri Bin Hamidin @ Hamidon (Senior Independent Director) (Resigned w.e.f 1.11.2021)	40	28	-	-	33.3	101.3
GRAND TOTAL (RM)'000						1,225.6

Senior Management's Remuneration

The Board acknowledged the need for transparency in the disclosure of its Senior Management's remuneration and the disclosure of the Key Senior Management is disclosed in the bands of RM50,000.

The Key Senior Management of the Company whose total remuneration during the financial year 2021 falls within the required disclosure band is as follows:

Range of Remuneration (RM)	Senior Management		
	President & Group Chief Executive Officer	Executive Vice President I & Chief Corporate Officer	Executive Vice President II & Chief Operating Officer
150,000 & below	-	-	-
150,001 - 200,000	-	-	-
200,001 – 250,000	-	-	-
250,001 – 300,000	-	-	-
400,001 – 450,000	-	-	√
500,000 – 550,000	-	-	-
700,000 – 750,000	-	√	-
1,500,000 – 1,600,000	√	-	-

1.6 DIRECTOR'S TRAINING

The Directors of the Company have attended the Mandatory Accreditation Programme ("MAP") in compliance with the Listing Requirements. Although no formal assessment of the training needs of each director was undertaken, the Directors were encouraged to attend relevant training programmes/seminars/briefings to further enhance their skills and knowledge in the latest statutory and regulatory requirements as well as to keep abreast with the business development to assist them in discharging their duties as Directors.

Corporate Governance Overview Statement (Continued)

Details of the Directors attendance of training programs/seminars/workshops/briefing are as follows:

No	Training Details	Date & Method	Partipants
1.	Sustainability Awareness Session	14.04.2022 (Virtual)	Tuan Sr. Haji Che Had Bin Dhali Dato' Zakiah Binti Kassim Tuan Mohamad Ibrahim Bin Ghazali YB Senator Ir. Ts. Khairil Nizam Bin Khirudin Dato' Haji Syed Yussof Bin Syed Othman Dato' Haji Abdul Rahman Bin Abdullah Tuan Haji Muhamad Sobri Bin Osman
2.	Audit Committee Dialogue & Networking – Session 1	24.02.2022 (Virtual)	Dato' Zakiah Binti Kassim Dato' Haji Abdul Rahman Bin Abdullah
3.	Conversation with Audit Committee – Audit Oversight Board	06.12.2021 (Virtual)	Tuan Mohamad Ibrahim Bin Ghazali Dato' Zakiah Binti Kassim Dato' Haji Abdul Rahman Bin Abdullah
4.	The Role of the Risk Management Committee in Managing Risk	02.11.2021 (Virtual)	Tuan Mohamad Ibrahim Bin Ghazali
5.	Site Visit Project & Property in Langkawi (Langkawi Designer Premium Outlet, Kuala Temoyong & The Sanctuary)	30.10.2021	Dato' Zakiah Binti Kassim Dato' Haji Abdul Rahman Bin Abdullah Tuan Haji Muhamad Sobri Bin Osman
6.	Mandatory Accreditation Program ("MAP")	18-20 Jan 2021 (Virtual)	Tuan Mohamad Ibrahim Bin Ghazali Dato' Haji Syed Yussof Bin Syed Othman

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

2.0 BOARD AUDIT COMMITTEE ("BAC")

The Chairman of the Audit Committee is not the Chairman of the Board. The BAC supports the Board in its responsibility to oversee the financial reporting and the effectiveness of the internal controls of the Group.

2.1 MEMBERS OF THE AUDIT COMMITTEE

Bina Darulaman Berhad complies with Paragraph 15.09 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad which requires all the Audit Committee members to be Non-Executive Directors, with a majority of them being Independent Directors.

The members of the Audit Committee are as follows:

No	Name	Directorial Status
1.	**Tuan Mohamad Ibrahim Bin Ghazali** (Appointed on 14.12.2020)	Chairman/Independent Non-Executive Director
2.	**Dato' Zakiah Binti Kassim** (Appointed on 05.04.2021)	Member/Senior Independent Director
3.	**YB Senator Ir. Ts. Khairil Nizam Bin Khirudin** (Appointed on 01.10.2020)	Member/Independent Non-Executive Director
4.	**Dato' Haji Abdul Rahman Bin Abdullah** (Appointed on 03.09.2020)	Member/Non-Independent Non-Executive Director
5.	**Datuk Seri Asri Bin Hamidin @ Hamidon** *(Resigned on 05.04.2021)*	Member/Senior Independent Non Executive Director
6.	**Dato' Mohamed Sharil Tarmizi** *(Resigned on 05.04.2021)*	Member/Independent Non Executive Director

The profiles of the BAC members are disclosed on pages 20 to 26 of this Annual Report.

2.2 TERMS OF REFERENCE

The terms of reference for the BAC are available online on the company corporate website at https://bdb.com.my/bdbpolicies. The latest update was effected on 17 March 2019.

2.3 FINANCIAL REPORTING

The Board and the BAC are to ensure that:

- BDB's financial statements are prepared in accordance with applicable approved accounting standards;
- The disclosure timeline, format and contents are compiled according to rules and regulation, including provisions of the Bursa Malaysia MMLR;
- The Board, with the assistance of the BAC, shall oversee and manage the financial reporting and internal control policies and will maintain appropriate relationship with the Company's Auditors; and
- The Board, through the BAC, shall also assess the suitability, objectivity and independence of the Company's Auditors.

The appointment of the Company's Auditors is subject to the re-appointment by the shareholders of the Company for the ensuing year.

Based on the recommendation of the MCCG, the BAC has adopted a policy that requires a former key audit partner to observe a cooling-off period of at least two (2) years before being appointed as a member of the Audit Committee. As of to date, BDB has been in compliance with this matter.

The BAC assists the Board in maintaining a sound system of internal control across the Group. In ensuring that the financial statements use appropriate accounting policies, the BAC met with the external auditors without the presence of Management during which the external auditors may raise any concern pertaining to the compliance of the financial statements.

2.4 RISK AND INTERNAL CONTROL

The Board has overall responsibility for maintaining a sound system of internal control, which encompasses risk management, financial, organisational, operational and compliance controls necessary for the Group to achieve its objectives within an acceptable risk profile. These controls can only provide reasonable but not absolute assurance against material misstatement, errors of judgment, loss or fraud.

Information on the Group's internal control is as set out in the Group Statement of Risk Management & Internal Control ("SORMIC") in this Annual Report and also in the CG Report.

2.5 RELATIONSHIP WITH EXTERNAL AUDITORS

The BAC manages the relationship with its external auditors on behalf of the Board. The BAC considers the re-appointment, remuneration and terms of engagement of auditors annually. The role of the BAC in relation to the External Auditors can be found in the Report of the Audit Committee as set out in this Annual Report.

The external auditors are invited to attend the BAC where the Group's annual financial results are considered, as well as at meetings to review and discuss the Group's audit plan, audit findings, internal controls and accounting policies and whenever the need arises.

Representatives of the external auditors are present at each AGM.

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

3.0 INTEGRITY IN CORPORATE REPORTING

It is the Boards' responsibility to prepare and approve the financial statements. The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which give a true and fair view of BDB Group's state of affairs. The Directors are of the opinion that BDB has adequate resources and uses appropriate accounting policies that are consistently applied and supported by reasonable as well as prudent judgements and estimates, and that the financial statements have been prepared in accordance with Malaysian Financial Reporting Standards and the provisions of the Companies Act 2016 and the MMLR.

The Directors having reviewed the business plans, capital expenditure commitments and expected cash flows are satisfied that the Company and the Group have adequate resources to continue operations for the foreseeable future and therefore continue to adopt the going concern basis in preparing these Financial Statements. The Directors are satisfied that BDB has been keeping accounting records which disclose with reasonable accuracy of the financial position of BDB that enable proper financial statements to be prepared.

The Directors have also taken the necessary steps to ensure that appropriate systems are in place to safeguard the assets of BDB. The systems, by their nature, can only provide reasonable and not absolute assurance against material misstatements, loss and fraud.

3.1 CORPORATE DISCLOSURE POLICIES AND PROCEDURES

The Board reviews and approves all quarterly and other important announcements. The Group announces its quarterly and full-year results within the mandatory period. The financial statements and, where necessary, other presentation materials presented at the Company's general meetings, including material and price-sensitive information, are disseminated and publicly released via Bursa Link on a timely basis to ensure effective dissemination of information relating to BDB to ensure that communications to the public regarding BDB are timely, factual, accurate and complete. BDB Group has put in place authority and process for Disclosure Policy which is applicable to all Directors, those authorised to speak on BDB's behalf.

3.2 COMMUNICATION WITH SHAREHOLDERS

The Board believes that building relationship with shareholders and dissemination of information should be through interaction during AGM, systematic engagement through briefings, media releases, public announcements, responses to shareholders' queries and updates on our corporate website.

3.3 CONDUCT OF GENERAL MEETINGS

The Board always ensures that the conduct of general meetings complies with the best practices and shareholders are notified with the meeting details. The Annual Report 2020 and notice of the AGM were sent separately to the shareholders on 28.05.2021 and 24.08.2021 respectively.

The Board ensures that shareholders are given sufficient notice and time to consider the resolutions to be put forth at the AGM. The Notice of AGM will include explanatory notes that contain further information on the proposed resolutions.

All resolutions were voted by poll and verified by the independent scrutineer appointed by BDB.

All Board members will attend the general meetings to engage with shareholders. In the event a director is not able to attend in person, the Group will facilitate virtual attendance through the use of an appropriate online platform. When it is not possible to do so, the said Director(s) will be updated on issues that require his attention and onward action.

In 2021, there was much uncertainty due to the lockdown imposed by the Federal Government to curb the spread of Covid-19 which swept across the nation. Given the fluid situation, coupled with the changes made by Securities Commission Malaysia to the guidelines on holding general meetings (corresponding to the severity of the lockdown) as well as government directives on social distancing and restriction on mass gathering and our wish to ensure shareholders' safety,

the Board decided for the Company's AGM to be held virtually for the first time through remote participation and voting facilities on 23 September 2021. Notwithstanding the inconvenience last year, BDB continued to adopt 28-day notice period for the AGM in 2021.

4.0 CODE OF BUSINESS CONDUCT AND ETHICS

Code of Business Conduct and Ethics sets out the standards of ethical behaviour and values expected of Directors and employees and serves as a guide and reference in the course of the performance of their responsibilities.

The Board has implemented appropriate processes and systems to support, promote and ensure its compliance. The Board through the BNREC will periodically review the Code which is available on the Company's corporate website.

The Board had also adopted a Whistle Blowing Policy ("WBP") which sets out the disclosure procedures and protection for whistle blowers to meet the Group's ethical obligations. Employees and stakeholders are encouraged to raise any serious concerns they have on any suspected misconduct or malpractices without fear of victimisation in a responsible manner rather than avoiding or overlooking them.

The Code of Business Conduct and Ethics and the WBP was in line with the Board's Anti-Bribery and Corruption Policy adopted. The WBP is available on the Company's official website at https://www.bdb.com.my/bdbpolicies/.

5.0. GOVERNANCE INITIATIVE AND FUTURE PRIORITIES

The future priorities for the Company are to strengthen its governance, compliance, close interaction with shareholders and also to move forward progressively as being a reputable public listed company. The Board Audit Committee ("BAC") assists the Board in fulfilling its fiduciary responsibilities relating to internal controls, accounting and reporting practices of the Group. The BAC promotes the practices of good corporate governance by ensuring that internal control systems are in place and adequate and that appropriate standards of responsibility, integrity and accountabilities are maintained across the group.

This Corporate Governance Overview Statement has been finalised on 31 March 2022.

Audit Committee Report

The Board Audit Committee (BAC) assists the Board in fulfilling its fiduciary responsibilities relating to internal controls, accounting and reporting practices of the Group. The BAC promotes the practices of good corporate governance by ensuring that internal control systems are in place and adequate and that appropriate standard of responsibility, integrity and accountabilities are maintained across the group.

MEMBERS OF THE AUDIT COMMITTEE

Bina Darulaman Berhad complies with Paragraph 15.09 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad which requires all the Audit Committee members to be Non-Executive Directors, with a majority of them being Independent Directors.

The members of the Audit Committee are as follows:

	Name	Directorial Status
1.	**Tuan Mohamad Ibrahim Bin Ghazali**	Chairman / Independent Non Executive Director
2.	**YB Senator Ir. Ts. Khairil Nizam Bin Khirudin**	Member / Independent Non Executive Director
3.	**Dato' Haji Abdul Rahman Bin Abdullah**	Member / Non Independent Non Executive Director
4.	**Dato' Zakiah Binti Kassim** *(Appointed on 05.04.2021)*	Member / Senior Independent Non Executive Director
5.	**Datuk Seri Asri Bin Hamidin @ Hamidon** *(Resigned on 05.04.2021)*	Member / Senior Independent Non Executive Director
6.	**Dato' Mohamed Sharil Tarmizi** *(Resigned on 05.04.2021)*	Member / Independent Non Executive Director

The profiles of the BAC members are disclosed on pages 20 to 26 of this Annual Report.

TERMS OF REFERENCE

The terms of reference for the BAC are available online in the company section sub menu policies of the Company's website at www.bdb.com.my. The latest update was effected on 17 March 2019.

Audit Committee Report (Continued)

SUMMARY OF THE AUDIT COMMITTEE'S ACTIVITIES

Meetings and Minutes

During the year ended 31 December 2021, the Committee met three (3) times by way of ordinary meetings on 21 February 2021, 23 May 2021, 21 November 2021, and three (3) Special Meetings held on 14 April 2021, 22 August 2021 and 29 September 2021.

	Name	Number of Meetings	
		Held	Attendance
1.	**Tuan Mohamad Ibrahim Bin Ghazali**	6	6/6
2.	**YB Senator Ir. Ts. Khairil Nizam Bin Khirudin**	6	6/6
3.	**Dato' Haji Abdul Rahman Bin Abdullah**	6	6/6
4.	**Dato' Zakiah Binti Kassim**	5	5/5
5.	**Datuk Seri Asri Bin Hamidin @ Hamidon**	1	0/1
6.	**Dato' Mohamed Sharil Tarmizi**	1	1/1

Permanent invitees to BAC are the President & Group Chief Executive Officer (GCEO), Executive Vice President (EVP 1) – Strategy, Finance & Corporate Services @ Chief Corporate Officer (CCO), Company Secretary and Head of Group Corporate Assurance (GCA). Other invitees from the management team are present to explain specific issues as per the meeting agenda. Key issues discussed are reported by the Chairman of the Audit Committee to the Board.

The Audit Committee continues to provide oversight to the external and internal audit functions and performs the following based on the meeting agenda:

External Audit

(i) Reviewed the External Auditors' scope of the audit prior to the commencement of the interim and annual audit;

(ii) Reviewed the audited year-end financial results of the Group prior to submission to the Board for consideration and approval;

(iii) Reviewed the audit reports of the External Auditors in relation to audit and accounting issues arising from the audit;

(iv) Discussed matters arising from the audit of the Group in a close session meeting without the presence of the Management;

(v) Reviewed the performance of the External Auditors and proposed on their re-appointment and remuneration to the Board;

(vi) Reviewed the findings of the External Auditors and followed up on the recommendations.

Internal Audit

(i) Reviewed and approved the 2021 Annual Internal Audit Plan and resources for the execution of audit activities across the Group;

(ii) Deliberated on major issues brought up to the attention of BAC and considered the appropriateness of management action plans in relation to the audit recommendations;

(iii) Ensured that management resolved all audit issues within the agreed timeline and approved extension of time where necessary;

(iv) Considered the changes and deferment of planned audit presented in the 2021 Annual Audit Plan due to the emergence of Covid-19 pandemics and government enforcement on Movement Control Order / National Recovery Plan;

(v) Raised concerns on certain operational issues for future audit review;

Other significant oversight activities are as follows:

(i) Reviewed the Statement on Risk Management and Internal Control and the Audit Committee Report and recommend to the Board for inclusion in the Annual Report;

(ii) Reviewed the unaudited quarterly financial results and the announcements thereof and made recommendations to the Board for consideration and approval to release to Bursa Securities;

(iii) Reviewed related party transactions as required under the Bursa Malaysia Listing Requirements to ascertain that transactions are conducted at arm's length prior to submission for the Board's consideration and where appropriate, shareholders' approval;

(iv) Reviewed renewal of Shareholders' mandate for recurrent related party transactions of a revenue trading nature based on an established framework for Board to recommend to shareholders for approval and authorized the submission of the draft circular to Bursa Securities;

Audit Committee Report (Continued)

INTERNAL AUDIT FUNCTION

The Group's Internal Audit function is to provide independent, objective assurance and consulting services designed to add value and improve BDB's operations. The Internal Audit activities help BDB accomplishes its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and the adequacy of the internal controls.

For 2021, Group Corporate Assurance Department conducted audit review based on the approved Annual Audit Plan. Apart from conducting routine audit reviews of the approved audit scopes, members of GCA had also performed the following activities:

(i) Follow up and validate the completion of remedial action plans to close outstanding audit issues on a quarterly basis;

(ii) Year-end stock take exercise at subsidiaries.

The total cost incurred for the Internal Audit Function for the financial year was approximately RM488,022.

Statement on Risk Management and Internal Control

This statement is made in accordance with the Malaysian Code on Corporate Governance 2017 ("The Code") and Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The Board's Statement on Risk Management and Internal Control has been prepared in accordance with the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers".

BOARD RESPONSIBILITY

The Board acknowledges its responsibility for maintaining a sound internal control system and the need to review its adequacy and integrity on a regular basis. The system of internal control is meant to effectively manage business risk towards the achievement of objectives so as to enhance the value of shareholders' investments and to safeguard the Group's assets.

The Board maintains overall responsibility for the Group's system of internal controls and has reviewed the effectiveness of the controls established. The Board has delegated the implementation of the system of internal control within an established framework throughout the Group to the Management. The system of internal control is supported by the corporate governance and risk management framework.

The Board through its Board Risk Committee is responsible for identifying, evaluating and managing major business risks faced by the Group. The Committee will continuously evaluate suggested mitigation measures and quarterly review planned actions and implementation strategies to ensure that key risks are mitigated and well managed.

The Board is reasonably satisfied that throughout the year the Group's Risk Management and internal control system operated adequately and effectively in all material aspects based on the Risk Management Framework adopted by the Group. The Group conducts periodic Internal Control reviews to improve its system of internal control and risk management.

The system of internal control provides only reasonable and not absolute assurance against material error, misstatement, loss or breach. In addition, the concept of reasonable assurance also recognises that the overall cost of control procedures shall not exceed the expected benefits.

KEY INTERNAL CONTROLS FEATURES

The key features of the Group's internal control comprise the following components which have been in place throughout the financial year:

CONTROL ENVIRONMENT

Accountability and Reporting within the Organisation

The terms of reference including functions, authorities and responsibilities of the Board Committees and Management Committees have been established in the Group, to assist the Board in discharging its duties. The Board Committees comprise of:

- Board Audit Committee ("BAC")
- Board Risk Committee ("BRC")
- Board Nomination, Remuneration and ESOS Committee ("BNREC")
- Board Procurement Committee ("BPC")

Statement on Risk Management and Internal Control (Continued)

Organisation Structure

The internal control system of the Group is supported by a formal organisational structure with lines of responsibility and accountability delegated to the Group's Senior Management.

Authority Limit

The Group, via its Delegated Authority Limit ("DAL"), assigns authority to appropriate levels of management to exercise control over the Groups' commitment on both strategic and operational business objectives.

The DAL is approved by the Board and is updated to reflect changing business conditions. The DAL provides a framework that defines and specifies the authority levels for personnel to carry out their assigned responsibilities and it also covers the basic decision-making policy throughout the BDB Group of Companies. Effective on 24 February 2021 the Board had approved a revision to the DAL in view of the current needs of the Company and designations.

Standardised and Documented Policies and Procedures

Relevant policies and procedures are recommended by the management and approved by the Board to ensure the Group's values and internal control mechanism are embedded in business operations. These policies and procedures are made available to guide Management and staff in their day-to-day operations and compliance with relevant laws and regulations. Updates will be made on a need basis to reflect any changes in operational requirements and / or statutory requirements.

Strategic Business Planning

BDB Group performs annual business planning and budgeting before being tabled to the Board for approval. The Board has reviewed and approved the Group business plan and budget done for the year 2022 within which the business objectives, strategies and targets are articulated to facilitate management in focusing on areas of concern. Key business risks are identified and mitigated during the business planning process and reviewed during the year.

Staff Development and Training

Internal and external training are developed by Group Human Resource to facilitate daily operations and enhance staff competencies.

Whistleblowing

The whistleblowing policy provides an avenue for employees to communicate any instances of breach or suspected breach of any law or regulation, illegal and / or immoral conduct in a safe and confidential manner. It also provides proper investigation to be initiated on all allegations or reports about the Group.

Anti-Bribery and Anti-Corruption Policy

The Group is committed to conducting business dealings with integrity to avoid practices of bribery and corruption of all forms in the company's daily operations. The Group has adopted a zero-tolerance approach against all forms of bribery and corruption and takes a strong stance against such acts.

Anti-Bribery and Corruption Policy ("ABC Policy") sets out the Group's position, on anti-bribery in all its forms and matters of corruption that might confront the Group in its day to day operations and in amplification to provide adequate procedures and information in defending and maintaining its position on anti-bribery and anti-corruption in line with the Adequate Procedure Principles pursuant to Guidelines on Adequate Procedures pursuant to subsection (5) of Section 17A of the Malaysian Anti -Corruption Commission Act 2009 (Amendment 2018).

Business Continuity Management

The Group is committed to safeguarding the interest of all our stakeholders by ensuring that critical business processes are resilient and the effects of disruptions to business operations are minimized and recovered in a timely manner following a disruption or disaster.

The Group has established a Business Continuity Plan that is designed to provide direction and pre-determined management decisions and action plans in managing a disaster situation.

CONTROL ACTIVITIES

Control activities are part of the Group's system of internal control. Control activities are performed at all levels of the entity and at various stages within the business processes. They include a diverse range of activities such as the process of approvals, authorizations, verifications and reconciliations, reviews of operating performance, security of assets and segregation of duties. Among the significant control activities are:

- The preparation of quarterly and full-year financial results, as announced or otherwise published to shareholders. Analysis of actual financial performance versus business plans is carried out on quarterly basis.
- President & GCEO and Senior Management staff make business visits and communicate with employees of different levels to have first-hand knowledge of significant operational issues and risks.
- Quarterly reporting of legal, accounting and other new developments to the Board.
- Annual review and improvement, continuously manages and controls the quality requirement of the Company's products and services which is in accordance with ISO 9001:2015 Quality Management System.

REVIEW AND MONITORING PROCESS

The Board has initiated an ongoing process to ensure the achievement of the Group business objectives where budgets, key business indicators and performance results on operations are in place to monitor performance. The system allows the President & GCEO and Management to review business unit's performances against budgets and other performance indicators on a monthly basis. Key variances are followed up by Management and reported on a quarterly basis to the Board.

The President & GCEO actively communicates the Board's expectations to management teams during management meetings. In these meetings, risks relating to strategy, operational, financial and external environment matters were discussed and mitigating action plans were deliberated.

Statement on Risk Management and Internal Control (Continued)

The Board has taken the necessary measures and reviewed the effectiveness of the system of internal control during the financial year through the review and monitoring process set out above.

INTERNAL AUDIT FUNCTION

The Group Corporate Assurance (GCA) performs internal auditing activities across BDB group; by undertaking a systematic review and disciplined approach to evaluate the adequacy and effectiveness of the internal control system implemented by the Group.

GCA reports to the Board Audit Committee (BAC) and meets on a quarterly basis plus as and when required. GCA highlights issues concerning internal control failures and/or weaknesses and other observations to improve business processes. All issues identified must be agreed upon with the management team. Action plans to resolve issues are followed through and updated in subsequent meetings. The BAC also reviews the Internal Audit independence, adequacy of resources and scope of work. The Annual Audit Plan and revision to the planned audit were also tabled and approved by the BAC. The details of the oversight activities undertaken by the BAC are highlighted in the Audit Committee Report.

STATE OF INTERNAL CONTROL DURING THE YEAR UNDER REVIEW

The Board is of the view that the existing Group's system of internal controls in place for the year under review and up to the date of issuance of financial statements is generally sound and adequate to safeguard the shareholders' investment, the interest of customers, regulators, employees and the Group's assets. None of the control weaknesses identified have resulted in any material loss, contingencies or uncertainties that would require disclosure in the Annual Report.

STATEMENT ON ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Group has established an Enterprise Risk Management (ERM) framework to proactively identify, evaluate and manage key risks to an optimal level in line with the Group's commitment to deliver sustainable value. This framework aims to provide an integrated and organised approach entity-wide. The Group continuously executed the ERM initiatives based on the approved ERM framework which includes the establishment of mitigation strategies for the key risk areas identified and the tracking and monitoring of its implementation Group-wide.

Risk Policy

BDB Group is committed to meeting its vision, mission and corporate objectives. It is critical for BDB Group to have the ability to manage risk to an acceptable level. In 2021, Risk Management has conducted two (2) BRC Meetings and three (3) Special BRC Meetings where risks were identified, assessed and ranked accordingly with regard to the mitigating actions.

The Board is responsible to understand risks and provide guidance when dealing with risks to ensure all risks are managed in an organised and consistent manner. The policies of the Board for ERM are as follows:

- To integrate risk management into the work culture, business activities and decision making processes.
- To anticipate and respond to the changing operational, social, environmental and regulatory requirements proactively.
- To manage risks pragmatically, to an acceptable level given the particular circumstances of each situation.
- To require that all papers submitted to the Board of Directors by Management relating to strategy, key project approval, significant action or investment must include a comprehensive risk assessment report.
- To implement a robust and sustainable ERM framework that is aligned with BDB Group's vision, mission, corporate objectives, and in accordance with best practices.

The above policies will be attained through:

- Periodic reporting to the Board on ERM activities and keep the Board updated on all ERM aspects including significant risks and risk trends;
- Provision of adequate and suitable resources, including tools and manpower to ensure ERM framework and system are operating effectively;
- Provision of adequate education and communication channels to ensure staffs' understanding of the requirements, their roles and responsibilities associated with ERM; and
- Maintain documented risk information (risk registers and action plans) for continuous ERM activities.

The Group Enterprise Risk Management (Group ERM) is responsible for developing, coordinating and facilitating the Risk Management processes within the Group. A database of risks and control information is captured in the format of the risk register. Key risks of key business units are identified, assessed and categorised to highlight the source of risks, their impact and the likelihood of occurrence and are being monitored by respective Senior Management of the business units.

Roles and Responsibilities of the Group ERM can be summarised as follows:

- To communicate, evaluate and improve the ERM Policy and Framework;
- Facilitate the risk assessment and risk action plan processes;
- Provide independent input on risk assessment (risk type and rating);
- Monitoring the effectiveness of the action plans and update the progress to the Senior Management and the BRC;
- Coordinator of Business Continuity Management (BCM);
- Prepare and report to BRC on a timely manner;
- Coordinate the ERM educational programmes; and
- To share inputs on risks and market trends.

Statement on Risk Management and Internal Control (Continued)

Assurance Received from President & Group Chief Executive Officer and Executive Vice President I (EVP I) – Strategy, Finance & Corporate Services @ Chief Corporate Officer

In accordance with the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed issuers, the Board has received assurance from the President & Group Chief Executive Officer and Executive Vice President I (EVP I) – Strategy, Finance & Corporate Services @ Chief Corporate Officer that to the best of their knowledge, the risk management and internal control of the Group are operating effectively and adequately in all material aspects, based on the risk management and internal control framework adopted by the Group.

Review of Statements by the External Auditors

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in the 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 ("MIA") for inclusion in the annual report of the Group for the financial year ended 31 December 2021, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

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

(b) is factually inaccurate.

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

Conclusion

Risk Management in BDB Group has been accepted not merely as a compliance tool but to the extent of becoming a business culture. The Risk Management framework and findings act as an additional decision-making tool to drive towards an excellent business strategy planning and execution. In this regard, effective Risk Management lies in its ability to implement the framework and create values throughout BDB Group in order to achieve its established vision, mission, and objectives that lead towards enhancing shareholders' value.

Sustainability Statement

OUR APPROACH

Bina Darulaman Berhad ("BDB") is a more purposeful investment holding company as a result of its commitment to Economic, Environmental and Social ("EES"). It is both the right and the smart thing to do, both now and in the future. BDB's core strategy of long-term ownership includes sustainable development and responsible growth.

In FY2021, our corporate strategy is a continuation of last year's themes which aim to achieve Sustainability and Profitability of the business through the 4 key focus areas.

"Elevating Sustainability"

REPORTING FRAMEWORK

Our Sustainability report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards, United Nations Sustainable Developing Goals ("UNSDG") and the Bursa Malaysia Sustainability Reporting Guide ("SRG"), which serve as the foundation for the Statement reporting framework. We adopted the best practices outlined in the Malaysian Code of Corporate Governance, as updated in April 2021 ("MCCG 2021").

REPORTING SCOPE

Our statement provides information on BDB across our two (2) business divisions listed below for the period from January 1 to 31 December 2021.

Sustainability Statement (Continued)

SUSTAINABILITY GOVERNANCE

Our corporate governance structure and corporate culture reflect our commitment to sustainability. It is driven by a top-down approach from the office of the President & Group Chief Executive Officer down to the heads of subsidiaries across the two (2) business divisions and beyond.

KEY STAKEHOLDERS AND ENGAGEMENT

While pandemic unrest consumed much of our attention in 2021, we remained focused on economic, environmental, and social ("EES") issues, which continue to shape how we do business. We continue to actively engage with our stakeholders, as EES issues have become more important to them as well.

The Following are the issues raised by our key stakeholders:

Stakeholders	Engagement Method	Areas raised
Shareholders/ potential Investors/ potential business partners	• Annual General Meeting • Bursa Malaysia announcements • Media releases • Meetings with potential investors/ business partners	Growth in Company performance.
Customers • Engineering, constructions and quarry customers • House buyers • Commercial buyers • Land buyers • Leisure & hospitality customers	• Meetings • Correspondences • Brochures • Product and services briefings • Media releases • Bursa Malaysia announcements	New Product & services development and reliability.
Employees	• Townhall sessions • Performance management • Community Activities • Sponsorships and talent enhancement • Training and development	Talent engagement. Benefit designs.
Local Authorities / municipalities / Regulators / Government ministries	• Meetings and discussions • Compliance with rules and regulations • Briefings and trainings • Periodic visits and inspections	Governance and regulatory compliance. Ethical business practices. Health and Safety.

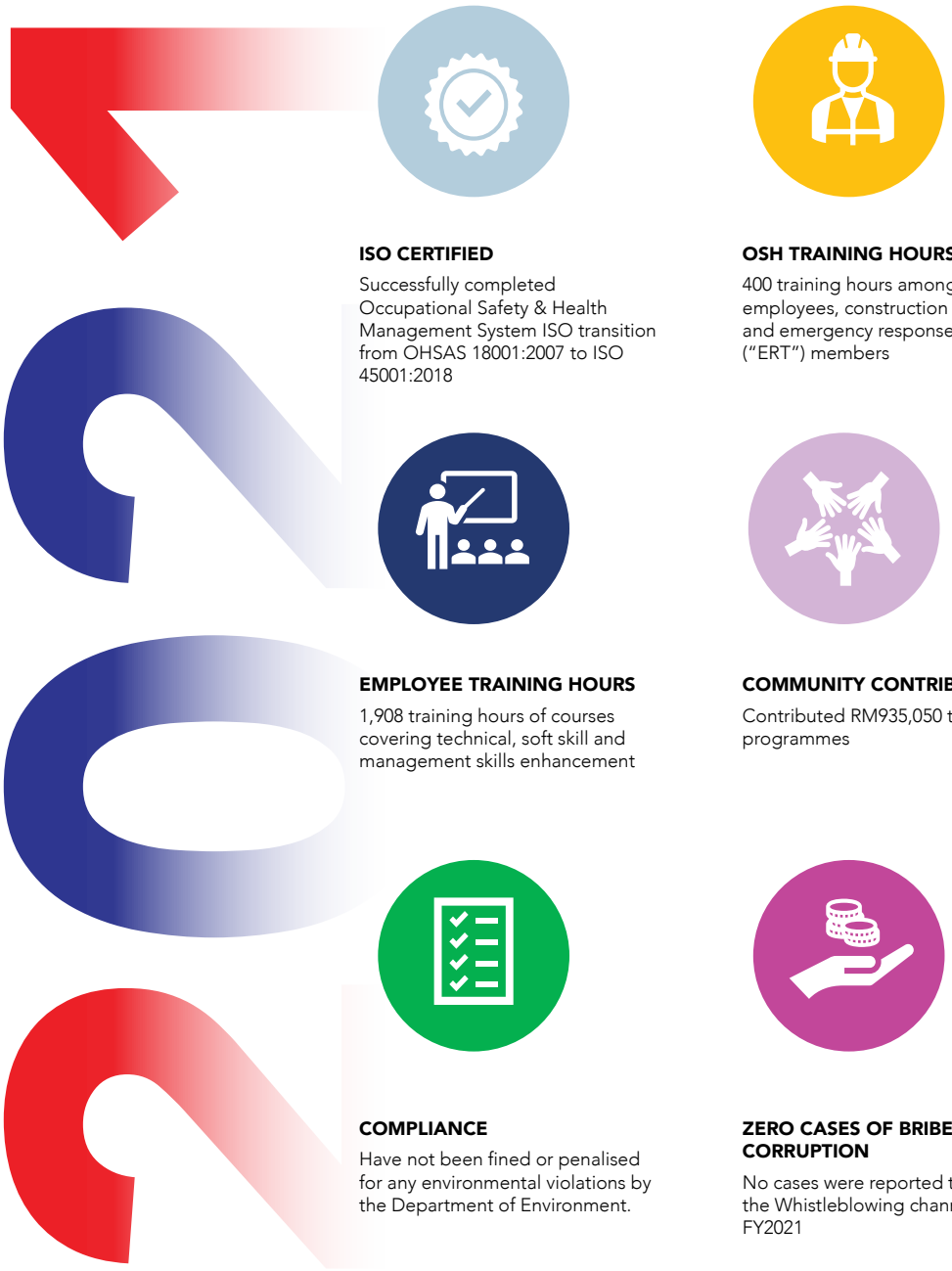
Stakeholders	Engagement Method	Areas raised
Financiers / Banks	• Annual general meetings • Bursa Malaysia announcements • Meetings	Value creation.
Sub-contractors, suppliers and Service Providers	• Tenders • Briefings and meetings • Compliance with rules and regulations	Safety and regulatory compliance. Long-term viability of the company.
Local Community / NGOs / Industry Associations	• REHDA • FIABCI	Community needs. Impacts on social and environment.

MATERIALITY ASSESSMENT

We actively work to promote our growth and operation in the state of Kedah in a sustainable and responsible manner. The BDB sustainability strategy is to conduct our business, including the development and operation of new and existing buildings, in a way that promotes positive economic, social, and environmental outcomes for our customers, shareholders, employees, and the communities we serve. We are committed to developing high-performance property development while minimising operational costs and the potential negative externalities of energy, water and waste. In 2021, our 12 materiality material topics remained consistent. To that end, we have engaged with experts and stakeholders to strengthen our materiality issues and we are looking into developing a short-medium-long term plan for its long term viability. These include formalising its objectives, goals, targets and measurements as well as activities that involve linking to the Group's strategic plan.

Sustainability Statement (Continued)

OUR 2021 HIGHLIGHTS



ISO CERTIFIED

Successfully completed Occupational Safety & Health Management System ISO transition from OHSAS 18001:2007 to ISO 45001:2018

OSH TRAINING HOURS

400 training hours amongst employees, construction workers and emergency response team ("ERT") members

EMPLOYEE TRAINING HOURS

1,908 training hours of courses covering technical, soft skill and management skills enhancement

COMMUNITY CONTRIBUTION

Contributed RM935,050 to 24 programmes

COMPLIANCE

Have not been fined or penalised for any environmental violations by the Department of Environment.

ZERO CASES OF BRIBERY & CORRUPTION

No cases were reported through the Whistleblowing channel during FY2021

SAFETY CAMPAIGN

Conducted 10 campaign to promote safe working habits and raise awareness on the pandemic crisis amongst our employees

Sustainability Statement (Continued)

Sustainable Development Goals

We believe that our efforts contribute to some of the most pressing issues confronting the global community. Our sustainability policies, practices, and projects are in line with the UN Sustainable Development Goals (SDGs). We have targeted SDG goals 3, 4, 8, 9, 11, 12, 13,14,15 and 16.

Our alignment's current status is shown below.

Goal	Potential Impact	Our Status
	Ensure healthy lives and promote well-being for all at all ages.	• BDB prioritises health to keep its employees, contractors and surrounding communities safe. • Launched a Safety Campaign to promote safe working habits.
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	• 1,908 training hours of courses covering technical, soft skill and management skills enhancement to employees.
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	• Works closely with the State & Federal Government to support State & Federal economic growth for the betterment of its people by: a. Participating in State & Federal project; b. Managing State's assets; and c. Public interest related project. • Employee Engagement We improve engagement through culture building: a. Flex-Ben project b. Job evaluation c. Interaction via HR processes
	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	• Digital and business transformation strategy
	Make cities and human settlements inclusive, safe, resilient and sustainable.	• Keeping its development within affordability range. • Entered a joint agreement with Lagenda Properties Berhad to develop affordable township in Darulaman Lagenda.

Sustainability Statement (Continued)

	Ensure sustainable consumption and production patterns.	• Prioritises local suppliers and contractors to help develop and grow sustainable practices. • Believes to meet end purchasers' needs without compromising the ability of future generations to meet their own needs. • We took initiative to reduce and monitor energy, water, diesel consumption as well as waste management. In FY2021, The Group recorded: a. 2,407,824 Kw/H electricity consumption; b. 79,854m^3 water consumption; c. 63,210 litre diesel consumption; and d. Waste recycled/disposed through appointed licensed contractors
	Take urgent action to combat climate change and its impacts.	• Practice 3Rs concept earnestly. • Keep energy and water consumption to a minimum level. • Adheres to ISO 14001:2015 standards. • Approval obtained from Sustainable Energy Development Authority (SEDA) on Net Offset Virtual Aggregation (NOVA) on Solar PV installation at Menara BDB.
	Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	• Darulaman Park – to conserve nature and promote healthier and sustainable lifestyle.
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	• Darulaman Sanctuary – a home to over 180 plant species and over 80 birds and animal species.
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	• Compliance with environmental laws and regulations. • BDB upholds high integrity standards and has zero tolerance for unethical business practices. We recorded zero cases in FY2021 and remained committed. Our website includes Anti-bribery & anti-corruption policy and discloses our whistleblowing channel.

Sustainability Statement (Continued)

Recognition & Certification

Approval obtained from TNB

SUSTAINABILITY APPROACH

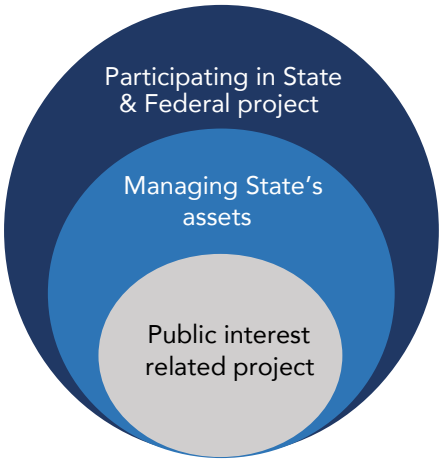
ECONOMIC

Supporting Government Policy

We collaborate closely with the State and Federal Government on policy implementation in order to support the State and Federal economic growth for the benefit of its people and to grow the Group to become the premier government-linked company in Kedah. Despite the bearish economy and unfavourable market sentiment in the midst of the Covid-19 pandemic, we have demonstrated revenue and earnings resilience in FY2021 by meeting our targets.

Our development is kept within an affordable range to reflect our belief that sustainability lies in being innovative and meeting the needs of end purchasers without jeopardising future generations' ability to meet their own needs.

We intend to improve our revenue and asset productivity by establishing new revenue streams and structures, as illustrated below:



Government Associated Project
Water Treatment Plan, Pelubang
State Road Maintenance, Kedah
Non-Revenue Water, Perlis
Private/Other Corporate Projects
JV Darulaman Lagenda, Sg. Petani - Affordable Township
JV Bandar Sejahtera, Pokok Sena
JV Darulaman Perdana West, Sungai Petani
JV Darulaman Perdana Central, Sungai Petani
JV Puncak Harmoni, Kuala Kangsar
Leasing Programme of Darulaman Golf Resort Berhad and Fantasia Aquapark
Kulim Technology Park-Construction of new factory

Code of Business Conduct and Ethics

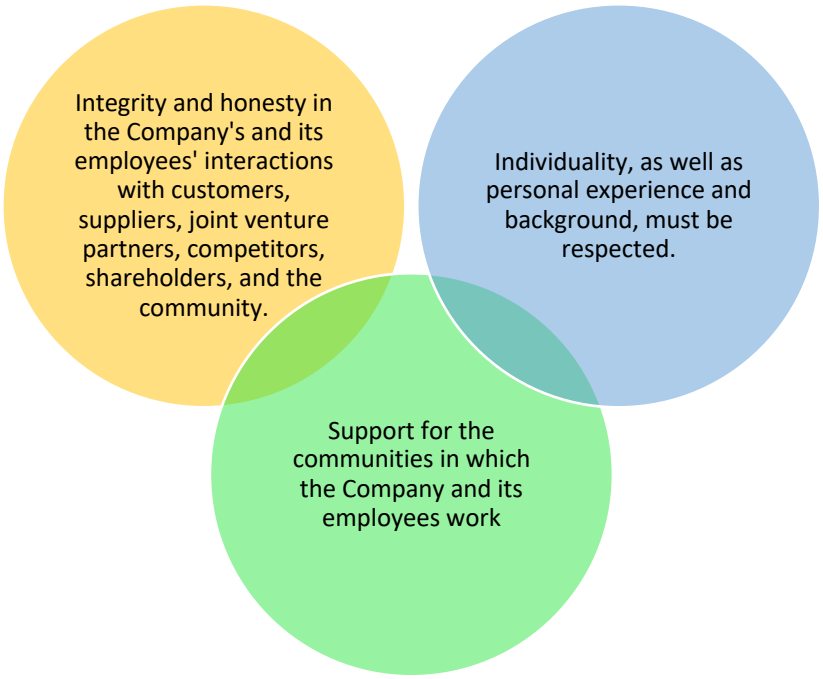
BDB is committed to strong corporate governance policies and practices that enable the Board of Directors to be effective in its oversight role. We ensure that our shareholders' long-term interests are served and to monitor adherence to BDB's standards and policies.

We have upheld the highest levels of integrity and ethics and are proud of our traditions of accountability and responsibility. BDB believes that transparent disclosure of our corporate governance policies is critical to preserving our well-established reputation and the trust of our investors. This establishes a "tone at the top" for good governance and includes the necessary checks and balances that a formalised system of governance should have.

Sustainability Statement (Continued)

BDB has established clear policies for the administration, communication, training, and enforcement of a set of stringent rules and regulations, which can be found in our Code of Business Conduct and Ethics, which is publicly available on the Company's website.

The Code of Ethics governs business decisions and actions taken by our directors, officers, and employees and expresses the Company's fundamental and core values, which include:



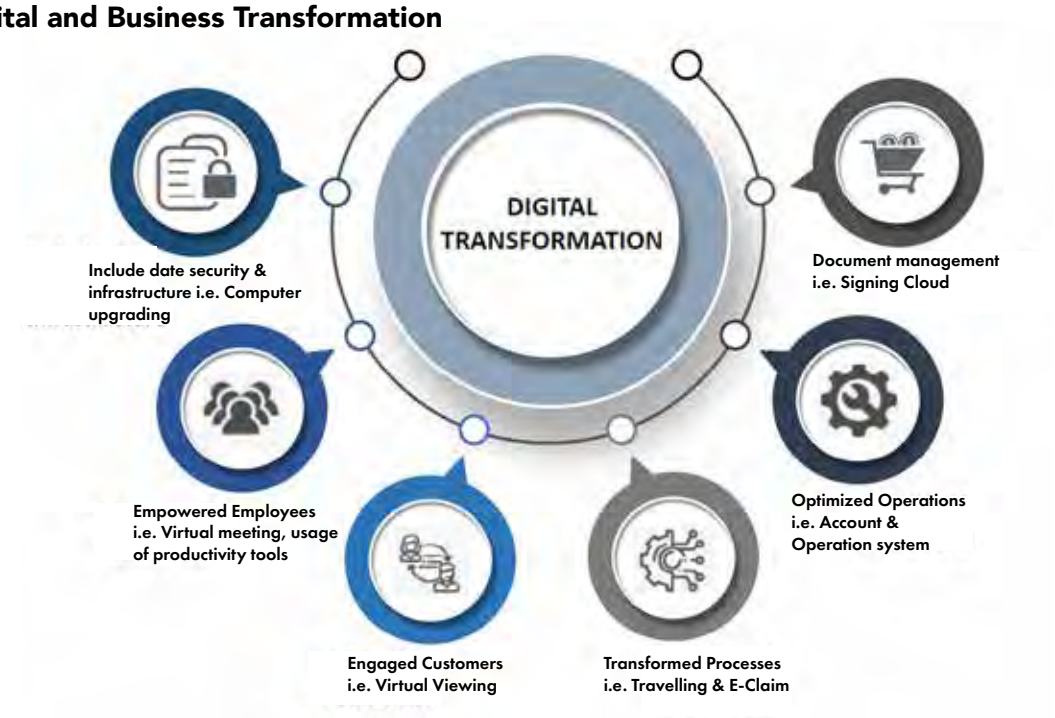
Anti-Bribery & Anti-Corruption Policy and Whistle Blowing Policy

BDB is committed to zero tolerance to bribery, corruption, and conflicts of interest. Employees are prohibited from, among other things, directly or indirectly through a third-party, (i) offering, authorising, promising, directing, or providing anything of value to any government official with the intent of influencing that person to assist the Company in obtaining or retaining business or obtaining an improper business advantage, or (ii) otherwise, offering or giving anything to anyone in connection with Company business that could be perceived as a bribe is prohibited.

An employee can anonymously report any suspected or observed violation through our whistleblowing channel via email to whistleblowing@bdb.com.my. Furthermore, BDB includes a provision in vendor contracts highlighting the requirements of our Code, including how to file a complaint on our hotline if they become aware of any inappropriate activity. In FY2021, we recorded zero cases and remain committed to adhering to these polices and principles and we are confident that our employees will continue to act in accordance with these policies and ideals.

Sustainability Statement (Continued)

Digital and Business Transformation



We have established a Digitalisation Programme in the 2021 covering six areas:

1. Data Security and Infrastructure – intensify use of Cloud services and replacing desktop to laptop allowing employees to work from home;
2. Virtual meetings – installation of infrastructure for hybrid meeting system;
3. Virtual viewing - introduced virtual experiences tour of our township;
4. Transformed Processes – established an online claim module, reducing claim cycle from weeks to 2-3 days; online travel module allowing instant approval for outstation and linking to online claim system;
5. Optimised Operation – integration of various systems from general ledger account, human resource system - Orisoft and Enterprise Resource Planning - Pronto Xi and IFCA; and
6. Document Management – use of cloud document allowing e-signatures and reducing use of papers.

The availability of various platforms to facilitate communications and increase collaboration has allowed us to stay in touch and work efficiently, keeping our people safe and minimising productivity loss while strengthening accountability and efficiency. The Group has been investing in information technology ("IT") assets and infrastructure (bandwidth, software, and hardware) and in FY2021, we continue to embrace Digital Transformation and Work Space Security Safety.

Security	Safety
• Accessibility • Reassessed on high-risk area, its process and continuation • Security services and technology	• Compliance with Authorities requirement • Provided training and awareness program • Yearly basis insurance risk review

Sustainability Statement (Continued)

Quality Management System

We are committed to providing high-quality products and services, and it is our responsibility to meet our customers' expectations while also protecting the Group's reputation and brand credibility. The Group has Quality Management System ISO 9001:2015 from SIRIM QAS International Sdn Bhd for "Provision of Management of Design and Construction Services for Building and Civil Engineering Works" and QLASSIC certifications from Construction Industry Development Board, which is used across projects to assess the quality of workmanship.

ENVIRONMENT

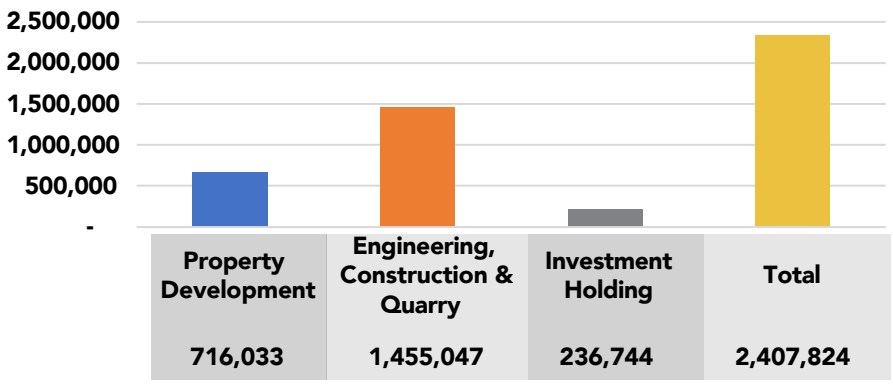
We care about the environment and are acutely aware of the irreversible impact of our business activities and operations. The Group assesses the environmental impact of our business activities and operations and take proactive steps to reduce our carbon footprint. The 3Rs (reduce, reuse, recycle) concept is taken seriously and put it into action by the Group. Our employees and the communities in which we operate work to reduce water and energy consumption, improve waste management processes, and raise environmental awareness among our employees and the communities in which we operate.

Pollution Control and Waste Management

Energy Consumption

Managing energy consumption and implementing energy conservation measures are in line with our goal of providing the most value to our stakeholders. We constantly monitor and manage the use of electricity. In FY2021, we took the initiative to reduce energy consumption by organising an Internal Campaign, such as putting up posters at the office, to raise awareness of energy use among all staff.

BDB Group Electricity Consumption - FYE 2021 (in Kw/H)



Water Consumption

BDB recognises the growing importance of water conservation, especially in areas where water scarcity is a problem. The combined effects of water efficiency measures and decreased physical occupancy as a result of the COVID-19 pandemic have resulted resulted in a downward trend in FY2021.

We monitor and benchmark water usage in buildings where we have access to water meter data. To ensure that we are maximising our conservation efforts, we prioritise the oldest, least efficient fixtures for improvement and focus our efforts on some of our largest properties. Smart controllers, low flow sprinkler heads, rain sensors, cooling tower retrofits, and infrastructure upgrades have all been implemented.

Water standards – before discharge:

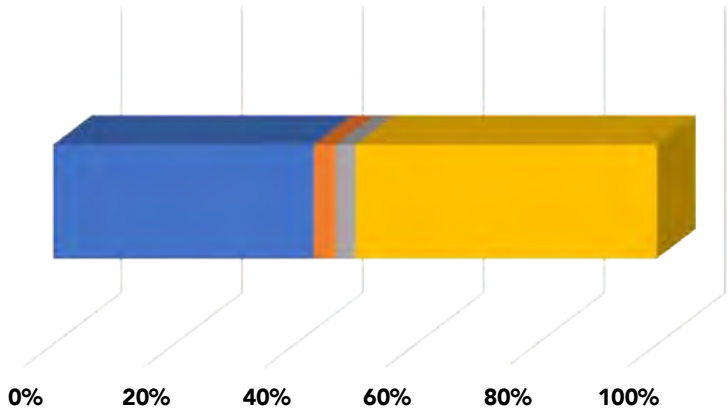
Property Development:

- Environmental Quality Act, 1974 governed the operation of both property and plantation operations as well as Leisure for water quality prior to its discharge to natural mainstreams.
- Water samples were collected by grab sampling technique according to the procedures specified in ASTM D5358. The samples were preserved and sent to a laboratory for analysis.

Engineering, Construction & Quarry:

- Environmental Quality Act, 1974 governed the operation of Engineering, Construction and Quarry operations for water quality prior to its discharge to natural mainstreams.
- Water samples were collected by grab sampling technique according to the regulatory requirements. The samples were preserved and sent to laboratory for analysis.

BDB Group Water Consumption FYE 2021 (in m^3)



	BDB Group water consumption - FYE 2021 (in m^3)
Property Development	69,972
Engineering, Construction & Quarry	5,064
Investment Holding	4,818
Total	79,854

Sustainability Statement (Continued)

Diesel Consumption

BDB keep diesel consumption to a minimum level, as tabulated total of 63,210 litre in FY2021, by Engineering, Construction and Quarry.

Waste Management

Our project waste is disposed of in accordance with all applicable laws and regulations. In addition, all project sites are subject to ISO 14001:2015 Environmental Management Systems certification compliance requirements.

BDB promotes zero waste throughout the Group by measuring waste generation and through established reduction targets. The following are the waste types identified across all two divisions:

Property Development	Engineering, Construction & Quarry
• **Construction Waste** • **Used Water** • **Used Chemical**	• **Construction Waste** • **Aggregates and Premix Waste** • **Used Engine Oil**
• Recycled • Disposed through appointed licensed contractors • Appointed licensed contractors	• Disposed through appointed licensed contractors • Recycled (Scheduled waste collection by appointed licensed contractors)

Property Development

By incorporating recreational elements into our projects, BDB is committed to creating and delivering a healthier and more sustainable lifestyle. To support the green concept, we make efforts to conserve nature and undertake extensive landscaping in our townships.

Our 80-acre Darulaman Park in Bandar Darulaman is 45% water and 55% land, with open green fields, jogging and cycling trails, and water recreational activities.

Initiatives in FY2021, was creating a variety of additional activities at Darulaman Park by maximising rental space / partnering with a third party, in order to establish the park as a favourite destination for tourists.

We extended Darulaman Park business operation and convert The Gazebo into food court with 10 – 15 units of cubical kiosk and setup drive-thru dining concept.

Compliance with Environmental Laws and Regulations

The Group has not fined or penalised for any environmental violations. We ensure we closely monitor compliance with environmental regulations throughout our operations.

Conservation of Flora and Fauna

In FY2021, our conservation efforts at Darulaman Sactuary, Lubuk Semilang, Pulau Langkawi, continue, while we offer eco-tourism opportunities for the public to observe and appreciate nature.

SOCIAL

BDB aims to create sustainable value in its operations. This objective bond our employees and align with our corporate values, guide our actions and decision-making.

Occupational, Safety & Health (OSH)

BDB is responsible for operating in an environmentally friendly, safe, and healthy environment for our employees and other stakeholders. Our EOSH policy commits to reducing the environmental and health impacts of our operations and products by focusing on environmental protection and pollution prevention, as well as providing safe and healthy working conditions to prevent work-related injury and illness that may result from our business activities in the quarrying and premix industries, as well as road construction and maintenance.

All new employees receive OSH induction training, and existing employees receive refresher training on a regular basis. We had extended our safety and health risk management efforts to include our contractors and subcontractors as part of our outreach. In addition, tool-box meetings are held on a weekly basis at sites to highlight OSH-related issues and compliance requirements.

Over the course of FY2021, BDB organised 400 training hours (FY2020: 2,112 training hours) of OSH relating training to educate and reinforce OSH learnings amongst, construction workers and emergency response team ("ERT") members.

Sustainability Statement (Continued)

01 ESH Induction Training for New Workers BPQ

02 ESH Induction Briefing Refresher for Road Servicing Team

03 Temporary Expressway Operation Safety Passport Training for Highway activities

04 ESH Monthly Toolbox Briefing at BPQ

05 Self-Assessment for Industrial Hygiene DOSH Kedah at BPQ

06 ESH Induction Briefing Refresher for KKPP

07 Hearing Conservation Programme at BPQ

Environmental, Occupational Safety and Health Management System (EOSHMS)

The Group ensures that all leaders and supervisors develop and implement programmes to safeguard health and safety while also preserving the environment at all locations. In November 2021, BDB reviewed the roles and responsibilities of EOSH Committee.

The Committees is to look into all risk controls in order to provide a safe working environment for our projects and ensure that all employees are provided with the necessary safety equipment and protective clothing, as well as being made available for safety training as needed, report the EOSH performance to top management for their review, inspect and carry out our studies on the trends of accident, near miss-accident that occur at the workplace, and make recommendations for corrective actions.

In FY2021, the Committee conducted several inspections, as shown below:

Ear Plug

Goggles / Glasses

Ear Muff

R95 / N95 Mask

Neoprene / Nitril glove

01 ESH Visit & Site Safety Evaluation at Sand Management LPO Project

02 ESH Site Inspection at Sand Management Quarry Sungai Ular, Kulim

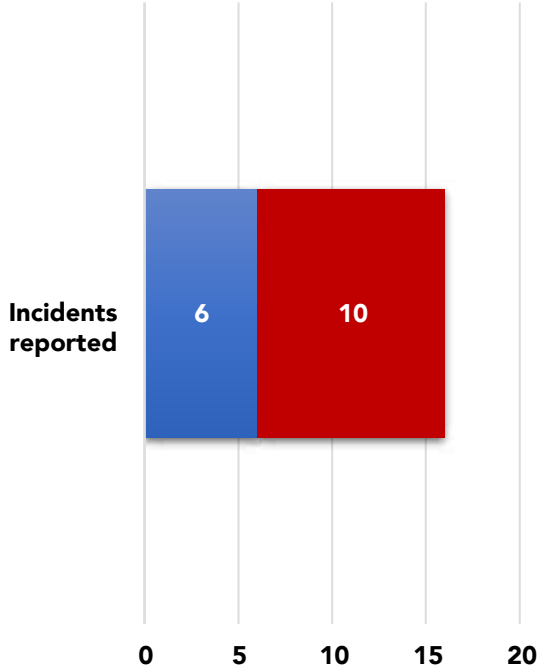
Sustainability Statement (Continued)

03 Incident Investigation for Unreported Case at KKPP

04 EOSH Committee Workplace Inspection

BDB successfully completed Occupational Safety & Health Management System ISO 45001:2018 in line with current ISO requirements for its businesses.

We are constantly improving our control measures by tightening our SOPs and Hazard Identification, Risk Assessment, and Determination Control (HIRADC) documentation, with changes communicated to employees and contractors in the hopes that knowledge will help to reduce incidents / accidents in the future. However, during the financial year under review, there were ten (10) incidents / accidents and corrective actions were taken accordingly, (FY2020: 6).

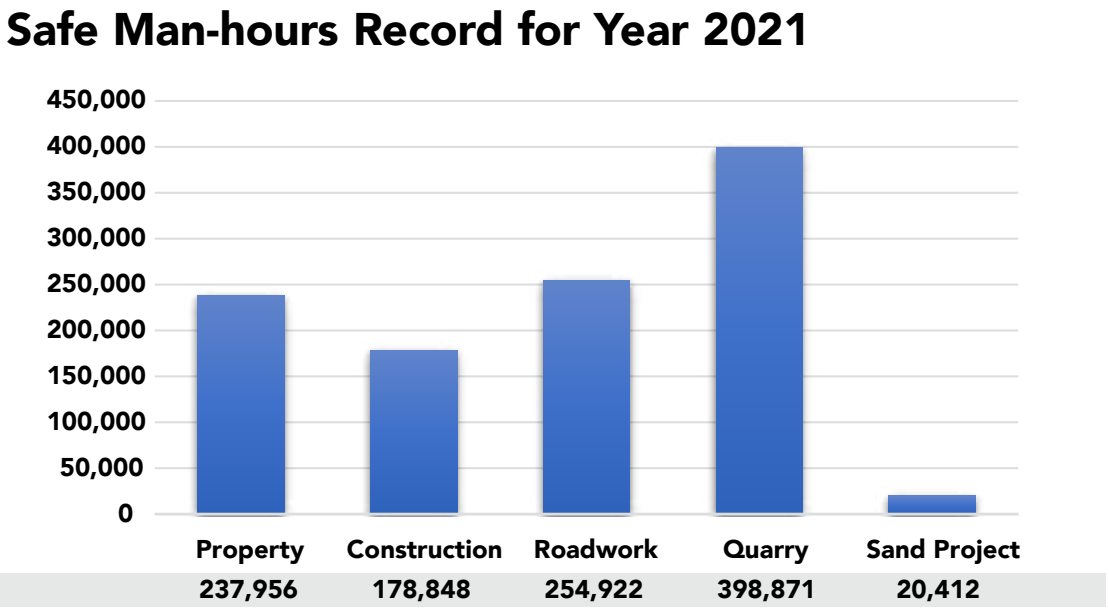


	Incidents reported
FY2020	6
FY2021	10

Sustainability Statement (Continued)

Y2021 Incidents Reported	No. of lost days
Minor Injury – *4 cases*	
Walking on Crusher Plant walkway	3
Premix Plant B Maintenance	2
Premix Plant Maintenance KKPP	3
Tophill loading and hauling	3
Property Damage – *3 cases*	
Weighbridge A Cable detach	0
Electrical Plug Spark	0
Inbound Haulage Activity	0
Road Accident – *2 cases*	
Commuting	0
Lift Breakdown – 1 case	
Trapped in an Elevator	2

In addition, 1,091,009 total safe man-hours were recorded as of December 2021.



In FY2021, we have continued to conduct Safety Campaign to promote safe working habits and raise awareness on the pandemic crisis amongst our employees. We held 10 safety campaign this year and in addition the Group ensure to update our employees on procedures, manual handling, safety, and health practises as revised and recommended by the government from time to time through e-blasts.

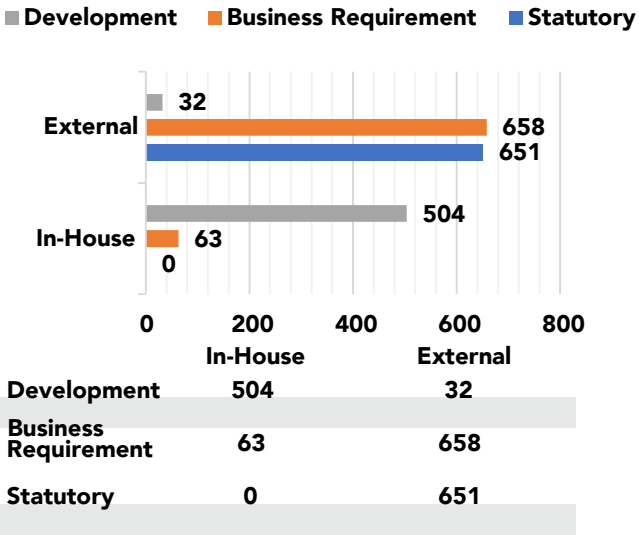
Employee Training and Development

People are our most valuable asset. We value our employees contributions and encourage them to learn and develop new skills though training and skill development.

Sustainability Statement (Continued)

During FY2021, we organised internal, in-house, and external training for our employees, which cost RM67,431 for 1,908 training hours of technical, soft skill, and management skill enhancement courses (FY2020: 5,510 training hours). Based on a Training Needs Analysis, these trainings, which are classified as Statutory, Business Requirement, and Development, were developed and delivered by in-house and external trainers.

Total Training By Category



Employee Engagement

In FY2021, we implemented the following initiatives for our employees in stages:

Strategic Objectives	Action Plans	Initiatives
Execute organisation strategy through competence and sustainable manpower supply.	Implemented talent and succession planning.	• Leadership Assessment Centre. • Succession Planning & Employee mobility. • Project Integration.
Enhance remuneration and performance	• Reviewed compensation structure to be par with the market rate. • Implemented simplified performance management system.	• Remuneration analysis. • Proposal for new salary structure. • New Performance Management document.
Improve engagement through culture building	• Revisited the current employee benefit by introducing flexibility. • Introduced new approach of employee engagement.	• Flex-Ben project. • Human interaction design in HR processes. • Job Evaluation project.

Further, we assist employees and/or their family members who are ill for an extended period of time by providing needed medical equipment and donations.

Compensation and Benefits

The Group makes certain that our workforce receives competitive remuneration packages as well as deserving benefits. Hospitalisation and surgical plans, personal accident insurance, leave benefits, and travel allowances are all part of our employee benefit programmes.

Medical	Leave	Allowances	Others
Group Personal Accident (GPA). **Group Hospitalization and Surgical (GHS).** **Outpatient.** **Inpatient.** **Dental.**	**Examination leave.** **Maternity leave.** **Paternity leave.** **Matrimonial leave.** **Hajj Pilgrimage leave.** **Compassionate leave.**	**Telephone allowance.** **Car allowance.** **Transport allowance.** **Acting allowance.** **Site allowance.** **Relocation Transport allowance.**	**BDB Home Ownership Programme (BHOP).** **Club Nomination and Signing Benefits.** **Education Incentive Scheme.** **Funeral expenses.**

Internship Programme

We have organized an internship programme to students from local colleges and universities as a starting point of their career. This is where students can get professional learning experience that offers practical work related, exposure in working environment and to develop an achieving goal. In FY2021, we had thirteen (13) interns in various departments.

In addition, we also have organised a PROTÉGÉ programme to provide training programmes to develop and guide people in collaboration with industry experts to produce more competitive job seekers and provide a global market to meet current industry needs. In FY2021, we have employed sixty-three (63) staffs to join our PROTÉGÉ programme.

Public and Community Engagement

Our community engagement programmes focused on Education & Knowledge, Sports & Leisure, Religious Outreach and Community Engagement. During FY2021, we contributed RM935,050 to 24 programmes (FY2020: RM516,018 for 47 programmes).

Corporate Social Responsibility ("CSR") Programme Curbing Covid-19 - RM628,800

- Contribution for school & organisation
- Contribution programs by MB, MBI, & EXCO
- Contribution to hospital
- Covid-19 contribution for Tabung Covid-19 (Kedah)
- Distribution of packed food to staffs on duty in IPK Kedah, IPD Kubang Pasu & IPD Kuala Muda, police officers & media members.

Notice of 27th Annual General Meeting

NOTICE IS HEREBY GIVEN that the 27th Annual General Meeting of Bina Darulaman Berhad ("BDB or the Company") will be held entirely through live streaming from the broadcasting venue at the Zenith Hall, Level M1, Connexion Conference & Event Centre, Bangsar South City, No. 7, Jalan Kerinchi, 59200, Kuala Lumpur, Malaysia (the "Broadcasting Venue") on **Thursday, 26 May 2022 at 10.00 a.m.** for the following purposes:

Agenda

As Ordinary Business		
1.	To receive the Audited Financial Statements for the Financial Year Ended 31 December 2021 together with the Reports of the Directors and Auditors thereon.	*(Refer Explanatory Note 1)*
2.	Propose retirement by rotation under Article 88 (ii) and Article 89 of the Company's Constitution. i. **Under Article 88 (ii)** Dato' Haji Abdul Rahman Bin Abdullah who retires in accordance with Article 88 (ii) of the Company's Constitution, although eligible has expressed his intention not to seek re-election. Hence, he will only retain office until the close of the 27th AGM. ii. **Under Article 89** To re-elect Sr. Haji Che Had Bin Dhali who is retiring in accordance with Article 89 of the Company's Constitution. ***(Refer Explanatory Note 2)***	(Resolution 1)
3.	To approve the payment of Directors' Fees for the Year 2022. ***(Refer Explanatory Note 3)***	*(Resolution 2)*
4.	To approve the payment of Directors' Benefits (excluding Directors' Fees) in accordance with Section 230(1) of the Companies Act 2016 with effect from the 27th Annual General Meeting until the next Annual General Meeting of the Company. ***(Refer Explanatory Note 4)***	*(Resolution 3)*
5.	To re-appoint Messrs. KPMG PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. ***(Refer Explanatory Note 5)***	*(Resolution 4)*

6.	To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution. **FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a member who shall be entitled to attend, speak and vote at the 27th Annual General Meeting, the Company shall request Bursa Malaysia Depository Sdn Bhd (Bursa Depository) in accordance with Article 54 (iii) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 19 May 2022. Only a depositor whose name appears on the Record of Depositors as at 19 May 2022 shall be entitled to attend the said meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

By Order of the Board
FOR BINA DARULAMAN BERHAD

KHAIRULMUNA BINTI ABD GHANI
SSM PC No. 202008004025
LS 0008190
Company Secretary

Alor Setar,
Kedah Darul Aman.

27 April 2022

Notes:

Remote Participation and Electronic Voting, Proxy and/or Authorised Representative

1. The 27th AGM will be conducted as a virtual meeting with online remote voting via Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at https://tiih.online .Please follow the procedures provided in the Administrative Guide for the 27th AGM in order to register, participate and vote remotely via the RPV facilities.
2. The Broadcast Venue of the 27th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. **NO MEMBER OR PROXY FROM THE PUBLIC WILL BE PHYSICALLY PRESENT AT THE MEETING VENUE.**
3. With regards to the deposited securities, only members whose names appear in the Record of Depositors as at 19 May 2022 shall be eligible to participate in this 27th AGM.
4. A member of the Company entitled to participate in this 27th AGM is entitled to appoint up to two (2) proxies to participate in his stead. A member shall specify the shareholding proportion where two (2) proxies are appointed. A proxy need not be a member of the Company.

Notice of 27th Annual General Meeting (Continued)

5. Every member including Authorised Nominees as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA), and Exempt Authorised Nominees who hold ordinary shares in the Company for multiple beneficial owners in one securities account (Omnibus Account), is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate and vote instead of him at the AGM and that such proxy need not be a member.

6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under its common seal or under the hand of an officer or attorney duly authorised in writing.

7. The instrument appointing a proxy shall:

   i. In the case of an individual, be signed by the appointer or by his/her attorney.

   ii. In the case of a corporation, be either under its common seal or under the hand of its duly authorised attorney or officer on behalf of the corporation.

8. The form of proxy together with the power of attorney or other authority, shall be deposited at the **Company's Registered Office at Aras 9, Menara BDB, 88, Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman** or via the email address at **agm@bdb.com.my** not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof.

9. The conduct of a virtual AGM is in line with the revised Guidance Note and Frequently Asked Questions ("the Revised Guidance Note and FAQ") by the Securities Commision Malaysia on 7 April 2022. Pursuant to the SC Guidance and Section 327(2) of the Companies Act 2016, the Chairman shall be present at the main venue of the AGM to chair the AGM. Shareholders will **NOT** be physically present at the broadcast venue on the day of the AGM. However, shareholders, shall register their attendance to the 27th AGM remotely by using the Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIIH Online website at https://tiih.online.

10. Shareholders and proxies would need to register as a user via its TIIH Online website at https://tiih.online provided by Tricor first before they can request for the Remote Participant User ID and password to virtually attend, participate, speak and vote at the above Meeting, in accordance with the Administrative Guide.

11. By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate in this 27th AGM virtually and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member's personal data by the Company (or its agents): (a) for processing and administration of proxies and representatives appointed for the AGM; (b) preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (which includes any adjournments thereto); and (c) for the Company's (or its agents) compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that he or she has obtained such proxy(ies) and/or representative's(s') prior consent for the Company's (or its agents) processing of such proxy(ies) and/or representative's(s') personal data for the Purposes, and (iii) agrees that the member will indemnify the Company for any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Voting by Poll

12. Pursuant to Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 27th AGM will be put to vote on poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the online remote voting and verify the results of the poll respectively.

13. Pursuant to Article 61 of the Constitution of the Company, all resolutions set out in this Notice will be put to vote by way of poll.

Members Entitled to Attend

14. For the purpose of determining who shall be entitled to attend this meeting, the Company shall request the Bursa Malaysia Depository Sdn Bhd ("Depository") in accordance with Rules of the Depository, to issue Record of Depositors and make available to the Company pursuant to Article 54 (iii) of the Company's Constitution and Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

EXPLANATORY NOTES ON ORDINARY BUSINESSES:

AGENDA 1

1. AUDITED FINANCIAL STATEMENTS

The Audited Financial Statements for the financial year ended 31 December 2021 (FY2021) under Agenda 1 are laid before shareholders pursuant to provisions of Section 340(1)(a) of the Companies Act 2016 for discussion only and will not be put forward for voting.

AGENDA 2 – Article 88 (ii)

2. RETIREMENT BY ROTATION PURSUANT TO ARTICLE 88 (ii) OF THE COMPANY'S CONSTITUTION

Dato' Haji Abdul Rahman Bin Abdullah who retires in accordance with Article 88 (ii) of the Company's Constitution, although eligible has expressed his intention not to seek re-election. Hence, he will only retain office until the close of the 27th AGM. His profile is set out on page 25 of the Annual Report 2021.

The Annual Report 2021 is available at https://www.bdb.com.my/27th-agm/.

AGENDA 2 - RESOLUTION 1

RE-ELECTION OF DIRECTOR PURSUANT TO ARTICLE 89 OF THE COMPANY'S CONSTITUTION

Sr. Haji Che Had Bin Dhali is a Director standing for re-election in accordance with Article 89 of the Company's Constitution at the 27th Annual General Meeting of the Company. His profile is set out on page 20 of the Annual Report 2021. Sr. Haji Che Had Bin Dhali shall be eligible for re-election.

The Annual Report 2021 is available at https://www.bdb.com.my/27th-agm/.

Notice of 27th Annual General Meeting (Continued)

AGENDA 3 – RESOLUTION 2

3. DIRECTORS' FEES

Pursuant to Section 230(1) of the Companies Act 2016, any Directors' Remuneration including Directors' Fees provide amongst others, that the "fees" of the directors and "any benefits" payable to the directors of a listed company shall be approved at the AGM. In this respect, the board of directors ("Board") agreed that the shareholders' approval shall be sought at the 27th AGM on the Directors' Remuneration in two (2) separate resolutions as follows:

Resolution 2 : Payment of Directors' Fees in respect of the preceding Year 2022. Details of the proposed Directors' Fees for the FY2021 are disclosed on page 62 of the Annual Report 2021.

A. Proposed Directors' Fees FY2022

No.	Description	FY2022 (RM)
1.	Chairman	48,000
2.	Non-Executive Director ("NED")	432,000
	TOTAL	**480,000**

The proposed Resolution 2, if passed, will allow the payment of the Directors' Fees to Chairman and NED of the Company on a monthly basis.

AGENDA 4 – RESOLUTION 3

4. DIRECTORS' BENEFITS

Resolution 3 : Benefits payable to Chairman and NED (excluding Directors' Fees) for the period from 27th AGM until the next AGM of the Company (the Relevant Period) the proposed Resolution 3, if passed, will authorise the payment of Directors' Benefits of the Chairman and NED at the Relevant Period. The Benefits comprise of Allowances, Benefits in-kind and other emoluments payable to the Chairman and NED.

The Directors' Remuneration (excluding Directors' Fees) comprises of meeting allowances and other emoluments payable to Chairman and members of the Board and Board Committees are as follows:

B. Directors' Remuneration (Excluding Directors' Fees)

Description	Chairman 2022 (RM)	NEDs 2022 (RM)
a. Monthly Fixed Allowance	10,500	Not Applicable
b. Additional Allowance	10,000	Not Applicable
	Chairman of Meeting (RM)	**Member (RM)**
c. Meeting allowances per meeting:		
- Board Meeting	3,500	3,000
- Board Committee Meetings		
i. Board Audit Committee Meeting	2,500	2,000
ii. Board Nomination, Remuneration and ESOS Committee Meeting	2,500	2,000
iii. Board Risk Committee Meeting	2,500	2,000
iv. Board Procurement Committee Meeting	2,500	2,000
d. Annual General Meeting & Extraordinary General Meeting	2,500	2,000
e. Other Allowances:		
Training expenses for each director	40,000	

***Non-Executive Directors ("NED")**

AGENDA 5 – RESOLUTION 4

5. APPOINTMENT OF AUDITORS

The proposed of re-appointment of Messrs. KPMG PLT as Auditors of the Company is based on criteria prescribed under Paragraph 15.21 of the Main Market Listing Requirements.

Personal Data Privacy

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, you hereby agree and consent that any of your personal data in our possession shall be processed by us in accordance with our Personal Data Protection Notice set out in www.bdb.com.my/privacy-policy.

This serves to warrant that relevant consent has been obtained for us to process any third party's personal data provided by you in accordance with our said Personal Data Protection Notice.

Administrative Guide for 27th Annual General Meeting

Day and Date	:	Thursday, 26 May 2022
Time	:	10.00 a.m.
Virtual via online meeting platform	:	TIIH Online website at https://tiih.online
Broadcast Venue	:	Zenith Hall, Level M1, Connexion Conference & Event Centre, Bangsar South City, No. 7, Jalan Kerinchi, 59200, Kuala Lumpur.

Dear Shareholders,

As a precautionary measure amid the COVID-19 outbreak, the Company's forthcoming Annual General Meeting ("AGM") will be conducted virtual on our Online Meeting Platform, as the safety of our members, Directors, staff and other stakeholders who will attend the AGM is of paramount importance to us.

The conduct of a virtual AGM is in line with the revised Guidance Note and Frequently Asked Questions ("the Revised Guidance Note and FAQ") by the Securities Commision Malaysia on 7 April 2022.

Pursuant to the SC Guidance and Section 327(2) of the Companies Act, 2016, the Chairman shall be present at the main venue of the AGM to chair the AGM. Shareholders will **NOT** be physically present at the broadcast venue on the day of the AGM. However, shareholders, shall register their attendance to the 27th AGM remotely by using the Remote Participation and Voting ("RPV") Facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIIH Online website at https://tiih.online.

We strongly encourage you to participate in the virtual AGM via the Virtual Meeting Facilities provided to exercise your right as a member of the Company to participate (including to pose questions to the Board of Directors and/or Management of the Company) and vote at the AGM. Alternatively, you may also appoint the Chairman of the Meeting as your proxy to attend and vote on your behalf at the AGM.

Kindly ensure that you are connected to the internet at all times in order to participate and vote when our virtual AGM has commenced. Therefore, it is your responsibility to ensure that connectivity for the duration of the meeting is maintained. Kindly note that the quality of the live webcast is dependent on the bandwidth and stability of the internet connection of the participants.

REMOTE PARTICIPATION AND VOTING ("RPV") FACILITIES

Shareholders are to attend, speak (including posing questions to the Board of Directors of the Company ("Board") via real time submission of typed texts) and vote (collectively, "participate") remotely at the 27th AGM using RPV provided by Tricor via its TIIH Online website at https://tiih.online.

Administrative Guide for 27th Annual General Meeting (Continued)

PROCEDURES FOR RPV

Shareholders/proxies/corporate representatives/attorneys who wish to participate in the 27th AGM remotely using the RPV are to follow the requirements and procedures as summarised below:

Procedure		Action
BEFORE THE AGM DAY		
(a)	Register as a user with TIIH Online	• Using your computer, access the website at https://tiih.online. Register as a user under the "e-Services". Refer to the tutorial guide posted on the homepage for assistance. • Registration as a user will be approved within one (1) working day and you will be notified via e-mail. • If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
(b)	Submit your registration for RPV	• Registration is open from **10.00 a.m., Thursday, 27 April 2022 up to the day of AGM, Thursday, 26 May 2022.** • Login with your user ID and password and select the corporate event: "(REGISTRATION) BDB 27TH AGM". • Read and agree to the Terms & Conditions and confirm the Declaration. • Select "Register for Remote Participation and Voting" • Review your registration and proceed to register • System will send an e-mail to notify that your registration for remote participation is received and will be verified. • After verification of your registration against the General Meeting Record of Depositors as at 19 May 2022, the system will send you an e-mail after 24 May 2022 to approve or reject your registration for remote participation. *(Note: Please allow sufficient time for the approval of new user of TIIH Online as well as the registration for RPV in order that you can login to TIIH Online and participate in the AGM remotely).*
ON THE DAY OF THE AGM (26 MAY 2022)		
(c)	Login to TIIH Online	• Login with your user ID and password for remote participation at the 27th AGM at any time from **9.00 a.m**. i.e. 1 hour before the commencement of the AGM on **Thursday, 26 May 2022 at 10.00 a.m.**
(d)	Participate through Live Streaming	• Select the corporate event: "(LIVE STREAM MEETING) BDB 27TH AGM" to engage in the proceedings of the 27th AGM remotely. • If you have any question for the Chairperson/Board, you may use the query box to transmit your question. The Chairperson/Board will endeavor to respond to questions submitted by remote participants during the 27th AGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.

Administrative Guide for 27th Annual General Meeting (Continued)

Procedure		Action
ON THE DAY OF THE AGM (26 MAY 2022)		
(e)	Online Remote Voting	• Voting session commences from **10.00 a.m. on Thursday, 26 May 2022** until a time when the Chairperson announces the completion of the voting session of the 27th AGM. • Select the corporate event: **"(REMOTE VOTING) BDB 27TH AGM". or if you are on the live stream meeting page, you can select "GO TO REMOTE VOTING PAGE" button below the Query Box.** • Read and agree to the Terms & Conditions and confirm the Declaration. • Select the CDS account that represents your shareholdings. • Indicate your votes for the resolutions that are tabled for voting. • Confirm and submit your votes.
(f)	End of remote participation	• Upon the announcement by the Chairperson on the closure of the 27th AGM, the live streaming will end.

Note to users of the RPV facilities:

1. Should your registration for RPV be approved we will make available to you the rights to join the live streamed meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.
2. The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
3. In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting on the meeting day, kindly call Tricor Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.

APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE

Shareholders who appoint proxy(ies) to participate via RPV at the 27th AGM must ensure that the duly executed Form of Proxy are deposited in a hard copy form or by electronic means to Tricor no later than **Tuesday, 24 May 2022 at 10:00 a.m.**

The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner:

(i) **In hard copy form**

In the case of an appointment made in hard copy form, the proxy form must be deposited at the **Company's Registered Office at Aras 9, Menara BDB, 88, Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman** or via the email address at **agm@bdb.com.my.**

(ii) **By electronic form**

The proxy form can be electronically lodged via TIIH Online at https://tiih.online. Kindly refer to the Administrative Guide on the conduct for the 27th AGM on the procedures for electronic lodgement of proxy form via TIIH Online.

Administrative Guide for 27th Annual General Meeting (Continued)

Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.

Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the **Company's Registered Office at Aras 9, Menara BDB, 88, Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman** or via the email address at **agm@bdb com.my** not later than **Tuesday, 24 May 2022 at 10.00 a.m.** to participate via RPV in the 27th AGM. 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.

For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment at the **Company's Registered Office at Aras 9, Menara BDB, 88, Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman** or via the email address at **agm@bdb.com.my** not later than **Tuesday, 24 May 2022 at 10.00 a.m.** to participate via RPV in the 27th AGM. The certificate of appointment should be executed in the following manner:

If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.

(i) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:

(a) at least two (2) authorised officers, of whom one shall be a director; or

(b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

Procedure		Action
i. Steps for Individual Members		
(a)	Register as a User with Tricor's TIIH Online website	• Using your computer, please access the website at https://tiih.online. Register as a user under the "e-Services". Please do refer to the tutorial guide posted on the homepage for assistance. • If you are already a user with TIIH Online, you are not required to register again.
(b)	Proceed with submission of Form of Proxy	• After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password. • Select the corporate event: **"BDB 27TH AGM – Submission of Proxy Form".** • Read and agree to the Terms & Conditions and confirm the Declaration. • Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide your vote. • Review and confirm your proxy(ies) appointment.

Administrative Guide for 27th Annual General Meeting (Continued)

Procedure		Action
ii. Steps for Corporation or Institutional Members		
(a)	Register as an User with Tricor's TIIH Online website	• Access TIIH online at https://tiih.online. • Under e-Services, the authorised or nominated representative of the corporation or institutional member selects "Create Account by Representative of Corporate Holder". • Complete the registration form and upload the required documents. • Registration will be verified, and you will be notified by email within one (1) to two (2) working days. • Proceed to activate your account with the temporary password given in the email and re-set your own password. *(Note: The representative of a corporation or institutional member must register as a user in accordance with the above steps before he/she can subscribe to this corporate member electronic proxy.)*
(b)	Proceed with submission of Form of Proxy	• Login to Tricor's TIIH Online website at https://tiih.online. • Select the corporate event: **"BDB 27TH AGM – Submission of Proxy Form".** • Read and agree to the Terms & Conditions and confirm the Declaration. • Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxies by inserting the required data. • Proceed to upload the duly completed proxy appointment file. • Select "Submit" to complete your submission. • Print the confirmation report of your submission for your record.

GENERAL MEETING RECORD OF DEPOSITORS ("ROD")

Only a depositor whose name appears on the ROD as at 19 May 2022 shall be entitled to attend, speak and vote at the AGM or appoint proxy(ies) to attend and/or vote on his/her behalf.

POLL VOTING

The voting at the 27th AGM will be conducted by poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Shareholders can proceed to vote on the resolutions at any time from the commencement of the 27th AGM at 10.00 a.m. but before the end of the voting session, which will be announced by the Chairman of the Meeting. Kindly refer to item (e) of the above Procedures for RPV for guidance on how to vote remotely from TIIH Online website at https://tiih.online.

Upon completion of the voting session for the 27th AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

Administrative Guide for 27th Annual General Meeting (Continued)

NO RECORDING OR PHOTOGRAPHY

No recording or photography of the AGM proceedings is allowed without the prior written permission of the Company.

PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD OF DIRECTORS

Shareholders may submit questions for the Board in advance of the 27th AGM via Tricor's TIIH Online website at https://tiih.online by selecting "e-Services" to login, pose questions and submit electronically no later than **Tuesday, 24 May 2022 at 10.00 a.m.** The Board will endeavour to answer the questions received at the AGM.

ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line	:	+603-2783 9265
Fax Number	:	+603-2783 9222
Email	:	is.enquiry@my.tricorglobal.com
Contact persons	:	Ms Christine Cheng +603-2783 9265 / Email: Christine.Cheng@my.tricorglobal.com
	:	Mr Ang Wai Meng +603-2783 9265 / Email: Wai.Meng.Ang@my.tricorglobal.com
	:	Ms Wong Pang Yi +603-2783 9265 / Email: Pang.Yi.Wong@my.tricorglobal.com

Personal Data Privacy

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, you hereby agree and consent that any of your personal data in our possession shall be processed by us in accordance with our Personal Data Protection Notice set out in https://www.bdb.com.my/bdbpolicies/.

This serve to warrant that relevant consent has been obtained for us to process any third party's personal data provided by you in accordance our said Personal Data Protection Notice.

Financial Statements for the year ended 31 December 2021

Directors' Report for the year ended 31 December 2021

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 December 2021.

Principal Activities

The principal activities of the Company are investment holding, provision of management services, oil palm plantation and property development whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements.

There has been no significant change in the nature of these activities during the financial year other than as disclosed in Note 5 to the financial statements.

Ultimate Holding Company

The Company is a subsidiary of Perbadanan Kemajuan Negeri Kedah, a statutory body formed in Malaysia and regarded by the Directors as the Company's ultimate holding company, during the financial year and until the date of this report.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

Results

	Group RM'000	Company RM'000
Profit for the year attributable to :		
Owners of the Company	**5,387**	**4,438**
Non-controlling interests	**(21)**	**-**
	5,366	**4,438**

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

Dividend

Since the end of previous financial year, the amount of dividend paid by the Company in respect of the financial year ended 31 December 2020 was an interim dividend of RM0.0075 per ordinary share totalling RM2,272,662 declared on 1 March 2021 and paid on 30 March 2021.

The Directors do not recommend any other dividend to be paid for the financial year ended 31 December 2021.

Directors' Report for the year ended 31 December 2021 (Continued)

Directors of the Company

Directors who served during the financial year until the date of this report are:

Tuan Sr Haji Che Had bin Dhali	(Appointed on 1 February 2022)
Dato' Zakiah binti Kasim	
Dato' Haji Syed Yussof bin Syed Othman	
YB Senator Ir. Ts. Haji Khairil Nizam bin Khirudin	
Tuan Mohamad Ibrahim bin Ghazali	
Dato' Haji Abdul Rahman bin Abdullah	
Tuan Haji Muhamad Sobri bin Osman	
Dato' Mohamed Sharil bin Mohamed Tarmizi	(Resigned on 1 November 2021)
Datuk Seri Asri bin Hamidin @ Hamidon	(Resigned on 1 November 2021)

Directors of the subsidiaries

Directors of the subsidiaries who served during the financial year until the date of this report are as follows :

Dato' Haji Abdul Rahman bin Abdullah	
Dato' Syed Yussof bin Syed Othman	
Dato' Armishah bin Siraj	
Noran Zamini bin Jamaluddin	
Mohd Sobri bin Hussein	
Mohd Iskandar Dzulkarnain bin Ramli	
Tahir bin Md Zin	
Khairulmuna binti Abd Ghani	
Alsyukri bin Hamzah	(Appointed on 11 August 2021)
Faris Najhan bin Hashim	(Resigned on 3 February 2022)

Directors' Interest In Shares

None of the Directors holding office at 31 December 2021 had any interest in the ordinary shares of the Company and of its related companies during the financial year.

Directors' Benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those fees and other benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related company 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.

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

Issue Of Shares And Debentures

There were no changes in the issued and paid-up capital of the Company and no debentures were issued during the financial year.

Options Granted Over Unissued Shares

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

Indemnity And Insurance Costs

During the financial year, the total amount of insurance effected for the Directors and officers of the Group and the Company were RM115,000.

There was no indemnity given to Directors, officers or auditors of the Group and of the Company during the financial year.

Other Statutory Information

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

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have 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:

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

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

iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

Directors' Report for the year ended 31 December 2021 (Continued)

Other Statutory Information (continued)

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

In the opinion of the Directors, the financial performances of the Group and of the Company for the year ended 31 December 2021 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

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

The auditors' remuneration is disclosed in Note 22 to the financial statements.

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

…….

Tuan Sr. Haji Che Had bin Dhali

Director

…….

Tuan Mohamad Ibrahim bin Ghazali

Director

Alor Setar,

Date : 22 April 2022

Consolidated Statement of Financial Position as at 31 December 2021

	Note	2021 RM'000	2020 RM'000
Assets			
Property, plant and equipment	3	72,278	89,916
Investment properties	4	97,007	55,949
Investment in an associate	6	3,932	-
Investment in joint venture	7	-	-
Inventories	8	319,237	336,419
Other investments	9	135	135
Deferred tax assets	10	718	584
Trade receivables	12	19,773	-
Total non-current assets		513,080	483,003
Inventories	8	23,343	57,625
Contract assets	11.1	30,994	42,852
Contract costs	11.2	1,868	1,558
Trade and other receivables	12	68,355	76,080
Current tax assets		179	29
Other investments	9	2,305	3,315
Deposits with licensed banks	13	16,199	14,553
Cash and bank balances	14	59,998	55,293
		203,241	251,305
Assets classified as held for sale	15	-	-
Total current assets		203,241	251,305
Total assets		716,321	734,308
Equity			
Share capital	16	331,020	331,020
Retained earnings		140,755	137,641
Equity attributable to owners of the Company		471,775	468,661
Non-controlling interest		(23)	(22)
Total equity		471,752	468,639
Liabilities			
Lease liabilities		21,227	-
Loans and borrowings	17	24,817	35,059
Total non-current liabilities		46,044	35,059
Trade and other payables	18	117,689	137,583
Contract liabilities	11.1	678	3,653
Loans and borrowings	17	80,158	89,374
Total current liabilities		198,525	230,610
Total liabilities		244,569	265,669
Total equity and liabilities		716,321	734,308

The notes on pages 128 to 207 are an integral part of these financial statements.

Consolidated Statement of Profit or Loss and other Comprehensive Income for the year ended 31 December 2021

	Note	2021 RM'000	2020 RM'000
Revenue	19	207,729	219,585
Cost of sales	20	(172,945)	(175,967)
Gross profit		34,784	43,618
Distribution expenses		(1,958)	(1,659)
Administrative expenses		(28,512)	(29,026)
Other operating income		10,082	4,695
Net loss on impairment of financial instruments and contract assets	22	(702)	(998)
Other operating expenses		(608)	(717)
Results from operating activities		13,086	15,913
Finance costs	21	(5,316)	(7,379)
Profit before tax	22	7,770	8,534
Income tax	25	(2,404)	(3,264)
Profit representing total comprehensive income for the year representing		5,366	5,270
Profit/(Loss) for the year attributable to :			
Owners of the Company		5,387	5,292
Non-controlling interests		(21)	(22)
Profit representing total comprehensive income for the year		5,366	5,270
Earnings per ordinary share (sen)	26	1.77	1.74

The notes on pages 128 to 207 are an integral part of these financial statements.

Consolidated Statement of Changes in Equity for the year ended 31 December 2021

	Attributable to owners of the Company				
	Share capital RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2020	331,020	132,349	463,369	-	463,369
Profit for the year representing total comprehensive income for the year	-	5,292	5,292	(22)	5,270
At 31 December 2020/ 1 January 2021	331,020	137,641	468,661	(22)	468,639
Profit for the year representing total comprehensive income for the year	-	5,387	5,387	(21)	5,366
Total transactions with owners of the Company					
- Dividend to owners of the Company (Note 27)	-	(2,273)	(2,273)	-	(2,273)
- Changes in ownership interests in a subsidiary	-	-	-	20	20
At 31 December 2021	331,020	140,755	471,775	(23)	471,752
	Note 16				

The notes on pages 128 to 207 are an integral part of these financial statements.

Consolidated Statement of Cash Flows for the year ended 31 December 2021

	Note	2021 RM'000	2020 RM'000
Cash flows from operating activities			
Profit before tax		7,770	8,534
Adjustments for :			
Depreciation of property, plant and equipment	3	6,984	8,337
Property, plant and equipment written off	22	-	4
Gain on disposal of property, plant and equipment	22	(12)	(494)
Interest income	22	(546)	(879)
Interest expense		5,316	7,379
Impairment loss on property, plant and equipment	22	-	148
Change in fair value of investment properties	22	(4,852)	-
Unrealised profit on investment in an associate	6	2,017	-
Operating profit before working capital changes		16,677	23,029
Changes in working capital :			
Contract assets		11,858	(25,656)
Trade and other receivables		(12,048)	3,992
Inventories		51,464	23,819
Trade and other payables		(19,894)	(2,374)
Contract liabilities		(2,975)	(6,538)
Contract costs		(310)	(1,326)
Cash generated from operations		44,772	14,946
Interest paid		(5,316)	(7,379)
Tax paid		(2,688)	(1,428)
Net cash from operating activities		36,768	6,139
Cash flows from investing activities			
Investment in an associate		(5,949)	-
Disposal of share to non-controlling interest		20	-
Purchase of property, plant and equipment	3.1	(2,488)	(1,085)
Proceeds from disposal of property, plant and equipment		58	495
Proceeds from disposal of other investments		1,010	-
Purchase of other investments		-	(662)
Interest income received		546	879
Net cash used in investing activities		(6,803)	(373)

The notes on pages 128 to 207 are an integral part of these financial statements.

Consolidated Statement of Cash Flows for the year ended 31 December 2021 (Continued)

	Note	2021 RM'000	2020 RM'000
Cash flows from financing activities			
Repayment of loans	B	(12,374)	(12,587)
Movements of other borrowings, net	B	(503)	(69)
Repayment of hire purchase	B	(3,140)	(2,065)
Withdrawal of pledged deposits		600	1,354
Dividend paid	27	(2,273)	-
Net cash used in financing activities		(17,690)	(13,229)
Net increase in cash and cash equivalents		12,275	7,463
Cash and cash equivalents at beginning of year		46,041	53,504
Cash and cash equivalents at end of year	A	58,316	46,041

Notes

A. Cash and cash equivalents

	2021 RM'000	2020 RM'000
Cash and bank balances	59,998	55,293
Deposits placed with licensed banks	16,199	14,553
Less : Deposits pledged	(8,029)	(8,629)
Bank overdrafts	(9,852)	(15,176)
	58,316	46,041

The notes on pages 128 to 207 are an integral part of these financial statements.

Consolidated Statement of Cash Flows for the year ended 31 December 2021 (Continued)

Notes (continued)

B. Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1 January 2020 RM'000	Acquisition of new hire purchase RM'000	Net changes from financing cash flows RM'000	At 31 December 2020/ 1 January 2021 RM'000	Acquisition of new hire purchase/ lease RM'000	Net changes from financing cash flows RM'000	At 31 December 2021 RM'000
Term loans	72,495	-	(12,587)	59,908	-	(12,374)	47,534
Hire purchase liabilities	3,415	4,358	(2,065)	5,708	1,883	(3,140)	4,451
Revolving credits	42,000	-	(3,000)	39,000	-	(1,700)	37,300
Banker acceptances	1,572	-	3,069	4,641	-	1,197	5,838
Lease liabilities	-	-	-	-	21,227	-	21,227
Total loans and borrowings	119,482	4,358	(14,583)	109,257	23,110	(16,017)	116,350

The notes on pages 128 to 207 are an integral part of these financial statements.

Statement of Financial Position as at 31 December 2021

	Note	2021 RM'000	2020 RM'000
Assets			
Property, plant and equipment	3	12,818	12,785
Investment properties	4	11,539	16,356
Interests in subsidiaries	5	115,494	107,014
Inventories	8	217,602	217,602
Total non-current assets		357,453	353,757
Inventories	8	394	394
Trade and other receivables	12	11,959	13,601
Current tax assets		18	35
Other investments	9	2,305	3,315
Cash and bank balances	14	2,298	3,765
Total current assets		16,974	21,110
Total assets		374,427	374,867
Equity			
Share capital	16	331,020	331,020
Retained earnings		6,160	3,995
Total equity		337,180	335,015
Liabilities			
Deferred tax liability	10	257	739
Loans and borrowings	17	22,000	25,018
Total non-current liabilities		22,257	25,757
Loans and borrowings	17	5,518	4,554
Trade and other payables	18	9,472	9,541
Total current liabilities		14,990	14,095
Total liabilities		37,247	39,852
Total equity and liabilities		374,427	374,867

The notes on pages 128 to 207 are an integral part of these financial statements.

Statement of Profit or Loss and other Comprehensive Income for the year ended 31 December 2021

	Note	2021 RM'000	2020 RM'000
Revenue	19	25,529	16,546
Cost of sales	20	(599)	(2,264)
Gross profit		24,930	14,282
Distribution expenses		(555)	(502)
Administrative expenses		(13,794)	(11,995)
Other operating income		2,289	3,127
Net loss on impairment of financial instruments and contract assets	22	(704)	(1,352)
Other operating expenses		(7,071)	(7,316)
Results from operating activities		5,095	(3,756)
Finance costs	21	(1,139)	(1,386)
Profit/(Loss) before tax	22	3,956	(5,142)
Income tax	25	482	-
Profit/(Loss) representing total comprehensive income/(expense) for the year		4,438	(5,142)

The notes on pages 128 to 207 are an integral part of these financial statements.

Statement of Changes in Equity for the year ended 31 December 2021

	Share capital RM'000	Retained earnings RM'000	Total equity RM'000
At 1 January 2020	331,020	9,137	340,157
Loss for the year representing total comprehensive expense for the year	-	(5,142)	(5,142)
At 31 December 2020/1 January 2021	331,020	3,995	335,015
Profit for the year representing total comprehensive income for the year	-	4,438	4,438
Distributions to owners of the Company			
- Dividend to owners of the Company (Note 27)	-	(2,273)	(2,273)
At 31 December 2021	331,020	6,160	337,180
	Note 16		

The notes on pages 128 to 207 are an integral part of these financial statements.

Statement of Cash Flows for the year ended 31 December 2021

	Note	2021 RM'000	2020 RM'000
Cash flows from operating activities			
Profit/(Loss) before tax		3,956	(5,142)
Adjustments for :			
Depreciation of property, plant and equipment	3	732	863
Dividend income	22	(12,000)	(10,000)
Interest income	22	(1,468)	(1,858)
Interest expense		1,139	1,386
Impairment loss on investment in subsidiaries	22	-	2,044
Impairment loss on advances to subsidiaries	22	2,254	5,272
Change in fair value of investment property	22	4,817	-
Operating loss before working capital changes		(570)	(7,435)
Changes in working capital :			
Inventories		-	1,661
Trade and other receivables		(8,358)	1,576
Trade and other payables		(69)	2,116
Cash used in operations		(8,997)	(2,082)
Interest paid		(1,139)	(1,386)
Tax refund/(paid)		17	(14)
Dividend received		22,000	-
Net cash from/(used in) operating activities		11,881	(3,482)
Cash flows from investing activities			
Purchase of property, plant and equipment	3.1	(765)	(131)
Proceeds from disposal of other investments		1,010	-
Purchase of other investments		-	(662)
Interest income received		1,468	1,858
(Advances to)/Refund from subsidiaries		(10,734)	1,009
Net cash (used in)/from investing activities		(9,021)	2,074
Cash flows from financing activities			
Dividend paid to owners of the Company	27	(2,273)	-
Repayment of SUKUK	A	-	(30,000)
(Repayment)/Drawdown of term loan	A	(2,000)	29,500
Repayment of hire purchase liabilities	A	(54)	(58)
Net cash used in financing activities		(4,327)	(558)
Net decrease in cash and bank balances		(1,467)	(1,966)
Cash and bank balances at beginning of year		3,765	5,731
Cash and bank balances at end of year	14	2,298	3,765

The notes on pages 128 to 207 are an integral part of these financial statements.

Statement of Cash Flows for the year ended 31 December 2021 (Continued)

Note

A. Changes in liabilities arising from financing activities are as follows :

	At 1 January 2020 RM'000	Net changes from financing cash flow RM'000	At 31 December 2020/1 January 2021 RM'000	Net changes from financing cash flow RM'000	At 31 December 2021 RM'000
SUKUK	30,000	(30,000)	-	-	-
Term loan	-	29,500	29,500	(2,000)	27,500
Hire purchase liabilities	130	(58)	72	(54)	18
Total loan and borrowings	30,130	(558)	29,572	(2,054)	27,518

The notes on pages 128 to 207 are an integral part of these financial statements.

Notes to the Financial Statements

Bina Darulaman Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of the principal place of business and registered office of the Company is as follows:

Aras 9, Menara BDB
No. 88, Lebuhraya Darulaman
05100 Alor Setar
Kedah Darul Aman

The consolidated financial statements of the Company as at and for the year ended 31 December 2021 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in an associate and joint venture. The financial statements of the Company as at and for the year ended 31 December 2021 do not include other entities.

The principal activities of the Company are investment holding, provision of management services, oil palm plantation and property development whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements.

The ultimate holding company is Perbadanan Kemajuan Negeri Kedah, a statutory body formed in Malaysia.

These financial statements were approved by the Board of Directors on 22 April 2022.

1. Basis of preparation

(a) Statement of compliance

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

The following are accounting standards, interpretations and amendments that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company :

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 April 2021

- *Amendment to MFRS 16, Leases - Covid-19-Related Rent Concessions beyond 30 June 2021*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- *Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)*
- *Amendments to MFRS 3, Business Combinations - Reference to the Conceptual Framework*
- *Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)*

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

- *Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018-2020)*
- *Amendments to MFRS 116, Property, Plant and Equipment - Proceeds before Intended Use*
- *Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract*
- *Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018-2020)*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- *MFRS 17, Insurance Contracts*
- *Amendments to MFRS 17, Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- *Amendments to MFRS 101, Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- *Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*
- *Amendments to MFRS 112, Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- *Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments, where applicable, in the respective financial years when the abovementioned accounting standards, interpretations and amendments become effective.

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company.

Notes to the Financial Statements (Continued)

1. Basis of preparation (continued)

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2 to the financial statements.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs and IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes :

- Note 4.4 Fair value of investment properties
- Note 19.2 Recognition of property development revenue and expenses

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has *de facto* power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(i) Subsidiaries (continued)

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus• the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Acquisitions of non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a financial asset depending on the level of influence retained.

Notes to the Financial Statements (Continued)

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(v) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Investment in an associate is measured in the Company's statement of financial position at cost less any impairment losses unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

(vi) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns.

Joint arrangements are classified and accounted for as follows :

- A joint arrangement is classified as "joint operation" when the Group has rights to the assets and obligations for the liabilities relating to an arrangement. The Group accounts for each of its share of the assets, liabilities and transactions, including its share of those held or incurred jointly with the other investors, in relation to the joint operation.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(vi) Joint arrangements (continued)

- A joint arrangement is classified as "joint venture" when the Group has rights only to the net assets of the arrangements. The Group accounts for its interest in the joint venture using the equity method. Investments in joint venture are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(vii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(viii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associate are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Financial instruments

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

Notes to the Financial Statements (Continued)

2. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(a) Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see note 2(k)(i)) where the effective interest rate is applied to the amortised cost.

(b) Fair value through profit or loss

All financial assets not measured at amortised cost as described above are measured at fair value through profit or loss. On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss are subject to impairment assessment (see Note 2(k)(i)).

2. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

Financial liabilities

The categories of financial liabilities at initial recognition are as follows:

Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) Financial guarantee contracts

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

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

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

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

(iv) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Notes to the Financial Statements (Continued)

2. Significant accounting policies (continued)

(b) Financial instruments (continued)

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" or "other expenses" respectively in profit or loss.

(ii) Subsequent costs

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

(iii) Depreciation

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

2. Significant accounting policies (continued)

(c) Property, plant and equipment (continued)

(iii) Depreciation (continued)

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land and golf course are not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows :

Leasehold land	80 years
Office buildings, club house, chalets and other buildings	10 - 50 years
Estate development expenditure	10 years
Plant and machinery and site equipment	5 - 10 years
Furniture and fittings, electrical installations and office equipment	4 - 5 years
Renovation	5 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period, and adjusted as appropriate.

(d) Leases

(i) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

Notes to the Financial Statements (Continued)

2. Significant accounting policies (continued)

(d) Leases (continued)

(i) Definition of a lease (continued)

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Recognition and initial measurement

(a) As a lessee

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2. Significant accounting policies (continued)

(d) Leases (continued)

(ii) Recognition and initial measurement (continued)

(b) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Group applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

(iii) Subsequent measurement

(a) As a lessee

The right-of-use asset is subsequently 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. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) As a lessor

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "other revenue".

Notes to the Financial Statements (Continued)

2. Significant accounting policies (continued)

(e) Investment properties

(i) Investment properties carried at fair value

Investment properties are properties which are owned or right-of-use asset held under a lease contract to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties which are owned are measured initially at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. Right-of-use asset held under a lease contract that meets the definition of investment property is initially measured similarly as other right-of-use assets.

Subsequently, investment properties are measured at fair value with any changes therein recognised in profit or loss for the period in which they arise. Where the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

The fair value of investment properties held by the Group as a right-of-use asset reflects the expected cash flows. Accordingly, where valuation obtained for a property is net of all payments expected to be made, the Group added back any recognised lease liability to arrive at the carrying amount of the investment property using the fair value model.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

(ii) Reclassification to/from investment properties

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventories, its fair value at the date of reclassification becomes its cost for subsequent accounting.

2. Significant accounting policies (continued)

(f) Inventories

Inventories are stated at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Land held for property development

Land held for property development consists of land or such portions thereof on which no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

(ii) Property development costs

Property development costs comprise costs associated with the acquisition of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities, including interest expense incurred during the period of active development.

(iii) Others

The cost of building materials and consumables is determined using the weighted average method and comprises the cost of purchase of the inventories.

The cost of completed properties is determined on the specific identification basis and comprises cost associated with the acquisition of land, direct building costs and other related development costs..

(g) Non-current asset held for sale

Non-current assets comprising assets and liabilities that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale.

Immediately before classification as held for sale, the assets are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less costs of disposal.

Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Property, plant and equipment once classified as held for sale are not amortised or depreciated.

Notes to the Financial Statements (Continued)

2. Significant accounting policies (continued)

(h) Contract asset/Contract liability

A contract asset is recognised when the Group's or the Company's right to consideration is conditional on something other than the passage of time. In the case of property development, contract asset is the excess of cumulative revenue earned over the billings to date. A contract asset is subject to impairment in accordance to MFRS 9, Financial Instruments (see Note 2 (k)(i)). Contract asset is stated at cost less any accumulated impairment.

A contract liability is stated at cost and represents the obligation of the Group or the Company to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers. In the case of property development, contract liability is the excess of the billings to date over the cumulative revenue earned. Contract liability includes down payments received from customers and other deferred income where the Group and the Company have billed or collected the payment before the goods are delivered or services are provided to the customers.

(i) Contract cost

(i) Incremental cost of obtaining a contract

The Group or the Company recognises incremental costs of obtaining contracts when the Group or the Company expects to recover these costs.

(ii) Costs to fulfill a contract

The Group or the Company recognises a contract cost that relate directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group or the Company, will be used in satisfying performance obligations in the future and it is expected to be recovered.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in the profit or loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contracts cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments including the accounts maintained pursuant to the Housing Development (Housing Development Account) Regulations 1991 (as amended by Housing Development (Housing Development Account) (Amendment) Regulations 2015)). For the purpose of the statement of cash flows, cash and cash equivalents are presented net of pledged deposits and bank overdrafts, if any.

2. Significant accounting policies (continued)

(k) Impairment

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost and contract assets. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balance for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, 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 the financial asset have occurred.

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

Notes to the Financial Statements (Continued)

2. Significant accounting policies (continued)

(k) Impairment (continued)

(ii) Other assets

The carrying amounts of other assets (except for inventories, contract assets deferred tax assets and investment properties measured at fair value) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes.

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

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amount of the other assets in the cash-generating unit (group of cash-generating units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(l) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

2. Significant accounting policies (continued)

(l) Equity instruments (continued)

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(m) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(o) Revenue and other income

(i) Revenue

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group or the Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

Notes to the Financial Statements (Continued)

2. Significant accounting policies (continued)

(o) Revenue and other income (continued)

(i) Revenue (continued)

The Group or the Company transfers control of a good or service at a point in time unless one of the following over time criteria is met:

(a) the customer simultaneously receives and consumes the benefits provided as the Group or the Company performs;

(b) the Group's or the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

(c) the Group's or the Company's performance does not create an asset with an alternative use and the Group or the Company has an enforceable right to payment for performance completed to date.

Nature of goods and services

The following is a description of the principal activities, separated by reportable segments from which the Group generates its revenue. For more detailed information about reportable segments, see Note 31.

Property development and construction segments

Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation measured based on the Group's efforts or inputs to the satisfaction of the performance obligation e.g. by reference to the property development costs incurred up to the end of the financial reporting period as a percentage of total estimated costs for complete satisfaction of the contract.

If the contract with customer contains more than one distinct performance obligation, the amount of consideration is allocated to each distinct performance obligation based on the relative stand-alone selling price of the goods or services promised in the contract.

In respect of a completed development property where the Group has no enforceable right to payment until the control of the property is transferred to the customer, revenue is recognised at a point in time when the control is transferred to the customer. Revenue is measured at the transaction price agreed under the contract.

Road building and quarry segments

Revenue from road building is recognised over time using the cost incurred method.

Revenue from sand quarry and premix aggregate are recognised at the point in time. Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, net of returns and allowances, trade discounts and volume rebates.

2. Significant accounting policies (continued)

(o) Revenue and other income (continued)

(i) Revenue (continued)

Leisure and hospitality segment

The income from water theme park entrance fees, rental of rooms, subscription and green fees, rental of golfing facilities and other related income are recognised at the point in time.

Oil palm fresh fruit brunches

Revenue is recognised at the point in time. Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, net of returns and allowances, trade discounts and volume rebates.

(ii) Rental income

Rental income is recognised on a straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis. Rental income from sub-leased property is recognised as other income.

(iii) Dividend income

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

(iv) Management fees

Management fees are recognised when services are rendered.

(v) Interest income and profit from Islamic deposit

Interest income is recognised as it accrues, using the effective interest method in profit or loss.

(vi) Government grants

Government grants that compensate the Group for expenses incurred are recognised in profit or loss as other operating income on a systematic basis in the same periods in which the expenses are recognised.

(p) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

Notes to the Financial Statements (Continued)

2. Significant accounting policies (continued)

(p) Borrowing costs (continued)

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(q) Income tax

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

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

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 2(e), 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 with the objective to consume substantially all of 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. Deferred tax assets and liabilities are not discounted.

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

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

2. Significant accounting policies (continued)

(r) Earnings per ordinary share

The Group presents basic earnings per share ("EPS") data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held, if any.

(s) Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly by the chief operating decision maker, which in this case is the Chief Executive Officer/ Chief Corporate Officer of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(t) Contingent liabilities

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

(u) Fair value measurement

Fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3. Property, plant and equipment

	* Land, buildings and estate development expenditure RM'000	Plant and machinery and site equipment RM'000	# Others RM'000	Motor vehicles RM'000	Construction work-in-progress RM'000	Total RM'000
Group						
Cost						
At 1 January 2020	87,199	62,821	20,368	12,540	2,245	185,173
Additions	450	2,309	252	2,246	186	5,443
Disposals	-	(830)	(18)	(1,051)	-	(1,899)
Written off	-	-	(56)	-	-	(56)
Transfer from investment properties (Note 4)	5,338	-	-	-	-	5,338
At 31 December 2020/1 January 2021	92,987	64,300	20,546	13,735	2,431	193,999
Additions	218	2,439	751	963	-	4,371
Disposals	-	-	(331)	-	-	(331)
Transfer to investment properties (Note 4)	(23,539)	(1,086)	(413)	-	-	(25,038)
Reclassification	2,431	-	-	-	(2,431)	-
At 31 December 2021	72,097	65,653	20,553	14,698	-	173,001

3. Property, plant and equipment (continued)

	* Land, buildings and estate development expenditure RM'000	Plant and machinery and site equipment RM'000	# Others RM'000	Motor vehicles RM'000	Construction work-in-progress RM'000	Total RM'000
Group						
Accumulated depreciation and impairment loss						
At January 2020						
Accumulated depreciation	17,797	46,544	15,445	11,052	-	90,838
Accumulated impairment loss	6,237	-	473	-	-	6,710
	24,034	46,544	15,918	11,052	-	97,548
Depreciation charge for the year	1,593	3,564	1,947	1,233	-	8,337
Disposals	-	(830)	(17)	(1,051)	-	(1,898)
Impairment loss	148	-	-	-	-	148
Written off	-	-	(52)	-	-	(52)
At 31 December 2020/1 January 2021						
Accumulated depreciation	19,390	49,278	17,323	11,234	-	97,225
Accumulated impairment loss	6,385	-	473	-	-	6,858
	25,775	49,278	17,796	11,234	-	104,083

3. Property, plant and equipment (continued)

	* Land, buildings and estate development expenditure RM'000	Plant and machinery and site equipment RM'000	# Others RM'000	Motor vehicles RM'000	Construction work-in-progress RM'000	Total RM'000
Accumulated depreciation and impairment loss (continued)						
Depreciation charge for the year	1,296	3,063	1,539	1,086	-	6,984
Disposals	-	-	(285)	-	-	(285)
Transfer to investment properties (Note 4)	(8,764)	(927)	(368)	-	-	(10,059)
At 31 December 2021						
Accumulated depreciation	18,307	51,414	18,209	12,320	-	100,250
Accumulated impairment loss	-	-	473	-	-	473
	18,307	51,414	18,682	12,320	-	100,723
Carrying amounts						
At 1 January 2020	63,165	16,277	4,450	1,488	2,245	87,625
At 31 December 2020/1 January 2021	67,212	15,022	2,750	2,501	2,431	89,916
At 31 December 2021	53,790	14,239	1,871	2,378	-	72,278

Others comprise furniture and fittings, electrical installations and office equipment as well as renovation.

3. Property, plant and equipment (continued)

* Land, buildings and estate development expenditure for the Group :

	Freehold land RM'000	Leasehold land RM'000	Office building RM'000	Golf course RM'000	Club house, chalets and other buildings RM'000	Estate development expenditure RM'000	Total RM'000
Group							
Cost							
At 1 January 2020	9,595	6,316	29,582	9,606	31,239	861	87,199
Additions	-	-	-	-	450	-	450
Transfer from investment properties (Note 4)	5,338	-	-	-	-	-	5,338
At 31 December 2020/ 1 January 2021	14,933	6,316	29,582	9,606	31,689	861	92,987
Additions	-	-	-	-	218	-	218
Transfer to investment properties (Note 4)	(7,900)	-	(15,639)	-	-	-	(23,531)
Reclassification	-	-	2,431	-	-	-	2,431
At 31 December 2021	7,033	6,316	16,374	9,606	31,907	861	72,097

3. Property, plant and equipment (continued)

* Land, buildings and estate development expenditure for the Group (continued):

	Freehold land RM'000	Leasehold land RM'000	Office building RM'000	Golf course RM'000	Club house, chalets and other buildings RM'000	Estate development expenditure RM'000	Total RM'000
Accumulated depreciation and impairment loss							
At 1 January 2020	-	1,370	6,233	-	9,333	861	17,797
Accumulated depreciation	-	-	6,237	-	-	-	6,237
	-	1,370	12,470	-	9,333	861	24,034
Depreciation charge for the year	-	79	733	-	781	-	1,593
Impairment loss	-	-	148	-	-	-	148
At 31 December 2020/1 January 2021							
Accumulated depreciation	-	1,449	6,966	-	10,114	861	19,390
Accumulated impairment loss	-	-	6,385	-	-	-	6,385
	-	1,449	13,351	-	10,114	861	25,775
Depreciation charge for the year	-	79	523	-	694	-	1,296
Transfer to investment properties (Note 4)	-	-	(8,764)	-	-	-	(8,764)
At 31 December 2021							
Accumulated depreciation	-	1,528	5,110	-	10,808	861	18,307
Accumulated impairment loss	-	-	-	-	-	-	-
	-	1,528	5,110	-	10,808	861	18,307

3. Property, plant and equipment (continued)

* Land, buildings and estate development expenditure for the Group (continued):

	Freehold land RM'000	Leasehold land RM'000	Office building RM'000	Golf course RM'000	Club house, chalets and other buildings RM'000	Estate development expenditure RM'000	Total RM'000
Group							
Carrying amounts							
At 1 January 2020	9,595	4,946	17,112	9,606	21,906	-	63,165
At 31 December 2020/ 1 January 2021	14,933	4,867	16,231	9,606	21,575	-	67,212
At 31 December 2021	7,033	4,788	11,264	9,606	21,099	-	53,790

	Leasehold land RM'000	Office building RM'000	Estate development expenditure RM'000	Plant and machinery RM'000	# Others RM'000	Motor vehicles RM'000	Total RM'000
Company							
Cost							
At 1 January 2020	6,000	11,458	861	3,408	5,355	644	27,726
Additions	-	-	-	-	131	-	131
Disposals	-	-	-	-	(15)	-	(15)
Written off	-	-	-	-	(18)	-	(18)
At 31 December 2020/ 1 January 2021	6,000	11,458	861	3,408	5,453	644	27,824
Additions	-	-	-	-	473	292	765
Disposals	-	-	-	-	(2)	-	(2)
At 31 December 2021	6,000	11,458	861	3,408	5,924	936	28,587

3. Property, plant and equipment (continued)

	Leasehold land RM'000	Office building RM'000	Estate development expenditure RM'000	Plant and machinery RM'000	# Others RM'000	Motor vehicles RM'000	Total RM'000
Company							
Accumulated depreciation							
At 1 January 2020	1,312	3,667	861	3,350	4,515	504	14,209
Depreciation charge for the year	75	229	-	6	485	68	863
Disposals	-	-	-	-	(15)	-	(15)
Written off	-	-	-	-	(18)	-	(18)
At 31 December 2020/ 1 January 2021	1,387	3,896	861	3,356	4,967	572	15,039
Depreciation charge for the year	75	229	-	6	329	93	732
Disposals	-	-	-	-	(2)	-	(2)
At 31 December 2021	1,462	4,125	861	3,362	5,294	665	15,769
Carrying amounts							
At 1 January 2020	4,688	7,791	-	58	840	140	13,517
At 31 December 2020/ 1 January 2021	4,613	7,562	-	52	486	72	12,785
At 31 December 2021	4,538	7,333	-	46	630	271	12,818

Others comprise furniture and fittings, electrical installations and office equipment as well as renovation.

3. Property, plant and equipment (continued)

3.1 Assets under hire purchase

During the financial year, the Group and the Company acquired property, plant and equipment by the following means :

	2021 RM'000	2020 RM'000
Group		
Hire purchase	1,883	4,358
Cash and cash equivalents	2,488	1,085
	4,371	5,443
Company		
Cash and cash equivalents	765	131

Included in the carrying amount of property, plant and equipment are the following assets acquired under hire purchase arrangement:

	2021 RM'000	2020 RM'000
Group		
Plant and machinery	1,791	9,726
Motor vehicles	593	256
	2,384	9,982
Company		
Motor vehicles	18	71

Notes to the Financial Statements (Continued)

4. Investment properties

	Freehold land RM'000	Leasehold land RM'000	Building RM'000	Total RM'000
Group				
At fair value				
1 January 2020	33,042	17,775	10,470	61,287
Transfer to property, plant and equipment (Note 3)	(5,338)	-	-	(5,338)
At 31 December 2020/ 1 January 2021	27,704	17,775	10,470	55,949
Additions	-	21,227	-	21,227
Transfer from property, plant and equipment (Note 3)	7,900	-	7,079	14,979
Change in fair value recognised in profit or loss	552	-	4,300	4,852
At 31 December 2021	36,156	39,002	21,849	97,007
				Serviced apartment RM'000
Company				
At 1 January 2020/ 31 December 2020				16,356
Change in fair value recognised in profit or loss				(4,817)
At 31 December 2021				11,539

During the year, the Group has entered into an agreement with Langkawi Development Authority (LADA) to develop a plot of land in phases into an Integrated Development. The lease period is 30 years with an extension option stipulated in the agreement.

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. The Group considers all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rates of the leases. The Group first determines the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

Notes to the Financial Statements (Continued)

4. Investment properties (continued)

4.1 The following are recognised in profit or loss :

	2021 RM'000	2020 RM'000
Group		
Rental income	731	500
Direct operating expenses :		
- income generating investment property	18	16
- non-income generating investment property	1,248	1,974
Company		
Rental income	20	120
Direct operating expenses : - income generating investment property	12	12

4.2 Security

The carrying amount of the freehold land and leasehold land of RM20,725,000 (2020: RM27,704,000) and RM17,775,000 (2020 : RM17,775,000) respectively are pledged as security for borrowing (Note 17.1).

4.3 Operating lease payments receivable

The operating lease payments to be received are as follows:

	2021 RM'000	2020 RM'000
Group		
Less than one year	1,667	608
One to two years	1,323	646
Two to three years	1,113	327
Three to four years	1,079	299
Four to five years	754	299
More than five years	4,136	4,435
Total undiscounted lease payments	10,072	6,614

4.4 Fair value information

Investment property of the Group comprises undeveloped land located at Langkawi, Fantasia water theme park, Axis commercial hub and petrol station. Investment property of the Company comprises serviced apartment. The fair value of the properties is classified as level 3 where there have been no recent transactions of similar properties at or near reporting date.

Notes to the Financial Statements (Continued)

4. Investment properties (continued)

4.4 Fair value information (continued)

Level 3 fair value is estimated using unobservable inputs for the investment properties. 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 are disclosed in the following paragraphs.

Fair value is determined by the independent external valuer using the comparable approach with relevant adjustments being made to key attributes such as the timing of the transaction, land size and shape, accessibility of the location, zoning, tenure and etc.

The most significant input into this valuation approach is price per square foot which would increase/(decrease) the estimated fair value if the price per square foot is higher/(lower). The Group's and the Company's investment properties are currently valued at their highest and best use.

5. Interests in subsidiaries - Company

	Note	2021 RM'000	2020 RM'000
Unquoted shares, at cost		77,805	77,825
Impairment loss		(15,485)	(15,485)
		62,320	62,340
Amount due from subsidiaries	5.1	60,700	49,946
Impairment loss		(7,526)	(5,272)
		53,174	44,674
		115,494	107,014

5.1 Amount due from subsidiaries

The amount due from subsidiaries is regarded as net interests in subsidiaries. These amounts are unsecured, interest-free and with no fixed terms of repayment.

Notes to the Financial Statements (Continued)

5. Investment in subsidiaries - Company (continued)

5.2 The details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest and voting interest 2021 %	2020 %
BDB Land Sdn. Bhd.*	Malaysia	Property development, investment holding and project management services	100	100
BDB Synergy Sdn. Bhd.	Malaysia	Building and general contractor	100	100
BDB Infra Sdn. Bhd.	Malaysia	Granite quarry operator and civil engineering contractor	100	100
Kedah Holdings Sdn. Bhd.*	Malaysia	Property development and property investment	100	100
BDBMBI Langkawi Ventures Sdn. Bhd.*	Malaysia	Granite quarry operator and construction material supplier	80	100
Aman Lagenda Sdn. Bhd.*	Malaysia	Property investment	100	100
BDB Leisure Sdn. Bhd.*	Malaysia	Water theme park operator	100	100
BDB Construction Sdn. Bhd.	Malaysia	Trading building material	100	100
BDB Hotels Sdn. Bhd.*	Malaysia	Dormant	100	100
BDB I Holdings Berhad*#	Malaysia	Dormant	100	100
Subsidiary of BDB Land Sdn. Bhd.				
BDB Darulaman Golf Resort Berhad*	Malaysia	Golf resort owner and operator	99	99

* *The Company has provided financial support to these subsidiaries.*

\# *A wholly-owned subsidiary of which 2 ordinary shares are held in trust by one of the Directors of the subsidiary.*

The Group does not have any material non-controlling interests during the year.

6. Investment in an associate - Group

	2021 RM'000	2020 RM'000
Unquoted shares, at cost	5,949	-
Share of post-acquisition reserves	(2,017)	-
	3,932	-

Notes to the Financial Statements (Continued)

6. Investment in an associate - Group (continued)

Details of the associate is as follows:

Name of entity	Country of incorporation	Nature of the relationship	Effective ownership interest and voting interest	
			2021	2020
BDB Setia Sdn. Bhd.	Malaysia	Investment property	30%	-

The following table summarises the information of the Group's material associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate.

	2021 RM'000
Summarised financial information	
As at 31 December	
Non-current assets	19,831
Year ended 31 December	
Revenue	-
Profit and total comprehensive income for the year	-
Reconciliation of net assets to carrying amount as at 31 December	
Group's share of net assets	5,949
Elimination of unrealised profits	(2,017)
Carrying amount in the statement of financial position	3,932

7. Investment in joint venture - Group

	2021 RM'000	2020 RM'000
Investment in shares	- ^	-

^ Represents RM2

BDB Lagenda Sdn. Bhd. ("BDB Lagenda") is the only joint arrangement in which the Group participates, and is principally engaged in the property development.

BDB Lagenda Sdn. Bhd. is structured as a separate vehicle and provides the Group rights to the net assets of the entity. The Group has classified the investment in BDB Lagenda as a joint venture.

7. Investment in joint venture - Group (continued)

	2021 RM'000	2020 RM'000
Percentage of ownership interest	50%	-
Percentage of voting interest	50%	-

BDB Lagenda is not considered to be individually material to the Group. As at 31 December 2021, there was no share of profit/loss of the joint venture being recognised.

8. Inventories

	Note	2021 RM'000	2020 RM'000
Group			
Non-current			
Land held for property development	8.1	319,237	336,419
Current			
At cost :			
Properties held for sale	8.3	9,597	17,311
Consumables and spares		1,998	1,779
Building materials		3,978	4,622
		15,573	23,712
Property development costs	8.2	7,770	33,913
		23,343	57,625
Company			
Non-current			
Land held for property development	8.1	217,602	217,602
Current			
At cost :			
Properties held for sale		394	394

8.1 Land held for property development

	Freehold land RM'000	Leasehold land RM'000	Total RM'000
Group			
At 1 January 2020	272,748	54,165	326,913
Additions	4,841	-	4,841
Transfer to property development costs (Note 8.2)	(5,677)	-	(5,677)
Transfer from assets held for sale (Note 15)	10,342	-	10,342
At 31 December 2020/1 January 2021	282,254	54,165	336,419

Notes to the Financial Statements (Continued)

8.1 Land held for property development (continued)

	Freehold land RM'000	Leasehold land RM'000	Total RM'000
Additions	7,236	-	7,236
Transfer to property development costs (Note 8.2)	(37)	-	(37)
Disposal of land	(24,381)	-	(24,381)
At 31 December 2021	265,072	54,165	319,237
Company			
At 1 January 2020/31 December 2020	165,352	52,250	217,602
At 1 January 2021/31 December 2021	165,352	52,250	217,602

8.1.1 Other outgoing costs

Included in land held for property development of the Group and of the Company are amounts of RM85,653,000 (2020 : RM90,802,000) and RM11,076,000 (2020 : RM11,076,000) respectively representing other outgoing cost incurred.

8.1.2 Security

Freehold land of the Group with carrying amount of RM15,331,165 (2020: RM23,676,677) are pledged as security for borrowings (Note 17.1).

8.1.3 Profit sharing arrangement

Included in land held for property development is an amount of RM385,000 (2020: RM385,000) representing freehold land and development expenditure incurred for a profit sharing project.

The profit sharing arrangement is with the ultimate holding company whereby the Group acquired a piece of land from the ultimate holding company for mixed development purposes. The profits, if any, from the profit sharing project is to be shared at the following proportion by both parties and are payable on percentage of completion basis.

	2021	2020
The Group	80%	80%
Ultimate holding company	20%	20%

Losses, if any, from the profit sharing project will be borne by the Group.

Contingent liabilities from the profit sharing arrangement may arise due to the possible obligation on profit sharing from the land held for development.

8.2 Property development costs - Group

	2021 RM'000	2020 RM'000
At 1 January		
Land	9,450	7,117
Development costs	24,463	23,928
	33,913	31,045

Notes to the Financial Statements (Continued)

8. Inventories (continued)

8.2 Property development costs - Group (continued)

	2021 RM'000	2020 RM'000
Add:		
Development costs incurred during the year	16,649	43,467
Transfer from land held for property development (Note 8.1)	37	5,677
	16,686	49,144
Less :		
Transferred to properties held for sale	(14,051)	(4)
Cost transferred to cost to fulfil contract (Note 11.2)	(17,992)	(46,272)
Disposal of land	(10,786)	-
	(42,829)	(46,276)
At 31 December *	7,770	33,913
* This amount comprises :		
Freehold land	4,475	9,450
Development costs	3,295	24,463
	7,770	33,913

8.2.1 Security

The freehold land with carrying amount of RM8,085 (2020 : RM7,075,369) are pledged as security for borrowings (Note 17.1).

8.3 Properties held for sale

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM21,765,000 (2020 : RM14,806,000).

9. Other investments

	2021 RM'000	2020 RM'000
Financial assets at fair value through profit or loss		
Group		
Non-current		
- Equity fund	135	135
Current		
- Money market funds	2,305	3,315
Company		
Current		
- Money market funds	2,305	3,315

10. Deferred tax assets/(liabilities)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following :

	Assets		Liabilities		Net	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Group						
Property, plant and equipment						
- capital allowances	-	-	(284)	(573)	(284)	(573)
Other temporary differences	1,510	1,610	-	-	1,510	1,610
Real Property Gain Tax (RPGT) on changes in fair value of investment properties	-	-	(508)	(453)	(508)	(453)
Tax assets/(liabilities)	1,510	1,610	(792)	(1,026)	718	584
Set-off of tax	(792)	(1,026)	792	1,026	-	-
	718	584	-	-	718	584
Company						
RPGT on changes in fair value of investment properties	-	-	(360)	(842)	(360)	(842)
Other temporary differences	103	103	-	-	103	103
	103	103	(360)	(842)	(257)	(739)

Deferred tax assets and liabilities are offset when there are legally enforceable rights to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

10. Deferred tax assets/(liabilities) (continued)

Recognised deferred tax assets and liabilities (continued)

Movements in temporary differences during the year are as follows :

	At 1 January 2020 RM'000	Charged to profit or loss (Note 25) RM'000	At 31 December 2020/ 1 January 2021 RM'000	Charged to profit or loss (Note 25) RM'000	At 31 December 2021 RM'000
Group					
Property, plant and equipment-capital allowances	(1,166)	593	(573)	289	(284)
Other temporary differences	1,112	498	1,610	(100)	1,510
RPGT on changes in fair value of investment properties	(453)	-	(453)	(55)	(508)
	(507)	1,091	584	134	718
Company					
RPGT on changes in fair value of investment property	(842)	-	(842)	482	(360)
Other temporary differences	103	-	103	-	103
	(739)	-	(739)	482	(257)

Unrecognised deferred tax assets

No deferred tax assets have been recognised for the following items (stated at gross) :

	2021 RM'000	2020 RM'000
Group		
Unutilised tax losses	48,953	48,257
Unabsorbed capital allowances	33,402	32,982
Other temporary differences	4,087	5,729
	86,442	86,968
Company		
Unutilised tax losses	26,297	25,031
Unabsorbed capital allowances	4,520	4,100
Other temporary differences	271	1,816
	31,088	30,947

Notes to the Financial Statements (Continued)

10. Deferred tax assets/(liabilities) (continued)

Unrecognised deferred tax assets (continued)

The unutilised tax losses will expire under the current tax legislation of Malaysia. The expiry of the various unutilised tax losses as shown below :

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Unutilised tax losses				
- Expire in YA2028 (2020 : YA2025)	31,970	33,985	17,978	17,978
- Expire in YA2029 (2020 : YA2026)	8,330	8,330	3,746	3,746
- Expire in YA2030 (2020 : YA2027)	5,942	5,942	3,307	3,307
- Expire in YA2031	2,711	-	1,266	-
	48,953	48,257	26,297	25,031

Based on the Finance Bill 2021, unutilised tax losses shall be deductible against statutory income for a maximum period of ten consecutive years of assessment immediately following that year of assessment. The unabsorbed capital allowances do not expire under current tax legislation.

Deferred tax assets have not been recognised in respect of these items as it is not probable that future taxable profits will be available against which the Group and the Company can utilise the benefits therefrom.

The comparative figures have been restated to reflect the revised tax losses carryforward, capital allowances carry-forward and other temporary differences available to the Group and the Company.

11. Contract with customers - Group

11.1 Contract assets/(liabilities)

	2021 RM'000	2020 RM'000
Contract assets	30,994	42,852
Contract liabilities	(678)	(3,653)

11. Contract with customers - Group (continued)

11.1 Contract assets/(liabilities) *(continued)*

Significant changes to contract assets and contract liabilities balances during the period are as follows :

	2021 RM'000	2020 RM'000
Opening balance	39,199	7,005
Revenue recognised during the financial year	73,465	89,689
Progress billings raised during the financial year	(82,348)	(57,495)
Closing balance	30,316	39,199
Represented by :		
Contract assets	30,994	42,852
Contract liabilities	(678)	(3,653)
	30,316	39,199

The contract assets primarily relate to the Group's rights to consideration for work performed but not yet billed at the reporting date for its property development and construction activities. The contract assets will be transferred to trade receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from a customer for construction contract, which revenue is recognised over time during the property development and constructions activities.

11.2 Contracts costs

	2021 RM'000	2020 RM'000
Cost to fulfill a contract	1,605	1,037
Cost to obtain a contract	263	521
	1,868	1,558

Movements in contract costs during the financial year are as follows :

	2021 RM'000	2020 RM'000
Opening balance	1,558	232
Additions	-	1,342
Transfer from property development costs (Note 8.2)	17,992	46,272
Costs charged to profit or loss	(17,682)	(46,288)
Closing balance	1,868	1,558

Notes to the Financial Statements (Continued)

12. Trade and other receivables

	Note	2021 RM'000	2020 RM'000
Group			
Non-current			
Trade			
Third parties	12.1	19,773	-
Current			
Trade			
Third parties		66,716	74,852
Less : Alowance for impairment		(3,731)	(3,235)
		62,985	71,617
Non-trade			
Other receivables		1,807	1,159
Less : Allowance for impairment		(464)	(464)
		1,343	695
Amount due from ultimate holding company	12.2	12	12
Prepayments		1,376	1,169
Refundable deposits		2,639	2,587
		5,370	4,463
		68,355	76,080
Company			
Trade			
Third parties		70	51
Non-trade			
Amount due from subsidiaries	12.3	21,623	12,555
Less : Allowance for impairment		(10,031)	(9,327)
		11,592	3,228
Prepayment		7	64
Refundable deposits		269	243
Other receivables		21	15
Dividend receivable		-	10,000
		11,889	13,550
		11,959	13,601

12.1 Non-current trade receivables

The non-current trade receivables are based on repayment term extended to customers and are not expected to be recoverable within the next 12 months.

12.2 Amounts due from ultimate holding company

The non-trade amount due from ultimate holding company is unsecured, interest-free and repayable on demand.

12.3 Amount due from subsidiaries

The non-trade amount due from subsidiaries is unsecured, interest-free and repayable on demand.

Notes to the Financial Statements (Continued)

13. Deposits with licensed banks - Group

	2021 RM'000	2020 RM'000
Aged more than 3 months	9,911	9,161
Aged within 3 months	6,288	5,392
	16,199	14,553

Deposits placed with the licensed banks which are government-related entities amounted to RM15,002,000 (2020: RM12,090,000).

Deposits of the Group amounted to RM8,029,000 (2020: RM8,629,000) are pledged for bankers' acceptances facilities granted to the Group (Note 17.1).

14. Cash and bank balances

Included in cash and bank balances of the Group are amounts of RM18,366,000 (2020: RM15,936,000), where the utilisation is subject to the Housing Development (Housing Development Account) Regulations 1991.

Cash and bank balances of the Group and of the Company that were placed in banks which are government-related entities amounted to RM43,995,000 (2020: RM39,157,000) and RM2,283,000 (2020: RM3,758,000) respectively.

15. Non-current assets classified as held for sale - Group

The details of the non-current assets held for sale are as follows :

	2021 RM'000	2020 RM'000
At 1 January	-	21,632
Transfer to Inventories - land held for property development (Note 8.1)	-	(10,342)
Disposal	-	(11,290)
At 31 December	-	-

The carrying value of the land held for property development is the same as its carrying value before it was being reclassified to current asset.

16. Share capital

	2021		2020	
	Amount RM'000	Number of shares RM'000	Amount RM'000	Number of shares RM'000
Issued and fully paid ordinary shares with no par value classified as equity instruments	331,020	303,855	331,020	303,855

Notes to the Financial Statements (Continued)

16. Share capital (continued)

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

17. Loans and borrowings

	Note	2021 RM'000	2020 RM'000
Group			
Current			
Secured :			
Term loan 1	17.1	11,763	11,412
Term loan 2	17.1	515	1,970
Term loan 3	17.1	4,623	5,010
Term loan 4	17.1	5,500	4,500
Term loan 5	17.1	3,133	5,438
Bankers' acceptances	17.1	5,838	4,641
Unsecured :			
Bank overdrafts		9,852	15,176
Revolving credit	17.1	37,300	39,000
Hire purchase liabilities	17.2	1,634	2,227
		80,158	89,374
Non-current			
Secured :			
Term loans :			
Term loan 1	17.1	-	6,224
Term loan 2	17.1	-	354
Term loan 4	17.1	22,000	25,000
Hire purchase liabilities	17.2	2,817	3,481
		24,817	35,059
		104,975	124,433
Company			
Current			
Term loan 4	17.1	5,500	4,500
Hire purchase liabilities	17.2	18	54
		5,518	4,554
Non-current			
Term loan 4	17.1	22,000	25,000
Hire purchase liabilities	17.2	-	18
		22,000	25,018
		27,518	29,572

17. Loans and borrowings (continued)

17.1 Security

Term loan 1

Term loan 1 relates to Murabahah Term Financing-i up to RM25.6 million by Affin Islamic Bank Berhad to finance 80% of the purchase price of 2 parcels of industrial land located at Langkawi and is secured by way of :

(a) first legal charge over the land as disclosed in Note 4.2; and

(b) corporate guarantee by the Company of RM25.6 million.

Term loan 2

Term loan 2 relates to Musharakah Mutanaqisah Term Financing-i up to RM9.85 million by Affin Islamic Bank Berhad to finance 80% of the purchase price of 2 parcels of land located at Kubang Pasu and Kuala Kangsar and is secured by way of:

(a) first legal charge over the land held for development as disclosed in Notes 8.1.2 and 8.2.1; and

(b) corporate guarantee by the Company of RM9.85 million.

Term loan 3

Term loan 3 relates to facility from Maybank Islamic Bank Berhad to finance the construction cost and development expenditures and is secured by way of:

(a) first legal charge over the land held for development as disclosed in Notes 8.1.2 and 8.2.1; and

(b) corporate guarantee by the Company of RM280 million.

Term loan 4

Term loan 4 relates to facility from Maybank Islamic Bank Berhad and subscribed by Maybank Global Market amounting to RM30 million. Term loan 4 is secured by way of:

(a) first legal charge over agriculture land located at Langkawi and Kulim; and

(b) third party charge over agriculture land located at Jitra.

Term loan 5

Term loan 5 relates to facility from Small Medium Development Bank Malaysia Berhad to part finance mixed development expenditures at Pokok Sena amounting to RM18 million. Term loan 5 is secured by way of :

(a) third party first legal charge over the property at Kulim;

(b) first party second legal charge over land held for development as disclosed in Note 8.1.2; and

(c) Corporate guarantee by the Company of RM5 million.

Notes to the Financial Statements (Continued)

17. Loans and borrowings (continued)

17.1 Security *(continued)*

Bankers' acceptances

Bankers' acceptances which bear interest rate at 3.25 % (2020: 3.30 %) per annum were related to facility from OCBC Al-Amin Bank Berhad for working capital purposes and was secured by cash deposits (Note 13) and a corporate guarantee from the Company.

Revolving credit

Revolving credit which bears interest rate at 4.71% (2020: 4.80%) per annum relates to facility from Affin Islamic Bank Berhad and Bank Islam Malaysia Berhad for working capital purpose.

17.2 Hire purchase liabilities

Hire purchase liabilities are payable as follows:

	Future minimum lease payments 2021 RM'000	Interest 2021 RM'000	Present value of minimum lease payments 2021 RM'000
Group			
Less than one year	1,839	205	1,634
Between one and five years	3,012	195	2,817
	4,851	400	4,451
Company			
Less than one year	20	2	18

	Future minimum lease payments 2020 RM'000	Interest 2020 RM'000	Present value of minimum lease payments 2020 RM'000
Group			
Less than one year	2,491	264	2,227
Between one and five years	3,765	284	3,481
	6,256	548	5,708
Company			
Less than one year	62	8	54
Between one and five years	20	2	18
	82	10	72

18. Trade and other payables

	Note	2021 RM'000	2020 RM'000
Group			
Trade			
Trade payables		78,138	97,370
Amount due to ultimate holding company	18.1	1,094	1,298
		79,232	98,668
Non-trade			
Other payables and accruals		32,357	30,153
Refundable deposits		1,643	1,200
Amount due to ultimate holding company	18.1	4,100	7,206
Amount due to related companies	18.2	357	356
		38,457	38,915
		117,689	137,583
Company			
Non-trade			
Other payables and accruals		2,131	2,661
Refundable deposits		253	280
Amount due to ultimate holding company	18.1	4,100	4,127
Amount due to subsidiaries	18.2	2,988	2,473
		9,472	9,541

18.1 Amount due to ultimate holding company - Group/Company

The trade amount due to ultimate holding company is unsecured and subject to normal trade term.

The non-trade amount due to ultimate holding company is unsecured, interest-free and payable on demand.

18.2 Amount due to related companies and subsidiaries - Group/Company

The non-trade amounts due to related companies and subsidiaries are unsecured, interest-free and payable on demand.

Notes to the Financial Statements (Continued)

19. Revenue

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue from contract customers				
Over time				
- Sales of development properties	20,763	58,700	-	-
- Revenue from construction contracts	18,664	30,989	-	-
	39,427	89,689	-	-
At a point in time				
- Sales of completed properties and land	75,265	40,574	-	2,030
- Revenue from sand quarry, road paving and premix aggregate	87,897	84,021	-	-
- Revenue from water theme park, golf resort and hotel operations	2,572	3,455	-	-
- Sales of oil palm fresh fruit bunches	1,164	887	1,164	883
	166,898	128,937	1,164	2,913
	206,325	218,626	1,164	2,913
Other revenue				
Management fees from subsidiaries	-	-	12,365	3,633
Dividend income from subsidiaries	-	-	12,000	10,000
Others	1,404	959	-	-
	1,404	959	24,365	13,633
	207,729	219,585	25,529	16,546

19. Revenue (continued)

19.1 Transaction price allocated to the remaining performance obligations

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date. The disclosure is only providing information for contracts that have a duration of more than one year.

	2022 RM'000	2023 RM'000	2024 RM'000	Total RM'000
Group				
2021				
Sales of development properties and land	27,472	4,958	-	32,430
Revenue from sand, quarry, road paving and premix aggregate	71,052	7,895	-	78,947
Revenue from construction contracts	131,589	154,246	158,531	444,366
	230,113	167,099	158,531	555,743

	2021 RM'000	2022 RM'000	2023 RM'000	Total RM'000
Group				
2020				
Sales of development properties and land	15,824	3,923	-	19,747
Revenue from road paving	70,000	70,000	11,516	151,516
Revenue from construction contracts	20,586	6,793	-	27,379
	106,410	80,716	11,516	198,642

The above revenue does not include variable consideration other than rebates given to customers.

The Group applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

Notes to the Financial Statements (Continued)

19. Revenue (continued)

19.2 Significant judgements and assumptions arising from revenue recognition

The Group applied the following judgements and assumptions that significantly affect the determination of the amount and timing of revenue recognised from contracts with customers:

- The Group recognised property development revenue and expenses in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date compared to the estimated total property development costs.

  Significant judgement is required in determining the stage of completion, 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. In making the judgement, the Group evaluates based on past experience and by relying on the work of architects and quantitative surveyors.

19. Revenue (continued)

19.3 Revenue

Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognised revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Sales of development properties	*Revenue is recognised over time as costs are incurred. These contracts would meet the no alternative use and the Group have rights to payment for work performed.*	*Credit period of 30 days from invoice date.*	*Not applicable.*	*Not applicable.*	*Defect liability period of 2 years is given to the customer.*
Sales of completed properties and land	*Revenue is recognised when the goods are delivered and accepted by the customers.*	*Credit period of 90 days from invoice date.*	*Not applicable.*	*Not applicable.*	*Defect liability period of 0.5 years is given to the customer.*
Revenue form sand quarry, and premix aggregate	*Revenue is recognised when the goods are delivered and accepted by the customers.*	*Credit period of 60 days from invoice date.*	*Not applicable.*	*Not applicable.*	*Not applicable.*
Revenue from road paving and construction contracts	*Revenue is recognised over time using the cost incurred method.*	*Based on agreed milestones, certified by architects.*	*Not applicable.*	*Not applicable.*	*Defect liability period of 1 years is given to the customer.*
Revenue from water theme park, golf resort and hotel operations	*Revenue is recognised at point in time when the goods and services are rendered.*	*Credit period of 30 days from invoice date.*	*Not applicable.*	*Not applicable.*	*Not applicable.*
Revenue of oil palm fresh fruit bunches	*Revenue is recognised at point in time when the goods and services are rendered.*	*Credit period of 30 days from invoice date.*	*Not applicable.*	*Not applicable.*	*Not applicable.*

Notes to the Financial Statements (Continued)

20. Costs of sales

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Cost of development properties and land sold	78,475	74,230	-	1,661
Sand quarry, road paving and premix aggregate costs	74,522	72,503	-	-
Construction contract costs	14,566	22,727	-	-
Cost of water theme park, golf resort and hotel operations	4,313	5,856	-	-
Cost of oil palm fresh fruit bunches sold	599	605	599	603
Others	470	46	-	-
	172,945	175,967	599	2,264

21. Finance costs

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Interest expenses of financial liabilities that are not at fair value through profit or loss	5,316	7,379	1,139	1,386

22. Profit/(Loss) before tax

Profit/(Loss) before tax is arrived at :

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
After charging :				
Auditors' remuneration :				
- Statutory audit	363	348	140	135
- Prior year	-	(2)	-	-
Non-audit fees				
- KPMG PLT	83	83	8	8
- affiliate of KPMG PLT	101	101	31	31
Depreciation of property, plant and equipment	6,984	8,337	732	863

Notes to the Financial Statements (Continued)

22. Profit before tax (continued)

Profit before tax is arrived at : (continued)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
After charging (continued):				
Property, plant and equipment written off	-	4	-	-
Expenses relating to short-term leases	175	220	106	108
Expenses relating to leases of low-valued assets	239	43	38	43
Impairment loss on :				
- Investment in subsidiaries	-	-	-	2,044
- Advances to subsidiaries	-	-	2,254	5,272
- Property, plant and equipment	-	148	-	-
Bad debts written off	94	-	-	-
Fair value loss on investment properties	-	-	4,817	-
Royalties and tributes	1,338	1,358	-	-
and after crediting :				
Fair value gain on investment properties	4,852	-	-	-
Rental income	566	959	787	1,241
Gain on disposal of property, plant and equipment	12	494	-	-
Interest income				
- Other investments	2	228	2	228
- Subsidiaries	-	-	1,466	1,630
- Others	544	651	-	-
Dividend income from subsidiaries	-	-	12,000	10,000
Government grants*	802	1,807	-	-
Net loss on impairment of financial instruments and contract assets				
Financial assets at amortised cost				
- Trade receivables	702	998	-	-
- Subsidiaries	-	-	704	1,352
	702	998	704	1,352

* The Group received government grants as wages subsidies to retain local employees during the approved period of economic uncertainty brought about by the Coronavirus (COVID-19) outbreaks.

Notes to the Financial Statements (Continued)

23. Employee benefits

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Personnel expense (including key management personnel)				
Wages and salaries	19,680	22,906	6,864	5,451
Social security costs	277	342	74	56
Contributions to Employees' Provident Fund	2,686	3,076	1,037	706
Other benefits	1,441	1,552	645	521
	24,084	27,876	8,620	6,734

24. Key management personnel compensation

The key management personnel compensation are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Current Non-Executive Directors :				
Fees	328	216	288	194
Other emoluments	572	447	551	447
	900	663	839	641
Past Non-Executive Directors :				
Fees	80	130	80	89
Other emoluments	241	190	241	190
	321	320	321	279
Total Directors' emoluments	1,221	983	1,160	920
Estimated monetary value of benefits-in-kind	66	66	66	66
Total Directors' emoluments including benefits-in-kind	1,287	1,049	1,226	986
Other key management personnel:				
Salaries and other emoluments	3,740	2,141	3,217	1,709
	5,027	3,190	4,443	2,695

25. Income tax

Recognised in profit or loss

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Tax expense	2,404	3,264	(482)	-

Major components of income tax expense include :

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Income tax expense				
- Current year	2,184	3,428	-	-
- Under provision in prior years	354	927	-	-
	2,538	4,355	-	-
Deferred tax expense				
- Origination and reversal of temporary differences	12	(296)	(482)	-
- Over provision in prior years	(146)	(795)	-	-
	(134)	(1,091)	(482)	-
Total tax expense	2,404	3,264	(482)	-

Reconciliation of tax expense

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Profit/(Loss) before tax	7,770	8,534	3,956	(5,142)
Tax calculated using Malaysian tax rate at 24%	1,865	2,048	949	(1,234)
Non-deductible expenses	402	1,782	1,897	2,607
Non-taxable income	-	-	(2,880)	(2,400)
Effect of deferred tax assets (recognised)/ not recognised	(126)	(698)	34	1,027
Fair value adjustment on investment properties	55	-	(482)	-
Under provision in prior years	208	132	-	-
Income tax expense recognised in profit or loss	2,404	3,264	(482)	-

Notes to the Financial Statements (Continued)

26. Earnings per ordinary share - Group

The calculation of basic earnings per ordinary share at 31 December was based on the profit attributable to ordinary shareholders and number of ordinary shares in issue during the year, calculated as follows :

	2021	2020
Profit for the year attributable to owners (RM'000)	5,387	5,292
Number of ordinary shares at 31 December ('000)	303,855	303,855
Basic earnings per ordinary share (sen)	1.77	1.74

27. Dividend - Group/Company

Dividends recognised in the current year by the Company are :

	2021 RM'000	2020 RM'000
In respect of financial year ended 31 December 2020		
- an interim dividend of RM0.0075 per ordinary share paid on 30 March 2021	2,273	-

28. Related party transactions

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

The Group has related party relationship with its significant investors, subsidiaries of the Company and significant investors, government related entities, Directors and key management personnel.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel includes all the Directors of the Group, and certain members of senior management of the Group.

(a) In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties were transacted based on negotiated terms during the financial year :

28. Related party transactions (continued)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Subsidiaries:				
Rental income	-	-	786	282
Management fees	-	-	12,365	3,633
Rendering of services	-	-	7,416	3,514
Interest income	-	-	1,466	1,630
Rental expenses	-	-	-	24
Ultimate holding company :				
Rental of quarry land	100	100	-	-
Tributes charged	1,338	589	-	-
Profit sharing on the sale of a development land	-	3,079	-	-
Related party - subsidiaries of ultimate holding company :				
Insurance payable	2,142	1,469	237	229
Property management fee payable	1	41	1	41
Sales of fresh fruit bunches	1,164	847	1,164	842
Estate agency fee payable	30	62	30	62
Rental income	92	92	92	92
Government- related financial institutions:				
Interest income	327	665	2	227
Interest expenses	5,022	6,794	1,189	1,386
State Government- related entities:				
Quit rent and assessment	531	1,024	129	115
Water expenses	42	184	9	7
Progress billing	72,569	53,937		-
Royalties payable	729	695	-	-

Notes to the Financial Statements (Continued)

28. Related party transactions (continued)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Federal Government- related entities:				
Sewerage expenses	245	88	7	9
Electricity expenses	1,246	1,864	105	125
Progress billing	16,501	5,839	-	-

(b) Transaction with Directors and key management personnel

There were no transactions with the Directors and key management personnel other than the remuneration package paid to them in accordance with the terms and conditions of their appointment as disclosed in Note 24.

29. Financial instruments

29.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(a) Amortised cost ("AC"); and

(b) Fair value through profit or loss ("FVTPL").

	Carrying amount RM'000	AC RM'000	FVTPL RM'000
2021			
Financial assets			
Group			
Other investments	2,440	-	2,440
Trade and other receivables (excluding prepayments)	86,752	86,752	-
Deposits with licensed banks	16,199	16,199	
Cash and bank balances	59,998	59,998	-
	165,389	162,949	2,440

29. Financial instruments (continued)

29.1 Categories of financial instruments (continued)

	Carrying amount RM'000	AC RM'000	FVTPL RM'000
2021			
Financial assets			
Company			
Other investments	2,305	-	2,305
Trade and other receivables (excluding prepayments)	11,952	11,952	-
Cash and bank balances	2,298	2,298	-
	16,555	14,250	2,305

	Carrying amount RM'000	AC RM'000
2021		
Financial liabilities		
Group		
Loans and borrowings	(104,975)	(104,975)
Trade and other payables	(117,689)	(117,689)
	(222,664)	(222,664)
Company		
Loans and borrowings	(27,518)	(27,518)
Trade and other payables	(9,472)	(9,472)
	(36,990)	(36,990)

	Carrying amount RM'000	AC RM'000	FVTPL RM'000
2020			
Financial assets			
Group			
Other investments	3,450	-	3,450
Trade and other receivables (excluding prepayments)	74,911	74,911	-
Deposits with licensed banks	14,553	14,553	-
Cash and bank balances	55,293	55,293	-
	148,207	144,757	3,450
Company			
Other investments	3,315	-	3,315
Trade and other receivables (excluding prepayments)	13,537	13,537	-
Cash and bank balances	3,765	3,765	-
	20,617	17,302	3,315

Notes to the Financial Statements (Continued)

29. Financial instruments (continued)

29.1 Categories of financial instruments (continued)

	Carrying amount RM'000	AC RM'000
2020		
Financial liabilities		
Group		
Loans and borrowings	(124,433)	(124,433)
Trade and other payables	(137,583)	(137,583)
	(262,016)	(262,016)
Company		
Loans and borrowings	(29,572)	(29,572)
Trade and other payables	(9,541)	(9,541)
	(39,113)	(39,113)

29.2 Net gains and losses arising from financial instruments :

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Net gains/(losses) arising on :				
- Fair value through profit or loss	2	228	2	228
- Financial assets at amortised cost	(158)	(347)	762	278
- Financial liabilities measured at amortised cost	(5,316)	(7,379)	(1,139)	(1,386)
	(5,472)	(7,498)	(375)	(880)

29.3 Financial risk management

The Group has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk

29. Financial instruments (continued)

29.4 Credit risk

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

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

At each reporting date, the Group or the Company assesses whether any of the trade receivables and contract assets are credit impaired.

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

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

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

At the reporting date, approximately 58% (2020 : 57%) of the Group's trade receivables were due from a group of customers which are past due but not impaired.

Other than the above the Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

The disclosure of the credit risk exposure for trade receivables as at the end of the reporting period by geographic region is not disclosed as the Group's and the Company's business is operated solely in Malaysia.

Notes to the Financial Statements (Continued)

29. Financial instruments (continued)

29.4 Credit risk (continued)

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. Cash and cash equivalents and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances.

The Group uses an allowance matrix to measure ECLs of trade receivables for all segments except for construction, road paving and property development segments. Consistent with the debt recovery process, invoices which are past due 90 days will be considered as credit impaired.

For construction contracts and road paving, as there are only a few customers, the Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable. All of these customers have low risk of default.

The Group does not have any significant credit risk from its property development activities as its products are predominantly sold to a large number of property purchasers with end financing facilities from reputable financiers. In addition, the credit risk is limited as the ownership and rights to the properties revert to the Group in the event of default, and the products do not suffer from physical, technological nor fashion obsolescence.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

	2021			2020		
	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
Group						
Current (not past due)	63,449	-	63,449	72,047	-	72,047
1 - 30 days past due	11,387	-	11,387	25,324	-	25,324
31 - 60 days past due	2,196	-	2,196	7,079	-	7,079
61 - 90 days past due	2,896	-	2,896	4,426	-	4,426
	79,928	-	79,928	108,876	-	108,876

29. Financial instruments (continued)

29.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

	2021			2020		
	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
Group						
Credit impaired						
More than 90 days past due	33,824	-	33,824	5,593	-	5,593
Individually impaired	3,731	(3,731)	-	3,235	(3,235)	-
	117,483	(3,731)	113,752	117,704	(3,235)	114,469
Trade receivables	86,489	(3,731)	82,758	74,852	(3,235)	71,617
Contract assets	30,994	-	30,994	42,852	-	42,852
	117,483	(3,731)	113,752	117,704	(3,235)	114,469
Company						
Current (not past due)	70	-	70	51	-	51

The movement in the allowance for impairment losses in respect of trade receivables during the year is as follows:

	Group RM'000
Trade receivable credit impaired	
Balance at 1 January 2020	3,691
Amount written off	(1,454)
Net remeasurement of loss allowance	998
Balance at 31 December 2020/1 January 2021	3,235
Amount written off	(206)
Net remeasurement of loss allowance	702
Balance at 31 December 2021	3,731

Notes to the Financial Statements (Continued)

29. Financial instruments (continued)

29.4 Credit risk (continued)

Inter company balances

Recognition and measurement of impairment loss

Generally, the Company considers loans and advances to subsidiaries to be with low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when:

- The subsidiary is unlikely to repay its loan or advance to the Company in full;
- The subsidiary's loan or advance is overdue for more than 365 days; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these loans and advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' loans and advances.

	Gross carrying amount RM'000	Loss allowances RM'000	Net balance RM'000
Company			
2021			
Low credit risk	64,766	-	64,766
Credit impaired	17,557	(17,557)	-
	82,323	(17,557)	64,766
2020			
Low credit risk	47,902	-	47,902
Credit impaired	14,599	(14,599)	-
	62,501	(14,599)	47,902

29. Financial instruments (continued)

29.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

The movements in the allowance for impairment losses of inter-company loans and advances during the financial year were :

	2021 RM'000	2020 RM'000
Balance at 1 January	14,599	7,975
Impairment loss recognised	2,958	6,624
Balance at 31 December	17,557	14,599

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM73.0 million (2020: RM89.2 million) representing the outstanding banking facilities to certain subsidiaries as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

29.5 Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash, cash convertible investments and committed credit lines to meet its working requirements.

29. Financial instruments (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rates/ discount rates per annum %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2021							
Group							
Non-derivative financial liabilities							
Term loans	47,534	4.17 - 7.85	51,329	21,536	16,183	13,610	-
Revolving credit	37,300	4.71 - 4.80	37,300	37,300	-	-	-
Hire purchase liabilities	4,451	2.20 - 3.65	4,851	1,839	1,565	1,447	-
Bank overdraft	9,852	5.40 - 7.06	9,852	9,852	-	-	-
Bankers' acceptances	5,838	3.20 - 3.25	5,838	5,838	-	-	-
Trade and other payables	117,689	-	117,689	117,689	-	-	-
Lease liabilities	21,227	3.17	21,227	-	-	1,996	19,231
	243,891		248,086	194,054	17,748	17,053	19,231

29. Financial instruments (continued)

29.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual interest rates %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2021							
Company							
Non-derivative financial liabilities							
Term loan	27,500	4.19	28,776	6,172	6,424	16,180	-
Hire purchase liabilities	18	4.66	20	20	-	-	-
Trade and other payables	9,472	-	9,472	9,472	-	-	-
Financial guarantee	-	-	73,024	73,024	-	-	-
	36,990		111,292	88,688	6,424	16,180	-

29. Financial instruments (continued)

29.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual interest rates %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2020							
Group							
Non-derivative financial liabilities							
Term loans	59,908	4.16 - 8.60	63,612	30,583	13,425	19,604	-
Revolving credit	39,000	4.71 - 4.80	39,000	39,000	-	-	-
Hire purchase liabilities	5,708	3.30 - 7.21	6,256	2,491	1,576	2,189	-
Bank overdraft	15,176	6.56 - 6.65	15,176	15,176	-	-	-
Bankers' acceptances	4,641	3.20 - 3.40	4,641	4,641	-	-	-
Trade and other payables	137,583	-	137,583	137,583	-	-	-
	262,016		266,268	229,474	15,001	21,793	-
Company							
Non-derivative financial liabilities							
Term loan	29,500	4.16	31,768	5,492	6,672	19,604	-
Hire purchase liabilities	72	4.66 - 4.90	82	62	20	-	-
Trade and other payables	9,541	-	9,541	9,541	-	-	-
Financial guarantee	-	-	89,225	89,225	-	-	-
	39,113		130,616	104,320	6,692	19,604	-

29. Financial instruments (continued)

29.6 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's interest rate risk arises primarily from interest-earning financial assets and interest-bearing financial liabilities. Borrowings and deposits at floating rates expose the Group to cash flow interest rate risk. Borrowings and receivables at fixed rates expose the Group to fair value interest rate risk. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was :

	Group	
	2021 RM'000	2020 RM'000
Fixed rate instruments		
Financial assets		
- Deposits placed with licensed banks	16,199	14,553
Financial liabilities		
Hire purchase liabilities	4,451	5,708
Floating rate instruments		
Financial liabilities		
- Term loans	47,534	59,908
- Revolving credit	37,300	39,000
- Bank overdraft	9,852	15,176
- Bankers' acceptances	5,838	4,641
	100,524	118,725

Notes to the Financial Statements (Continued)

29. Financial instruments (continued)

29.6 Interest rate risk (continued)

Exposure to interest rate risk (continued)

	Company	
	2021 RM'000	2020 RM'000
Fixed rate instrument		
Financial liabilities		
Hire purchase liabilities	18	72
Floating rate instrument		
Financial liabilities		
Term loan	27,500	29,500

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedged accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 50 basis points lower/higher, with all other variables held constant, the Group's post-tax loss or profit would have been increased/decreased by RM382,000 (2020: RM451,000) and the Company's post-tax profit would have been decreased by RM105,000 (2020: RM112,000). The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

29.7 Fair value information

The carrying amounts of cash and bank balances, receivables and payables approximate fair values due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

29. Financial instruments (continued)

29.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	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	RM'000	RM'000
Group										
31.12.2021										
Financial assets										
Other investments	-	2,440	-	2,440	-	-	-	-	2,440	2,440
Financial liabilities										
Term loans	-	-	-	-	-	-	47,534	47,534	47,534	47,534
31.12.2020										
Financial assets										
Other investments	-	3,450	-	3,450	-	-	-	-	3,450	3,450
Financial liabilities										
Term loans	-	-	-	-	-	-	59,908	59,908	59,908	59,908

29. Financial instruments (continued)

29.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	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		
Company										
31.12.2021										
Financial asset										
Other investments	-	2,305	-	2,305	-	-	-	-	2,305	2,305
Financial liabilities										
Term loans	-	-		-	-	-	27,500	27,500	27,500	27,500
31.12.2020										
Financial asset										
Other investments	-	3,315	-	3,315	-	-	-	-	3,315	3,315
Financial liabilities										
Term loans	-	-	-	-	-	-	29,500	29,500	29,500	29,500

The Company provides guarantees to banks for credit facilities extended to certain subsidiaries. The fair value of such financial guarantee is negligible as the probability of the subsidiaries defaulting on the credit lines is remote.

29. Financial instruments (continued)

29.7 Fair value information (continued)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year. (2020 : no transfer in either directions)

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. The carrying amount of floating rate term loans approximately fair value as their effective interest rate changes accordingly to movements in the market interest rate.

30. Commitments

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Property, plant and equipment				
Contracted but not provided for	1,900	600	774	-

Notes to the Financial Statements (Continued)

31. Segment information

In the previous financial year, the Group presented its segment information based upon five (5) major business segments, namely the property development, road building and quarry, engineering and construction, leisure and hospitality as well as investment holding. For each of the strategic business units, the Chief Operating Decision Maker ("CODM") (ie. The Group's Chief Executive Officer/Chief Corporate Officer) reviews internal management reports at least on a quarterly basis.

During the financial year, the Group streamlined its segment information and the segments are broadly classified into three (3) major segments as follows :

(i) Property development - the development of residential and commercial properties,

(ii) Engineering, construction and quarry - civil engineering contractor, building and general contractor and granite quarry operator

(iii) Investment and property holding - golf resort owner and operator, water theme park operator, provision of management services and others

Segment profit

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

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total asset is used to measure the return on assets of each segment.

Segment liabilities

Segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by CODM.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment and land held for development.

31. Segment information (continued)

	Property development RM'000	Engineering, construction and quarry RM'000	Investment and property holding RM'000	Total reportable segments RM'000	Elimination RM'000	Consolidated RM'000
2021						
Revenue						
External sales	96,028	106,561	5,140	207,729	-	207,729
Inter-segment sales	5,949	(1,344)	25,215	29,820	(29,820)	-
Total revenue	101,977	105,217	30,355	237,549	(29,820)	207,729
Segment profit/(loss)	4,925	3,361	5,435	13,721	(5,951)	7,770
Included in the measure of segment profit are:						
- Finance income	159	373	1,480	2,012	(1,466)	546
- Finance costs	5,164	295	1,323	6,782	(1,466)	5,316

31. Segment information (continued)

	Property development RM'000	Engineering, construction and quarry RM'000	Investment and property holding RM'000	Total reportable segments RM'000	Elimination RM'000	Consolidated RM'000
2021						
Assets						
Segment assets	663,206	188,086	191,707	1,042,999	(326,678)	716,321
Included in the measure of segment assets is:						
Additions to non-current assets other than financial instruments and deferred tax assets						
- Property, plant and equipment	92	3,513	766	4,371	-	4,371
- Land held for development	7,236	-	-	7,236	-	7,236
- Investment poperties	-	-	21,227	21,227	-	21,227
Liabilities						
Segment liabilities	231,142	92,402	67,342	390,886	(146,317)	244,569
Other information						
Tax expense	1,385	1,019	-	2,404	-	2,404
Depreciation of property, plant and equipment	677	4,637	1,763	7,077	(93)	6,984

31. Segment information (continued)

	Property development RM'000	Road building and quarry RM'000	Engineering, and construction RM'000	Leisure and hospitality RM'000	Investment holding RM'000	Total reportable segments RM'000	Elimination RM'000	Consolidated RM'000
2020								
Revenue								
External sales	99,274	84,021	30,989	3,455	1,846	219,585	-	219,585
Inter-segment sales	599	-	144	598	13,953	15,294	(15,294)	-
Total revenue	99,873	84,021	31,133	4,053	15,799	234,879	(15,294)	219,585
Segment profit/(loss)	6,696	7,645	3,706	(4,093)	(5,142)	8,812	(278)	8,534
Included in the measure of segment profit are:								
- Finance income	222	163	266	1	1,859	2,511	(1,632)	879
- Finance costs	7,482	257	-	11	1,386	9,136	(1,757)	7,379

31. Segment information (continued)

	Property development RM'000	Road building and quarry RM'000	Engineering, and construction RM'000	Leisure and hospitality RM'000	Investment holding RM'000	Total reportable segments RM'000	Elimination RM'000	Consolidated RM'000
2020								
Assets								
Segment assets	702,067	112,355	73,476	27,953	156,132	1,071,983	(337,675)	734,308
Included in the measure of segment assets is:								
Additions to non-current assets other than financial instruments and deferred tax assets								
- Property, plant and equipment	36	4,900	367	9	131	5,443	-	5,443
- Land held for development	4,841	-	-	-	-	4,841	-	4,841
Liabilities								
Segment liabilities	273,542	45,734	34,750	28,423	39,276	421,725	(156,056)	265,669
Other information								
Tax expense	(296)	2,506	967	1	-	3,178	86	3,264
Depreciation of property, plant and equipment	1,075	4,616	257	1,620	862	8,430	(93)	8,337

Geographical segments

No information on geographical segment is presented as the Group's business is operated solely in Malaysia.

31. Segment information (continued)

Major customers

The following are the major customers with revenue equal or more than 10% of the Group's revenue :

	2021 RM'000	2020 RM'000
Customer A	72,569	58,484
Customer B	-	24,024
Customer C	30,173	-

32. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended 31 December 2021.

Statement by Directors pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 117 to 207 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2021 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 :

.....

Tuan Sr. Haji Che Had bin Dhali

Director

.....

Tuan Mohamad Ibrahim bin Ghazali
Director
Alor Setar,
Date :22 April 2022

Statement by Directors pursuant to Section 251(2) of the Companies Act 2016

I, **Mohd Nasir bin Ismail**, the officer primarily responsible for the financial management of Bina Darulaman Berhad, do solemnly and sincerely declare that the financial statements set out on pages 113 to 207 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed **Mohd Nasir bin Ismail**, NRIC: 790806-02-5637, MIA CA 29437 at George Town in the State of Penang on 22 April 2022.

.....

Mohd Nasir bin Ismail

Head, Group Finance and Account

Before me:

Goh Suan Bee

(No. P125)

Commissioner for Oaths

Penang

Independent Auditors' Report to The Members of Bina Darulaman Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bina Darulaman Berhad, which comprise the statements of financial position as at 31 December 2021 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 113 to 207.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our auditors' 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 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.

Revenue recognition (for property development and constructions)	
Refer to the Note 2(o)(i) – Significant accounting policies: Revenue and Note 19 – Revenue.	
The key audit matter	**How the matter was addressed in our audit**
The Group recognises revenue relating to properties under construction based on the stage of completion. The stage of completion of the said properties is determined by the proportion that the actual property development costs incurred for work performed to date to the estimated total property development costs. The recognition of revenue is therefore dependent on the Group's estimated gross development costs, which includes estimates and judgement by the Directors on costs to be incurred in the development. There is a risk that the actual development costs are different to those estimated, resulting in percentage of completion computed not reflecting the actual progress of the development. This is a key audit matter because evaluating the estimates of development costs and the reasonableness of the percentage of completion used require us to exercise significant judgments.	Our audit procedures performed in this area included, among others: • Tested the operating effectiveness of Group's controls by checking for evidence of reviews and approvals over development cost, budgets setting, authorising and recording of actual costs incurred; • Challenged the assumptions in deriving at the estimates of development costs. This includes comparing the actual margins achieved of previous similar completed projects to estimates and compared the estimated cost to supplier's letter of award or contracts and considered allowance for cost increase included in these estimates; and • Checked samples from the estimated property development costs of all ongoing projects, allocation of costs and subsequent changes to the estimation to supporting documentation such as approved budgets, letter of awards, quotations, correspondences, contracts and variation orders with sub-contractors.

We have determined that there is no key audit matter in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises 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.

Information Other than the Financial Statements and Auditors' Report Thereon (continued)

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

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 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 ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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 internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as 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 gives a true and fair view.
- 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 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 auditors' report

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

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

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Lee Phaik Im
Approval Number : 03177/05/2023 J
Chartered Accountant

Penang

Date : 22 April 2022

List of Material Properties held by The Group as at 31 December 2021

No	Title / Location	Brief Description/ Existing Use	Land Area	Tenure	Date/ Year of Acquisition/ Purchase	Net Book Value 2021 (RM'000)
1	GRN 11523, 1659 Mukim Hosba, Kubang Pasu, Kedah Darul Aman	Land for Development	83.49 hectares	Freehold	2014	63,069
2	HS (D) 126043, PT 2416 HS (D) 126045, PT 2418 HS (D) 126050, PT 2423 HS (D) 34392, PT 65003 Bandar Amanjaya, Kuala Muda, Kedah Darul Aman	Land for Development	60.03 hectares	Freehold	2014	48,407
	HS (D) 90453, PT 48856 Bandar Sungai Petani Kuala Muda Kedah Darul Aman	Land for Development	33.04 hectares	Freehold	2014	
3	HS (D) 1149 & 1150, PT 2042 & 2043, Mukim Ulu Melaka, Langkawi, Kedah Darul Aman	Land for Development	79.30 hectares	Leasehold (Expiring 2111)	2014	48,179
	HS (D) 1151, PT 2044 Mukim Ulu Melaka, Langkawi, Kedah Darul Aman	Building	12.26 hectares			
4	HS (D) 69188 - 69197, PT 2333 - 2342 Mukim Sungai Ular, Kulim Kedah Darul Aman	Land for Development	151.41 hectares	Freehold	2014	40,000
5	GRN131746 Lot 1237 & HS(D) 21872 PT 4936 Mukim Naga Kedah Darulaman	Residential	17.687 hektar	Freehold	1983	25,700
6	HS (M) 353, PT 1304 Mukim Kedawang Daerah Langkawi Kedah Darul Aman	Industrial Land	5.487 acres		2015	20,355
7	HS (M) 354, PT 1301 Mukim Kedawang Daerah Langkawi Kedah Darul Aman	Industria Land	6.926 acres	Leasehold (Expiring 2089)	2015	18,145
8	HS (D) 2979, PT 2516 Bandar Pokok Sena, Pokok Sena, Kedah Darul Aman	Land for Development	51.45 hectares	Freehold	2014	17,154
9	Geran 42474 Lot 898 Mukim Bandar Darulaman Daerah Kubang Pasu Kedah Darul Aman	Golf Course	179.98 acres	Freehold	1983	14,289
10	GM 178050 Lot 8867, Bandar Darulaman, Daerah Kubang Pasu, Kedah Darul Aman	8-Storey Serviced Apartments	6,003.9 sq meter	Freehold	2005	11,539
	GM 178050 Lot 8867, Bandar Darulaman, Daerah Kubang Pasu, Kedah Darul Aman	Land	6,003.9 sq meter	Freehold	2005	

Analysis of Shareholdings as at 31 March 2022

Total Number of Issued Shares	:	303,854,977 Ordinary Shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	1 vote per share on a poll
Number of Shareholders	:	3,487

Distribution of Shareholdings

Holdings	No. of Holders	%	Total Holdings	%
Less than 100	231	6.62	3,193	0.00
100 - 1,000	535	15.34	230,784	0.08
1,001 - 10,000	1,842	52.82	8,500,322	2.80
10,001 - 100,000	760	21.80	22,850,890	7.52
100,001 - and below 5%	118	3.38	83,825,400	27.59
5% and above	1	0.03	188,444,388	62.02
TOTAL	**3,487**	**100.00**	**303,854,977**	**100.00**

Substantial Shareholders

Holdings	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Perbadanan Kemajuan Negeri Kedah	188,444,388	62.02	0	0
Jingshi (M) Holdings Sdn Bhd	607,000	0.20	17,708,300	5.83
TOTAL	**189,051,388**	**62.22**	**17,708,300**	**5.83**

List of Top 30 Shareholders as at 31 March 2022

No.	Name	Shareholding	%
1	Perbadanan Kemajuan Negeri Kedah	188,444,388	62.02
2	Alliance Group Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account for Jingshi Holdings (M) Sdn Bhd	11,351,800	3.74
3	Kenanga Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account for Jingshi Holdings (M) Sdn Bhd	5,297,700	1.74
4	Liew Fook Meng	4,590,000	1.51
5	Cimsec Nominees (Tempatan) Sdn Bhd Beneficiary : CIMB of General Technology Sdn. Bhd. (PB)	4,383,600	1.44
6	Dynamic Prestige Consultancy Sdn Bhd	3,972,100	1.31
7	Loh Eng Cheang	3,551,000	1.17
8	Alliance Group Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account for Charmaine Goh Min Yee	3,108,700	1.17
9	TA Nominees (Tempatan) Sdn Bhd Beneficiary : Pledged Securities Account for Loh Eng Cheang	2,600,000	0.86
10	Bintai Trading Sdn Bhd	2,000,000	0.66
11	Open Road Asia Sdn Bhd	2,000,000	0.66
12	Teh Seng Hock	1,670,000	0.55
13	Kenanga Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account for Open Road Sdn Bhd	1,575,000	0.52
14	CGS-CIMB Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account for Loi Chee Fong	1,500,600	0.49
15	Ten Kin Kok	1,458,900	0.48
16	RHB Nominees (Tempatan) Sdn Bhd Beneficiary : Pledged Securities Account for Ng Har Chai	1,411,400	0.46
17	Ang Hioh	1,381,900	0.45
18	Cheng Hon Sang	1,277,000	0.42
19	Ang Hioh	1,124,700	0.37
20	Onn Ping Lan	1,093,500	0.36
21	RHB Nominees (Tempatan) Sdn Bhd Beneficiary : Pledged Securities Account for Jingshi Holdings (M) Sdn Bhd	1,058,800	0.35
22	Reson Sdn Bhd	1,054,600	0.35
23	Affin Hwang Nominees (Tempatan) Sdn Bhd Beneficiary: Pledge Securities for Yong Siew Yee	1,000,000	0.33
24	Ng Ying Yiing	1,000,000	0.33
25	RHB Nominees (Tempatan) Sdn Bhd Beneficiary: Pledge Securities for Michael Lim Back Sim	948,000	0.31
26	Yeo Khee Huat	675,000	0.22
27	CGS-CIMB Nominees (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account for Charmaine Goh Min Yee	665,700	0.22
28	Magnalogic Sdn Bhd	648,600	0.21
29	Fong Cheong Kok	643,000	0.21
30	DB (Malaysia) Nominees (Asing) Sdn Bhd Beneficiary: The Bank of New York Mellon of Acadian Emerging Markets Mic Ro-Cap Equity Master Fund	639,300	0.21
	Total	**252,125,288**	**82.98**

Form of Proxy

CDS Account No.	No. of Shares held

*I/We [Full name and in block letters].....

*NRIC/Passport/Company No. [compulsory].....

Mobile Phone No.:.....

Address [in block letters]:.....

.....

.....

Being a Shareholder of **BINA DARULAMAN BERHAD** ["the Company"] hereby appoint:

First Proxy

Full Name [in block letters]	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email:		**Contact No.:**	

*or failing *him/her.

Second Proxy [as the case may be]

Full Name [in block letters]	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email:		**Contact No.:**	

or failing *him/her, the ****CHAIRMAN OF THE MEETING** as *my/our Proxy to attend and vote for *me/us on *my/our behalf at the 27th Annual General Meeting of Bina Darulaman Berhad ("BDB or the Company") to be held entirely through live streaming from the broadcasting

venue at the Zenith Hall, Level M1, Connexion Conference & Event Centre, Bangsar South City, No. 7, Jalan Kerinchi, 59200, Kuala Lumpur, (the "Broadcasting Venue") on **Thursday, 26 May 2022 at 10.00 a.m.** or any adjournment thereof, as indicated below:

NO.	RESOLUTIONS		FOR	AGAINST
ORDINARY BUSINESS				
1.	To re-elect Sr. Haji Che Had Bin Dhali who is retiring pursuant to Article 89 of the Company's Constitution.	**ORDINARY RESOLUTION 1**		
2.	To approve the payment of Directors' Fees for the Year 2022.	**ORDINARY RESOLUTION 2**		
3.	To approve the payment of Directors' Benefits (excluding Directors' Fees) in accordance with Section 230(1) of the Companies Act 2016 with effect from the 27th Annual General Meeting until the next Annual General Meeting of the Company.	**ORDINARY RESOLUTION 3**		
4.	To re-appoint Messrs. KPMG PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.	**ORDINARY RESOLUTION 4**		

[Please indicate with an "X" in the appropriate box against the resolution how you wish your Proxy to vote. If no instruction is given, this form will be taken to authorise the Proxy to vote at his/her discretion]

*Strike out whichever applicable.

** If you do not wish to appoint the Chairman of the Meeting as your proxy/one (1) of your proxies, please strike out the words "the Chairman of the Meeting" and insert the name(s) of the proxy/proxies you wish to appoint in the blank spaces provided.

Signed this .....day of ....., 2022.

.....

Signature/Common Seal of Shareholder

Notes:

Remote Participation and Electronic Voting, Proxy and/or Authorised Representative

1. The 27th AGM will be conducted as a virtual meeting with online remote voting via Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at https://tiih.online. Please follow the procedures provided in the Administrative Guide for the 27th AGM in order to register, participate and vote remotely via the RPV facilities.
2. The Broadcast Venue of the 27th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. **NO MEMBER OR PROXY FROM THE PUBLIC WILL BE PHYSICALLY PRESENT AT THE MEETING RIGHT AFTER VENUE.**
3. With regards to the deposited securities, only members whose names appear in the Record of Depositors as at 19 May 2022 shall be eligible to participate in this 27th AGM.
4. A member of the Company entitled to participate in this 27th AGM is entitled to appoint up to two (2) proxies to participate in his stead. A member shall specify the shareholding proportion where two (2) proxies are appointed. A proxy need not be a member of the Company.
5. Every member including Authorised Nominees as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA), and Exempt Authorised Nominees who hold ordinary shares in the Company for multiple beneficial owners in one securities account (Omnibus Account), is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate and vote instead of him at the AGM and that such proxy need not be a member.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under its common seal or under the hand of an officer or attorney duly authorised in writing.
7. The instrument appointing a proxy shall:
   i. In the case of an individual, be signed by the appointer or by his/her attorney.
   ii. In the case of a corporation, be either under its common seal or under the hand of its duly authorised attorney or officer on behalf of the corporation.
8. The form of proxy together with the power of attorney or other authority, shall be deposited at the **Company's Registered Office at Aras 9, Menara BDB, 88, Lebuhraya Darulaman, 05100 Alor Setar, Kedah Darul Aman** or via the email address at **agm@bdb.com.my** not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof.
9. The conduct of a virtual AGM is in line with the revised Guidance Note and Frequently Asked Questions ("the Revised Guidance Note and FAQ") by the Securities Commision Malaysia on 7 April 2022. Pursuant to the SC Guidance and Section 327 (2) of the Companies Act 2016, the Chairman shall be present at the main venue of the AGM to chair the AGM. Shareholders will **NOT** be physically present at the broadcast venue on the day of the AGM. However, shareholders, shall register their attendance to the 27th AGM remotely by using the Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIIH Online website at https://tiih.online.

10. Shareholders and proxies would need to register as a user via its TIIH Online website at https://tiih.online provided by Tricor first before they can request for the Remote Participant User ID and password to virtually attend, participate, speak and vote at the above Meeting, in accordance with the Administrative Guide.

11. By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate in this 27th AGM virtually and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member's personal data by the Company (or its agents): (a) for processing and administration of proxies and representatives appointed for the AGM; (b) preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (which includes any adjournments thereto); and (c) for the Company's (or its agents) compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that he or she has obtained such proxy(ies) and/or representative's(s') prior consent for the Company's (or its agents) processing of such proxy(ies) and/or representative's(s') personal data for the Purposes, and (iii) agrees that the member will indemnify the Company for any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Voting by Poll

12. Pursuant to Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 27th AGM will be put to vote on poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the online remote voting and verify the results of the poll respectively.

13. Pursuant to Article 61 of the Constitution of the Company, all resolutions set out in this Notice will be put to vote by way of poll.

Members Entitled to Attend

14. For the purpose of determining who shall be entitled to attend this meeting, the Company shall request the Bursa Malaysia Depository Sdn Bhd ("Depository") in accordance with Rules of the Depository, to issue Record of Depositors and make available to the Company pursuant to Article 54 (iii) of the Company's Constitution and Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Personal Data Privacy

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, you hereby agree and consent that any of your personal data in our possession shall be processed by us in accordance with our Personal Data Protection Notice set out in www.bdb.com.my/privacy-policy.

This serves to warrant that relevant consent has been obtained for us to process any third party's personal data provided by you in accordance our said Personal Data Protection Notice.

SPIRIT OF ACHIEVEMENT

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