



Annual  
Report  
2020







## OUR VISION

Our vision is to help improve the quality of life by providing a better place to live or work in. By carrying out this vision, we want to be recognised by our customers, shareholders and employees as a world-class property developer.

## OUR MISSION

Our mission as a caring and reliable property developer is to deliver outstanding service, quality products and value for money to our customers. Through dedication, innovation and passion, we are confident about our ability to achieve these goals.

## OUR WAY FORWARD

It starts with inspiration. A vision to provide ideal homes, work places and recreational facilities; to create an environment that enhances the quality of our lives. From pen to paper, plan to reality, we build the vision.

Glomac's vision is to enrich our lives in the most fundamental ways - value, quality and service. This is the catalyst of our business and the essence of our success, affirming our reputation as a visionary property developer.

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# CORPORATE PROFILE

Glomac was founded on the vision, passion and determination of two entrepreneurs who aspired to develop inspiring places to live and work in. The founders of the Group, Tan Sri Dato' FD Mansor, Group Executive Chairman and Datuk Richard Fong, Group Executive Vice Chairman, joined forces to establish the Group in 1988 and have since delivered value beyond expectations in every Glomac project.

Currently helmed by Datuk Seri FD Iskandar, Group Managing Director/Chief Executive Officer, Glomac Berhad comprises more than 55 subsidiaries with involvement in every facet of the real estate business encompassing property development, property investment, construction, property management and car park management.

Glomac Berhad was listed on the Main Board of Bursa Malaysia Securities Berhad on 13 June 2000 and has established a trusted reputation as a responsible and visionary property developer with its solid record of developing townships, residential, commercial and mixed development properties.

To-date, the Group has completed total sales value of close to RM9 billion. For the financial year 2021, Glomac plans to launch more than RM600 million worth of properties.

As a long term player committed to escalating our presence in the real estate market, Glomac is continuously planning and designing new projects for our existing landbank, evaluating new landbank opportunities and looking out for new opportunities in the country; with particular focus on the prime Greater KL area where the Group is well established.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Tan Sri Dato' Mohamed Mansor bin Fateh Din**

*Group Executive Chairman*

**Datuk Richard Fong Loong Tuck**

*Group Executive Vice Chairman*

**Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor**

*Group Managing Director/  
Chief Executive Officer*

**Dato' Ikhwan Salim bin**

**Dato' Haji Sujak**

*Senior Independent Non-Executive Director*

**Datuk Ali bin Abdul Kadir**

*Independent Non-Executive Director*

**Shan Choo**

*Independent Non-Executive Director*

**Datuk Bazlan bin Osman**

*Independent Non-Executive Director  
(Appointed on 24 July 2020)*

## AUDIT COMMITTEE

**Datuk Ali bin Abdul Kadir**

*Chairman*

**Dato' Ikhwan Salim bin Dato' Haji Sujak**

*Member*

**Shan Choo**

*Member*

## RISK MANAGEMENT COMMITTEE

*(formed on 24 July 2020)*

**Shan Choo**

*Chairman*

**Dato' Ikhwan Salim bin Dato' Haji Sujak**

*Member*

**Datuk Bazlan bin Osman**

*Member*

## NOMINATION COMMITTEE

**Dato' Ikhwan Salim bin**

**Dato' Haji Sujak**

*Chairman*

**Datuk Ali bin Abdul Kadir**

*Member*

**Shan Choo**

*Member*

## REMUNERATION & ESS COMMITTEE

**Dato' Ikhwan Salim bin**

**Dato' Haji Sujak**

*Chairman*

**Datuk Ali bin Abdul Kadir**

*Member*

**Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor**

*Member*

**Shan Choo**

*Member*

## COMPANY SECRETARIES

**Ong Shaw Ching**

MIA 7819

SSM PC No.: 202008003578

**Chua Siew Chuan**

MAICSA 0777689

SSM PC No.: 201908002648

**Chin Mun Yee**

MAICSA 7019243

SSM PC No.: 201908002785

## REGISTRAR

Shareworks Sdn. Bhd.

2-1, Jalan Sri Hartamas 8  
Sri Hartamas

50480 Kuala Lumpur

Tel : +603 6201 1120

Fax : +603 6201 3121

## PRINCIPAL BANKERS

AmBank (M) Berhad

Malayan Banking Berhad

HSBC Amanah Malaysia Berhad

## REGISTERED OFFICE & PRINCIPLE PLACE OF BUSINESS

Level 15, Menara Glomac

Glomac Damansara

Jalan Damansara

60000 Kuala Lumpur

Tel : +603 7723 9000

Fax : +603 7729 7000

## AUDITOR

Deloitte PLT (AF 0080)(LLP0010145-LCA)

Level 16, Menara LGB

1 Jalan Wan Kadir

Taman Tun Dr. Ismail

60000 Kuala Lumpur

Tel : +603 7610 8888

Fax : +603 7726 8986

## STOCK EXCHANGE

Main Market of Bursa Malaysia

Securities Berhad

Stock Name : GLOMAC

Sector : Property

## WEBSITE

[www.glomac.com.my](http://www.glomac.com.my)



# CORPORATE STRUCTURE



## Property Development & Investment

<b>100% Anugerah Armada Sdn. Bhd.</b> Lot 13720, Pekan Kayu Ara	<b>100% Glomac Jaya Sdn. Bhd.</b> Glomac Cyberjaya, Cyberjaya	<b>100% Regency Land Sdn. Bhd.</b> Saujana Utama III, Sg Buloh & Saujana Aman
<b>100% Dunia Heights Sdn. Bhd.</b> Proposed Residential Development in Sg. Buloh	<b>100% Glomac Maju Sdn. Bhd.</b> Suria Residen, Cheras	<b>100% Glomac Kristal Sdn. Bhd.</b> Glomac Centro, Petaling Jaya
<b>100% Elmina Equestrian Centre (Malaysia) Sdn. Bhd.</b> Saujana Utama V, Sg. Buloh	<b>100% Glomac Rawang Sdn. Bhd.</b> Saujana Rawang, Rawang	<b>100% FDM Development Sdn. Bhd.</b> 121 Residences, Petaling Jaya
<b>100% Glomac Alliance Sdn. Bhd.</b> Lakeside Residences, Puchong	<b>100% Glomac Regal Sdn. Bhd.</b> Suria Stonor, Kuala Lumpur	<b>100% Berapit Properties Sdn. Bhd.</b> Glomac Cyberjaya 2, Cyberjaya
<b>100% Glomac Consolidated Sdn. Bhd.</b> Bukit Saujana, Sg. Buloh	<b>100% Glomac Resources Sdn. Bhd.</b> Galeria Hartamas, Kuala Lumpur	<b>100% Kelana Kualiti Sdn. Bhd.</b> Saujana Perdana, Sg. Buloh
<b>100% Glomac City Sdn. Bhd.</b> Plaza Glomac, Kelana Jaya	<b>100% Glomac Segar Sdn. Bhd.</b> Plaza@Kelana Jaya	<b>100% Magical Sterling Sdn. Bhd.</b> Saujana KLIA, Sepang
<b>100% Glomac Damansara Sdn. Bhd.</b> Glomac Damansara, Kuala Lumpur	<b>100% Glomac Sutera Sdn. Bhd.</b> Sri Saujana, Kota Tinggi, Johor	<b>100% Glomac Realty Sdn. Bhd.</b> Glomac Business Centre, Kelana Jaya
<b>100% Glomac Enterprise Sdn. Bhd.</b> Sungai Buloh Country Resort, Sg. Buloh	<b>100% Glomac Vantage Sdn. Bhd.</b> Taman Mahkota Laksamana, Seksyen III, Melaka	<b>51% Glomac Al Batha Sdn. Bhd.</b> Glomac Tower (now known as Menara Prestige), Kuala Lumpur
<b>100% Glomac Nusantara Sdn. Bhd.</b> Dataran Glomac, Kelana Jaya	<b>100% Kelana Centre Point Sdn. Bhd.</b> Kompleks Kelana Centre Point, Kelana Jaya	<b>51% Glomac Al Batha Mutiara Sdn. Bhd.</b> Reflection Residences, Mutiara Damansara
	<b>100% Precious Quest Sdn. Bhd.</b> Saujana Jaya, Kulai, Johor	

# CORPORATE STRUCTURE



## Other Activities

### Property Investment

- 100%** **Glo Damansara Sdn. Bhd.**  
Glo Damansara Mall @ Glomac Damansara, Kuala Lumpur
- 100%** **Bangi Integrated Corporation Sdn. Bhd.**  
Plaza Kelana Jaya, Phase II, Kelana Jaya
- 100%** **Berapit Pertiwi Sdn. Bhd.**  
Suria Stonor, Kuala Lumpur
- 60%** **Glomac Utama Sdn. Bhd.**  
Worldwide Business Park

### Investment Holding

- 100%** **Glomac Restaurants Sdn. Bhd.**
- 100%** **Glomac Australia Pty Ltd.**
- 85.7%** **Glomac Power Sdn. Bhd.**
- 30%** **Irama Teguh Sdn. Bhd.**  
(held through PPC Glomac Sdn. Bhd.)

### Car Park Operations and Management

- 60%** **Prominent Excel Sdn. Bhd.**

### Property Management Services

- 100%** **Glomac Property Services Sdn. Bhd.**
- 100%** **Kelana Property Services Sdn. Bhd.**
- Property Development, Investment Holding and Project Management**
- 100%** **Glomac Group Management Services Sdn. Bhd.**

### Building Contractor

- 51%** **Glomac Bina Sdn. Bhd.**
- 30%** **PPC Glomac Sdn. Bhd.**  
(held through Glomac Power Sdn. Bhd.)

### Management and Operation of Restaurant

- 100%** **Kelana Seafood Centre Sdn. Bhd.**

## Dormant

- 100%** **Berapit Development Sdn. Bhd.**
- 100%** **BH Interiors Sdn. Bhd.**
- 100%** **Glomac Land Sdn. Bhd.**
- 100%** **Glomac Leisure Sdn. Bhd.**
- 100%** **Glomac Real Estate Sdn. Bhd.**
- 100%** **Magic Season Sdn. Bhd.**
- 100%** **Magnitud Teknologi Sdn. Bhd.**
- 100%** **OUG Square Sdn. Bhd.**
- 100%** **Prisma Legacy Sdn. Bhd.**
- 100%** **Prima Sixteen Sdn. Bhd.**
- 100%** **Sungai Buloh Country Resort Sdn. Bhd.**
- 100%** **Glomac Thailand Sdn. Bhd.**
- 100%** **Glomac Cepat Sdn. Bhd.**
- 70%** **FDA Sdn. Bhd.**
- 60%** **Glomac Excel Sdn. Bhd.**

## BOARD OF DIRECTORS' PROFILES

### Tan Sri Dato' Mohamed Mansor Bin Fateh Din

**Aged 80, Male, Malaysian**  
Group Executive Chairman



**Tan Sri Dato' Mohamed Mansor bin Fateh Din** or better known as "Tan Sri Dato' FD Mansor" was appointed to the Board of Glomac Berhad on 1 April 1986. Before he founded the Glomac Group, he was attached with Utusan Malaysia Berhad as the Group Personnel Director.

Tan Sri Dato' FD Mansor has extensive experience in the property development business through his involvement in the industry for more than 30 over years. He was the Honorary Secretary of the Selangor Chapter of Malay Chamber of Commerce and Industry from 1987 to 1995. He was also on the Advisory Council in Iqra Foundation.

He was awarded the Selangor Entrepreneur of the Year 1995 by the Malay Chamber of Commerce Industry, Selangor Chapter in recognition of his contributions to the state. In September 2005, Tan Sri Dato' FD Mansor was awarded the prestigious "Property Man of the Year" by FIABCI Malaysia. Being a genuine Malay businessman and entrepreneur, he was presented the award of "Anugerah Usahasama Tulen" by the Malay Chamber of Commerce, Malaysia in June 2008.

In June 2011, Tan Sri Dato' FD Mansor was bestowed with the "Jewels of Muslim World 2011" award in recognition of his achievements and contributions in the Muslim World. In October 2013, Tan Sri Dato' FD Mansor was conferred the prestigious Brand Laureate - Premier Brand Icon Leadership 2013 in the Brand Laureate Icon Award 2013 for his illustrious career as one of Malaysia's top business entrepreneurs and corporate leaders. The annual Brand Laureate Award provides recognition to inspirational leaders who dedicate their lives and profession to the country.

In 2016, The Edge Malaysia Outstanding Property Entrepreneur Award was presented to Tan Sri Dato' FD Mansor and Datuk Richard Fong, both being the founders of the Glomac Group, to honour industry captains who have made significant and outstanding contributions.

Tan Sri Dato' FD Mansor attended all five (5) board meetings of the Company held during the financial year ended 30 April 2020.



## BOARD OF DIRECTORS' PROFILES



### **Datuk Richard Fong Loong Tuck**

**Aged 69, Male, Malaysian**

Group Executive Vice Chairman

**Datuk Richard** was appointed to the board of Glomac Berhad on 4 April 1988. He graduated with a Bachelor of Science (Hons) in Civil Engineering from University of London, United Kingdom. Datuk Richard began his career in Mudajaya Construction Sdn Bhd and IJM Corporation Berhad before founding the Glomac Group in 1988.

He has more than 30 years of experience in property development, building construction and engineering. He served as the Secretary General of FIABCI (International Real Estate Federation) Malaysian Chapter from 1998 to 2000 and was appointed President of FIABCI Malaysia from 2006 to 2010.

As the former President of FIABCI, he was instrumental in the formation of Malaysia Property Incorporated ("MPI"), a body set up by the Economic Planning Unit of the Prime Minister's Department, to promote property investments among foreigners in Malaysia. Datuk Richard also served as the Chairman of MPI from February 2008 to June 2010.

In 2016, The Edge Malaysia Outstanding Property Entrepreneur Award was presented to Datuk Richard and Tan Sri Dato' FD Mansor, both being the founders of the Glomac Group, for their significant and outstanding contributions to the property development industry. Datuk Richard is frequently invited as guest speaker at forums and seminars on property market in Malaysia, both locally and internationally.

Datuk Richard attended all five (5) board meetings of the Company held during the financial year ended 30 April 2020.

## BOARD OF DIRECTORS' PROFILES

### **Datuk Seri Fateh Iskandar Bin Tan Sri Dato' Mohamed Mansor**

#### **Aged 52, Male, Malaysian**

- Group Managing Director / Chief Executive Officer
- Member of Remuneration and ESS Committee



**Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor** better known as "Datuk Seri FD Iskandar", is one of Malaysia's well respected figures. An exemplary leader, he has carved out a place as a nation-builder for vast swathes of Malaysia's modern development. Now, as Group Managing Director and Chief Executive Officer at Glomac Berhad, he continues to lead the way for the company to become one of Malaysia's most pioneering property developers. He was appointed as a board member of Glomac since 5 February 1997.

Datuk Seri FD Iskandar attended the Malay College Kuala Kangsar (MCKK). He pursued his studies and graduated with a degree in Law from the University of Queensland, Australia and later obtained his Masters in Business Administration (MBA).

Datuk Seri FD Iskandar's career first started in the legal field in Australia. Upon his return to Malaysia he first worked in various capacities at Kumpulan Perangsang Selangor Berhad (KPS) before leaving KPS in 1992 to join Glomac Berhad as a General Manager for Business Development. By 1997, Datuk Seri FD Iskandar was appointed to the board as Glomac's Executive Director, a position he held for seven years before assuming his current role of Group Managing Director/Chief Executive Officer.

Currently Datuk Seri FD Iskandar is one of the Directors on the Board of Construction Industry Development Board, Malaysia (CIDB) and has also been appointed as the Chairman of the Construction Research Institute of Malaysia (CREAM) from June 2019. In addition to that, he also sits on the Board of Axis-REIT Managers Berhad, the management body of Axis-REIT which was the first REITs company listed on Bursa Malaysia. Moreover, he has been a member of the City Advisory Board for Dewan Bandaraya Kuala Lumpur (DBKL) since 2014. He is also the Patron of REHDA Malaysia (Real Estate and Housing Developers' Association Malaysia).

Datuk Seri FD Iskandar was President of REHDA Malaysia for 2 terms from 2014 until 2018 and he was formerly the Chairman of REHDA Selangor for 2 terms from 2006 to 2010. He has also served as the Chairman of the Special Taskforce to Facilitate Business (PEMUDAH), specialising in legal matters. Datuk Seri FD Iskandar has served as an Independent Director of Telekom Malaysia (TM) since 2013 until 2018. TM is Malaysia's broadband champion and leading integrated information and communications. He was the Chairman of VADS Berhad; a wholly owned subsidiary of Telekom Malaysia Berhad which services the IT and telecommunications industries until 2018.



## BOARD OF DIRECTORS' PROFILES

Datuk Seri FD Iskandar was also the Group Chairman of the Media Prima Berhad (2015 to 2017), the largest incorporated media company in South East Asia. He was appointed to the Board in 2009 and was also the Chairman of the Nomination & Remuneration Committee and Risk Management Committee of Media Prima. His presence also extends to being a Director of New Straits Times Press (Malaysia) Berhad from 2009 until 2015, the most established publisher in Asia with three main newspapers.

He was formerly a Director of Kumpulan Hartanah Selangor Berhad from 2004 until 2008. He was also the Deputy Chairman of the Malaysian Australian Business Council (MABC), Chairman of Gagasan Badan Ekonomi Melayu, Selangor Branch (GABEM) a body that promotes entrepreneurship amongst Malays in the country. He was one of the Founding Directors of Malaysia Property Incorporated (MPI), a partnership between Government and the private sector that was established to promote property investments and ownership to foreigners all around the world.

With around 30 years' experience and involvement in the property development industry, his vast experience and expertise has made him a very well-known and respected figure among his peers locally as well as internationally.

He frequently shares his insights and views as a guest speaker in forums, seminars and conventions, and has given talks on the Malaysian property market both locally and abroad.

His esteemed position is reflected through the wide variety of accolades that he has accumulated which included the Malaysian Business Award in Property by the Malay Chamber of Commerce (2012), the Outstanding Entrepreneurship Award at the 2013 Asia Pacific Entrepreneurship Awards, the MBA Industry Excellence Award (Property Sector) by the Malaysia Business Awards in 2013 and the Brand Laureate Corporate Leader Brand Icon Award by the Asia Pacific Brands Foundation in 2014.

Datuk Seri FD Iskandar was also the recipient of the Global Leadership Award for Commercial Property Development by The Leaders International in 2014 and 2015. In 2016, the World Leader Business Person and World Business Leader award by The Bizz 2016 was awarded to him.

The Special Achievement Award from Asia Pacific's Most Prestigious Awards" (APEA) 2017 under the category of Property Development Industry was awarded to Datuk Seri FD Iskandar to recognise and honour business leaders who have demonstrated outstanding entrepreneurship, embodying qualities

such as exceptional performance, perseverance and tenacity in developing successful businesses in Asia Pacific.

In 2018, Datuk Seri FD Iskandar was honoured by The Edge Malaysia with Malaysia's Exemplary Real Estate Industry Leader for his contribution to the local real estate industry in general and specifically for his property management. Furthermore, Datuk Seri FD Iskandar was also honoured by the Property Insight Prestigious Developer Awards 2018 for Industry Excellence Award in the recognition of his immense contribution to the industry all these years as well as in his capacity as REHDA President.

Datuk Seri FD Iskandar was honoured under the special recognition awards category by ASEAN PROPERTY AWARDS MALAYSIA 2018-2019 by Des Prix Infinitus whereby he was awarded the Prestigious Leadership Excellence Award in March 2019. In May 2019, The Property Insight Prestigious Developer Awards 2019 presented the Best Industry Leadership to Datuk Seri FD Iskandar in recognition of his long-time leadership in the property industry.

Datuk Seri FD Iskandar attended all five (5) board meetings of the Company held during the financial year ended 30 April 2020.

## BOARD OF DIRECTORS' PROFILES

### **Dato' Ikhwan Salim Bin Dato' Haji Sujak**

#### **Aged 63, Male, Malaysian**

- Senior Independent Non-Executive Director
- Chairman of Nomination Committee, Remuneration and ESS Committee
- Member of Audit Committee
- Member of Risk Management Committee



**Dato' Ikhwan Salim** was appointed to the Board of Glomac Berhad on 9 February 2000. He holds a Bachelor of Science degree in Economics and Accounting from Queen's University, Belfast, Ireland. He began his career in 1977 as an auditor with Coopers & Lybrand, United Kingdom and, later in 1979, he joined Nestle (M) Sdn Bhd. In 1980, Dato' Ikhwan Salim moved on to be the Group Financial Planning Manager of Kumpulan Low Keng Huat Sdn Bhd. In 1982 he ventured into business and was made Managing Director of Jaya Holdings Sdn. Bhd.

Currently, Dato' Ikhwan runs his private business namely Konsortium Jaringan Selangor Sdn. Bhd. He is the Non-Executive Chairman of Malaysia Steel Works (KL) Berhad and Independent Non-Executive Director of Land and General Berhad.

Dato' Ikhwan Salim attended all five (5) board meetings of the Company held during the financial year ended 30 April 2020.



## BOARD OF DIRECTORS' PROFILES



### Datuk Ali Bin Abdul Kadir

#### Aged 71, Male, Malaysian

- Independent Non-Executive Director
- Chairman of Audit Committee
- Member of Nomination Committee, Remuneration and ESS Committee

**Datuk Ali** was appointed to the Board of Glomac Berhad on 20 February 2009. He is a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW), member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He is also the Honorary Advisor to ICAEW Malaysia and Honorary Fellow of the Institute of Chartered Secretaries & Administrators, United Kingdom.

Datuk Ali is currently the chairman of JcbNext Berhad and ENRA Group Berhad. He is a board member of Citibank Berhad and Ekuiti Nasional Berhad. On 18 November 2019, Datuk Ali was appointed as an Independent Non-Executive Director on the Board of PureCircle, a public company listed on the main market of the London Stock Exchange. He also sits on the boards of Mahkota Technologies Sdn Bhd, Landskap Malaysia, as well as Tropical Rainforest Conservation & Research Centre Berhad. He was the Chairman of Privasia Technology Berhad up until his retirement in June 2018 and was also a Board member of Labuan Financial Services Authority up until his retirement on 17 October 2019.

Datuk Ali was the Chairman of the Securities Commission of Malaysia from 1 March 1999 to 29 February 2004. He was tasked to rejuvenate the capital market in the aftermath of the 1997-98 financial crisis.

During his tenure, he initiated and launched the Capital Market Masterplan and the Capital Market Advisory Council. He was also a member of a number of national level committees namely the Foreign Investment Committee, Oversight Committee of Danaharta and Finance Committee on Corporate Governance.

On the international front, he was a member of the executive committee of the International Organisation of Securities Commissions (IOSCO) and chairman of its Asia-Pacific Regional Committee and the Islamic Capital Market Working Group. He was also the advisor to the Sri Lanka Securities & Exchange Commission.

Earlier in his career, Datuk Ali was the Executive Chairman and Partner of Ernst & Young and its related firms. He was the Past President of the MICPA, chairing its Executive Committee and Insolvency Practices Committee, and co-chairing the Company Law Forum. He was appointed as an Adjunct Professor in the Accounting and Business Faculty, University of Malaya in 2008, retired in August 2011. He was then appointed to the Advisory Board of the same faculty.

Datuk Ali was bestowed with the "Lifetime Achievement Award" by MICPA and the "President's Award" by ICAEW Kuala Lumpur City Chapter.

Datuk Ali attended all five (5) board meetings of the Company held during the financial year ended 30 April 2020.

## BOARD OF DIRECTORS' PROFILES

### Shan Choo

#### Aged 60, Female, Malaysian

- Independent Non-Executive Director
- Chairman of Risk Management Committee
- Member of Audit Committee, Nomination Committee and the Remuneration and ESS Committee



**Shan Choo** was appointed to the Board of Glomac Berhad on 3 July 2017. She holds a Bachelor of Economics from Monash University, Australia and is a member of CPA Australia. She also attended the Management Acceleration Programme in INSEAD, Fontainebleau in 2008.

She started her career in the stockbroking industry with Seagroatt & Campbell and later moved to commercial banking industry with the MUI Banking Group. She moved to Australia in 1986 and worked with the ANZ Banking Group, Melbourne as Group Credit Analyst.

In 1990, she returned to the stockbroking industry in Malaysia by joining RHB Research Institute Sdn Bhd where she undertook the role as a banking analyst. She subsequently moved on to head a team of analysts covering various sectors of companies listed on Bursa Malaysia Securities Berhad.

Shan Choo then joined CLSA Malaysia in 1999, firstly as an analyst covering banks and conglomerates. She subsequently led an award-winning research team for six years as Head of Research before moving on as Head of Sales in 2006 when CLSA Malaysia was awarded a full stockbroking licence. She was appointed the Country Head and was the principal officer for CLSA Group's operations in Malaysia in 2007. In August 2015, she was appointed as Chairman of CLSA Malaysia and on her retirement in December 2016, she was made an advisor. She sat on the Board of RHB Asset Management Sdn Bhd and RHB Islamic International Asset Management Bhd until her resignation as a Board member in 2018. Shan Choo was a Board member of SapuraOMV Upstream (Holdings) Sdn Bhd (formerly known as Sapura Upstream Sdn Bhd), a subsidiary company within the Sapura Group, from 20 July 2018 to 27 June 2019.

Shan Choo attended all five (5) board meetings of the Company held during the financial year ended 30 April 2020.



## BOARD OF DIRECTORS' PROFILES



### Datuk Bazlan Bin Osman

**Aged 56, Male, Malaysian**

- Independent Non-Executive Director
- Member of Risk Management Committee

**Datuk Bazlan Bin Osman** was appointed to the Board of Glomac Berhad on 24 July 2020. He is a fellow of the Association of Chartered Certified Accountants, UK (FCCA) and a member of Malaysian Institute of Accountants (MIA). Datuk Bazlan is currently the Non-Executive Chairman of GITN Sdn Berhad. He is also an Independent Non-Executive Director of Fima Corporation Berhad, Citibank Berhad, and Syarikat Takaful Malaysia Keluarga Berhad. He also serves as a Council Member of MIA, Deputy Chairman of ACCA Malaysian Advisory Council and chairs the Professional Accountants In Business (PAIB) committee of the MIA.

Datuk Bazlan has extensive experience in leadership and senior management roles in strategy, business development, financial management, operations and M&As in various sectors particularly TMT (Technology, Media & Telecommunications), diversified conglomerates, financial services, and agrobased industry.

Datuk Bazlan was formerly a Director of Labuan Reinsurance (L) Ltd (from 2007 until 2012) and Nationwide Express Holdings Berhad (from 1994 - 2005). He was also the Board Commissioner of PT XL Axiata TBK from 2005 to 2008.

He was the Executive Director of Telekom Malaysia Berhad (TM), from April 2008 until February 2019 and board member of VADS Berhad from 2012 to 2019. He served as TM's Group Chief Financial Officer (CFO) from May 2005 until his promotion to the position of Deputy Group Chief Executive Officer (CEO) in April 2017. He was appointed as the Acting Group CEO from June 2018 until November 2018. Prior to joining TM, Datuk Bazlan was with Celcom Malaysia Berhad as the Senior Vice President, Corporate Finance & Treasury in 2001 before being elevated to the CFO position in 2002.

Datuk Bazlan began his career as an auditor with Messrs. Hanafiah Raslan & Mohamad, a public accounting firm after he graduated in Association of Chartered Certified Accountants (ACCA) in 1986. He then joined the Sime Darby Group from 1989 to 1993, holding various finance positions in its corporate office in Kuala Lumpur, Singapore and Melaka. He had a one year stint in American Express Malaysia Berhad as its Manager - Accounting. Thereafter he served Kumpulan FIMA Berhad (KFB) as Senior Vice President, Finance/ Company Secretary from 1994 to 2000. He was a member of the Issues Committee of the Malaysian Accounting Standards Board from 2006 till 2010.

He had attended the IMD Programme for Senior Executives in 2008 and the Strategic Leadership Programme at the University of Oxford's SAID Business School in 2013. In 2015, he was named in the Global Telecoms Business 50 CFOs To Watch. In 2016, he was awarded the Best CFO in Malaysia (#1) by Alpha South East Asia Investors. He was also recognised for Excellence in Financial Planning & Analysis at the 5<sup>th</sup> Annual CFO Innovation Awards | CFO Innovation Asia. In 2017, he was inducted to the Global Management Accounting Hall of Fame by The Institute of Certified Management Accountants.

Datuk Bazlan did not attend any Board Meeting of the Company held during the financial year ended 30 April 2020 as he was appointed to the Board after the financial year end on 24 July 2020.

#### Additional information of the Directors:

1. Tan Sri Dato' Mohamed Mansor bin Fateh Din and Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor has a family relationship.
2. Save as disclosed in this Annual Report, none of the Directors have:-
  - i. Any family relationship with any directors/major shareholders of the Company;
  - ii. Any conflict of interest with the Company;
  - iii. Any conviction for offences within the past five years other than traffic offences; and
  - iv. Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 April 2020.

## KEY SENIOR MANAGEMENT PROFILE

### Ong Shaw Ching

**Aged 55, Male, Malaysian**  
Chief Operating Officer

Ong Shaw Ching joined Glomac in 1996 and was appointed as Chief Operating Officer of Glomac on 1 January 2014. He is also the joint Secretary of the Company since 1 December 2009.

He is a Fellow of the Association of Chartered Certified Accountants (UK) and a Member of the Malaysian Institute of Accountants.

He began his professional career in 1988 and spent six years in two international accounting firms where he was involved in the audit of several public listed companies and handled a wide range of corporate rescue exercises.

In 1994, he moved on to be the Financial Controller of a Hong Kong based group of companies involved in manufacturing and trading before joining Glomac in 1996.

### Zulkifly Garib

**Aged 59, Male, Malaysian**  
Chief Operating Officer - Operations

Zulkifly Garib joined Glomac Berhad on 15 October 2019 as Chief Operating Officer - Operations.

He graduated with a BSc. In Civil Engineering and is a Member of the Chartered Institute of Highways & Transportation, United Kingdom.

Zulkifly began his professional career as an Engineer with a consultancy firm followed by appointments with PLUS Berhad and subsequently UMW Corporation Berhad.

He brings with him extensive experience in the land and property development sector having held senior managerial positions at Land & General Berhad and Tropicana Corporation. He was Senior General Manager of UDA Holding Bhd as Head of its Township Division before taking up position as Director of Operations at United Malayan Land Berhad in 2006.

Prior to his appointment at Glomac, Zulkifly was Project Director with UEM Sunrise Berhad.

He is currently Vice-President of the Real Estate and Housing Developers Association Malaysia (REHDA) and is Chairman of REHDA, Selangor since 2016.

Save as disclosed, none of the Key Senior Management:-

- i. Has directorships in other public companies and listed issuers;
- ii. Has any family relationship with any directors/major shareholders of the Company;
- iii. Has any conflict of interest with the Company;
- iv. Has any conviction for offences within the past five years other than traffic offences; and
- v. Has any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 April 2020.





YOHIO THERMOEST

FLOOR

PLAZA

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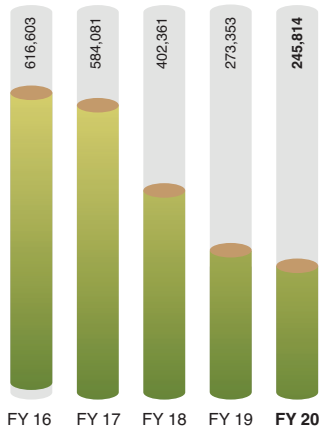
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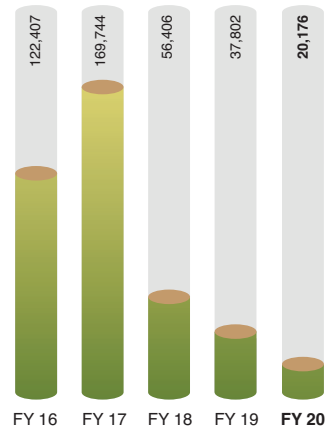


# 5-YEAR FINANCIAL HIGHLIGHTS

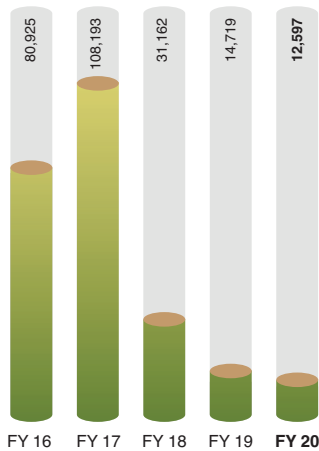
**Revenue (RM'000)**



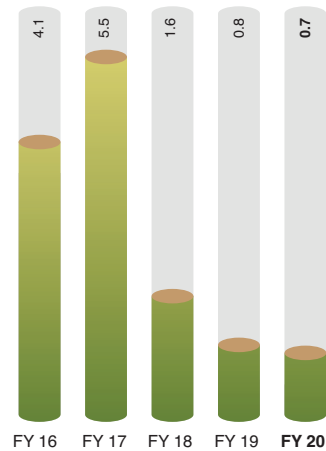
**Profit Before Tax (RM'000)**



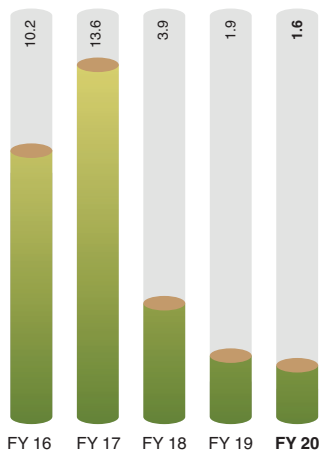
**Profit Attributable to Owners of the Company (RM'000)**



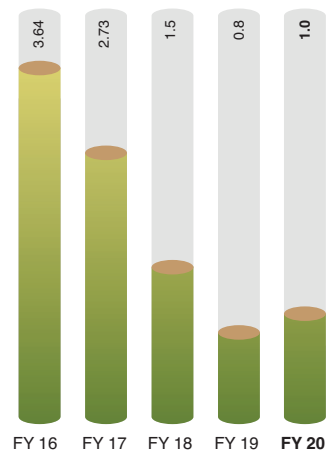
**Return on Total Assets (%)**



**Basic Earnings per Share attributable to Owners of the Company (Sen)**



**Net Dividend per Share (Sen)**



## 5-YEAR FINANCIAL HIGHLIGHTS

	2020 RM'000	2019 RM'000	2018 RM'000	2017 RM'000	2016 RM'000
<b>Revenue</b>	<b>245,814</b>	273,353	402,361	584,081	616,603
Profit Before Tax and Exceptional Item	<b>20,176</b>	37,802	56,406	169,744	122,407
Profit Before Tax	<b>20,176</b>	37,802	56,406	169,744	122,407
Income Tax Expense	<b>(2,779)</b>	(23,083)	(22,876)	(60,535)	(36,747)
<b>Profit for the year</b>	<b>17,397</b>	14,719	33,530	109,209	85,660
Profit Attributable to Owners of the Company	<b>12,597</b>	14,719	31,162	108,193	80,925
Non-controlling Interest	<b>4,800</b>	-	2,368	1,016	4,735
	<b>17,397</b>	14,719	33,530	109,209	85,660
<b>Assets and Equity</b>					
Total Assets Employed	<b>1,895,748</b>	1,899,692	1,918,811	1,970,670	1,981,330
Paid-up Share Capital	<b>418,632</b>	418,632	418,632	418,632	363,911
Equity Attributable to Owners of the Company	<b>1,094,768</b>	1,090,748	1,092,286	1,074,644	991,938
Return on Shareholders' Funds Attributable To Owners of the Company	<b>1.2%</b>	1.3%	2.9%	10.1%	8.2%
Return On Total Assets	<b>0.7%</b>	0.8%	1.6%	5.5%	4.1%
<b>Share Information</b>					
Basic Earnings Per Share Attributable to Owners of the Company (Sen)	<b>1.6</b>	1.9	3.9	13.6	10.2
Net Assets Per Share Attributable to Owners of the Company (RM)	<b>1.42</b>	1.40	1.38	1.35	1.25
Net Dividend Per Share (Sen)	<b>1.0</b>	0.8	1.5	2.73	3.64

# SUSTAINABILITY REPORT

## ABOUT THIS SUSTAINABILITY STATEMENT

**This Sustainability Statement is separate but complements the corporate performance and financial status information, which can be found in other sections of this Annual Report.**

This annual sustainability statement discloses information on Glomac's material issues along with its societal and environmental impacts and key sustainability initiatives. Stakeholders will gain a better understanding of the Group's strategy, approach and implementation of its sustainability efforts. This disclosure helps the Group become more sustainable and facilitates communications, awareness and interaction with all stakeholders and the public.

This Sustainability Statement covers information for the latest financial year, which is from 1 May 2019 to 30 April 2020 ("FY2020").

This annual disclosure identifies, evaluates and manages the material economic, environmental and social (EES) risks and opportunities in accordance with the:

- Global Reporting Initiative (GRI) Standards "Core"; and
- Bursa Malaysia Sustainability Guidelines.

This annual disclosure shows how sustainability has been included in all business divisions and covers the Group's significant operations. Data disclosed covers the above scope, unless otherwise stated, for properties that it owns and/or manages.

This report is part of Glomac's Annual Report 2020, published online and in print upon request. Glomac seeks to continually improve its sustainability performance and your feedback is vital. For any report-related questions or suggestions, please contact:

Level 15, Menara Glomac  
 Glomac Damansara  
 Jalan Damansara  
 60000 Kuala Lumpur  
 Tel : +603 7723 9000  
 Fax : +603 7729 7000

## MANAGING SUSTAINABILITY

The business needs to continually grow and evolve and this applies to more than just the physical aspects of Glomac's properties. The Group adapts to the ever-changing dynamics of the corporate world and changing sentiments within the local communities. Glomac goes beyond constructing, selling and managing properties to building and contributing to the development of communities. This is what sustainability means to Glomac.

### SUSTAINABILITY GOVERNANCE

Senior and middle management from various business units and departments provide guidance and drive Glomac's corporate sustainability agenda. The management monitors the Group's sustainability performance against its key performance indicators (KPIs), implements action plans and communicates and reports to all stakeholders.



# SUSTAINABILITY REPORT

Glomac's Board of Directors has overarching responsibility for the Group's sustainability governance, which extends from the Board members and its committees through the Executive Team and divisional management to employees, contractors and other supply chain partners.

Sustainability is the way Glomac delivers against its purpose - to secure a better future for all. The corporate vision and mission drive all employees to think bigger and go further.

## SUSTAINABILITY RISKS AND OPPORTUNITIES

Glomac systematically manages sustainability risks. These risks are considered to be a part of everyday company management and organisational operations and should not be approached separately. Senior management plays a critical role by setting a clear tone at the top and developing a code of conduct that creates the right environment for mitigating risk.

## SUSTAINABILITY STRATEGY

We are committed to driving responsible and sustainable business practices throughout our organisation. Strategies and initiatives are implemented with a goal to maximise our business performance with regards to expanding our development portfolio, building sustainable investment assets and creating reputable long-term relationships with our stakeholders.

### CORPORATE VISION

To help improve the quality of life by providing a better place to live or work in. We want to be recognised by our customers, shareholders and employees as a world-class property developer.

### CORPORATE MISSION

To deliver outstanding service, quality products and value for money for our customers.

### SUSTAINABILITY GOALS

Incorporate sustainability practices into all three economic, environmental and social aspects to establish ourselves as a sustainable Group

Achieve long-term corporate sustainability by identifying aspects that are material to the Group

Create an environment which can enhance our quality of life while ensuring our business success as a visionary property developer

## MATERIALITY

Materiality is the backbone of sustainability disclosure. It helps identify the most material issues and determine which topics should be reported and the level of depth of each. The process of identifying these issues involves reaching out to internal and external stakeholders for their input.

### METHOD

In FY2019, an internal materiality assessment was performed involving the Sustainability Steering Committee ("SSC") and Sustainability Working Committee ("SWC"). In FY2020, Glomac consulted with its external stakeholders to improve the objectivity and accuracy of its materiality assessment.

Identification	Prioritisation	Validation
Identified key issues and defined stakeholders	Conducted online survey with six stakeholder groups	Conducted a similar survey with Board of Directors and agreed on the relevance of the identified material issues

The Glomac Berhad Stakeholders' Materiality Survey 2020 was conducted in the second quarter of 2020. The survey was performed by an external consultant to ensure impartiality and the anonymity of the respondents.

# SUSTAINABILITY REPORT

## Stakeholders Consulted During the Materiality Study



Employees



Regulatory  
Agencies and  
Statutory Bodies



Investors



Customers



Suppliers and  
Contractors



Local  
Communities

The respondents were asked to indicate the importance they placed on 16 economic, environmental and social issues. These issues along with their descriptions are presented in the table below.

Sustainability Issue	Description
<b>Economic</b>	
Regulatory compliance	Preventing and reporting corrupt and anti-competitive behaviour and complying with all other economic, environmental and social legislation
Economic performance	Generating and distributing economic value among different stakeholders
Sustainable procurement	Supporting local suppliers and promoting good socio-environmental performance throughout the supply chain
Nation-building	Developing housing and local infrastructure and their impact on local communities
Local hiring	Promoting local economic development in local areas and communities in which Glomac operates
<b>Environment</b>	
Materials management	Reporting all recyclable and non-renewable construction materials with the aim of reducing these
Effluents, water and waste	Disclosing effluent discharges and all wastes including scheduled waste, spills and water bodies affected by runoff
Energy and climate change	Managing emissions and energy effectively with a view to reducing it whenever possible
<b>Social</b>	
Career development	Hiring, recruitment and retention as well as training, upgrading employee skills, performance and career development reviews
Protecting workers	Keeping all workers safe, respecting their rights to joint representation and their consultative practices with employees and their representatives
Diversity, equal opportunity and non-discrimination	Promoting diversity and equal opportunities and eliminating all forms of discrimination in the workplace
Human rights	Protecting all aspects of human rights including those of the indigenous population, security staff and children while eliminating all aspects of forced labour
Supporting local communities	Supporting all local communities that are economically, socially or environmentally impacted by operations
Responsible advertising and marketing	Providing accurate and transparent information on all aspects of products and services
Customer privacy and health	Protecting the safety, health, wellbeing and privacy of customers and members of the public
Quality and customer satisfaction	Promoting quality throughout the properties' life cycles to ensure high levels of customer satisfaction

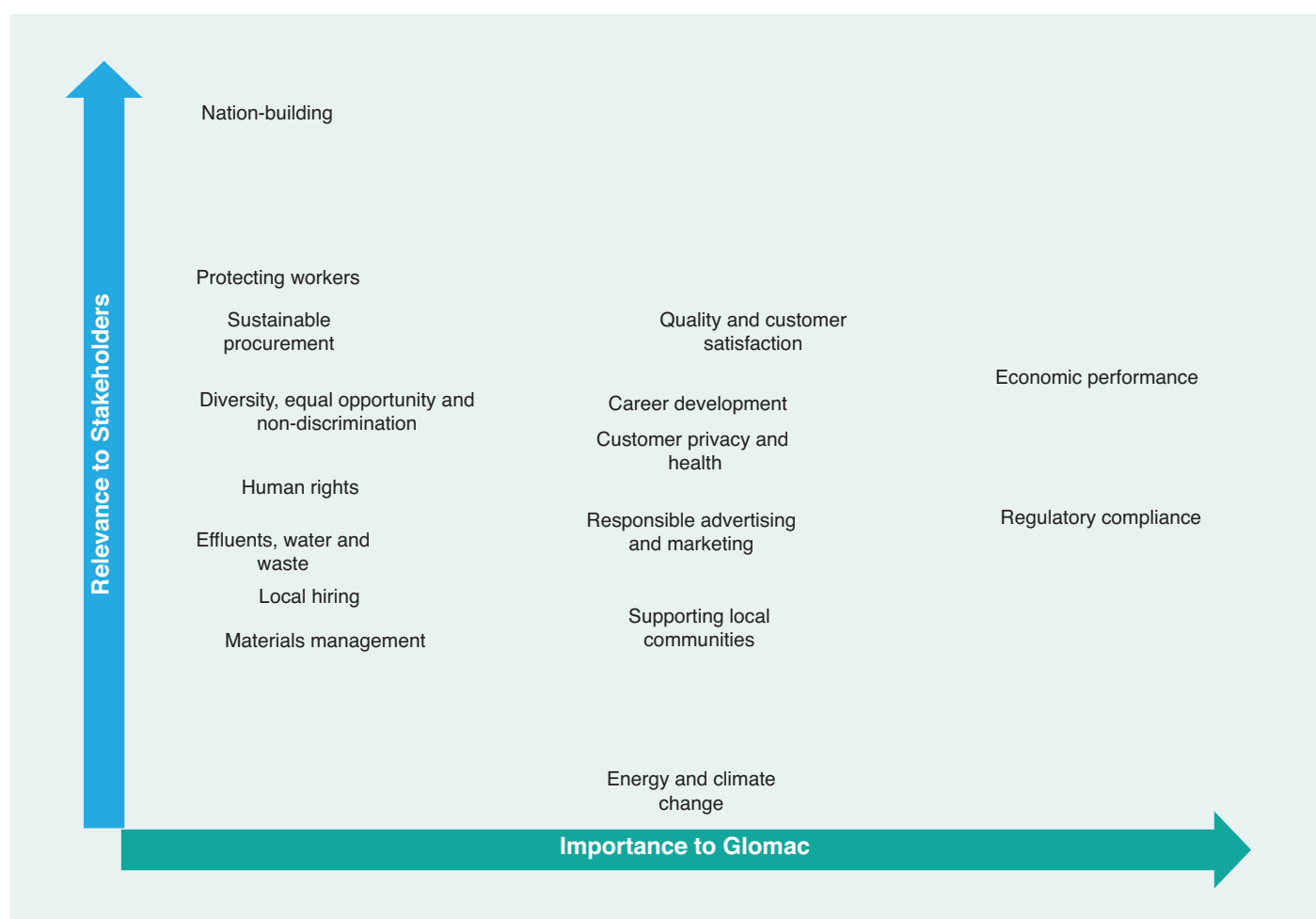
# SUSTAINABILITY REPORT

The respondents were asked to indicate the level of importance they place on each criterion from 'very unimportant' (1) to 'very important' (5).

There was a natural skew in the results as the different stakeholder groups were not represented equally. A separate average score was calculated for each of the 16 areas within each stakeholder group before an average from all eight was obtained.

The same survey was completed by the Board of Directors, whose responses were used to represent Glomac.

The results are presented in the materiality matrix below.





# SUSTAINABILITY REPORT

## COMMUNICATING WITH STAKEHOLDERS

Glomac employs various methods of communication to engage with stakeholders regularly. The Group also addresses sustainability-related topics such as occupational health and safety, community needs and customer satisfaction in a variety of ways.

### Sustainability-Related Communication with Stakeholders

Key Stakeholders	Method of Engagement	Key Sustainability Topics
Contractors/Consultants/ Supply Chain Partners	<ul style="list-style-type: none"> <li>• Safety briefing</li> <li>• On-site audit</li> <li>• Compliance and declarations</li> <li>• Training sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Performance</li> <li>• Occupational safety and health</li> <li>• KPIs</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Customer service channels</li> <li>• Surveys and feedback channels</li> <li>• Website and other online/offline publications</li> </ul>	<ul style="list-style-type: none"> <li>• Satisfaction and expectations</li> <li>• Quality of services and facilities</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Annual events</li> <li>• Training programmes</li> <li>• Wellbeing programmes</li> <li>• Other communications such as email blasts and newsletters</li> </ul>	<ul style="list-style-type: none"> <li>• Staff bonding</li> <li>• Career development</li> <li>• Safety and health at work</li> <li>• Community volunteerism</li> <li>• Work satisfaction</li> </ul>
Investment community	<ul style="list-style-type: none"> <li>• Results briefings</li> <li>• Annual General Meeting</li> <li>• Investor conferences</li> <li>• Road shows</li> </ul>	<ul style="list-style-type: none"> <li>• Financial results</li> <li>• Business performance and outlook</li> <li>• Sustainability</li> </ul>
Local community	<ul style="list-style-type: none"> <li>• Various feedback channels</li> <li>• Community programmes</li> <li>• Sponsorship, donation and other philanthropy contributions</li> </ul>	<ul style="list-style-type: none"> <li>• Community needs</li> <li>• Social and environmental impact from Glomac's operations</li> <li>• Placemaking</li> </ul>
Regulators	<ul style="list-style-type: none"> <li>• License, certifications, reports and compliance</li> <li>• Focus group and discussion</li> </ul>	<ul style="list-style-type: none"> <li>• Industry trend and standards</li> <li>• Compliance</li> <li>• Regulatory expectations and challenges</li> </ul>

# SUSTAINABILITY REPORT

## SUSTAINING ECONOMIC GROWTH FOR ALL

This economic section, in terms of sustainability, concerns the manner in which Glomac affects the economic conditions of its stakeholders as well as local and national economic systems. Glomac is committed to ensuring profits are generated sustainably and responsibly. Business operations also focus on the following core areas while making a positive contribution to the economic development of the industry, property market, community and nation.

### STEADY GROWTH

Glomac continued to achieve steady new sales of RM385 million in FY2020, which were mainly from ongoing projects and new launches. These launches targeted the mid-market and affordable segments in particular while landed residential projects such as Saujana Perdana continued to enjoy steady sales.

### AFFORDABLE HOMES

Glomac has extensive experience in building upmarket properties. Committed to constructing homes for low and medium-income groups in Malaysia, the Group is also aligned with the country's agenda to increase affordable housing.

Priced between RM42,000 and RM250,000, payments for Glomac's affordable homes are less than 30% of customers' income. The Group also works closely with the Government to align its financing terms with Governmental schemes such as the Home Ownership Campaign.

Glomac offers four types of affordable housing in its townships in Selangor and Johor.

### Recent Glomac Developments Offering Affordable Housing



**Saujana Perdana**

- Sungai Buloh, Selangor



**Saujana Rawang**

- Rawang, Selangor



**Saujana Aman**

- Sungai Buloh, Selangor



**Saujana Jaya**

- Kulai, Johor

### ADVANCING THE PROPERTY INDUSTRY

Glomac continues to play its role in strengthening the property market and is committed to supporting industry-related programmes. Involvement in industry associations helps streamline the Group societal contributions by helping address critical issues that affect the country's economy such as developing the housing and real estate industry.

# SUSTAINABILITY REPORT

Currently, Glomac's Group Managing Director is a Patron of the Real Estate & Housing Developers' Association (REHDA) Malaysia, having previously held the presidential post. The Executive Vice Chairman is also the former president of the International Real Estate Federation (FIABCI) Malaysia.

## CREATIVE PLACEMAKER IN BUILDING THE ECONOMY

Malaysia's property and construction industries continue to advance the country's economic and social development. Glomac will continue to focus on achieving a strong financial performance which enables the Group to invest in long-term sustainable development goals and build communities of the future.

"Places" is the strategic pillar that represents the heart of Glomac's sustainability strategy. Effective placemaking underscores the Group's approach to transforming spaces into vibrant and authentic destinations. The aesthetic, functional, ecological and cultural impacts of the design and construction are balanced in all properties. Achieving long-term placekeeping also helps maintain and manage group assets while improving the lives of the people who live, work and visit there.



Project	Placemaking Initiatives	Impact
Plaza@Kelana Jaya	<ul style="list-style-type: none"> <li>Installed street lighting on Jalan SS 7/13</li> <li>Upgraded the existing sewage pump station</li> </ul>	<ul style="list-style-type: none"> <li>Better traffic control</li> <li>Improved sewage system in the area</li> </ul>
121 Residences	<ul style="list-style-type: none"> <li>Constructed pedestrian walkways to increase public accessibility</li> </ul>	<ul style="list-style-type: none"> <li>Provides easy access to the nearest public accessibility</li> <li>Reduces dependence on private vehicles and carbon emissions</li> <li>Promotes social interaction and healthier living practices</li> </ul>
Lakeside Residences Puchong	<ul style="list-style-type: none"> <li>Developed a 100-foot wide dual carriageway road from Persiaran Setia to the Lebuhraya Damansara-Puchong highway</li> <li>Equipped a seven-acre recreational park surrounding the lake with jogging tracks, a futsal court, badminton or takraw court, basketball court, schools, Surau, community hall, clubhouse with an attached café, pool and gymnasium</li> <li>Installed light-sensing streetlights throughout the township</li> </ul>	<ul style="list-style-type: none"> <li>Improved township accessibility</li> <li>Reduced traffic volume during peak hours</li> <li>Enhanced township safety</li> </ul>



# SUSTAINABILITY REPORT

## SUPPLY CHAIN SUSTAINABILITY

Sustainability is integral to all procurement processes and supplier engagement. Sustainability questions are incorporated into bids and performance indicators and Glomac will continue to:

- Improve its supplier processes;
- Identify and manage risks through supplier engagement; and
- Increase productivity and efficiency within the supply chain.

The Group is committed to promoting business opportunities and building the capacity of local suppliers across operations and throughout the supply chain. This position is communicated to internal stakeholders and suppliers through the Code of Business Ethics. 100% of suppliers are local including security service and pest control contractors.

### Examples of Criteria Used During Sourcing



Good track record



Strong financial capability



Outstanding after-sales service



On-time delivery



Quality, specifications and consistency



Authority approval such as BOMBA, SIRIM and CIDB

Glomac's requirements in the areas of integrity, labour and human rights, health, safety and environment, and supplier inclusion are stipulated in its Supplier Expectations. Clear expectations and standards in contracts ensure sustainability considerations are included in the total cost of ownership evaluations, quality audits and ongoing discussions with suppliers on performance indicators and continuous improvement.

Contractors must ensure that their work does not directly or indirectly pollute or contaminate the environment. The requirements imposed by relevant authorities must be adhered to, particularly the Environmental Quality Act 1974 and relevant Environmental Impact Assessments.

Glomac engages with suppliers and contractors on sustainable development issues through quarterly business reviews, supplier relationship management, supplier sustainability forums and supplier audits.

The Group is committed to boosting the local economy through employment. All tenderers must be 100% Malaysian-owned, except for tenderers for projects outside of Malaysia as stipulated in the 'Instruction to Tenderer'. *Bumiputera* contractors and subcontractors are also encouraged to participate.

### Environmental and Social Requirement for Glomac's Suppliers, Contractors and Subcontractors



#### Fair Remuneration and Working Rights

- Fair remuneration packages should cover their living wage and comply with:
  - The Worker's Compensation (Foreign Workers Compensation Scheme) (Insurance) Order 1996; and/or
  - The Social Security Insurance; and/or
  - Employer's Liability Insurance; and/or
  - Any other insurance with statutory limits as requested by Malaysian laws.
- Overtime must be paid to workers.
- Valid permits to work must be issued before permanent or temporary workers can work in accordance with Malaysian immigration and Labour laws.

# SUSTAINABILITY REPORT



## Safety

- Suppliers, contractors and subcontractors must share Glomac's commitment to a safe and clean environment
- Workers must not be exposed to hazards or risks when carrying out work in addition to being supervised by Glomac's safety personnel on site
- Contractors must carry out periodic larviciding and fogging to avoid the spread of disease



## Environmental protection

- Suppliers, contractors and subcontractors must share Glomac's commitment to a safe and clean environment
- Workers must not degrade the environment with potential pollution as far as is practicable and mitigate potential environmental impacts
- Workers must reduce the environmental impact of their operations by managing emissions, biodiversity, waste disposal, pollution and other environmental issues from operations
- Open burning is prohibited on all sites
- Suppliers must work to reduce the consumption of resources including raw materials, energy and water throughout all aspects of the project.

Glomac conducts supplier and contractor audits which involve site visits and checking site progress reports. Any concerns surfacing during audits are raised during site meetings or through site memos.

Glomac's dedicated Fit-Out Unit is responsible for handling all compliance matters and both social and environmental performance.

## PROTECTING OUR ENVIRONMENT

Glomac's focus on environmental and long-term business sustainability intensified throughout this financial year. The Group's well-established sustainability commitment recognises the importance that sustainable business practices have on the environment and long-term stakeholder value creation.

Environmentally focused and sustainable business

- Taking a green or sustainable approach to all existing business operations and in the identification of new opportunities

Streamlined development process and execution

- Mitigating risk by ensuring projects are well managed to ensure they contribute to Glomac's performance

Securing opportunities

- Having the right relationships to secure opportunities, which also requires the right people are hired

# SUSTAINABILITY REPORT

## ENVIRONMENTAL POLICY

Glomac's Environmental Policy portrays an ambition to create vibrant and sustainable workplaces for tenants. Green buildings have great potential to deliver both business and environmental benefits.

The Group's strategy to green its portfolio over time remains a high priority and the management expects to deliver on this further in the future.

Glomac's environmental policy incorporates the United Nations Global Compact ("UNGC") environmental principles, which stipulate that business should:

- Support a precautionary approach to environmental challenges;
- Undertake initiatives that promote greater environmental responsibility; and
- Encourage the development and diffusion of technologies with better environmental performance.

Glomac conducts a monitoring programme during the earthworks, construction and operational phases. Quarterly environmental monitoring is performed on all Glomac projects to minimise noise and the deterioration of water and air quality from construction. Glomac strictly adheres to the Environmental Quality Act 1974 and its subsidiary regulations and complies with all regulatory standards set by the local authority or the government.

## Management Approach to Environmental, Safety and Health



Environmental, safety and health induction prior to start work every morning



Weekly toolbox briefing



Weekly site inspection



Daily monitoring and identification of unsafe practices

## ENVIRONMENTAL COMMITTEE

Robust governance and management systems, policies and standards have been adopted to ensure the Group's Environmental Sustainability Policy is implemented efficiently and effectively. These processes are reviewed regularly to ensure they are aligned with national and international regulations and guidelines.

An Environmental, Safety and Health ("ESH") Committee is formed at every site. The ESH Committee is responsible for ensuring compliance with the Group's environmental policy and processes. It also conducts a monthly audit upon receiving a weekly checklist from site officers. Convening each month, the Committee discusses and review environmental-related risks, challenges and opportunities. The outcome of each meeting is recorded and reported to the Group Managing Director.

# SUSTAINABILITY REPORT

## GREEN DEVELOPMENT

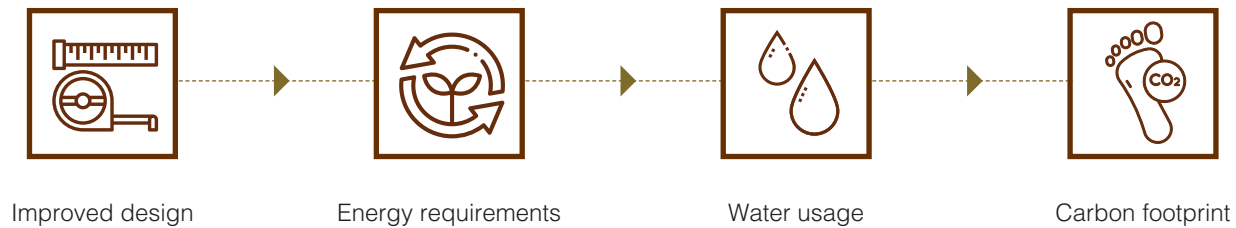
As a reputable developer, Glomac is mindful of delivering quality sustainable homes to its customers. Careful thought and planning are put into projects to create an eco-friendly environment that promotes healthy living for residents with green landscaped spaces and environment-friendly features. Energy consumption, water consumption and waste management are key aspects of sustainability. Monitored and managed well, they reduce the impact of our operations on the environment.

Green development is an emerging development model that achieves sustainable development by protecting the ecological environment under the constraints of ecological capacity and resource carrying capacity.

Developments such as Plaza@Kelana Jaya and 121 Residences are in the process of obtaining GreenRE Bronze Certification. GreenRE Certification provides a holistic approach to benchmarking green buildings.

This development is currently being evaluated by a third-party consultant. The Group is aiming to achieve Green Building Certification once the construction has been completed.

### Holistic Approach to Benchmarking Green Buildings



## NATURAL VENTILATION

Natural ventilation is a healthy and cost-effective way to save energy and provide fresh air for building occupants. It is defined as using passive strategies to supply outdoor air to a building's interior for ventilation and cooling without using mechanical systems.

Natural ventilation has become a key component of Glomac's green building strategy. For example, a courtyard at Saujana KLIA provides natural breeze which reduces dependence on air-conditioning.

### Benefits of Natural Ventilation

HEALTH	ENVIRONMENTAL
<p>Promotes a healthier lifestyle as fresh air can enhance your heart rate, blood pressure and energy levels. It strengthens immune systems, relaxes and refreshes.</p>	<p>Energy consumption can be reduced by up to 30% by replacing air conditioning with natural ventilation.</p>



# SUSTAINABILITY REPORT

## HOW IS IT DONE AT GLOMAC?

Research during the preconstruction phase of a project determines the best positioning for the building to deliver adequate ventilation from prevailing winds. Several design elements are also incorporated into a building to provide access to free air, which improves air quality and productivity for the occupants.

## SUN CONTROL AND SHADING

Well-designed sun control and shading design can dramatically reduce the peak heat gain and cooling requirements of a building. It also improves the natural lighting quality of building interiors.

Window tinted film is an effective and convenient way to improve the quality of an interior space. It reduces heat and glare from entering the building. Preventing the sun's ultraviolet rays from passing through the window glass protects skin and eyes from damage as well as wooden floors, furnishings, upholstery, paintings and tapestries from fading and discolouration.

Colour-tinted window glass has been installed at the Lakeside Residences Puchong. Aluminium insulated roofing prevents solar gain from penetrating the roof, further improving occupant comfort.

## WATER RESOURCE MANAGEMENT

Demand for water is expected to continue to increase globally, driven by rising populations and economic development. Rain patterns are also changing due to extreme weather events. The stability of water supplies will likely become a more pressing social concern each year.

Glomac carefully manages its water use and discharges. The Group's developments, sites, facilities and offices are designed and operated to minimise freshwater use. For example, a dual-flush system has been installed in the toilets at Saujana KLIA and Plaza@Kelana Jaya. The dual-flush toilet uses much less water, which consequently decreases running costs and is better for the environment. Other restrooms fixtures are installed with valve-controls and sensor-type flushing.

Rainwater harvesting is the collection and storage of rain, rather than allowing it to run off. A rainwater harvesting system has been installed at both Plaza@Kelana Jaya and 121 Residences.

## Benefits of Rainwater Harvesting

Glomac's water footprint is managed responsibly by reusing and recycling water at all sites. Water is reused for cleaning whenever possible.



Reduces flooding and erosion



Lowers water bills

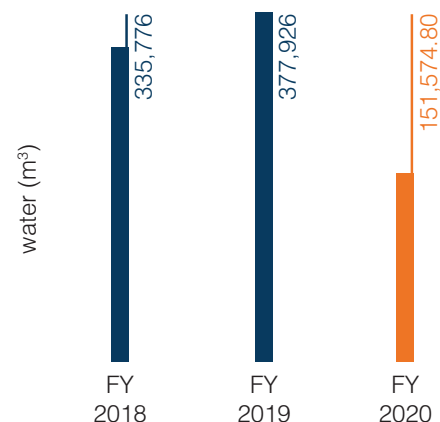


Minimises municipal water demand



Suitable for all non-drinking purposes

## Water Consumption

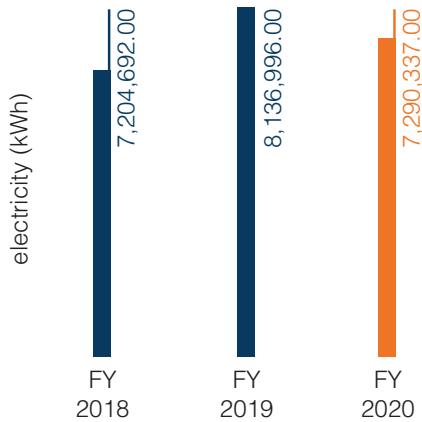


# SUSTAINABILITY REPORT

## ENERGY MANAGEMENT AND RELATED GHG EMISSIONS

Energy consumption and the resulting GHG emissions are material for Glomac due to its nature of operations. Care must be taken to avoid potential negative environmental impacts.

Steps are taken to consume energy efficiently throughout operations and promote the use of renewable energy sources.



Glomac continued to replace conventional light bulbs with LED alternatives throughout FY2020, which are extremely efficient and long-lasting. A study shows that using LED bulbs can reduce energy consumption by over 80% and last up to 25% longer than conventional light bulbs. The LED replacement programme at Plaza@Kelana Jaya has been completed and LED lights have also been installed on the elevators within Menara Glomac.

Natural sunlight is also used in the design of Glomac developments, which reduces energy usage further. The office windows in Menara Glomac are double glazed to reduce heat transference.

Inverter technology is the latest advancement concerning the electromotors of compressors. An inverter is used to regulate the speed of the compressor motor in order to adjust the temperature. Menara Glomac has been installed with a Variable Refrigerant Flow (VRV) system which works to efficiently regulate the building air conditioning to enhance energy efficiency. The system allows its tenants to control and maintain the building temperature instead of relying on a central air conditioning system that would otherwise consume excessive amounts of electricity.

## Benefits of Inverter Technology in Air-Conditioning

Consumes less power than traditional air-conditioning

No voltage fluctuation

Keeps constant room temperature

Effective cooling

Suitable for small and large spaces

Safer due to lower power consumption

Environmentally-friendly

## CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS

Lowering greenhouse gas emissions is core to our goal of reducing our environmental footprint across our buildings and assets.

Our emissions accounting is based on the internationally recognised GHG Protocol established by the World Business Council for Sustainable Development (WBCSD) and World Research Institute (WRI). Emissions accounting is based on the GHG Protocol classification of direct and indirect emissions.

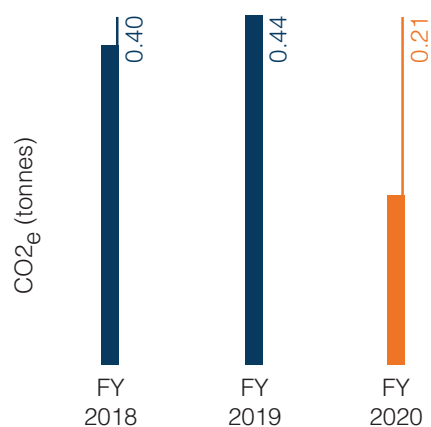
Scope	Category	Indicators Measured
Scope 1	Direct GHG Emissions	Diesel (genset)
Scope 2	Indirect GHG Emissions	Electricity

Direct GHG emissions are produced from sources that are owned or controlled by us. Indirect GHG emissions are emissions that are a consequence of business activities but occur at sources owned or controlled by another entity. The GHG Protocol further categorises these direct and indirect emissions into three broad scopes: all direct GHG emissions; indirect GHG emissions from the consumption of purchased electricity; and other GHG emissions. We have adopted this standard for our reporting.

# SUSTAINABILITY REPORT

## SCOPE 1

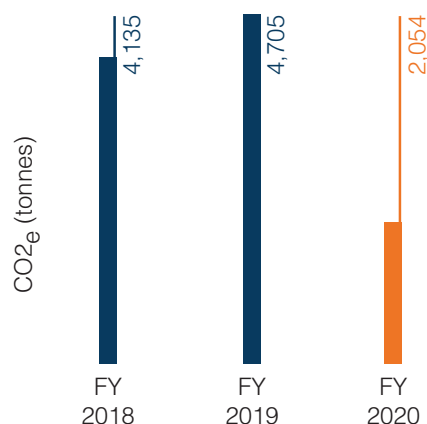
We monitor and record all energy used by gensets. CO<sub>2</sub> emissions from the consumption of diesel were derived from the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories.



## SCOPE 2

Indirect emissions result from our use of electricity. Energy has been calculated from Glomac's electricity bills.

CO<sub>2</sub> emissions from the use of electricity were derived using the emission factor published by the Malaysian Green Technology Corporation for the Peninsular Grid.



## OZONE-DEPLETING SUBSTANCES

Ozone-depleting substances (ODSs) are substances which deplete the ozone layer and are widely used in refrigerators, air conditioners, fire extinguishers, dry cleaning, cleaning solvents and electronic equipment.

The Montreal Protocol on Substances that Deplete the Ozone Layer aims to protect the ozone layer by phasing out substances that are believed to be responsible for ozone depletion.

Glomac supports this initiative and uses green refrigerant gas (R 410A) for air conditioners, fire extinguishers, refrigerators and cleaning solvents in Menara Glomac.

## WASTE MANAGEMENT

Glomac avoids waste whenever possible in order to minimise the use of resources. Waste generation, treatment and disposal also have significant environmental impacts as:

- Waste breakdown in landfills contribute to carbon emissions;
- Leachates may contaminate groundwater and waterways; and
- Waste incineration produces pollution and reduces air quality.

Glomac remains steadfast in managing its waste efficiently and seeks to reduce, reuse and recycling our waste whenever feasible. The bulk of the waste is generated by contractors and tenants. However, Glomac promotes the 3Rs – Reduce, Reuse and Recycle – throughout its waste management. Waste management is outsourced to a third-party contractor.



### Solid waste

*Municipal and other non-hazardous wastes*

- Disposed of according to the Department of Environment regulations



### Construction waste

*Concrete, aggregates and bricks*

- Recycled as unlay hardcore and construction metal scraps



### Scheduled waste

*Oil, paint and chemicals*

- Collected by appointed contractors to be disposed at registered site

# SUSTAINABILITY REPORT

## AN EFFICIENT AND EFFECTIVE WORKPLACE

Glomac's success begins with its people, whether they are employees or members of the local communities where operations are based. Employees are the Group's greatest asset and Glomac is committed to providing them with a healthy workplace that supports their physical and mental wellbeing.

Success depends on human capital and Glomac focuses on social performance and externalities such as:

- The social and economic impact of its development pipeline;
- Delivering and operating healthy buildings;
- Diversity and inclusion in the workforce;
- Employee wellbeing;
- Employee training and professional development; and
- Positive contributions to local communities.

### EMPLOYEE ENGAGEMENT AND MOTIVATION

Building a collaborative and engaging environment encourages people to excel. Their contributions are critical to the delivery of Glomac's business strategy and objectives.

A flat organisational structure and open-door culture supports this and allows the Group to quickly adapt, respond to change and seize opportunities as they are presented.

Employee engagement activities held during the year included a briefing on COVID-19 and Corporate Branding Training.





# SUSTAINABILITY REPORT

## AN INCLUSIVE WORKPLACE

Glomac recognises the benefits of creating an inclusive environment by increasing employee and board diversity.

Diversity and inclusion are extremely important as these issues are of concern to employees. Everyone wants to feel that work is a place where they can thrive.

### Benefits of Glomac's Diverse Working Environment

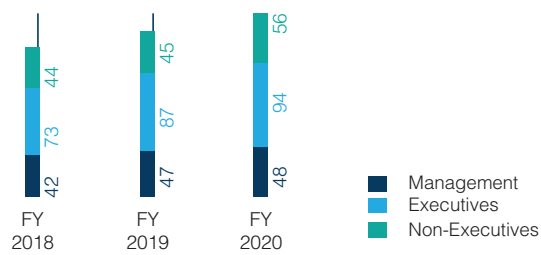


Glomac is committed to building a culture that is entirely inclusive of different people, approaches and ideas by balancing gender, culture and working patterns. Delivering the best outcomes for stakeholders requires careful and different thinking, and a diverse workforce fully supports this vision.

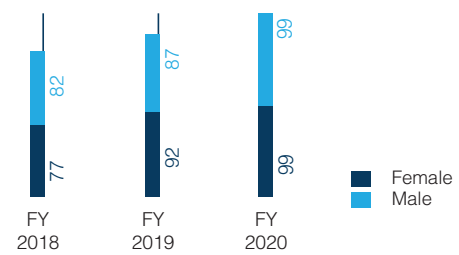
Glomac recorded a total workforce strength of 198 as of 30 April 2020, an increase of 10.61% from the previous financial year. All of our employees are Malaysian (100%) and they are all hired under permanent contract. Charts below showcase the diverse Glomac family.



### Workforce Strength



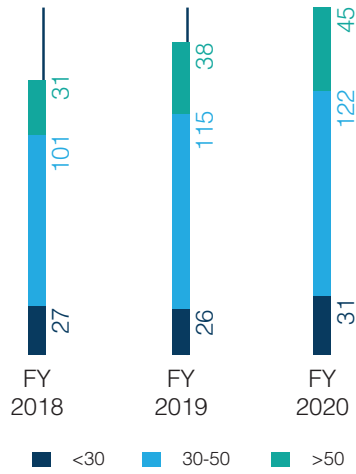
### Number of New Hires



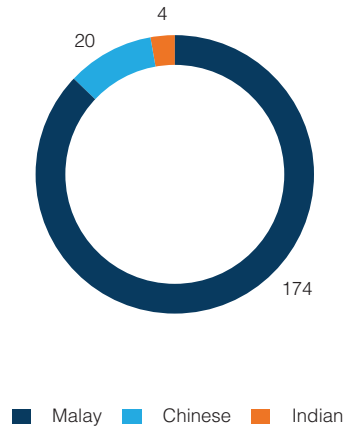
### Breakdown of Employees by Category

### Breakdown of Employees by Gender

# SUSTAINABILITY REPORT



Employee breakdown by Age Group



Employee breakdown by Ethnicity

## EMPLOYEE TURNOVER RATES

	FY2018	FY2019	FY2020
<b>By Gender (number)</b>			
Female	33	19	33
Male	41	17	29
<b>By Age Group (number)</b>			
<30	17	8	14
30-40	33	14	26
40-50	17	9	12
>50	7	5	10

# SUSTAINABILITY REPORT

## EMPLOYEE BENEFITS PROGRAMME

Employee benefits programmes are designed to meet the needs of Glomac's diverse workforce. These comprehensive programmes provide flexibility and choice in coverage that support employees and their families.

### Components of Glomac's Competitive Benefits Programme

Leave	<ul style="list-style-type: none"> <li>• Annual leave</li> <li>• Maternity leave</li> <li>• Paternity leave</li> <li>• Marriage leave</li> <li>• Examination leave</li> <li>• Disaster relief leave</li> </ul>
Insurance	<ul style="list-style-type: none"> <li>• Group insurance and medical benefits</li> </ul>
Allowances	<ul style="list-style-type: none"> <li>• Fixed allowance and reimbursable (for manager level and above)</li> <li>• Meal allowance (for executives and senior executives)</li> </ul>
Work-life balance employee assistance programme	<ul style="list-style-type: none"> <li>• Stress management programmes</li> <li>• Career development programmes</li> <li>• Wellness programmes</li> </ul>

## PERFORMANCE AND CAREER DEVELOPMENT

Feedback is important for achieving the required results for success. The appraisal process provides employees with an opportunity to respond and express their own comments and concerns. Two-way communication between heads of department and employees help build confidence in employees and their skills through goal setting.

All full-time employees (100%) receive an annual performance review and these evaluations are aligned with the annual bonus review. A general performance appraisal factor requires an employee's immediate superior to assess their fundamental understanding of the business and commitment to achieving the company's goals.

## TRAINING AND DEVELOPMENT

Developing employees' capabilities enables them to deliver on the Group's business strategy and improve performance. An employee's professional development enhances their passion and potential to perform optimally, both for themselves and for the business.

Glomac encourages employees to take part in training programmes, talks and seminars. These sessions are structured to help employees when they join the organisation, grow within their roles and lead. Training programmes attended by employees during the financial year included topics that covered:

- An update on extension of time and housing laws;
- The National C-Level REITS discussion;
- A property manager induction course for newly-registered property managers;
- Employment and sustainability during the Movement Control Order; and
- Laws governing retrenchment and termination.

Employees receive a training subsidy to encourage and support those wishing to boost their professional knowledge and skills. Glomac also invites professionals on a regular basis to share the latest industry insights and developments.

# SUSTAINABILITY REPORT

## WHISTLE BLOWING AND GRIEVANCE MANAGEMENT

Glomac is committed to maintaining high standards with regards to behaviour at work. The Group's Code of Ethics provides an avenue for employees to report actual or suspected breaches of laws or regulations including business principles and the Company's policies and guidelines in a safe and confidential manner.

All stakeholders are encouraged to report genuine concerns about unethical behaviour, malpractices, illegal acts or non-compliance with regulatory requirements. Whistleblowing is a specific way for employees, shareholders, suppliers and customers to report concerns on misconduct without fear of reprisal.

### Infringements Protected by Whistleblowing



Improprieties in matters of financial reporting



Fraud



Corruption, bribery and blackmail



Criminal offences



Unethical behaviour, malpractices



Illegal acts or failure to comply with regulations



Miscarriages of justice



Sexual harassment



Endangering an individual's health and safety



Concealing any or a combination of the above

## GRIEVANCE MANAGEMENT

Employees must report grievances to their immediate superiors, Head of Human Resource and the Chairman of Audit Committee. All reports are investigated promptly, overseen by the Head of Audit Committee. An appropriate course of action is recommended to the Audit Committee for their deliberation once the investigations have been completed. Glomac seeks ways for preventing similar situation arising in the future.

## NOTICE PERIOD FOR OPERATIONAL CHANGE

The notice period for any significant change in operations is typically one month. However, it can vary depending on the severity, priority and impact of the change. Glomac ensures that its procedures follow the Employment Act 1955 at all times.



# SUSTAINABILITY REPORT

## HEALTH AND SAFETY

The health and safety of employees are extremely important. Glomac consciously recognises the fundamental right of each and every worker to return home safely. The Group's safety and health principles commit to providing all employees, contractors, customers, tenants, visitors and the public with a safe and healthy working environment as far as is reasonably practicable.

Recently, significant work has been completed across all portfolios to ensure all developments comply with relevant local laws and regulations. Ongoing monitoring and improvement activities help improve the Group's safety performance.

Our Goal:

**Glomac aims to achieve zero harm in the workplace by applying risk management principles, effective stakeholder engagement while continuously improving systems of work and organisational practice to empower all to work safely.**

### Worker health and safety highlights

	FY2018	FY2019	FY2020
Fatalities case	0	0	0
Lost workday case (LWC)	0	1	0
Restricted workday case (RWC)	0	1	0
First aid case (FAC)	0	1	0
Near miss case	0	0	0
Dangerous occurrence case	0	0	0
Fire case	0	0	3
Property damage case	2	0	0
Vehicle accident case	0	0	0
Number of days lost	0	6	0
Total of safe man-hours worked	346,656	367,400	106,776

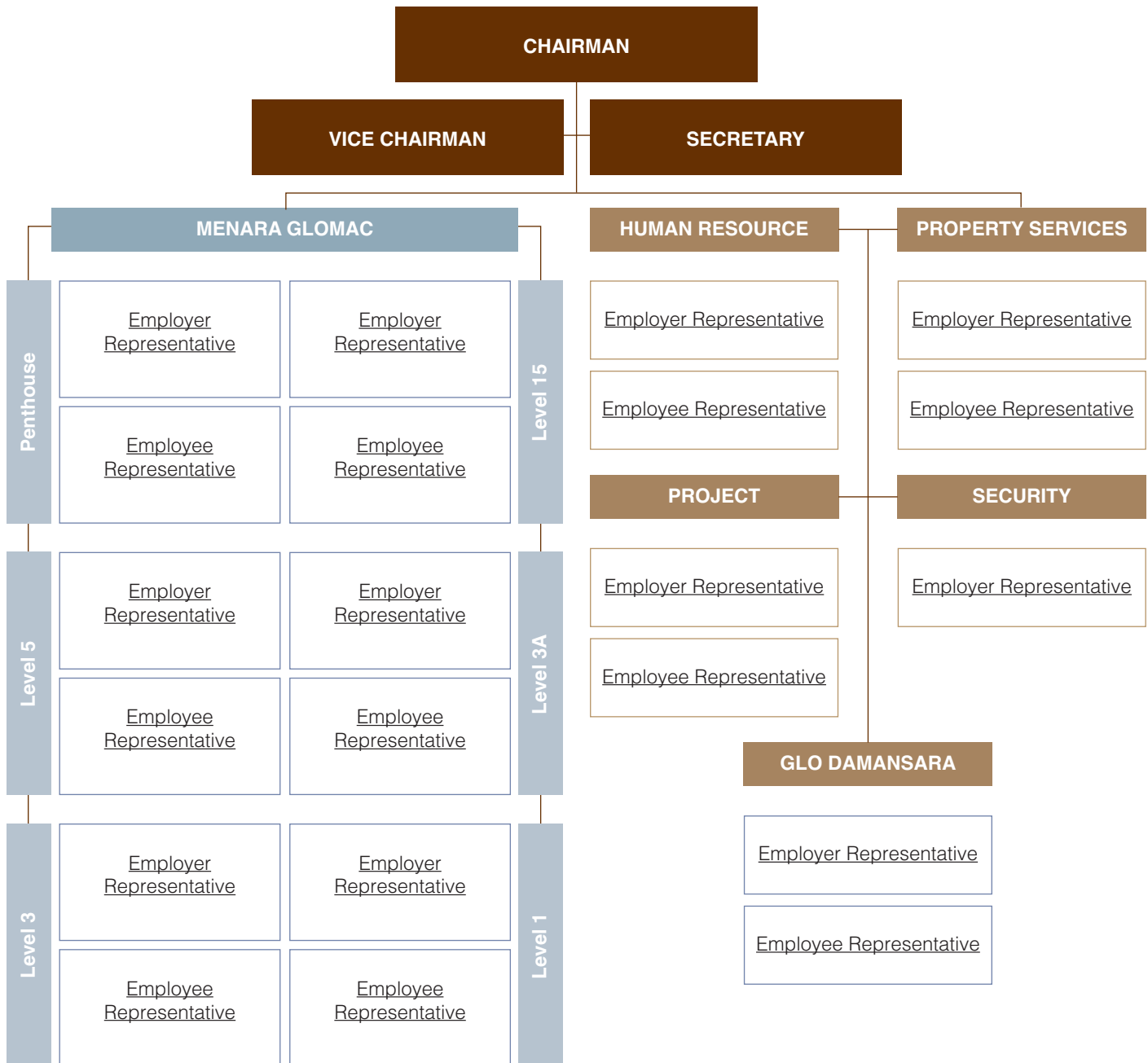
# SUSTAINABILITY REPORT

## OCCUPATIONAL SAFETY AND HEALTH COMMITTEE

Each division within Glomac is represented in the Occupational Safety and Health (“OSH”) Committee in compliance with the Occupational Safety and Health (Safety and Health Committee) Regulation 1996. The OSH Committee meets quarterly to review safety and health issues and also introduces control measures to be undertaken by the respective division.

The Committee ensures that the management and workers meet regularly. Understanding the practical work more clearly is useful so that processes can be aligned with the management’s workplace overview and organisation.

### OSH Committee Chart



# SUSTAINABILITY REPORT

Strong emphasis on health and safety remains paramount and employees, tenants and contractors continue to enjoy a healthy and safe workplace. Managing health and safety risks is a critical part of inculcating a positive safety culture. Adequate training and resources ensure that managers and individuals are accountable for their actions or inaction.

## COVID-19

Glomac began monitoring the COVID-19 pandemic which is believed to have started in China started its devastating effect in January 2020. We closely monitored World Health Organisation's (WHO) recommendations on safety measures in the combat against the disease.

By the time the pandemic started flaring up in Malaysia at the end of February, Glomac had started drafting its Standard Operating Procedures (SOPs) to be rolled out amongst employees and all Glomac operations including project sites.

During the Movement Control Order (MCO) which was declared by the Government on 18 March 2020, Glomac has taken the initiatives to sanitise Menara Glomac and its Sales Galleries. During the MCO, employees adopted the new norm of working from home.

By the time the Conditional Movement Control Order (CMCO) was introduced, Glomac rolled out work schedules for staff to return to work at the offices. This was to ensure business continuity while keeping employees monitored and safe. Briefing sessions to all employees on how to conduct themselves and how to observe all the SOPs were also constantly organised.

Among the SOPs includes:

- Temperature checks at the Glomac entrance for all staff, tenants and visitors,
- Provision of hand-sanitiser at all public common areas,
- Markings at offices, meeting rooms, elevators and etc to encourage social distancing at all times,
- Provision of face masks to employees and visitors on a daily basis; and
- Separate meeting facilities for business visitors - to minimise employees from being exposed to visitors and vice versa.

Until today (at time of print of this Annual Report) Glomac still sanitise public common areas every day. Staff were also provided with instructions, training and resources to clean and sanitise their personal work stations daily.

## Safety and Health Initiatives Held During the Year

### INSPECTIONS & MAINTENANCE

- HSE inspections
- Fire system inspections, servicing and renewal
- Machinery inspections and servicing

### AWARENESS

- HSE posters and bulletins
- Workplace COVID-19 prevention briefing
- Occupational COVID-19 prevention briefing

Glomac's continuous innovation and adoption of technology underpins this commitment. Glomac continues to accurately record and report all workplace incidents while encouraging worker participation through health and safety representatives.

Contractors are responsible for the safety of their workers on all Glomac sites. The buildings' occupants and the public must not be exposed to any health, safety and security risk when performing any works.

Each contractor is required to protect the security, safety and health of the workers and public at the place of work. Every Permit to Work stipulates that contractors must comply with all relevant laws and regulations including the:

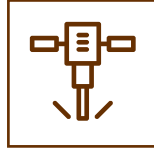
- Occupational Safety and Health Act 1994;
- Factories and Machinery Act 1967;
- Uniform Building By-Law 1984;
- Safe operating procedures in the installation of scaffolds; and
- All other related government agencies regulations.

# SUSTAINABILITY REPORT

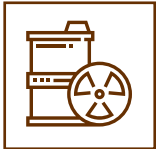
## Other Contractor Requirements



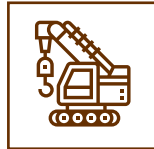
Install proper safety signage, hoardings and barricades before work commences



Control all nuisances such as noise, noxious fumes, major impact on slabs and walls, drifting dust and excess fluid



List and properly store all hazardous, corrosive, toxic or volatile materials, gases and chemicals



Register heavy construction machinery and vehicles used including their weight



Glomac's safety officer conducts regular site inspections to ensure its safety management approach and measures are applied at each stage of construction.

## SOCIAL: PRODUCT RESPONSIBILITY

### VALUE CREATION THROUGH PLACEMAKING AND COMMUNITY BUILDING

Glomac develops neighbourhoods, communities and mixed-use developments. The Group is dedicated to placemaking and community building while creating value for stakeholders.

Glomac's placemaking inspires its people to collectively reimagine and reinvent spaces as well as other structures at the heart of every community. The Group works at strengthening the connection between people and the places they share.

Glomac built a Southern access road as an alternative route for residents at Saujana Rawang. Residents' travelling was faster and smoother as they could escape the congested access from Bandar Country Homes.

Glomac has also constructed family parks at its developments where residents can spend their leisure time enjoying nature, jogging or cycling. Landscaping plans of Glomac's townships also feature walkways, green areas, playground and many other facilities. The Group has surpassed the minimum requirements set by the local council on the size of green spaces to preserve the environment.

Glomac's placemaking strategy not only promotes better urban design but also increased its property prices due to the improved infrastructure.



# SUSTAINABILITY REPORT

## RESPONSIBLE CONSTRUCTION

### INDUSTRIALISED BUILDING SYSTEM

Industrialised building system ("IBS") is a term used in Malaysia for a technique of construction in which components are manufactured in a controlled environment, either on-site or off-site, placed and assembled into construction works. The construction industry in Malaysia is migrating from conventional methods to this more systematic and mechanised IBS.



Quicker construction time



Cost savings



Labour savings



Less labour at the site



Optimised materials use



Higher quality and better finishes



Construction less affected by weather



Flexibility

### Benefits of IBS

Glomac Centro and Lakeside Residences utilised IBS during the development and construction phases. The construction period was shorter and easier to manage. Glomac hopes to implement the IBS across other future property development and construction projects to further improve supply chain efficiency and product output.

### JUMP FORM SYSTEM

Jump form systems consist of the formwork and working platforms for cleaning and fixing of the formwork, steel fixing and concreting. As the formwork supports itself on the concrete cast earlier, it does not rely on support or access from other parts of the building or permanent works.

### Benefits of the Jump Form System

The jump form system was implemented during Glomac Centro's construction phase. Hopefully, this system can be used in future high-rise projects to improve the quality of our construction services and reduce building time.

### TENANT ENGAGEMENT, SATISFACTION AND RETENTION

The core of Glomac's portfolio strategy is to create value through tenant retention and satisfaction. All business operations strive to deliver bespoke, fit for purpose properties to their tenants and customers. Capital works are undertaken to maintain or improve the value of assets and both attract and retain tenants.

Faster construction

Reduced crane time

Shear walls and core walls can be completed earlier

High-quality surface finishes

Climbing forms can operate in high winds

Quick and precise formwork adjustments in all planes

Some formwork systems can be used at an inclined angle

A smaller skilled workforce required

Easier planning due to its repetitive nature

## GROUP EXECUTIVE CHAIRMAN'S STATEMENT KENYATAAN PENERUSI EKSEKUTIF KUMPULAN



**On behalf of the Board of Directors, I am pleased to present Glomac Berhad's ('Glomac' or 'The Group') Annual Report for the financial year ended 30 April 2020 ('FY20').**

The Malaysian economy grew by 4.3% in 2019, having eased from 4.7% in the previous year amidst the US-China trade war. Economic conditions were further worsened with the outbreak of the COVID-19 virus towards the end of 2019. This virus outbreak very quickly turned into a global pandemic, as infection rate rose and death toll mounted. Countries across the globe imposed movement restrictions and halted businesses to restrain this spreading pandemic, resulting in a large-scale disruption to global economic activities.

Malaysia responded with the implementation of the Movement Control Order ('MCO') in March 2020, restricting recreational activities and suspending the operations of non-essential service providers. To mitigate the negative impact on the economy, the government eased interest rates and introduced fiscal stimulus measures totalling more than RM300 billion in a bid to strengthen our healthcare resources and provide aid to vulnerable households and businesses.

Despite this difficult economic climate, Glomac delivered a commendable performance for the year. Our core operating profits improved, supported by a healthy balance sheet with manageable borrowings and a solid cash position of RM176.5 million as at 30 April 2020. Efforts from our management and project teams have driven new sales to surpass total sales attained in the previous financial year. This improvement in sales is expected to contribute positively to our financial performance in the current year.

**Bagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan Laporan Tahunan Glomac Berhad ('Glomac' atau 'Kumpulan') bagi tahun kewangan berakhir 30 April 2020 ('TK20').**

Pertumbuhan ekonomi negara dicatatkan telah menurun kepada 4.3% pada tahun 2019 daripada 4.7% tahun sebelumnya akibat perang perdagangan yang tercetus diantara Amerika Syarikat dan China. Keadaan ekonomi ini pula bertambah buruk akibat wabak COVID-19 yang telah melanda dunia di hujung tahun 2019. Wabak virus ini dengan cepat berubah menjadi pandemik global dimana angka jangkitan bertambah dan jumlah kematian meningkat. Negara-negara di seluruh dunia telah mengenakan sekatan pergerakan dan menghentikan perniagaan untuk menangani penyebaran wabak ini, yang telah juga mengakibatkan gangguan besar-besaran terhadap kegiatan ekonomi sedunia.

Malaysia telah bertindak balas dengan pelaksanaan Perintah Kawalan Pergerakan ('PKP') pada bulan Mac 2020 dimana aktiviti rekreasi disekat dan operasi penyedia perkhidmatan yang tidak penting telah ditangguh. Untuk mengurangkan impak negatif terhadap ekonomi, kerajaan telah mengurangkan kadar bunga dan telah juga melancarkan langkah-langkah rangsangan fiskal berjumlah lebih dari RM300 bilion dalam usaha untuk memperkuat sumber-sumber kesihatan kita dan memberikan bantuan kepada rumahtangga dan perniagaan yang rentan.

Walaupun berdepan iklim ekonomi yang mencabar, Glomac telah menunjukkan prestasi yang terpuji pada TK20. Keuntungan operasi teras kami bertambah baik, disokong oleh kunci kira-kira yang sihat dengan pinjaman terurus serta kedudukan tunai yang kukuh sebanyak RM176.5 juta pada 30 April 2020. Usaha pihak pengurusan dan pasukan projek kami telah mendorong penjualan baharu untuk mengatasi jumlah penjualan yang dicapai pada tahun kewangan sebelumnya. Peningkatan penjualan ini diharapkan dapat memberi sumbangan positif kepada prestasi kewangan kita pada tahun akan datang.

## GROUP EXECUTIVE CHAIRMAN'S STATEMENT KENYATAAN PENERUSI EKSEKUTIF KUMPULAN

Emulating the success of Plaza@Kelana Jaya, we launched 121 Residences towards the end of 2019 to similar favourable response. This RM327 million residential development appeals with its modern designs, efficient layouts and affordable pricing in the mid-market residential segment. Our ability to introduce innovative quality products that meet with the demands of our buyers is central to Glomac as a developer. And this is evident not just in 121 Residences, but across all our development properties.

Business at our Glo Damansara mall was understandably disrupted by advent of the COVID-19 pandemic and the implementation of the MCO. We will continue with our efforts to further introduce new tenants to improve its vibrancy and create Glo Damansara as a preferred neighbourhood mall.

### Dividends

For the financial year ended 30 April 2020, the Board has proposed a final single tier dividend of 1.0 sen per ordinary share, subject to shareholders' approval in our upcoming 36<sup>th</sup> Annual General Meeting.

The Board is recommending a slightly higher dividend compared to last year to reward our supportive shareholders during current uncertain times, whilst also taking into consideration the need to conserve our liquidity and future capital commitment to sustain growth. Glomac will endeavour to sustain our interrupted dividend track record and maintain a reasonable trend in dividend payments.

### Awards & Accolades

Glomac is resolute in our emphasis on excellence and sustainability in conducting our development business and in practicing responsible corporate governance. It is always gratifying when we are recognised by our peers and industry experts for the accomplishments and standards we achieved.

I am pleased to share with you our accreditations for the year. In July 2019, Glomac received the MERIT AWARD for most improved CG disclosure at the MSWG-ASEAN Corporate Governance Awards 2018. I am particularly proud that Glomac was also presented with the BEST REAL ESTATE DEVELOPMENT COMPANY 2019 - MALAYSIA at the South-East Asia Business Award 2019 by APAC Insider. We are indeed privileged to receive this award in being recognised as one of Malaysia's reputable property developers in South East Asia.

Mencontohi kejayaan Plaza@Kelana Jaya, kami telah melancarkan 121 Residences menjelang akhir 2019 dengan sambutan yang memberangsangkan. Pembangunan kediaman bernilai RM327 juta ini telah berjaya menarik minat pelabur dengan reka bentuk moden, susun atur yang cekap dan harga yang berpatutan di segmen kediaman pertengahan pasaran. Keupayaan kami untuk memperkenalkan produk inovatif yang berkualiti yang dapat memenuhi permintaan pembeli adalah sangat penting bagi Glomac sebagai antara pemaju terunggul negara. Ini terbukti bukan sahaja bagi 121 Residences, tetapi juga semua hartanah pembangunan kami.

Perniagaan di pusat beli-belah Glo Damansara milik Glomac juga telah tergendala akibat COVID-19 dan penyusulan PKP. Walaupun begitu, kami telah meneruskan usaha untuk menarik lebih banyak penyewa baharu untuk meningkatkan semangat dan menjadikan Glo Damansara sebagai pusat membeli-belah pilihan.

### Dividen

Bagi tahun kewangan berakhir 30 April 2020, Lembaga Pengarah telah mencadangkan dividen satu peringkat terakhir sebanyak 1.0 sen sesaham biasa, tertakluk kepada persetujuan pemegang saham semasa Mesyuarat Agung Tahunan ke-36 yang akan datang.

Lembaga Pengarah telah mengesyorkan dividen yang lebih tinggi berbanding tahun lalu ini sebagai sokongan kami dan untuk memberi ganjaran kepada pemegang saham pada masa-masa yang tidak menentu ini. Sementara itu, kami juga mempertimbangkan keperluan untuk mengekalkan likuiditi dan komitmen modal kerja untuk masa depan kami bagi mengekalkan pertumbuhan Kumpulan. Glomac akan berusaha untuk mengekalkan rekod dividen dan juga trend pembayaran dividen yang wajar.

### Anugerah & Penghargaan

Glomac tegas dalam penekanan kami terhadap kecemerlangan dan kelestarian dalam menjalankan perniagaan pembangunan kami serta mempraktikkan tadbir urus korporat dengan penuh bertanggungjawab. Ianya menjadi suatu kebanggaan bagi kami apabila pencapaian dan standard kami diiktiraf rakan dan pakar industri.

Saya dengan berbesar hati berkongsi pencapaian kami tahun ini. Pada bulan Julai 2019, Glomac menerima ANUGERAH MERIT bagi usaha pembentangan tadbir urus korporat (CG) yang paling baik semasa Anugerah Tadbir Urus Korporat MSWG-ASEAN 2018. Saya amat berbangga kerana Glomac juga diiktiraf sebagai SYARIKAT PEMBANGUNAN HARTANAH TERBAIK 2019 - MALAYSIA semasa Penganugerahan Perniagaan Asia Tenggara 2019 oleh APAC Insider. Kami terharu dengan penghargaan sebagai salah satu pemaju hartanah terkemuka di Malaysia di kalangan negara Asia Tenggara.

## GROUP EXECUTIVE CHAIRMAN'S STATEMENT KENYATAAN PENERUSI EKSEKUTIF KUMPULAN

We are also very proud that Datuk Seri FD Iskandar, our Group Managing Director and Chief Executive Officer was conferred Patron of REHDA Malaysia in November 2019 for his providing leadership to the real estate and property development industry, acknowledged by both our peers and industry authorities as a voice for developers.

### Prospects

The global outlook remains challenging, with prospects significantly dampened by the ongoing COVID-19 pandemic. Bank Negara expects Malaysia's GDP growth to contract to a range of -3.5% to -5.5% in 2020, undermined by softer global demand and weakened consumption and investment activities. As we started off on the Recovery Movement Control Order (RMCO), it does appear that Malaysia has been successful in containing the pandemic. The economy is slowly picking up and should pick up pace in the second half of 2020. However, the extent of an economic recovery would depend on when this pandemic can be controlled, given its current resurgence in certain major countries.

Glomac has built an established and successful track record in property development. We have proven our resilience in delivering a sustainable profit trend throughout various economic cycles. Amidst the weak economic conditions, we may adopt a more cautious approach near term. Nonetheless, we are confident that we will resume on our growth path when the economic recovery is back in full swing. Our long-term prospects remain intact, underscored by our proactive development strategies, our experienced and dynamic management team, innovative product branding and our strategically prime landbank.

### Acknowledgements

First and foremost, the Board and management team of Glomac wish to pay tribute to the unsung heroes as the nation battles with the COVID-19 pandemic. To the healthcare workers caring for the COVID-19 patients and the security forces helming containment efforts of the disease in the country, we thank you deeply for all the efforts you put in. The stress and risks you undertake in combating this pandemic have surely earned our love and respect.

Kami juga sangat berbangga kerana Datuk Seri FD Iskandar, Pengarah Urusan Kumpulan dan Ketua Pegawai Eksekutif kami telah menerima penganugerahan sebagai Penaung REHDA Malaysia pada bulan November 2019. Pengiktirafan ini diberi ke atas penglibatan dan kepimpinan beliau terhadap pembangunan industri hartanah. Ianya suatu penghormatan yang juga diakui oleh rakan dan pihak berkuasa industri kami sebagai suara pemaju hartanah.

### Prospek

Prospek global dijangka tetap mencabar dibendung secara ketara oleh wabak COVID-19 yang masih lagi belum ditangani sepenuhnya. Bank Negara Malaysia menjangkakan pertumbuhan KDNK pada kisaran diantara -3.5% hingga -5.5% pada tahun 2020, dipengaruhi oleh permintaan global dan aktiviti penggunaan dan pelaburan yang lebih lemah. Ketika kita memulakan Perintah Kawalan Pergerakan Pemulihan (PKPP), nampaknya Malaysia telah berkesan membendung penularan wabak tersebut dengan baik. Ekonomi telah meningkat secara perlahan-lahan dan dijangka akan terus meningkat lagi pada separuh kedua tahun 2020. Namun begitu, tahap pemulihan ekonomi akan bergantung kepada jangka masa wabak ini dapat dikendalikan, memandangkan kebangkitan semula wabak tersebut di kalangan negara-negara besar tertentu.

Glomac telah membina rekod prestasi yang mantap dalam pembangunan hartanah. Kami telah membuktikan ketahanan kami dalam memberikan trend keuntungan yang berterusan sepanjang pelbagai kitaran ekonomi. Di tengah keadaan ekonomi yang lemah, kami mungkin menggunakan pendekatan yang lebih berhati-hati dalam jangka masa terdekat. Walaupun begitu, kami yakin dapat meneruskan perjalanan pertumbuhan kami apabila pemulihan ekonomi kembali berjalan lancar. Prospek jangka panjang Glomac tetap utuh, disokong strategi pembangunan proaktif, pasukan pengurusan yang berpengalaman dan dinamik, penjenamaan produk inovatif dan bank hartanah kami yang strategik.

### Penghargaan

Bagi pihak Lembaga Pengarah, saya ingin merakamkan penghormatan dan penghargaan pihak kami kepada pahlawan-pahlawan barisan hadapan negara yang telah bertarung nyawa memerangi wabak COVID-19. Kepada pekerja kesihatan yang merawat pesakit-pesakit COVID-19 dan pasukan keselamatan yang membantu dalam usaha pencegahan penyakit tersebut di negara ini, kami ucapkan setinggi-tinggi terima kasih ke atas semua usaha yang anda lakukan. Kekangan dan risiko yang anda hadapi dalam memerangi wabak ini pastinya akan kami sanjung sepenuhnya.



## GROUP EXECUTIVE CHAIRMAN'S STATEMENT KENYATAAN PENERUSI EKSEKUTIF KUMPULAN



Our appreciation to Glomac's stakeholders for your continuous support. To our loyal shareholders, we truly value your trust and conviction in us over the years. Our sincere gratitude to our staff, customers, bankers and financiers, statutory bodies, business associates and partners, all of whom are an essential component of our ongoing success. My heartfelt appreciation to my fellow Board Directors. Your dedication and wisdom bestowed to the Board is invaluable.

Thank you.

**Tan Sri Dato' FD Mansor**  
Group Executive Chairman

Penghargaan kami juga dituju kepada pihak berkepentingan Glomac atas sokongan berterusan anda. Kepada pemegang saham yang setia, kami sangat menghargai kepercayaan dan keyakinan anda terhadap kami selama ini. Ucapan terima kasih yang tulus juga diucapkan kepada kakitangan, pelanggan, pegawai bank dan pemodal, badan berkanun, rakan perniagaan dan rakan kongsi, yang semuanya merupakan komponen penting bagi kejayaan kami yang berterusan. Setinggi-tinggi penghargaan juga dirakam kepada rakan ahli Lembaga Pengarah yang telah menyumbang peranan dengan penuh dedikasi yang tidak ternilai.

Terima kasih.

**Tan Sri Dato' FD Mansor**  
Pengerusi Eksekutif Kumpulan

# AWARDS AND RECOGNITION



**StarProperty**

**AWARDS**  
**2020** REAL ESTATE DEVELOPER

**MERIT**

THE PROXIMITY AWARD  
(BEST INTEGRATED TRANSIT ORIENTED DEVELOPMENT)



## AWARDS AND RECOGNITION

No.	Description	Year	Recipient
1	<b>Star Property Awards 2020 Real Estate Developer</b> Best Developer Transit Oriented Development (Merit Award)	March 2020	121 Residences, PJ-Damansara
2	<b>REHDA Malaysia</b> Patronship of REHDA	November 2019	Datuk Seri FD Iskandar GMD/CEO
3	<b>iProperty Development Excellence Awards (iDEA)</b> Best Developer People's Choice Award	October 2019	Glomac Berhad
4	<b>Minority Shareholders Watch Group (MSWG) - ASEAN Corporate Governance Awards 2018</b> Most Improved CG Disclosure	July 2019	Glomac Berhad
5	<b>APAC South East Asia Business Awards 2019</b> Best Real Estate Developer Company 2019 – Malaysia	June 2019	Glomac Berhad
6	<b>Property Insight Prestigious Developer Awards 2019</b> Best Affordable Township	May 2019	Saujana Perdana, Sungai Buloh
7	<b>Property Insight Prestigious Developer Award 2019</b> Best Industry Leadership	May 2019	Datuk Seri FD Iskandar GMD/CEO
8	<b>Des Prix Infinitus Asean Property Awards 2018/2019</b> Innovative Developer Award	March 2019	Glomac Berhad
9	<b>Des Prix Infinitus Asean Property Awards 2018/2019</b> Leadership Excellence Award	March 2019	Datuk Seri FD Iskandar GMD/CEO
10	<b>Property Insight Prestigious Developer Awards 2018</b> Best Living Lifestyle Development	June 2018	Lakeside Residences, Puchong
11	<b>Property Insight Prestigious Developer Awards 2018</b> Industry Excellence Award	June 2018	Datuk Seri FD Iskandar GMD/CEO
12	<b>The EdgeProp Malaysia, The Editor's Choice</b> Malaysia's Exemplary Real Estate Industry Leader 2018	May 2018	Datuk Seri FD Iskandar GMD/CEO
13	<b>Asia Pacific Entrepreneurship Awards</b> Property Development Industry	August 2017	Datuk Seri FD Iskandar GMD/CEO
14	<b>The Edge Malaysia</b> Outstanding Property Entrepreneur	November 2016	Tan Sri Dato' FD Mansor & Datuk Richard Fong Loong Tuck
15	<b>The Bizz 2016</b> World Leader Business Person	November 2016	Datuk Seri FD Iskandar GMD/CEO
16	<b>The Bizz 2016</b> World Business Leader	November 2016	Datuk Seri FD Iskandar GMD/CEO
17	<b>Property Insight Prestigious Developer Awards</b> Top 10 Developer Awards	March 2015	Glomac Berhad
18	<b>The Global Leadership Awards 2015</b> Commercial Property Development	March 2015	Glomac Berhad
19	<b>Asia Pacific Property Awards</b> Best Mixed Development	May 2015	Glomac Damansara
20	<b>The Brand Laureate Icon Leadership Awards</b> Transformational Corporate Leader	November 2014	Datuk Seri FD Iskandar GMD/CEO
21	<b>The Global Leadership Awards 2014</b> Commercial Property Development	April 2014	Glomac Berhad

## MANAGEMENT DISCUSSION & ANALYSIS

### Dear Valued Shareholders,

As we go through this unprecedented challenging period clouded with the COVID-19 pandemic, I am heartened with how Glomac has come together as a team, unified and determined, to uphold our Glomac brand in delivering superior services and innovative products for our home buyers and building sustainable value for our stakeholders.

#### Financial Performance

FYE 30 Apr (RM m)	2020	2019	% change
Revenue	245.8	273.4	(10%)
Gross profit	89.3	82.7	+8%
Pre-tax profit	20.2	37.8	(47%)
PATMI	12.6	14.7	(14%)
Net EPS (sen)	1.62	1.88	(14%)
Gross margin	36.3%	30.2%	
Pre-tax margin	8.2%	13.8%	

Glomac achieved a reasonable financial performance in FY20, impacted by the COVID-19 pandemic and the implementation of the Movement Control Order ('MCO') to contain the spread of the virus. Our show galleries had to close, constraining our marketing efforts. Although we were successful in putting in place an aggressive marketing strategy in the digital sphere, our sales momentum was nonetheless affected by the pandemic.

Construction progress for our ongoing developments also had to be halted, impacting our revenue generation. Further, over this period of uncertainty we had to adopt a more prudent approach to adjust for RM24.6 million fair value loss on our investment properties.

#### FY20 Revenue Contribution

By Region (RM m)	Revenue	(%)
Klang Valley	222.1	90%
Johor	23.7	10%
<b>Total</b>	<b>245.8</b>	<b>100%</b>

FY20 revenue came in at RM245.8 million, compared with RM273.4 million reported in FY19. Contributing projects to our FY20 revenue include our township developments such as Saujana Perdana in Sungai Buloh and Saujana Rawang, as well as our Plaza@Kelana Jaya serviced apartments.

Launched in mid-2018, Plaza@Kelana Jaya is an integrated residential development comprising serviced apartments and shop offices with a total estimated Gross Development Value ("GDV") of RM347 million. The success of this development, which continues to be well received, underscores Glomac's ability to feature affordable, innovative product offerings that appeal to the mid-market segment.

Our gross profit rose 8% to RM89.3 million and gross profit margin expanded to 36.3%. This improvement was mainly due to contribution from higher margin of ongoing phases at Lakeside Boulevard in Puchong as well as cost savings from completed phases at Saujana KLIA in Sepang.

FY20 profit before tax and net profit attributable to owners were reported at RM20.2 million and RM12.6 million respectively. However, due to adjustment for the RM24.6 million fair value loss on investment properties I mentioned earlier and portion shared by non-controlling interest of RM0.7 million, our FY20 net profit attributable to owners would have risen to RM36.5 million, significantly higher than RM14.7 million achieved in FY19. In the financial year we also enjoyed a lower effective tax rate mainly due to the overprovision of income tax expenses in the previous financial year amounting to RM8.0 million.

Glomac's balance sheet is healthy. Cash generated from operations improved, and we maintained a current ratio of 1.23x. Total cash, fixed deposits and short-term placements cumulated to RM176.5 million as at 30 April 2020, rising from RM154.6 million twelve months earlier. Net gearing eased to 0.28x of shareholders' funds at the end of the same period, compared with 0.31x as at 30 April 2019.

# MANAGEMENT DISCUSSION & ANALYSIS

Our sound balance sheet and ample capital resources place us in a solid position to sustain our development activities and accommodate land acquisition opportunities that may arise.

Net assets attributable to owners of the Company amounted to RM1,094.8 million, translating to an improved RM1.42 per share as at end-April 2020, compared with RM1.40 per share a year ago.

## Dividends

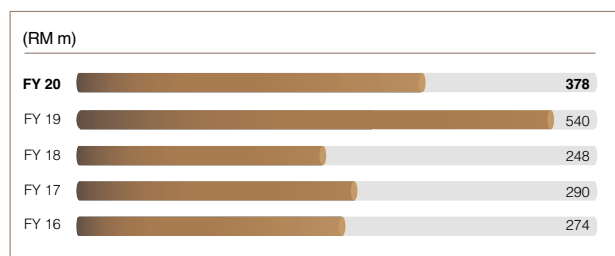
The Board of Directors has proposed a final single-tier dividend of 1.0 sen per share in respect of the financial year ended 30 April 2020. This translates to a dividend yield of 3.3% based on Glomac's closing share price of RM0.305 as of 30 April 2020. The proposed final single-tier dividend is subject to Glomac shareholders' approval at the upcoming 36<sup>th</sup> Annual General Meeting.

Glomac strives to maintain an uninterrupted dividend track record and to reward our loyal shareholders. This proposed dividend payment reflects our financial performance for the year and our consideration to conserve financial resources for working capital. We aim to return to a healthier dividend trend when Glomac resumes a more sustainable growth path.

## Property Development

Sensibly as the pandemic unfolded, we held back on certain new launches meant to be rolled out in the second half of FY20. Consequently, FY20 new launches were at a more measured pace of RM378 million, compared with RM540 million worth of new products launched in FY19.

### Historical Trend in New Launches



Foremost to our FY20 new launches is Glomac's 121 Residences. Comprising two towers of serviced apartments and SOHO units, 121 Residences has a total estimated GDV of RM327 million. Strategically located within the established neighbourhood of Bandar Utama, Taman Tun Dr. Ismail, Damansara Utama and Mutiara Damansara, 121 Residences encapsulates a large catchment of population within the PJ-Damansara areas. Very much emulating the success of Plaza@Kelana Jaya, the project was well taken up when we launched the first tower in September 2019, and consequently the second tower in December 2019.

In the year we also launched a new phase of terrace houses with an estimated GDV of RM51 million at Saujana Perdana in Sungai Buloh, fuelling the demand for affordable homes in this award winning township development. The township has continued to thrive, and available products well taken up. As at 30 April 2020, we secured an overall 93% sales on terrace houses launched at the township that boasts a total cumulative GDV of RM485 million.



### FY2020 Launches

By Project (RM m)	Launch Value	(%)
121 Residences	327	87%
Saujana Perdana	51	13%
<b>Total</b>	<b>378</b>	<b>100%</b>



## MANAGEMENT DISCUSSION & ANALYSIS



### FY2020 Sales

By Project (RM m)	Sales	(%)
Lakeside Residences	5	1.3%
Saujana KLIA	2	0.5%
Bandar Saujana Utama*	110	28.6%
Glomac Damansara Residences	2	0.5%
Sri Saujana	16	4.2%
Saujana Rawang	19	4.9%
Saujana Jaya	2	0.5%
Plaza@Kelana Jaya	18	4.7%
121 Residences	205	53.2%
Others**	6	1.6%
<b>Total</b>	<b>385</b>	<b>100%</b>

\* incl. Saujana Perdana

\*\* incl. Glomac Centro & Galeria Hartamas

FY20 new sales rose 19.2% to RM385 million from RM323 million achieved in the previous financial year. This is a laudable performance considering the economic headwinds we faced and the moderated new launches in FY20. Sustained interest in our ongoing developments and the positive reception to 121 Residences underscore the strengths of Glomac's development platform and our ability to bring out innovative product offerings catering to current market needs.

121 Residences chalked up sales of RM205 million as at end-April 2020. This translate to overall sales of 63%, with the first tower being 72% sold since its launch in September 2019. Saujana Perdana also enjoyed brisk sales, spurred on by the new phase that was launched in FY20. The township contributed RM108 million to our FY20 sales performance. Our townships and landed residential developments have continued to do well, with most of our launched phases delivering more than 90% sales overall.

Unbilled sales as at end-April 2020 rose 36.6% to RM650 million from RM476 million achieved as at end-April 2019, boosted by the higher new sales in FY20. We look to build on our sales momentum to further improve our progress billings and ensure greater earnings visibility for the current year.

# MANAGEMENT DISCUSSION & ANALYSIS

## Review Of Key Property Projects

### 121 Residences, PJ-Damansara

1



Launched:	Launched GDV:	Take-up Rate:	FY20 sales:	Unbilled sales:
2019	RM327 million	63%	RM205 million	RM205 million

121 Residences is Glomac's latest high-rise residential development, located in the hub of PJ-Damansara within well-established neighbourhoods such as Bandar Utama, Taman Tun Dr. Ismail, Damansara Utama and Mutiara Damansara. It is surrounded by a variety of amenities, educational institutions and healthcare facilities, including Centrepoint Bandar Utama, One Utama, Glo Damansara, The Curve, KDU College, The British International School of Kuala Lumpur, SMK Bandar Utama Damansara 2, KPJ Damansara Specialist Hospital and Thomson Hospital Kota Damansara.

121 Residences is easily accessible via multiple highways including Damansara-Puchong Highway ('LDP'), New Klang Valley Expressway ('NKVE'), SPRINT Highways and New Pantai Expressway ('NPE'), as well as via public transportation like Bandar Utama MRT Station and upcoming LRT3 line.

The development comprises two stylishly designed residential towers offering 834 serviced apartments and SOHO units with built-up area ranging from 450 sq. ft. to 750 sq. ft. and a total estimated GDV of RM327 million.

The first tower was launched in September 2019, whilst the second tower was subsequently launched in December 2019. As at end-April 2020, 121 Residences achieved total sales of 63% since launched.



# MANAGEMENT DISCUSSION & ANALYSIS

## Plaza@Kelana Jaya, Kelana Jaya

2



Launched:	Launched GDV:	Take-up Rate:	FY20 sales:	Unbilled sales:
2018	RM347 million	65%	RM18 million	RM198 million

Sited on a 3.2-acre freehold land adjacent to our Plaza@Kelana Jaya development and its signature lakeside promenade, Plaza@Kelana Jaya is strategically located within bustling Petaling Jaya along the LDP. It also enjoys superb connectivity to the Federal Highway, NPE, NKVE and Lebuhraya Shah Alam ('KESAS').

This development is surrounded by matured neighbourhoods, with proximity to shopping malls such as Paradigm Mall, Giant Hypermarket, Citta Mall as well as universities, colleges and international and government schools.

Plaza@Kelana Jaya is an integrated residential development comprising 696 units of serviced apartments and 16 units of 3-storey shop offices with a total estimated GDV of RM347 million. The serviced apartments come in various designs and layouts, with certain units offering breath-taking views of the nearby golf course and lake. A 4-tiered security and a 1.27-acre recreational podium with multi-generation facilities, including a 25-meter infinity swimming pool complete the offering here.

The project achieved healthy sales since its debut in mid-2018, delivering overall sales of 65% as at end-April 2020.

# MANAGEMENT DISCUSSION & ANALYSIS

## Lakeside Residences, Puchong

3



Launched:	Total GDV:	Launched GDV:	Take-Up Rate:	FY2020 sales:	Unbilled sales:
2012	RM4.12 billion	RM558 million	95%	RM5 million	RM26 million

Lakeside Residences is Glomac's highly successful flagship of integrated residential project located in Puchong, Selangor. The 200-acre development has an estimated total GDV of RM4.12 billion and is maturing well with a growing vibrant residential community.

Lakeside Residences is strategically located within the proximity to Puchong's thriving commercial hub, with easy access via major highways such as KESAS, LDP, Bukit Jalil Highway and the North South Expressway ('PLUS'). It is also surrounded by established amenities such as Tesco Puchong, IOI Mall, Binary University College, Sunway University, Columbia Asia Medical Centre and many more. Connectivity is further enhanced with the Ampang LRT line extension completed in early 2016.

Previous launches, comprising double storey and 2 ½ storey terrace houses as well as shop offices with a total estimated GDV of RM558 million, were 95% sold as at end-April 2020. New launches planned in FY21 comprises affordable apartments with a total estimated GDV of RM56 million.



## MANAGEMENT DISCUSSION & ANALYSIS

### Saujana KLIA, Sepang

4



Launched:	Total GDV:	Launched GDV:	Take-Up Rate:	FY2020 sales:	Unbilled sales:
2015	RM1.44 billion	RM525 million	99%	RM2 million	RM1 million

The 231-acre Saujana KLIA is strategically located in Sepang within close proximity to the Federal Administrative Centre Putrajaya, Cyberjaya, Dengkil as well as Nilai. The project is surrounded by world class amenities including Kuala Lumpur International Airport (KLIA & KLIA 2), Sepang International Circuit, KL International Outlet and several universities, colleges and international schools. It is also highly accessible via major highways including Maju Expressway ('MEX'), LDP and the North South Expressway Central Link ('ELITE').

With a total estimated GDV of RM1.44 billion, Saujana KLIA is another showcase of Glomac's ability to provide quality housing at affordable prices. The affordable township comprises residential units with spacious layout and modern contemporary designs enveloped in lush greenery. Existing phases of terrace houses and shop offices with a total GDV of RM525 million are mostly sold.

New phases of double-storey terrace houses and affordable townhouses, with a total estimated GDV of RM136 million, are expected for launch in FY21.



# MANAGEMENT DISCUSSION & ANALYSIS

## Bandar Saujana Utama, Sungai Buloh

5



Launched:	GDV:	Launched GDV:	Take-Up Rate:	FY2020 sales:	Unbilled sales:
1997	RM2.96 billion	RM2.12 billion	96%	RM110 million	RM150 million

Glomac's established Bandar Saujana Utama township was launched two decades ago. Located on 1,200 acres in Sungai Buloh, the population of this vibrant township has grown to more than 65,000, with mostly young and growing families seeking a healthy environment to live in.

Bandar Saujana Utama's sizeable residential enclave has been planned as a self-contained township, supported by the many commercial hubs within, and surrounded by its own residents' clubhouse, parks, schools and supermarkets. Connectivity continues to improve with the completion of the KL-Kuala Selangor Expressway and the Sungai Buloh - Kajang MRT line.

Glomac launched the adjacent Saujana Perdana to further expand its presence in Sungai Buloh. Saujana Perdana, which was accorded the BEST AFFORDABLE TOWNSHIP award at the PROPERTY INSIGHT PRESTIGIOUS DEVELOPER AWARDS 2019, has a total estimated GDV of RM896 million.

Launches at Saujana Perdana have continued to meet with resounding success. More than 1,000 terrace houses have been released through several phases with an estimated GDV of RM485 million, achieving 93% sales as at end-April 2020. Plans are in place to launch additional terrace houses and affordable townhouses in FY21 with a total estimated GDV of RM226 million.

## MANAGEMENT DISCUSSION & ANALYSIS

### Saujana Rawang, Rawang

6



Launched:	Total GDV:	Launched GDV:	Take-Up Rate:	FY2020 sales:	Unbilled sales:
2006	RM1.04 billion	RM756 million	95%	RM19 million	RM24 million

Residing within a self-contained 345 acres fringed by a pristine forest, Saujana Rawang has emerged as a thoughtfully planned, affordable development offering contemporary homes and a commercial hub amidst a tranquil and idyllic themed setting. The RM1.04 billion affordable township is strategically located within the Northern Growth Corridor, just 10 minutes off the Rawang Interchange from the PLUS.

Crowned with striking landscaping that includes recreational lakes, pavilions and meandering walkways, the township offers a healthy blend of apartments, terrace houses, semi-Ds and zero lot bungalows, and is envisioned to provide comfortable and affordable homes for young families looking for a peaceful and verdant community in which to plant their roots.

Launched in 2006, Saujana Rawang has become a fast growing township with a steadily rising population. Product launches comprising residential components and shop offices with a total estimated GDV of RM756 million were 95% sold as at end-April 2020.



## MANAGEMENT DISCUSSION & ANALYSIS

### Saujana Jaya, Kulai, Johor

7



Launched:	GDV:	Launched GDV:	Take-Up Rate:	FY2020 sales:	Unbilled sales:
2018	RM652 million	RM40 million	68%	RM2 million	RM15 million

Saujana Jaya is an affordable township development, sited on 174 acres in Kulai Johor with a total estimated GDV of RM652 million. Located approximately 29km from Johor Bahru and 8km from Skudai, the township enjoys easy access from the PLUS.

It is surrounded by excellent amenities and public facilities such as IOI Mall, Senai International Airport, Johor Premium Outlet ('JPO'), Senai Technology Park and Universiti Teknologi Malaysia. Facilities available at the township include national and secondary schools, a multipurpose hall, places of worship and a police station.

The initial phase comprising double-storey terrace houses with an estimated GDV of RM40 million achieved sales of 68% as at end-April 2020. In FY21, Glomac plans to unveil new phases of double storey terrace houses and shop offices in this township with a total estimated GDV of RM40 million.

## MANAGEMENT DISCUSSION & ANALYSIS

### Sri Saujana, Kota Tinggi, Johor

8



Launched:	GDV:	Launched GDV:	Take-Up Rate:	FY2020 sales:	Unbilled sales:
1999	RM776 million	RM594 million	97%	RM16 million	RM31 million

Sited on 450 acres of land, Sri Saujana is a modern township unveiled back in 1999. This affordable township is strategically located with just a 10-minute drive from Ulu Tiram and Kota Tinggi, surrounded by amenities such as secondary and religious schools, supermarkets and shops, a multipurpose hall, petrol station, health clinics, and places of worship. The self-contained township features a 20-acre Recreation Park which serves as the green lung in this township. It offers a wide range of residential and commercial units, catering to different buyers' needs and budget.

Sri Saujana enjoys superb access through Jalan Johor Bahru-Kota Tinggi Road to main destinations in Johor Bahru such as the Senai International Airport. It also offers a comfortable 30-minute drive to Johor Bahru via the Eastern Dispersal Link Highway ('EDL') and easy access to the PLUS via the Senai-Desaru Expressway.

Overall launches comprising various residential and commercial components with a total estimated GDV of RM594 million were 97% sold as at end-April 2020.



## MANAGEMENT DISCUSSION & ANALYSIS

### Glomac Damansara, Kuala Lumpur

9



#### Property, Plant, Equipment Component:

##### Menara Glomac

Completed:	Book Value:	Fair Value:
2012	RM42 million	RM70 million

Glomac Damansara is an integrated freehold commercial hub, comprising a corporate tower, office building, shop offices, a twin serviced apartment towers and a retail mall, called Glo Damansara in a prime Kuala Lumpur address. The development sits on a prime 6.8-acre plot on Jalan Damansara, alongside the Taman Tun Dr. Ismail MRT station with easy access via the Sprint, LDP, NKVE, Penchala Link as well as inter-town roads within Petaling Jaya.

#### Investment Properties Component:

##### Glo Damansara

Completed:	Book Value:	Fair Value:
2016	RM295 million	RM295 million

Glo Damansara mall, with a net lettable area of 380,000 sq. ft., positions itself as a premier lifestyle and neighbourhood mall. It is connected with a covered link bridge to the Taman Tun Dr. Ismail MRT Station which is just a 3-minute walk away. The 6-storey mall has over 200 retail lots with a 4-storey carpark of approximately 800 parking bays.

Homegrown supermarket chain, Jaya Grocer and its in-house café, the Bonjour Garden Café were officially opened in early 2019, occupying approximately 23,000 sq. ft. Other existing tenants include Restoran Extra Super Tanker, Bank Rakyat, WORQ, Cycology and TM Point.



# MANAGEMENT DISCUSSION & ANALYSIS

## Anticipated or Known Risks

Glomac's core business operations are in property development and construction. Anticipated risks that may have a material impact on our operations, financial performance and capital liquidity would include the overall economic condition, government policies pertaining to the domestic real estate market, domestic interest rate trends and mortgage lending policies of financial institutions, peer competition as well as factors affecting construction costs such as building materials and labour.

Although that certain macroeconomic risks may not be fully mitigated, Glomac endeavours to minimise anticipated risks as best as possible. Our strategy to have a diversified property portfolio of landed and high-rise developments in multiple prime locations within the Klang Valley and Johor enables us to cater to different market segments. Glomac continues to build on its brand as a caring and reliable property developer, synonymous with delivering outstanding service, value and quality products to our buyers. We stress on efficiency, innovation and design to further complement our attributes as a developer. This development platform would serve to sustain us at the forefront of the market segments we are in, enabling us to introduce products that meet with current market expectations consistently.

Internally, financial liquidity risks need to be monitored diligently, especially given current challenging market conditions. Glomac has put in place prudent policies and adopting stringent management of our financial condition to mitigate the impact of such financial liquidity risks. Our risk management approach is provided in more detail in the Statement of Risk Management and Internal Control of the Annual Report.

## FY21 Launches

By Project	Project Type	GDV (RM m)
Lakeside Residences	RSKU Apartments	56
GreenTec, Puchong	SOHO, Serviced Apartments & Affordable Serviced Apartments	154
Saujana Perdana	Double Storey Terrace Houses & RSKU Townhouses	226
Saujana KLIA	Double Storey Terrace Houses & RSKU Townhouses	136
Saujana Jaya, Johor	Double Storey Terrace Houses & Shop Offices	40
<b>Total</b>		<b>612</b>



## Prospects and Outlook

This would likely be a difficult year for the property market. At time of producing this Annual Report, Malaysia has shifted to the recovery phase of the MCO and the economy is slowly opening up. Nonetheless, until we find a vaccine for COVID-19, there is a risk that the pandemic may flare up again. This spells much uncertainty over the pace of recovery in both the economy and in consumer confidence.

We are encouraged by the various economic packages that the government has launched to revitalise businesses and the economy. Within the property segment, the Home Ownership Campaign was reintroduced, stamp duty and real property gains tax waivers were declared and loan value limit for third residential properties were lifted. These are positive catalysts that we believe would help revitalise the property market and to promote more home ownership.

## MANAGEMENT DISCUSSION & ANALYSIS

In the current FY21, we are planning to launch RM612 million worth of new properties. This includes landed residential products in our townships which have sustained steady interests as well as our maiden launch at GreenTec, our latest integrated residential development in Puchong commanding a total estimated GDV of RM1.6 billion. We believe we have lined up a strong suite of product offerings within the mid-market and affordable segments, where real property demand is more resilient.

Amongst the key launches are new phases of terrace houses in our townships such as Saujana Perdana in Sungai Buloh, Saujana KLIA in Sepang as well as Saujana Jaya in Johor. Saujana Perdana and Saujana KLIA are flourishing with existing houses almost all sold. Tresna Triandra, one of our new phases of double-storey terrace houses in Saujana Perdana, enjoyed similarly strong response when we launched it in mid-July this year. We are confident that the new phases to be released progressively throughout FY21 will be well anticipated and received. Saujana Jaya is our relatively young township in Kulai Johor. Having had its maiden launch of terrace houses in FY19, we will be adding a new phase of terrace houses and shop offices into the mix this year.

We also look forward to the initial launch of GreenTec in Puchong, strategically located adjacent to our Lakeside Residences development. Complementing the residential houses in Lakeside Residences, the first phase of GreenTec will include SOHO units, serviced apartments and affordable apartments, with a combined estimated GDV of RM154 million. We are excited to bring our brand of high-rise residential products to the booming Puchong hub. Modelling on our successful blueprint in Plaza@Kelana Jaya and 121 Residences, this first phase of residential towers in GreenTec will be well designed with efficient layouts, complemented with facilities and security features that would appeal to our buyers.

As the MCO eases, Glomac must get back on track to intensify our sales efforts and recommence our construction activities at our ongoing developments. We will continue with converting sales from our ongoing high-rise residential projects, namely Plaza@Kelana Jaya and 121 Residences, as well as ensuring the successful launch of new developments. Glomac adapted to the MCO period with a stronger emphasis on digital marketing. This has proven to be very effective, especially to our target audience. We intend to push for greater digital presence of the Glomac brand and develop it as one of the key marketing avenues going forward. Strong unbilled sales of RM650 million will also be our catalyst for the next financial year.

Glo Damansara remains a prime retail asset of Glomac. We will continue to identify suitable businesses to enhance the tenancy mix and create the vibrancy at the mall as envisaged.

### Future GDV

By Product Type (RM m)	GDV	(%)
Landed Residential	1,553	19%
High-rise	4,654	56%
Commercial	2,067	25%
<b>Total</b>	<b>8,279</b>	<b>100%</b>

### Future GDV

By Region (RM m)	GDV	(%)
Klang Valley	7,485	90%
Johor	794	10%
<b>Total</b>	<b>8,279</b>	<b>100%</b>

Glomac will continue to pace its new launches strategically. We still command a solid development portfolio with a potential estimated GDV in excess of RM8 billion. We are well placed to leverage on our prime landbank, predominantly located in Klang Valley, to accelerate new launches and sustain a stronger momentum in sales and revenue when market condition improves.

Lastly, on behalf of all at Glomac, I wish to extend our heartfelt gratitude to all the volunteers, security forces, doctors and nurses at the frontline containing this COVID-19 pandemic. The risks and sacrifices you are taking is truly remarkable and deserve our utmost respect.

**Datuk Seri FD Iskandar**  
**Group Managing Director/Chief Executive Officer**

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Corporate Governance Overview Statement (the "Statement") outlines the corporate governance framework of Glomac Berhad ("Glomac" or the "Company") and its subsidiaries (collectively referred to as the "Group"), including a summary of its corporate governance practices with reference to the Malaysian Code on Corporate Governance ("MCCG"), key focus areas and future priorities. Cognisant of the heightened call for transparency in the marketplace, the Board of Directors (the "Board") endeavours to provide stakeholders with forthcoming and detailed disclosure of the Group's corporate governance practices during the financial year under review.

The Statement is made in accordance to paragraph 15.25 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). In preparing this Statement, guidance was derived from Practice Note 9 of the MMLR of Bursa Securities and the Corporate Governance Guide (3rd Edition) published by Bursa Securities. In addition to this, Glomac has taken heed of the observations on disclosure practices as availed by Securities Commission Malaysia in its inaugural Corporate Governance Monitor 2019 as well as the expectations set out by Bursa Securities to listed issuers vide its letter.

In line with Glomac's intent to enhance its corporate governance disclosure, this Statement is complemented with a Corporate Governance Report, based on the prescribed format by Bursa Securities which details down the application of each Practice set out in the MCCG. The Corporate Governance Report is made available on Glomac's website at [www.glomac.com.my/investor-relations](http://www.glomac.com.my/investor-relations) together with an announcement of the same on the website of Bursa Securities.

This Statement should also be read in tandem with the other statements in this Annual Report (e.g. Statement on Risk Management and Internal Control, Audit Committee Report and Sustainability Statement) for a more holistic and granular understanding of the Group's corporate governance framework and practices which may be better explained in the context of the respective statements.

## Our Corporate Governance Approach

The Board acknowledges the paramount importance of a healthy corporate governance culture in driving the long-term success and sustainability of Glomac. Premised on the Group's vision, passion and determination to enrich lives through value, quality and service, the Board strives to ensure that high standards of corporate governance practices are embedded throughout the Group. This commitment is in line with the Group's objective of delivering sustainable growth and value creation for its stakeholders.

The Group's overall approach to corporate governance is to:

- Apply good governance practices in conjunction with the Group's value creation process;
- Align values, vision and mission with governance practices; and
- Incorporate economic, social and environmental matters into operations and strategies to enhance the long-term sustainability of the Group.

Given its pivotal role in promoting a healthy corporate culture, the Board periodically reviews and refines the Group's prevailing corporate governance framework and practices to ensure they reflect the evolving expectations of stakeholders, market dynamics and recognised higher order practices whilst simultaneously addressing the needs of the Group.

## Summary of Corporate Governance Practices

In seeking to realise its corporate governance aspirations, Glomac has benchmarked its practices against the relevant promulgations and higher order practices, across the three (3) principles of MCCG, namely Principle A: Board Leadership and Effectiveness, Principle B: Effective Audit and Risk Management and Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders. Glomac has consistently applied all the Practices espoused by the MCCG for the financial year ended 30 April 2020, save for the following:

- Practice 4.2 (Tenure of independent directors);
- Practice 4.5 (Gender diversity policy on the Board and Senior Management);
- Practice 4.6 (Use of independent sources to identify potentials candidates in relation to directorships);
- Practice 7.2 (Disclosure on a named basis of top five (5) Senior Management personnel's remuneration);
- Practice 11.2 (Adoption of integrated reporting);

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

- Practice 12.2 (Attendance of all Directors at General Meetings); and
- Practice 12.3 (Leveraging on technology to facilitate voting in absentia and remote shareholders' participation at General Meetings).

Amongst the four (4) Step-Ups advocated by the MCCG, the Board has adopted Step Up 8.4 which calls for the Audit Committee to comprise solely of Independent Directors as at financial year ended 30 April 2020. The Board has further adopted Step Up 9.3 by establishing a Risk Management Committee comprises a majority of Independent Directors on 24 July 2020. Step Ups are exemplary practices to facilitate companies in achieving greater excellence in corporate governance. Accordingly, the adoption of Steps Up 8.4 and 9.3 is voluntary and was undertaken in the enlightened interest of Glomac.

In line with the latitude accorded in the application mechanism of MCCG and the widely held notion that there is no “one-size fits all” modality in applying corporate governance practices, the Group has provided clear and forthcoming explanations for departures from the Practices in the MCCG. In regard to the departed Practices, the Board has provided disclosures on the alternative measures put in place which would to a large extent attain the similar outcomes to that of the Intended Outcomes envisaged by MCCG. The explanations on the departures and supplemented with disclosure on the alternative practices are contained in the Corporate Governance Report.

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

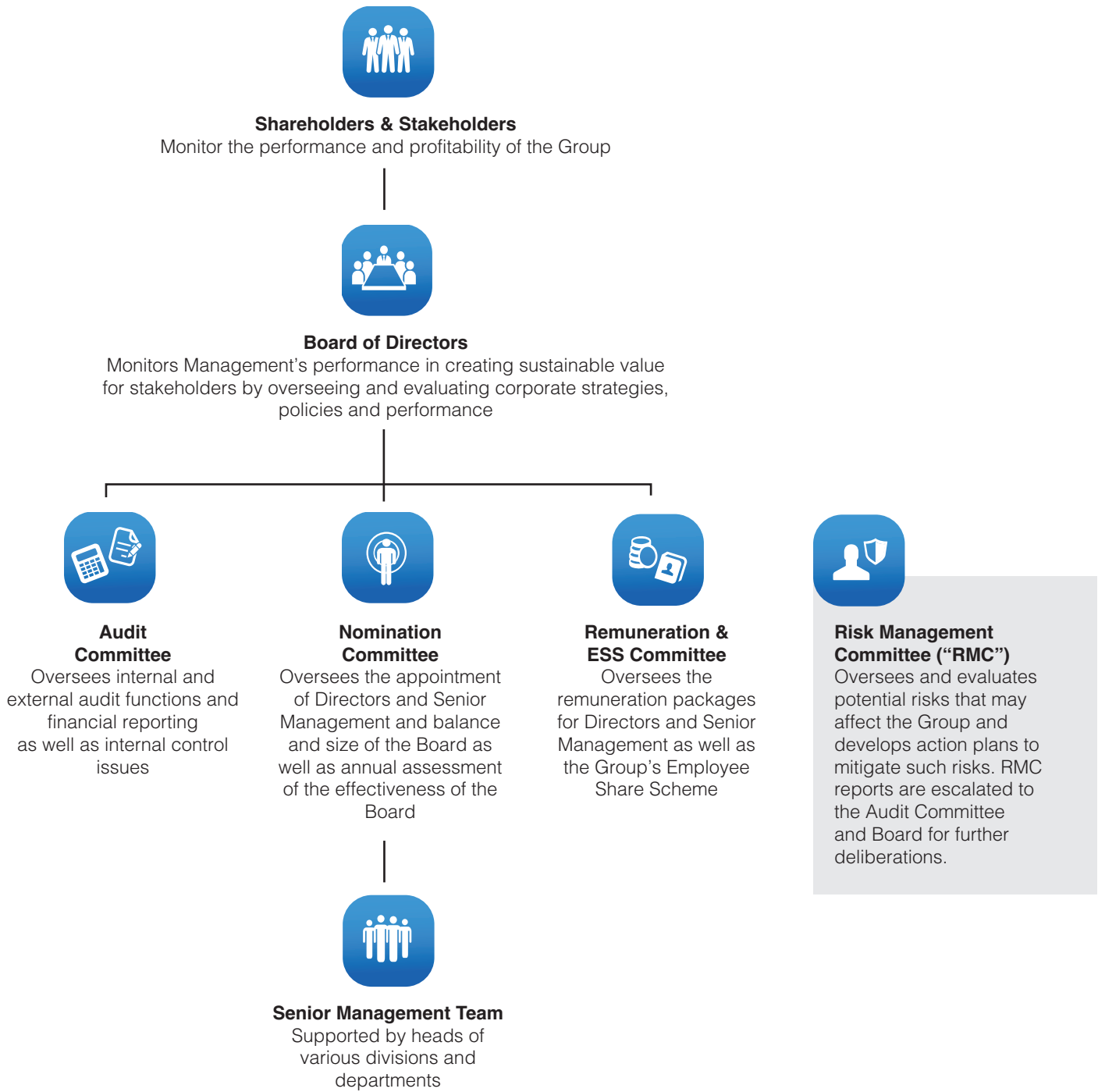
### **Board Responsibilities**

The Board is accountable to the stakeholders of the Group for the overall performance of the Group. The Board's primary role is to provide strategic leadership to the Group and ensure that the Group operates within a framework of prudent and effective controls which enables risks to be appropriately identified, assessed and managed. The Board sets the strategic direction for the Group and ensures that the necessary resources are in place for the Group to deliver its objectives and create sustainable value for its stakeholders.

As depicted in Diagram 1 of the ensuing page, the Board has constituted three (3) Board Committees, namely, Audit Committee, Nomination Committee and Remuneration & Employees' Share Scheme (“ESS”) Committee as at financial year ended 30 April 2020 to assist the Board in overseeing specific responsibility areas. The Board has further constituted the Risk Management Committee on 24 July 2020 to assist the Board in overseeing the Company's risk management framework and policies. Glomac's Directors are informed of the activities of the Board Committees by receiving Board Committees meetings minutes, reports and updates from the Chairmen of the respective Committees during the Board meetings.

Guided by the dictum “delegate, but not abdicate” the Board retains collective oversight over the Committees and the authority to make decision. The Board Committees are guided by their respective Terms of References and delegated authority from the Board.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT



**Diagram 1:**  
**Group Governance Structure as at financial year ended 30 April 2020**



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

There is a clear distinction of roles between the Group Executive Chairman (“Chairman”) and Group Managing Director/Chief Executive Officer (“MD/CEO”). Notwithstanding his position as an executive, the Chairman is also responsible for providing leadership to the Board, including ensuring that the Board fulfils its fiduciary obligations. Meanwhile, the Group MD/CEO is primarily responsible for managing the Group’s day-to-day operations and implementing policies, strategies and decisions adopted by the Board. The Chairman and MD/CEO is depicted under **Diagram 2** below:



**Diagram 2: Group Executive Chairman and Group Managing Director/Chief Executive Officer**

The Board has formalised a Board Charter (revised and approved by the Board as at 27 November 2018) which serves as a reference and guiding literature for Directors in the discharge of their fiduciary duties. The Board Charter incorporates provisions that provide for the clear demarcation of the respective roles and responsibilities of the Board and Senior Management and includes “Reserved Matters” for the Board.

The matters specifically reserved for the Board’s approval are depicted under **Diagram 3**:





**Diagram 3: Board’s Reserved Matters**

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

In fulfilling its duties and responsibilities as stewards of the Company, the Board maintains a direct line of communication with Senior Management and has unrestricted access to information pertaining to the Group's business affairs. The Board is supported by three (3) suitably qualified Company Secretaries who serve as corporate governance counsels to the Board. The Company Secretaries assist the Board in adhering to the relevant corporate governance legislative promulgations and internal policies and procedures and apprise the Board on the latest statutory and regulatory requirements relating to corporate governance.

During the financial year under review, all Directors have dedicated adequate time and effort to attend Board and Board Committee meetings held to deliberate on matters under their purview. Matters deliberated during the year include strategic planning, significant business and operational issues, significant financial and investment decisions, relevant business policies and procedures, regulatory compliance matters, key performance indicators and significant corporate exercises as well as financial performance of the Group as a whole.

The meeting attendance of Directors during the financial year under review are furnished in **Table 1 below**:

Director	Board	Audit Committee	Nomination Committee	Remuneration & ESS Committee
<b>Executive Directors</b>				
Tan Sri Dato' Mohamed Mansor bin Fateh Din (Chairman)	5/5			
Datuk Richard Fong Loong Tuck	5/5			
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	5/5			2/2
<b>Senior Independent Director</b>				
Dato' Ikhwan Salim bin Dato' Haji Sujak	5/5	6/6	2/2	2/2
<b>Independent Non-Executive Directors</b>				
Datuk Ali bin Abdul Kadir	5/5	5/6	2/2	2/2
Shan Choo	5/5	6/6	2/2	2/2
Datuk Bazlan bin Osman (Appointed on 24 July 2020 – after the financial year ended 30 April 2020)	Not applicable			
Chairman				
Member				

**Table 1: Directors' attendance in the Board and Board Committee meetings**

As the Board is the epitome of a good governance culture, it continuously strives to set the "tone at the top" and cascade ethical values and standards across every level of the Group. In this regard, the Board has adopted a Code of Ethics and Conduct (the "Code") which serves as an authoritative document that governs the conduct of Directors and employees of the Group. The Code is communicated to employees via the Employee Handbook. As an additional measure to promote ethical conduct, the Board has formalised Whistleblowing Policy and Procedures to enable stakeholders to escalate legitimate ethical concerns without fear and risk of reprisal.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

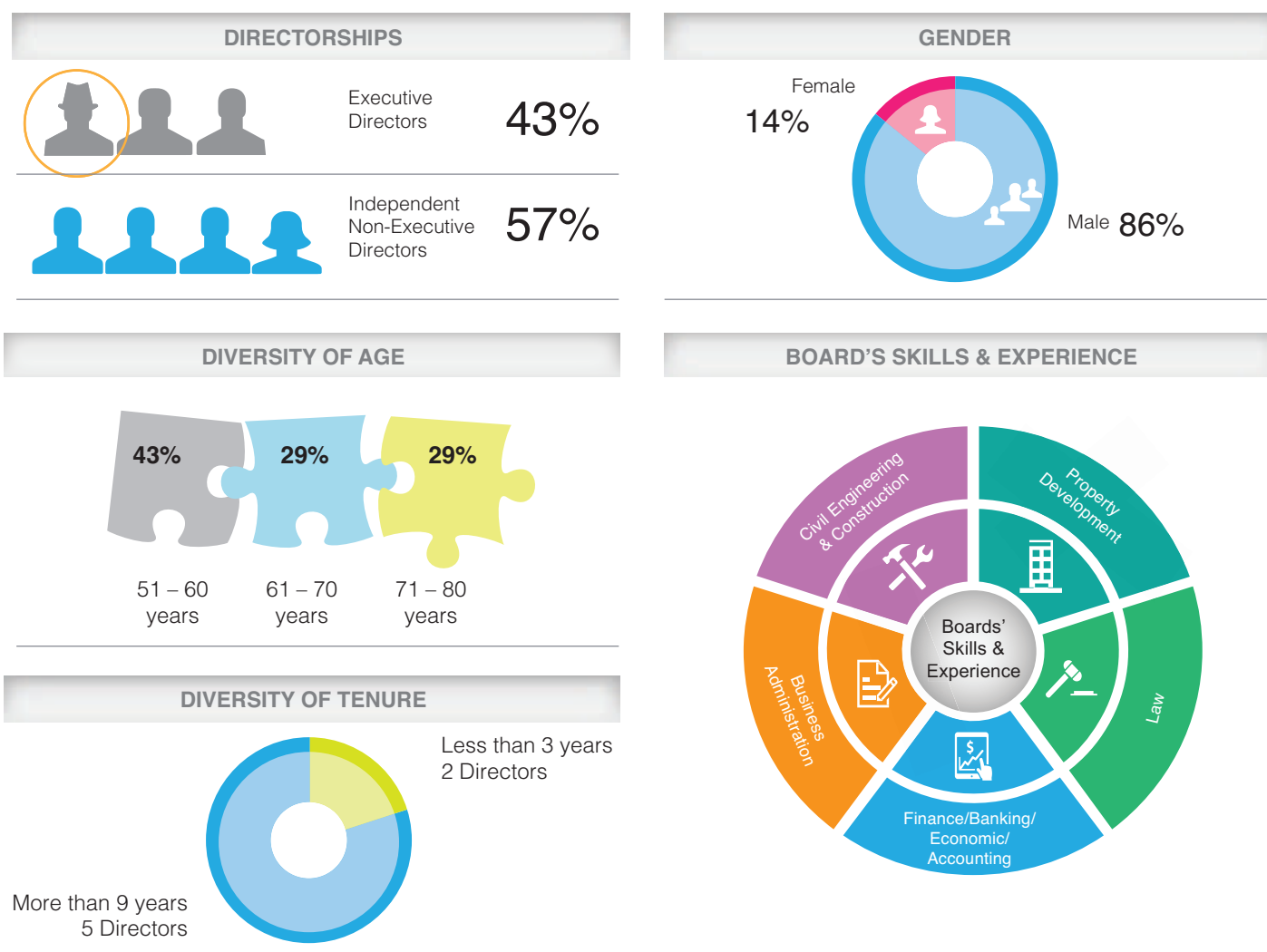
## Board Composition

Presently, the Board comprises three (3) Executive Directors and four (4) Non-Executive Directors and all of whom are Independent Directors. Shan Choo remains as the only female Director on the Board, being appointed on 3 July 2017 as part of the Board's commitment in taking incremental yet concerted steps towards shaping a gender-diverse Board.

In driving the long-term vision of the Group, it is essential for the Board to possess an optimum mix of skills, qualifications and experiences that can support the Group in responding to changing market dynamics, evolving business models and emergence of novel risks. The combination of the skills, experience and expertise of the incumbent Directors allows the Board to apply a breadth and depth of perspectives when deliberating on contentious issues.

In recommending the appointment of potential Directors, the Nomination Committee assesses the candidate's skills, expertise and experience and balances these traits against the existing composition of the Board to determine his or her suitability for the position and overall cultural fit within the Board.

A detailed view of the current Board composition is illustrated in **Diagram 4** below:



**Diagram 4: Board Composition – Directorships, gender, diversity of age, diversity of tenure and Board's skills & experience**

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Board Independence

As at the date of the publication of this Annual Report, 57% of the Board comprises Independent Directors. This exhibits the Board's compliance to paragraph 15.02 of the MMLR of Bursa Securities which calls for the Board to be occupied by at least one-third (1/3) of Independent Directors as well as meeting the prescribed Practice of having at least half of the Board comprises Independent Directors, as stipulated in the MCCG. This allows the Board to deliberate and make decisions objectively and in the best interest of the Group, taking into account diverse perspectives and insights.

The tenures of Glomac's long-standing Independent Directors, Dato' Ikhwan Salim bin Dato' Haji Sujak and Datuk Ali bin Abdul Kadir, have however exceeded the prescribed tenure limit of nine (9) years (as advocated by the MCCG). In order to justify their retention as Independent Directors, the Nomination Committee performed an assessment on the independence of its Independent Directors based on the objective criteria outlined in the MMLR of Bursa Securities as well as the subjective criteria determined by the Board. Upon the Nomination Committee's recommendation, the Board sought the shareholders' approval with regards to the retention of both Dato' Ikhwan Salim bin Dato' Haji Sujak and Datuk Ali bin Abdul Kadir as Independent Directors during the last Annual General Meeting ("AGM") via the single-tier voting process.

The Board does not plan to deploy the use of the two-tier voting process when seeking for shareholders' approval to retain long-standing Independent Directors who have exceeded the prescribed tenure of twelve (12) years in the near future and this is alleviated with the safeguards of having a balanced composition of Independent Directors and well demarcated matters reserved for the Board. The Board currently has not crystallised an outright policy which limits the tenure of its Independent Directors to nine (9) years. Nonetheless, the Board is mindful of the prescribed Practice of the MCCG pertaining to Board independence and assess the situation from time to time by taking into account a swathe of factors. The Board further recognises that tenure of directorship is not an absolute indicator of a Director's independence and objectivity as the spirit, intention, purpose and attitude should also be considered.

Both Dato' Ikhwan Salim bin Dato' Haji Sujak and Datuk Ali bin Abdul Kadir who have exceeded the prescribed tenure yardstick of nine (9) years remain valuable members of the Board as they are able to bring thoughtful insights and impartial judgement to the Group's business affairs and operations. The Board is of the collective view that the Group stands to gain considerable benefits in terms of informed views and challenge process by retaining both Dato' Ikhwan Salim bin Dato' Haji Sujak and Datuk Ali bin Abdul Kadir as Independent Directors.

## Boardroom Diversity

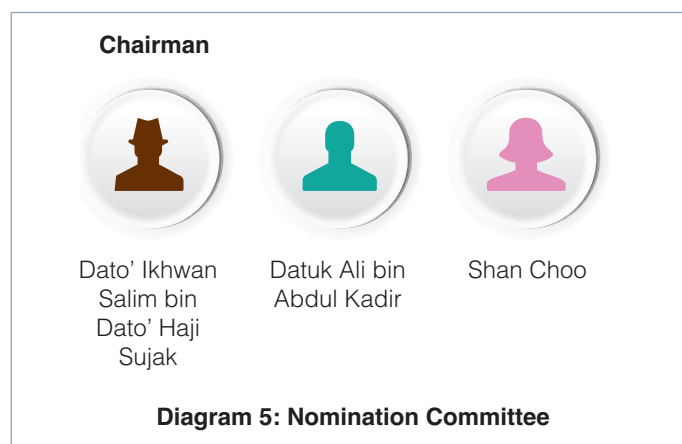
The Board intends to dedicate its efforts to promote diversity in the boardroom and in the Company's top leadership. Appointments to the Board are made via a formal, rigorous and transparent process, taking into account the gender, age, ethnic, skills and experience of the candidates.

## Succession Planning

A seamless succession plan is a crucial component in safeguarding the vitality of the business and retaining the confidence of stakeholders. This is especially imperative for companies in the property and construction sector where the development and execution of business strategy are carried out with a long-term horizon in view. In tandem with the strategic trajectory of the Company, the Board will seek to identify emerging talent and potential successors, from both within and outside of the Company, for the Board and key Senior Management positions (which is driven by the Group MD/CEO). Currently, the Board utilises internal sources such as referrals from Directors and major shareholders as its main approach for candidate identification.

## Nomination Committee

The Nomination Committee comprises three (3) Directors, all of whom are Independent Non-Executive Directors. The Nomination Committee is spear-headed by the Senior Independent Non-Executive Director as specified under Practice 4.7 of the MCCG. The members of the Nomination Committee are shown in **Diagram 5** below:





# CORPORATE GOVERNANCE OVERVIEW STATEMENT

For the financial year ended 30 April 2020, the activities carried out by the Nomination Committee were as follows:

- Performed an assessment on the Board, Board Committees and individual Directors;
- Reviewed and recommended the re-election of Directors pursuant to the Company's Constitution;
- Assessed the independence of the Company's Independent Directors;
- Assessed and recommended the continuance of Independent Directors who had exceeded the nine (9)-year tenure limit; and
- Reviewed the training programmes for Directors.

The Board has in place an annual performance evaluation exercise to assess the effectiveness of the Board, Board Committees and individual Directors including Independent Directors. The evaluation exercise serves as a constructive platform for the Board to address areas for improvement in the functioning of the Board and formulate corrective measures where required. During the financial year under review, the assessment was conducted internally under the purview of the Nomination Committee and facilitated by the Company Secretaries. The Board studies the results of the annual performance evaluation and is generally satisfied with the performance and effectiveness of the Board and Board Committees, the size and composition of the Board as well as the mix of skill sets, competency and the independence of its Independent Directors.

## Boardroom Professional Development

During the financial year under review, the Nomination Committee assessed and determined the training needs for individual Directors as prescribed under paragraph 15.08 of the MMLR of Bursa Securities. The Directors are kept abreast of changes in the constantly evolving property development industry as well as regulatory and sustainability developments through trainings and workshops. The list of training programmes in the course of continuing professional development that were attended by the Directors of Glomac during the financial year ended 30 April 2020 is outlined in **Table 2** below:

Attended by	List of training programmes attended	Organiser
<b>Tan Sri Dato' Mohamed Mansor bin Fateh Din</b>	Roundtable on Leadership in Malaysia	Perdana Leadership Foundation
	In-House Directors' Training - Corporate Liability on Corruption: Implication of S17A MACC Act	Glomac / KPMG
<b>Datuk Richard Fong Loong Tuck</b>	In-House Directors' Training - Corporate Liability on Corruption: Implication of S17A MACC Act	Glomac / KPMG
<b>Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor</b>	KPMG – Special Dialogue with LHDN (KPMG Tax Seminar)	KPMG
	Maybank: Invest Malaysia 2019 – The Capital Market Forum	Maybank
	Kingsley Strategic Institute ("KSI"): National Housing and Property Focus Summit	KSI
	REHDA Annual Delegates Conference	REHDA
	Perdana Leadership Foundation Roundtable on "Competitive Leadership in the Era of VUCA"	Perdana Leadership Foundation
	In-House Directors' Training on Anti-Corruption Law in Malaysia	Lee Hishammuddin
	CEO Series – Annual Developers Conference: The Progress of the Central Region Development	REHDA Institute
	In-House Directors' Training - Corporate Liability on Corruption: Implication of S17A MACC Act	Glomac / KPMG

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

Attended by	List of training programmes attended	Organiser
<b>Dato' Ikhwan Salim bin Dato' Haji Sujak</b>	Sustainability – What Directors Need to Know	Boardroom
	In-House Directors' Training - Corporate Liability on Corruption: Implication of S17A MACC Act	Glomac / KPMG
	Leadership Greatness in Turbulent Times Building Corporate Longevity	Institute of Corporate Directors Malaysia ("ICDM")
<b>Datuk Ali bin Abdul Kadir</b>	The Malaysian Private Equity Forum 2019	Ekuinas
	Case Study Workshop for Independent Directors	SIDC
	ICDM International Directors Summit 2019	ICDM
	In-House Directors' Training - Corporate Liability on Corruption: Implication of S17A MACC Act	Glomac / KPMG
<b>Shan Choo</b>	In-House Directors' Training - Corporate Liability on Corruption: Implication of S17A MACC Act	Glomac / KPMG
	Malaysia's Oversight Board Conversation with Audit Committee	Securities Commission Malaysia
	Leap Summit 2019	Telekom Malaysia
	Implementing New Lease Accounting Requirements	Deloitte PLT
	Impact on Valuation Assessment and Deal Structuring in Responding to COVID-19	Deloitte PLT
<b>Datuk Bazlan bin Osman</b> (appointed on 24 July 2020 – after financial year ended 30 April 2020)	Not Applicable	

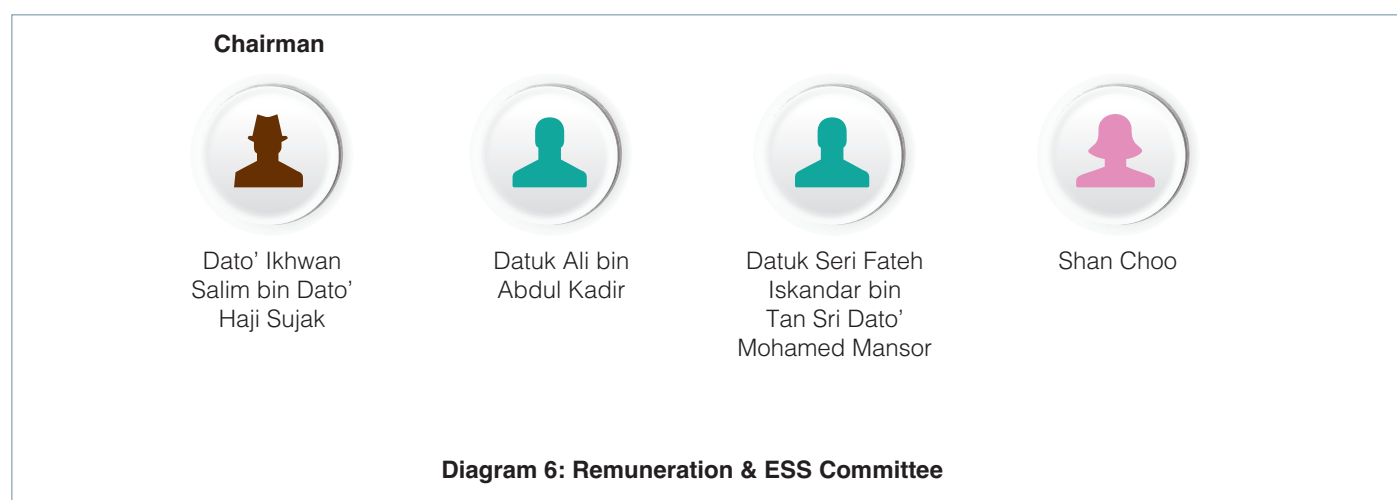
**Table 2: Directors' Professional Development**

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Board Remuneration

The Board has instituted a set of policies and procedures to govern the remuneration of Directors and Senior Management. The policies and procedures serve as guidelines for the Board in remunerating Directors and Senior Management with a view to attract, retain and motivate talented and high-calibre individuals. The Board has established a Remuneration & ESS Committee to assist the Board in its oversight function on matters pertaining to Remuneration and ESS of Directors and Senior Management.

The said Committee, which is chaired by the Senior Independent Director, comprises a majority of Independent Directors. The members of the Remuneration & ESS Committee are shown in **Diagram 6** below:



In determining the level and component parts of Directors' remuneration, the Remuneration & ESS Committee takes into consideration the demands, complexities and performance of the Group as well as the time commitment, skills and experience that are required of Directors. The detailed disclosure of Directors' remuneration for the financial year ended 30 April 2020 is shown in **Table 3** below:

## Company Level

Directors	Fees and Allowances RM'000	Salaries RM'000	Bonuses RM'000	Statutory Contribution RM'000	Benefits-in-kind RM'000	Total RM'000
<b>Executive Directors</b>						
Tan Sri Dato' Mohamed Mansor bin Fateh Din	10.0	55.8	-	6.7	32.2	104.7
Datuk Richard Fong Loong Tuck	5.0	53.5	-	6.4	32.2	97.1
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	6.0	53.5	-	10.7	32.2	102.4

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Company Level

Directors	Fees and Allowances RM'000	Salaries RM'000	Bonuses RM'000	Statutory Contribution RM'000	Benefits-in-kind RM'000	Total RM'000
<b>Non-Executive Directors</b>						
Dato' Ikhwan Salim bin Dato' Haji Sujak	74.5	-	-	-	-	74.5
Datuk Ali bin Abdul Kadir	73.5	-	-	-	-	73.5
Shan Choo	71.5	-	-	-	-	71.5
<b>Total</b>	<b>240.5</b>	<b>162.8</b>	<b>-</b>	<b>23.8</b>	<b>96.6</b>	<b>523.7</b>

## Group Level

Directors	Fees and Allowances RM'000	Salaries RM'000	Bonuses RM'000	Statutory Contribution RM'000	Benefits-in-kind RM'000	Total RM'000
<b>Executive Directors</b>						
Tan Sri Dato' Mohamed Mansor bin Fateh Din	10.0	1,117.8	60.0	134.1	32.2	1,354.1
Datuk Richard Fong Loong Tuck	5.0	1,069.2	56.5	130.6	32.2	1,293.5
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	6.0	1,069.2	56.5	220.6	32.2	1,384.5
<b>Non-Executive Directors</b>						
Dato' Ikhwan Salim bin Dato' Haji Sujak	74.5	-	-	-	-	74.5
Datuk Ali bin Abdul Kadir	73.5	-	-	-	-	73.5
Shan Choo	71.5	-	-	-	-	71.5
<b>Total</b>	<b>240.5</b>	<b>3,256.2</b>	<b>173.0</b>	<b>485.3</b>	<b>96.6</b>	<b>4,251.6</b>

Table 3: Directors' Remuneration



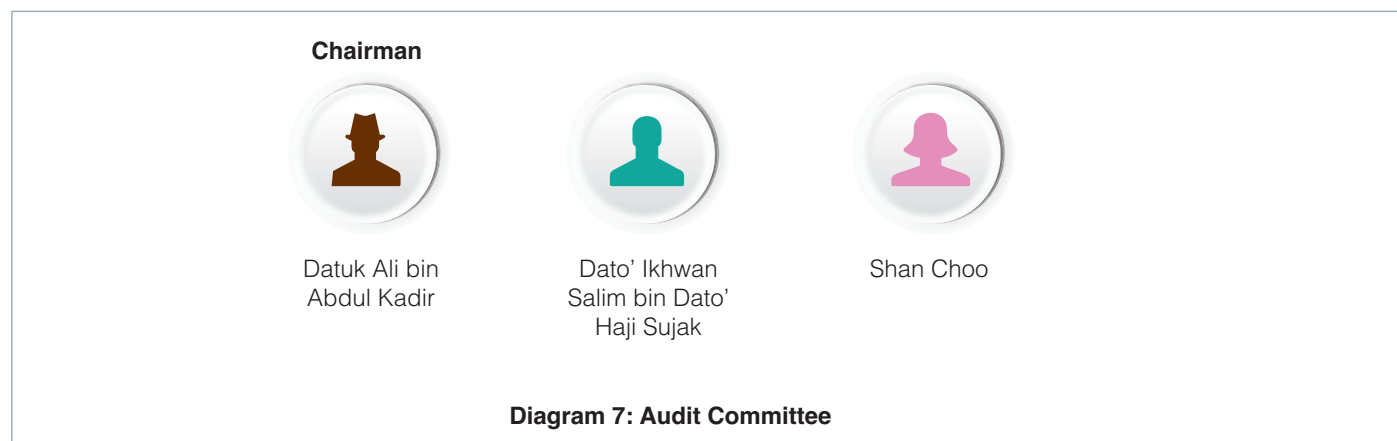
# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board has decided not to disclose the remuneration of key Senior Management personnel on a named basis in order to allay tangible concerns on privacy and that such disclosure may be detrimental to its business interest given the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the property development industry. In addition, the Company is of the view that the interest of the stakeholders will not be prejudiced as a result of the non-disclosure of the Company's key Senior Management personnel who are not Directors of the Company. An internal benchmarking exercise undertaken by the Company reveals that the remuneration of its key Senior Management personnel is within market norms.

## Principle B: Effective Audit and Risk Management

### Audit Committee

Glomac's Audit Committee comprises solely of Independent Directors to provide a robust and impartial oversight on financial reporting, audit and risk management processes. The members of the AC are depicted in **Diagram 7** below:



The vast experience of the Audit Committee members in the areas of accounting, finance and auditing allows the Audit Committee to collectively possess the requisite financial literacy to have a sound understanding of the financial matters of the Group. The Audit Committee has unrestricted access to both the internal and external auditors, who in turn reports directly to the Audit Committee. The Audit Committee has established formal and transparent arrangements to maintain an appropriate relationship with the external auditors. This includes undertaking an annual assessment to ascertain the suitability, objectivity and independence of the external auditors.

The Audit Committee Report, which provides detailed articulation on the composition of the Audit Committee, its responsibilities and main activities during the financial year ended 30 April 2020, is set out on pages 85 to 88 of the Annual Report.

### Risk Management and Internal Controls

To ensure a robust risk management and internal controls, the Group has instituted an Enterprise Risk Management ("ERM") Framework that incorporates procedures to identify, assess and monitor operational, financial, compliance and non-financial risks facing the Group.

The Board has delegated the tasks of operationalising and implementing the risk management and internal control framework to the Risk Management Committee. The RMC, which is chaired by an Independent Director, Shan Choo and includes the membership of the Senior Independent Director, Dato' Ikhwan Salim bin Dato' Haji Sujak, Group MD/CEO, Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor and other Management level personnel, meets periodically to deliberate on the prevailing and emerging risks surrounding the Group. Matters deliberated during the RMC meetings are escalated to the AC and subsequent recommendations are reported to the Board for the Board's decision.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

Subsequent to the financial year under review, a new Board-level Risk Management Committee was established on 24 July 2020, comprising solely of Independent Non-Executive Directors, to oversee the risk management function of the Group.

Further information on the Group's risk management and internal control framework is made available in the Statement on Risk Management and Internal Control furnished on pages 76 to 84 of the Annual Report.

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

### **Communication with Stakeholders**

As custodians of Glomac, the Board aims to keep all stakeholders apprised in a timely manner of all material business events. The Board ensures there is an open line of communication with stakeholders through announcements to Bursa Securities, Glomac's website, summaries of key matters discussed at the general meetings and analyst briefing sessions as well as investors' roadshows and conferences.

The Annual Report is made available on Glomac's website and it provides a balanced, comparable and meaningful assessment of the Group's position and prospects as well as comprehensive details about business activities and financial performance for the financial year. Concurrently, the Group also conducts periodic briefing sessions for institutional investors and analysts.

During the financial year under review, two (2) briefing sessions were conducted during second quarter results and fourth quarter results. Media briefings were also conducted after the conclusion of the AGM, while meetings with fund managers were conducted on an ad-hoc basis. The Board is cognisant that a proactive approach towards stakeholder engagement will enhance the ability of stakeholders to make informed investment decisions that are based not only on the Group's retrospective performance but also on its business propositions and future outlook.

The topic of sustainability has gained notable traction amongst industry players and the wider corporate sector. Taking cue from this, the Board has expended efforts in ensuring that the Company meets the reporting expectation with regards to the Group's sustainability activities and performance. During the financial year under review, the Company herein sets out its sustainability disclosures, which is made pursuant to the enumerations in MMLR of Bursa Securities, in the Sustainability Report which can be found on pages 18 to 41 of this Annual Report.

### **Conduct of General Meetings**

The AGM serves as the principal avenue for shareholders to engage the Board and Senior Management in a constructive two-way dialogue. Shareholders are encouraged to actively participate during AGMs by raising questions and providing feedbacks to the Board and Senior Management. During the financial year under review, Datuk Richard Fong Loong Tuck (Group Executive Vice Chairman) was unable to attend the Thirty-Fifth AGM. However, all other Directors including the respective Chairmen of the Board Committees, were present during the Thirty-Fifth AGM to facilitate shareholder engagement and provide clear and meaningful responses to shareholders' concerns and queries. Feedbacks gathered during the AGM are evaluated and considered for further action by the Board and Senior Management.

The notice of the upcoming AGM, which is scheduled to be held on 26 October 2020, has been made available to shareholders more than twenty-eight (28) days prior to the meeting in order to accord shareholders with sufficient time to review the Group's financial and operational performance as well as the resolutions that are to be tabled during the AGM. The extended notice period is also intended to enable shareholders to make the necessary arrangements to attend the AGM. The upcoming AGM would be conducted virtually through live streaming and online remote voting via the remote participation and voting facilities.

During the 2019 AGM, in line with the MMLR of Bursa Securities, all resolutions that were tabled for shareholders' approval were decided by poll voting. The results were validated by Sharepoll Sdn. Bhd., the Independent Scrutineer appointed by Glomac. No technology was leveraged to facilitate voting in absentia and remote shareholders' participation since there was ample participation during the 2019 AGM.

### **Focus Areas**

As market conditions took a battering which resulted in synchronised headwinds in the property industry that continue to linger on, corporate governance becomes ever more omnipresent. Against this backdrop, the Board of Glomac remains focused on the fundamentals of its roles and responsibilities in future-proofing long-term value for stakeholders. Areas which gained heightened prominence from the Board during the financial year ended 30 April 2020 are as follows:

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Business Continuity Plan

In the wake of the debilitating COVID-19 pandemic which has resulted in a movement restriction order and disruption to normal course of business activities, the Board directed the activation of the Group's business continuity plan to enable alternative working modalities, recalibrate arrangements in relation to its projects and facilitate speedy resumption of activities as it has been forced to scale back during the period of interlude. A special purpose business policy on the COVID-19 outbreak was formulated by the Group to socialise its action plans to key stakeholders.

## Ethical Leadership

Recognising the need for reinforced ethical measures as brought about by the operationalisation of corporate liability provision [vide the Malaysian Anti-Corruption Commission (Amendment) Act 2018] on 1 June 2020, the Board has taken steps to direct the establishment of adequate procedures to prevent the commission of corrupt acts by persons associated to the Group through the institution of a newly-minted Anti-Bribery Policy. The Anti-Bribery Policy covers salient areas pertaining to corruption and bribery such as gifts, donations and sponsorships. The Anti-Bribery Policy necessitates strict adherence by all parties, extending across its supply chain.

In order to curate heightened awareness on corporate liability, Glomac has engaged an independent professional firm, KPMG Management and Risk Consulting Sdn Bhd ("KPMG"), to facilitate the conduct of training and briefing sessions on corporate liability to all Directors and Senior Management of the Group.

## Limits of Authority

Glomac continued to undertake a dynamic recalibration of its Limits of Authority to foster oversight in line with the Company's chain of command whilst simultaneously facilitating business efficiencies. Periodic discussions are held by Glomac's Board, Board Committees and Management team to generate valuable input and establish well-understood boundaries, as to be reflected through the Limits of Authority.

## Corporate Governance Priorities

The Board remains committed to achieving the high standards of corporate governance and integrity. Glomac's governance tenets which operate from the direction of Board and cascaded across Management and other employees is critical in underpinning its ability to deliver long-term value for stakeholders.

The following sets out Glomac's intention in enhancing its governance practices and processes over the short to mid-term:

### Fiscal Controls

Prudent financial supervision is seen as an indispensable imperative for the near-future of the Group given the tepid economy and subdued marketplace. Hence, the Board and Management will be prioritising cost optimisation efforts such as rationalising operating expenses and inefficient administrative outlays. The cost optimisation efforts aims to strengthen the fiscal position of the Group in tandem with ongoing efforts to improve its mall occupancy and sales of property units.

A focused benchmarking involving the review of standard operating procedures on cost inefficiencies will be deployed to identify the key cost saving areas.

### Human Capital

The Group recognises the adage that "a chain is as strong as its weakest link" and therefore, human capital is biggest driver of its governance and performance. In the near future, talent reviews will be conducted across the Group with a view of identifying top talents and determining ways to retain them either through competitive compensation, development opportunities and career growth.

The Board acknowledges that succession planning is critical for the continuity of the Group's business operations in a seamless manner. Successors for key Management positions will be identified and the Board will continue to ensure that succession planning is a priority for positions that have been earmarked as critical.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (the “Board”) of Glomac Berhad (“Glomac” or the “Company”) is highly committed to maintain a sound system of risk management and internal control in the Company and its subsidiaries (collectively referred to as the “Group”). The Board is pleased to provide the following Statement on Risk Management and Internal Control (the “Statement”), which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 30 April 2020.

This Statement is prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) which calls for the annual report to incorporate a “statement about the state of risk management and internal control of the listed issuer as a group” and Practice 9.2 of the Malaysian Code on Corporate Governance (“MCCG”) which stipulates that “the board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework”. In preparing this Statement, the Board has taken into consideration the enumerations encapsulated in the “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers” (the “Guidelines”), a publication endorsed by Bursa Securities pursuant to paragraph 15.26(b) of the MMLR of Bursa Securities.

This Statement however does not cover joint ventures whereby risk management and internal controls are overseen by the respective governing bodies.

## Responsibility and Accountability

### Board

In order to safeguard shareholders’ investments and other stakeholders’ interests, the Board places priority in maintaining a sound system of internal controls as well as properly identifying and managing risks reflecting the Group’s operations.

Accordingly, the Board affirms its overall responsibility for the Group’s system of risk management and internal controls which covers financial, operational, compliance and other non-financial risks along with the relevant controls designed to manage the said risks. Comprising solely of Independent Non-Executive Directors, the Audit Committee (“AC”) has been entrusted to assist the Board in evaluating the adequacy and effectiveness of the Group’s system of risk management and internal controls.

Given the nature of any internal controls and risk management systems where limitations are inherent, rather than eliminating the risk of failure, the system is designed to manage financial and non-financial risks within tolerable limits to achieve the Group’s business objectives. Therefore, the system can only provide reasonable, but not absolute, assurance against any material misstatements, financial losses, defalcations or fraud.

### Management

The Management is responsible for implementing the processes of identifying, evaluating, monitoring and reporting of risks and the effectiveness of internal control systems, taking appropriate and timely corrective actions as required. A hybrid, Board-Management Committee, namely, Risk Management Committee (“RMC”), chaired by an Independent Non-Executive Director, Shan Choo and comprising the Senior Independent Non-Executive Director, Dato’ Ikhwan Salim bin Dato’ Haji Sujak, Group Managing Director/Chief Executive Officer (“Group MD/CEO”), Datuk Seri Fateh Iskandar bin Tan Sri Dato’ Mohamed Mansor and other key Management personnel has been established to assist the AC by overseeing the operationalisation of the risk management and internal control framework. The lead representative from the internal audit service provider is also present by invitation during the meetings of the RMC to provide input from the perspective of control mechanisms. The Management, through RMC, is entrusted with the responsibility of implementing and maintaining the risk management and internal control system by:

- communicating the Board’s vision, strategy, policy, responsibilities and reporting lines to personnel across the Group with the aim of engendering a healthy risk culture;
- identifying and communicating to the AC and Board, critical risks that the Group faces and Management’s action plans to manage the risks;
- performing risk oversight activities and reviewing the risk profile of the Group;
- aggregating the Group’s risk position and performing half-yearly reporting to the Board on the risk situation and status;
- monitoring the risk measures of the Group; and
- providing guidance to the business divisions on the Group’s risk appetite and capacity, and other criteria which, when exceeded, trigger an obligation to report upwards to the AC and Board.

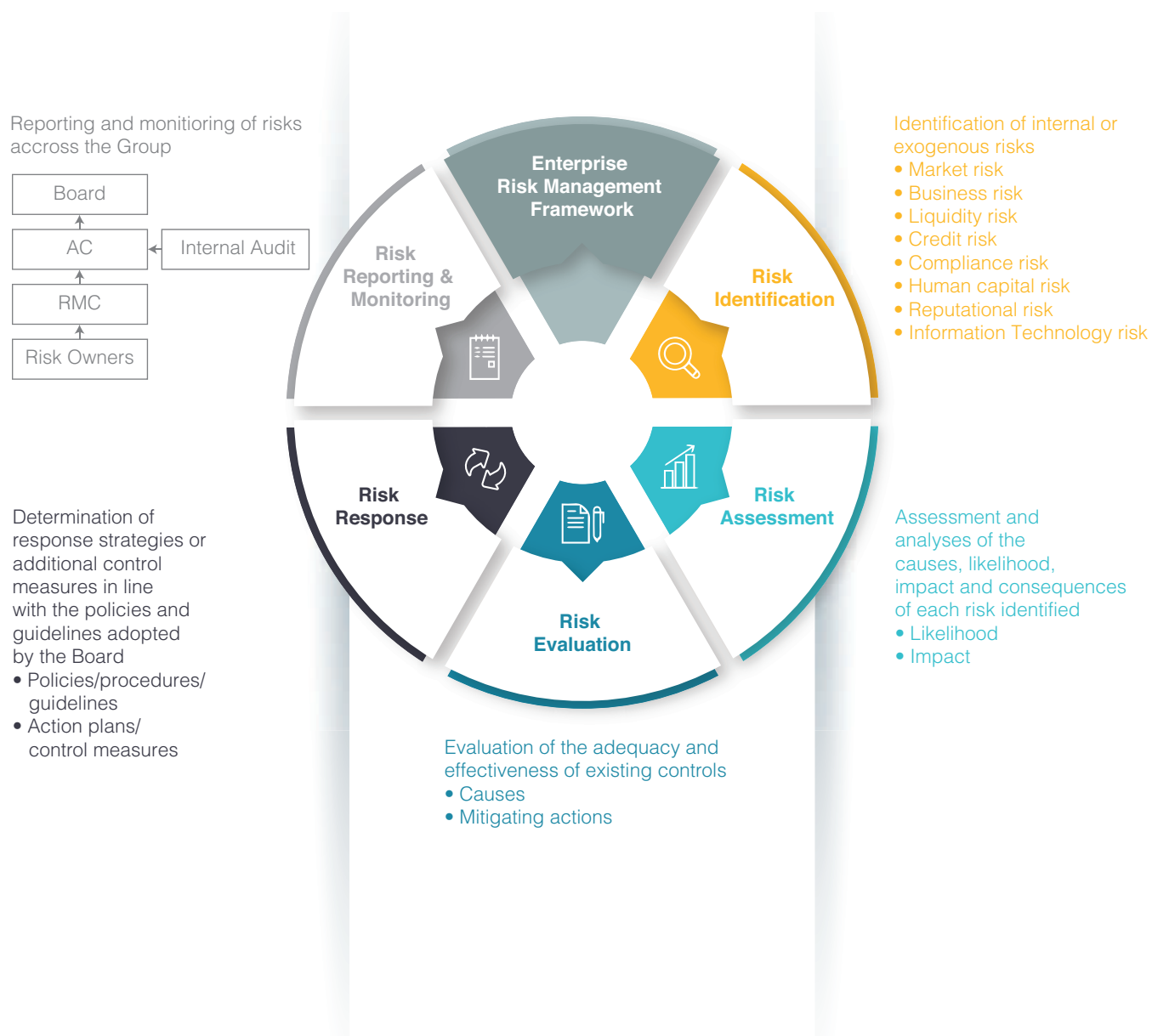


# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Since May 2019, the RMC met twice to review the changes in risk profile, identify significant and nuanced risk factors (e.g. legal and reputational risks) as well as deliberate on the actions plans to mitigate the risks.

## Risk Management

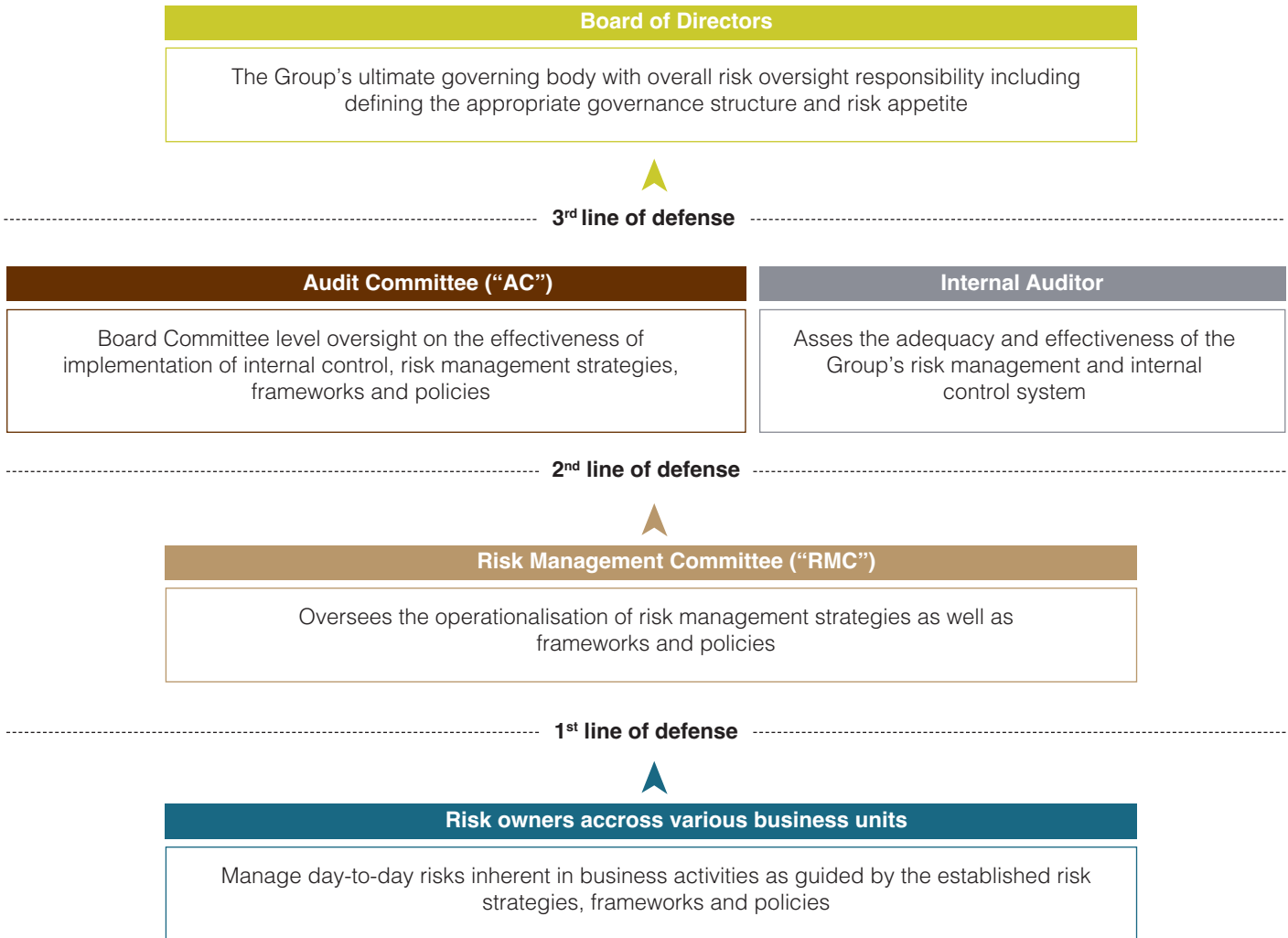
The Board firmly believes that risk management is critical to the Group’s continued business sustainability and the accretion of value creation. Accordingly, the Board has formalised a methodical Enterprise Risk Management (“ERM”) Framework to guide the delicate balance of risks and rewards in business decision making. **Diagram 1** below illustrates the Group’s ERM Framework:



**Diagram 1: Enterprise Risk Management Framework**

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

In respect of risk management, an appropriate organisation structure with clear reporting lines and defined lines of responsibilities from various business units up to the Board level is defined in **Diagram 2** below:



**Diagram 2: Risk Management Governance Structure**

During the financial year under review, the results of risk updates were presented by the relevant process owners at the RMC meetings. The significant risk issues were further deliberated at the AC and/or Board meeting on a half-yearly basis. The risk profile of the Group was prioritised and addressed through the annual risk-based internal audit plan for the conduct of internal audit assessments.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## Significant and High Risk Factors

Glomac's significant and high risks identified for the financial year under review and the attendant risk management approaches are outlined as follows:

Risk category	Nature of risks	Description	Risk management approach
Strategic risk	Ineffective sales and marketing plans	Ineffective sales and marketing plans can lead to slow take-ups rates, pull back of launches and high balance stock. This may result in challenging project cash flows and company profitability.	The Group recognises that an agile marketing plan which considers the changing consumer sentiment, is a key determinant to sustain the business. The Group has leveraged on an online advertising platform and implemented a social media engagement programme to improve its visibility via alternative media.
Strategic risk	Softening demand of properties	The uncertainty in the economic and market conditions has adversely affected the commercial and residential properties of the Group. The impact of the COVID-19 pandemic has led the property market into a downward spiral.	In order to cushion the impact of softening market demand, the Group has developed mitigations actions, with a focus on providing incentives to the buyers as well as strengthening its presence in the media.
Strategic risk	Business continuity management	The severity and continuity of the global pandemic would have significant implications for the sustainability of the daily activities and corporate responsibilities of the Group.	The Group has put in a place a Business Continuity Plan ("BCP") that focuses on the wellbeing of the employees, information technology infrastructure for remote working, alternate/ back-up offices and internal training.
Operational risk	Cyber security	The failure or weakness of information technology system could result in financial loss, disruption or damage to the reputation/ operation and function of the company.	Active Directory Server and Exchange Service has been upgraded to Microsoft Office 365, with full troubleshooting support from Microsoft. Additionally, programmes have been put in place to track the documents accessed by the employees. During the financial year under review, there was no detection of hacking or unusual activity.
Operational risk	Poor workmanship quality	The poor quality of workmanship may be affected by inferior materials used by contractors, inadequate supervision by consultants/ project personnel and poor project management. Such risk could result in additional cost and time incurred for rectification as well as negative press coverage.	Recognising the deleterious effects of poor workmanship quality, the Group has put in place an independent quality assessment and strengthened its project management capabilities. A defect tracking system has been implemented to provide data on the improvement areas. Additionally, the contract will include a requirement for the contractors to attend QLASSIC Training Programs with a minimum score of 75.
Operational risk	Low occupancy rate of mall	Significant downward pressure can potentially be exerted on the occupancy rate of the mall due to macroeconomic uncertainties, exit of mall anchor tenant, cut-throat competition on lease rates and impact of the COVID-19 pandemic.	Premised on the need to revitalise the mall and secure more tenants, the Group has undertaken more crowd pulling fairs, events and activities so as to promote visibility and increase footfalls. The Group will also improve its attentiveness towards tenants' suggestions and concerns. Further measures have been put in place to limit the spread of COVID-19 such as temperature screening, customer registration, floor markings for social distancing and regular sanitation of the mall.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## Internal Control Framework

Mindful that a sound system of internal controls reduces the risks that could impede achieving the Group's goals and strategic objectives, the Audit Committee ("AC") and the Board regularly reviews the adequacy and operating effectiveness of the Group's internal controls. The salient elements of the Group's internal control framework are listed below:

### 1 Organisation Structure

The Group has in place an organisational structure with clearly demarcated lines of responsibilities and segregated reporting lines to the Board and Board Committees to ensure operational efficiency and independent stewardship.

### 2 Board Charter

A Board Charter is established to ensure that all Board members acting collectively on behalf of the Company are aware of their duties and responsibilities as Board members with an emphasis of applying high standards of corporate governance throughout the Group in safeguarding the interest of all stakeholders as well as enhancing shareholders' value and financial performance of the Group.

### 3 Board Committees

The Board has three (3) Board Committees that collectively involve all six (6) Directors:

- **Audit Committee ("AC")**  
The primary function of the AC is to review quarterly and annual financial statements before submission to the Board, external and internal audit plans, systems of internal controls and related party transactions as well as other responsibilities as may be agreed to by the AC and the Board. Further details of the AC are outlined in the Terms of Reference available on Glomac's website.
- **Nomination Committee ("NC")**  
The NC is established to assist in identifying and nominating for the approval for the Board, candidates to fill Board vacancies as and when they arise, making recommendations to the Board on the Directors to fill seats of Board Committees, assessing annually the effectiveness of the Board and the independence of individual Directors. Further details of the NC are outlined in the terms of Reference available on Glomac's website.
- **Remuneration and Employee Shares Scheme ("ESS") Committee**  
The Remuneration & ESS Committee's primary duties include reviewing the annual remuneration package of each Individual Director, recommending to the Board the remuneration packages of the Directors and performing functions as requested by the Board for the purpose of administrating the Group's Employee Share Scheme. Further details of the Remuneration and ESS Committee are outlined in the Terms of Reference available on Glomac's website.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## 4 Integrity and ethical values

The Board acknowledges that tone at the top is a prerequisite for an ethical corporate culture that shapes the Company's values and forms the bedrock for sustainable growth of the business. The Board is cognisant that ethical leadership has been made even more imperative with the operationalisation of corporate liability provision [vide the Malaysian Anti-Corruption Commission (Amendment) Act 2018] on 1 June 2020 which places the onus on Directors and Management to proactively avert corrupt practices through the establishment of adequate procedures and exercise of due diligence.

Taking into account of the reform measure introduced by the corporate liability provision as well as the accompanying Guidelines on Adequate Procedures as released by National Centre for Governance, Integrity and Anti-Corruption, the Group will continue to reinforce its ethical framework which is currently composed of the following key components:

- **Code of Conduct (the “Code”)**  
The Code is a vital and an integral part of Glomac's governance framework as it defines the core principles and ethical standards in conducting business and engagement with all stakeholders besides reinforcing the need for compliance with relevant laws and regulations. All employees of the Group are called upon to adhere to the Code in guiding them to observe high standards of personal and corporate integrity in their dealings with internal and external stakeholders. In addition, the Group has an Employee Handbook that guides the Group's employees in their day-to-day conduct, conducting themselves with integrity and objectivity and not be placed in a position of conflict of interest.
- **Whistleblowing Policy and Procedures**  
The Group has put in place Whistleblowing Policy and Procedures that enable individuals to raise genuine concerns to designated recipients within the Group on potential breaches of business conduct, non-compliance with legal and regulatory requirements as well as other malpractices without fear of retaliation. Avenues are also available for stakeholders to escalate bona fide concerns directly to the Chairman of Audit Committee, especially if the report pertains to a member of Glomac's Management team. The Whistleblowing Policy and Procedures document is made available on Glomac's website.
- **Anti-Bribery and Corruption Policy**  
The Board has taken steps to direct the establishment of adequate procedures to prevent the commission of corrupt acts by persons associated to the Group through the institution of the Anti-Bribery and Corruption Policy (“the Policy”). The Policy, amongst others, covers areas pertaining to gifts, donations and sponsorships; support letters; facilitation payments; conflict of interest; and sanctions for non-compliance. The Policy is premised on a supply-chain wide perspective covering dealings with third parties such as agents, suppliers and vendors, contractors, sub-contractors and distributors. All employees are required to declare that they have read, understood and will abide by the Policy via the Staff Declaration Form.

In order to raise awareness on corporate liability, Glomac has engaged an independent professional firm, KPMG Management and Risk Consulting Sdn Bhd (“KPMG”), to facilitate the conduct of training and briefing sessions on corporate liability to all Directors and Senior Management of Glomac.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## 5 Limits of Authority (“LOA”)

Clearly defined and documented lines and limits of authority, responsibility and accountability have been established through the relevant terms of references, organisational structures and appropriate authority limits, including matters requiring the Board’s approval. The corporate structure further enhances the ability of each subsidiary or division, as the case may be, to focus on its assigned core or support functions within the Group. In designing and implementing these policies, structures and systems, the Group is guided by the dictum that no single individual should be accorded with unfettered powers.

## 6 Planning, monitoring and reporting

The following internal control processes have been deployed by the Group:

- **Strategic Business Planning Processes**

Appropriate business plans are established in which the Group’s business objectives, strategies and targets are articulated. Business planning and budgeting are undertaken annually to establish plans and targets against which performance is monitored on an ongoing basis;

- **ISO 9001:2015 Accreditation**

The Construction Division of the Group has been accorded with full ISO 9001:2015 accreditation, i.e. an international standard that specifies requirements for a quality management system. This underscores the Group’s drive to consistently improve the strength of its internal control system;

- **Approved Annual Internal Audit Plan**

During the year under review, a risk-based Internal Audit plan covering areas such as project management and human resource was reviewed and approved by the AC;

- **Documented Policies and Procedures**

Internal policies and procedures, which are set out in a series of clearly documented standard operating manuals covering a majority of areas within the Group, are maintained and reviewed as considered necessary;

- **Performance Monitoring and Reporting**

The Group’s Management team monitors and reviews financial and operational results, including monitoring and reporting of performance against the operating plans and annual budgets. The Management team formulates and communicates action plans to address areas of concern. Separate monthly operational reports are disseminated to the Group’s Management Team members, with periodical meetings organised with heads of departments and core business managers. The Group MD/CEO reports to the Audit Committee and the Board of Directors on a quarterly basis on significant changes in the business and external environment in which the Company operates;

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- Financial Performance Review**  
 The preparation of quarterly and annual results and the state of affairs of the Group are reviewed and approved by the Board before a release of the same to the stakeholders and regulators whilst the full year financial statements are audited by the external auditor before their issuance to regulators and stakeholders;
- Quality Control**  
 The Group takes continuous efforts in maintaining the quality of its products and services. Accordingly, the Group has processes to enable timely adherence to safety and health regulations, environmental requirements and relevant legislations affecting the Group's operations;
- Coverage and Safeguarding of Major Assets**  
 Sufficient insurance coverage is in place to enable major assets to be adequately covered against mishaps, calamities and thefts that may result in material losses to the Group. The insurance coverage is reviewed at regular intervals to ensure its adequacy vis-à-vis the Group's risk appetite. At the same time, physical security measures are taken to safeguard these major assets. Information technology-based assets (software and hardware) are upgraded from time to time to mitigate the possibility of security breaches; and
- Commitment to Capacity Building**  
 The Group, being in a competitive industry, recognises the importance of sustainable investment in improving the skills and competencies of its Management and other employees. This is achieved through facilitating various training programmes, seminars, workshops and continuous learning initiatives. Investments are also channeled for information technology infrastructure with a view of facilitating the impetus towards digitalisation.

This internal control framework has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report of the Company.

## Internal Audit Function

The Group outsourced its internal audit function to an independent professional firm, KPMG Management and Risk Consulting Sdn. Bhd. ("KPMG") to assess the adequacy and integrity of the Group's internal control systems. The internal audit function reports directly and provides assurance to the AC through the execution of internal audit work based on a risk-based internal audit plan approved by the AC before commencement of work. In carrying out its activities, the internal audit function has unrestricted access to the relevant records, personnel and physical properties of the Group. The internal audit work is carried out based on KPMG's Internal Audit Methodology ("KIAM"), which is closely aligned with the International Professional Practices Framework ("IPPF") of the Institute of Internal Auditors, of which final communication of internal audit plan, processes and results of the internal audit assessment are supported by sufficient, reliable and relevant information which signifies a satisfactory conclusion of the internal audit work.

For the financial year ended 30 April 2020, the internal audit function assessed the adequacy and operating effectiveness of internal controls deployed by Management for the following key business processes, covering Project Management and Human Resources. Below are the key risks there were rated as "High":

Business Process	Key Risks
Project Management	<ul style="list-style-type: none"> <li>Contractors performance bond not following required validity period</li> </ul>
Human Resource	<ul style="list-style-type: none"> <li>Review of department staffing</li> <li>Sharing of administration ID for Human Resource Management Systems</li> <li>Formalisation of resignation Standard Operating Procedures</li> <li>Lapses to recruitment procedures</li> </ul>

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The internal audit engagement by KPMG is headed by an Executive Director, namely, Mr. Khaidzir Shahari. He is a professional member of the Institute of Internal Auditors, Malaysia and a Chartered Accountant (Malaysian Institute of Accountants). Mr. Khaidzir has accumulated over 23 years of experience in a wide range of governance advisory, risk management and internal audit work. The internal audit work was carried out with four personnel being deployed. All the personnel deployed by KPMG are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of the work. During the financial year ended 30 April 2020, the total cost incurred for internal audit activities amounted to RM75,000 (2019: RM75,000), excluding ancillary expenses and taxes.

Following the completion of its work, the internal audit function reported directly to the AC on improvement measures pertaining to internal controls, including a follow-up on the status of Management's implementation of recommendations raised in previous reports. Internal audit reports were submitted to the AC, which reviewed the observations with Management, including Management's action plans to address the concerns raised. To illustrate further, it is worth highlighting that the recommendations raised by the internal audit function over the preceding five years have been substantially implemented by Management (i.e. implementation rate of 50%). In addition, the external auditor's Management Letters and Management's responses to the control recommendations on deficiencies noted during financial audits provided added assurance that control procedures on matters of finance and financial reporting were in place and were being followed.

## Review by the External Auditor

In accordance to paragraph 15.23 of the MMLR of Bursa Securities, the external auditor, Deloitte PLT has reviewed this Statement for inclusion in this Annual Report of the Company for the financial year ended 30 April 2020.

The review of this Statement by the external auditors was performed in accordance with the scope set out in Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report ("AAPG 3"), issued by the Malaysian Institute of Accountants.

The external auditor reported that nothing has come to their attention that caused them to believe that the Statement intended to be included in the Annual Report of the Company was not prepared, in all material respects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Guidelines, nor was it factually inaccurate.

## Commentary on the Adequacy and Effectiveness of the Group's Risk Management and Internal Control System

For the financial year under review and up to the date of this Statement for inclusion in this Annual Report, the Board is of the view that the Group's risk management and internal control system is adequate and effective to safeguard the interests of stakeholders and the Group's assets. There were no material weaknesses or deficiencies in the system of internal controls that have directly resulted in any material loss to the Group.

The Group MD/CEO and the Chief Operating Officer, who also heads the Finance function, have also provided documented assurance to the Board that the Group's risk management and internal control system, in all material aspects, are operating adequately and effectively based on the risk management and internal control framework of the Group.

This Statement is made in accordance with the resolution of the Board of Directors dated 19 August 2020.



# AUDIT COMMITTEE REPORT

The Audit Committee (“**AC**”) with delegated oversight responsibilities assists the Board in ensuring that the paramount interest of the shareholders and other stakeholders of the Company and its subsidiaries (“**Group**”) are well protected.

## (A) Composition

The AC of the Company consists of three (3) members, all of whom are Independent Non-Executive Directors.

The AC comprises the following members:

Directors	Designation
Datuk Ali bin Abdul Kadir	Chairman/ Independent Non-Executive Director
Dato' Ikhwan Salim bin Dato' Haji Sujak	Member/ Senior Independent Non-Executive Director
Shan Choo	Member/ Independent Non-Executive Director

The Chairman of the AC, Datuk Ali bin Abdul Kadir, is a Fellow of the Institute of Chartered Accountants in England and Wales as well as a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants which fulfils the requirement under Paragraph 15.09(1)(c) of the Main Market Listing Requirements (“**Main LR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The composition of the AC is in compliance with Paragraphs 15.09 and 15.10 of the Main LR of Bursa Securities and the Malaysian Code on Corporate Governance (“**MCCG**”) where all three (3) AC members are Independent Non-Executive Directors. None of the Independent Non-Executive Directors had appointed Alternate Directors.

All members of the AC are financially literate and are able to analyse and interpret financial statements in order to effectively discharge their duties and responsibilities as members of the AC.

## (B) Term of Reference

The principal objective of the AC is to assist the Board of Directors (“**Board**”) in discharging its fiduciary responsibilities relating to financial reporting process and internal control of the Group.

The functions of the AC is as set out in the Terms of Reference of the AC which can be found on the Company’s website at [www.glomac.com.my](http://www.glomac.com.my).

## (C) Meetings and Attendance

The AC held a total of six (6) meetings during the financial year ended 30 April 2020. The Group Managing Director/ Chief Executive Officer, Chief Operating Officer, department heads and representatives of the External Auditors and Internal Auditors attend the AC meetings as and when invited, in order to facilitate direct communications in respect on matters of significant concern of interest.

The details of the attendance of the AC members are as follows:

Name of Audit Committee Member	Total meetings attended
Datuk Ali bin Abdul Kadir	5/6
Dato' Ikhwan Salim bin Dato' Haji Sujak	6/6
Shan Choo	6/6

# AUDIT COMMITTEE REPORT

The lead audit partner of the External Auditors responsible for the Group had attended three (3) AC meetings held during the financial year ended 30 April 2020.

The External Auditors were encouraged to raise to the AC on any matters they considered important to bring to the AC's attention. The Chairman of the AC also sought information on the communication flow between the External Auditors and Management which is necessary to allow unrestricted access to information for the External Auditors to effectively perform their duties.

The Company Secretaries shall be the secretaries of the AC and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to the AC members prior to each meeting.

The Company Secretaries shall also be responsible for keeping the minutes of meetings of the AC and circulating them to the AC members and to the other members of the Board. The Chairman of the AC shall report key issues discussed at each meeting to the Board.

## (D) Summary of Work

During the financial year ended 30 April 2020, the AC had worked closely with the External Auditors, Internal Auditors and Management to monitor, oversee, review and evaluate the effectiveness and adequacy of the Group's risk management and internal control, financial management and reporting.

The AC had in the discharge of its duties during the financial year ended 30 April 2020, carried out the following:

### 1. Risk Management and Internal Controls

- There are two (2) AC members as the representatives to attend and observe the Risk Management Committee meetings held during the financial year under review.
- Reviewed the Risk Management Report on the risk profile of the Group and the adequacy and integrity of internal control systems to manage these risks.
- Reviewed and recommended the AC Report and Statement on Risk Management and Internal Control for disclosure in the Company's annual report for the Board's approval.

### 2. Financial Reporting

- Reviewed the draft audited financial statements for the financial year ended 30 April 2019 and recommended the same for the Board's approval.
- Reviewed the unaudited quarterly financial results announcements of the Company and of the Group prior to the Boards' approval with particular focus on:
  - compliance with financial reporting standards in Malaysia and provisions of the Companies Act 2016; and
  - the Group's accounting policies and practice.

# AUDIT COMMITTEE REPORT

## 3. Internal Audit

- Reviewed the significant issues and concerns arising from the audit.
- Reviewed and accessed the internal auditors' findings and Management's responses thereto and thereafter, making the necessary recommendations or changes to the Board.
- Assessed the adequacy of scope, functions, competency and resources of the Internal Audit ("IA") function.
- Considered the proposed IA plan for the financial year ending 30 April 2021 and 30 April 2022 respectively.
- Considered and recommended to the Board for approval on the audit fees payable to the internal auditors.

## 4. External Audit

- Reviewed the external audit terms of engagement, proposed audit remuneration and audit plan of the Company and of the Group for the financial year ended 30 April 2020.
- Reviewed the Audit Planning Memorandum for the financial year ended 30 April 2020.
- Considered the feedback regarding problems and reservations arising from the interim and final audits.
- Assessed and be satisfied with the written independent assurance given by the External Auditors.
- Reviewed the effectiveness, suitability and independence of the External Auditor vide a formalised "External Auditors Evaluation" form.
- Discussed and reviewed with the External Auditors, the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board.
- Considered and recommended to the Board for approval the audit fees payable to the external auditors.

## 5. Review of Recurrent Related Party Transactions / Related Party Transactions

- Reviewed the recurrent related party transactions of a revenue or trading nature ("RRPT") entered into by the Company and the Group on a quarterly basis.
- Reviewed the thresholds of the RRPTs to ensure compliance with the Main LR of Bursa Securities.
- Reviewed the draft proposal to seek shareholders' mandate for the Company and the Group to enter into RRPTs.

## 6. Others

- Reviewed and confirmed the minutes of the AC meetings.
- Received an overview of the Group's projects.
- Reviewed and considered the quantum, timing and cash flow of dividend payment, and recommended the same to the Board and shareholders for approval.
- Received and noted on the impact of changes to laws and regulations impacting the Group's business operations, including the Companies Act 2016, MCCG and Main LR of Bursa Securities.

The Board is satisfied that the AC has carried out their responsibilities and duties in accordance with the Terms of Reference of AC.

# AUDIT COMMITTEE REPORT

## (E) Internal Audit Function and Activities

The IA function is considered an integral part of the assurance framework within the Group. IA function plays an intermediary role in that it assists in the discharge of the oversight function which is delegated by the Board to the AC. It serves as a mean of obtaining sufficient assurance of regular review and/or appraisal of the adequacy and effectiveness of the system of internal controls from the perspective of governance, risks and control.

The Group outsources its IA function to KPMG Management & Risk Consulting Sdn. Bhd. (“**KPMG**”), which has adequate resources and appropriate standing to undertake its work independently and objectively to provide reasonable assurance to the AC regarding the adequacy and effectiveness of risk management, internal control and governance systems.

The personnel conducting and carrying out the IA function are free from any relationship or conflict of interest or undue influence of others which could impair their independence. KPMG reports directly to the AC.

The total cost incurred for the IA function of the Group in respect of the financial year ended 30 April 2020 amounted to RM75,000.

The summary of the works undertaken by the internal auditors during the period under review may be referred to the Statement on Risk Management & Internal Control on pages 76 to 84 of the Annual Report.

This Report is made in accordance with a resolution passed at the meeting of AC held on 19 August 2020.



# FINANCIAL STATEMENTS

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# REPORT OF THE DIRECTORS

The Directors of **GLOMAC BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2020.

## PRINCIPAL ACTIVITIES

The principal activities of the Company are property development and investment holding.

The principal activities of the subsidiary and associated companies are disclosed in Note 42 to the financial statements.

## RESULTS

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

	<b>The Group RM</b>	<b>The Company RM</b>
Profit before tax	20,176,306	20,087,927
Income tax expense	(2,778,926)	(3,344,420)
<b>Profit for the financial year</b>	<b>17,397,380</b>	<b>16,743,507</b>
Profit attributable to:		
Owners of the Company	12,597,141	16,743,507
Non-controlling interests	4,800,239	-
	<b>17,397,380</b>	<b>16,743,507</b>

In the opinion of the Directors, the results of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature, except for the fair value loss on investment properties of RM24,619,620 of the Group and the impairment loss on investment in subsidiary companies of RM12,570,089 of the Company.

## DIVIDENDS

The amounts of dividends paid or declared by the Company since the end of the previous financial year were as follows:

	<b>RM</b>
In respect of the financial year ended 30 April 2019 as reported in the Report of the Directors of that year:	
Final single-tier dividend of RM0.008 per share on 776,146,845 ordinary shares, paid on 27 December 2019	6,209,173

The Directors propose a final single-tier dividend of RM0.01 per share on 771,563,945 ordinary shares, totalling approximately RM7,715,639 in respect of the current financial year. This dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, and has not been included as a liability in the financial statements. Upon approval by the shareholders, the proposed dividend for the financial year 2020 will be paid on 28 December 2020 to all outstanding ordinary shares in issue. The cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 April 2021.

# REPORT OF THE DIRECTORS

## RESERVES AND PROVISIONS

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

## ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

## SHARE OPTIONS

The Employees' Share Scheme ("ESS") of the Company is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 24 October 2013. The ESS was implemented on 31 March 2014 and will be in force for a maximum period of 7 years from the effective date.

The ESS comprises 2 schemes, i.e. Employees' Share Option Scheme ("ESOS") and performance-based Restricted Shares Grant ("RSG").

The salient features of the ESS are disclosed in Note 38 to the financial statements.

Movements in the Company's ESOS during the financial year are as follows:

Grant date	Number of options to subscribe for ordinary shares						Balance at 30.4.2020	Exercise price per share <sup>(i)</sup> (RM)
	1.5.2019	Granted	Exercised	Cancelled	Lapsed			
2.1.2015	4,362,600	-	-	(243,100)	(4,119,500)	-	0.83	
4.1.2016	6,743,000	-	-	(554,400)	-	6,188,600	0.72	

<sup>(i)</sup> ESOS exercise price per share after modification

Movements in the Company's RSG during the financial year are as follows:

Grant date	Number of grants in respect of ordinary shares				Balance at 30.4.2020
	Balance at 1.5.2019	Granted	Exercised	Cancelled	
3.1.2017	3,568,400	-	-	-	3,568,400

# REPORT OF THE DIRECTORS

## TREASURY SHARES

During the financial year, the Company purchased 6,353,200 units of its own shares through purchases on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of the shares was RM2,105,845 and it has been deducted from equity. The share transactions were financed by internally generated funds and the average price paid for the shares was RM0.33 per share. The repurchased shares are held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016.

As at 30 April 2020, the Company held a total of 26,054,000 ordinary shares as treasury shares out of its issued and paid-up share capital of 800,089,370 ordinary shares. Such treasury shares are held at carrying amount of RM12,518,303. Further details are disclosed in Note 29 to the financial statements.

## RESTRICTED SHARES GRANT RESERVE

There is no movement in the balance of shares held in trust during the financial year. As at 30 April 2020, the Company has repurchased a total of 14,993,000 of its issued ordinary shares from the open market at an average price of RM0.90 per share. These shares are being held in trust by the Company and recorded as Restricted Shares Grant ("RSG") reserve for the purpose of granting restricted shares to eligible employees in future. The first, second and third tranches of RSG under ESS scheme totalling 12,746,250 shares have been vested and awarded to a selected group of eligible employees as at 30 April 2020. A total of 224,675 shares are being granted under bonus issue during the financial year ended 30 April 2018. The balance shares held in trust by the Company as at 30 April 2020 is 2,471,425 shares at an average price of RM0.56 per share. Further details are disclosed in Note 29 to the financial statements.

## OTHER STATUTORY INFORMATION

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

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

- (a) which would render the amount of written off as bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

# REPORT OF THE DIRECTORS

## OTHER STATUTORY INFORMATION (Cont'd)

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

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

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

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

## DIRECTORS

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

Tan Sri Dato' Mohamed Mansor bin Fateh Din  
Datuk Fong Loong Tuck  
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor  
Dato' Ikhwan Salim bin Dato' Haji Sujak  
Datuk Ali bin Abdul Kadir  
Choo Shan  
Datuk Bazlan bin Osman (appointed on 24 July 2020)

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

Tan Sri Dato' Mohamed Mansor bin Fateh Din  
Datuk Fong Loong Tuck  
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor  
Carrie Fong Kah Wai (Alternate director to Datuk Fong Loong Tuck)  
Dato' Choong Moh Kheng  
Fara Eliza binti Tan Sri Dato' Mohamed Mansor (Alternate director to Tan Sri Dato' Mohamed Mansor bin Fateh Din)  
Hiew Chee Peng  
Ishaque Noor  
Koh Tse Ming  
Kwok Khuen Phun  
Mohd Yasin Loh bin Abdullah  
Sheikh Salem Mohammed S Alqassemi

# REPORT OF THE DIRECTORS

## DIRECTORS' INTERESTS

The shareholdings in the Company and in related companies of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016, are as follows:

### *Shares in the Company:*

	Number of ordinary shares			Balance as at 30.4.2020
	Balance as at 1.5.2019	Bought	Sold	
<b>Registered in the name of Directors</b>				
Tan Sri Dato' Mohamed Mansor bin Fateh Din	161,283,317	-	-	161,283,317
Datuk Fong Loong Tuck	130,874,805	-	-	130,874,805
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	136,109,584	10,821,216	-	146,930,800
Dato' Ikhwan Salim bin Dato' Haji Sujak	22,880	-	-	22,880
Datuk Ali bin Abdul Kadir	2,013,000	-	-	2,013,000

### *Options pursuant to the ESOS of the Company:*

	Number of options over ordinary shares				Balance as at 30.4.2020
	Balance as at 1.5.2019	Granted	Exercised	Lapsed	
<b>Registered in the name of Directors</b>					
Tan Sri Dato' Mohamed Mansor bin Fateh Din	732,600	-	-	(366,300)	366,300
Datuk Fong Loong Tuck	732,600	-	-	(366,300)	366,300
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	946,000	-	-	(473,000)	473,000

### *Shares grant pursuant to the RSG of the Company:*

	Number of grants in respect of ordinary shares				Balance as at 30.4.2020
	Balance as at 1.5.2019	Granted	Cancelled	Vested	
<b>Registered in the name of Directors</b>					
Tan Sri Dato' Mohamed Mansor bin Fateh Din	519,200	-	-	-	519,200
Datuk Fong Loong Tuck	519,200	-	-	-	519,200
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	669,900	-	-	-	669,900



# REPORT OF THE DIRECTORS

## DIRECTORS' INTERESTS (Cont'd)

### Shares in the subsidiary companies:

	Number of ordinary shares			Balance as at 30.4.2020
	Balance as at 1.5.2019	Bought	Sold	
<b>Shares in Glomac Bina Sdn. Bhd.</b>				
<b>Registered in the name of Director</b>				
Tan Sri Dato' Mohamed Mansor bin Fateh Din	1,092,000	-	-	1,092,000
<b>Shares in FDA Sdn. Bhd.</b>				
<b>Registered in the name of Director</b>				
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	75,000	-	-	75,000

By virtue of their interests in the ordinary shares of the Company, Tan Sri Dato' Mohamed Mansor bin Fateh Din and Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor are deemed to have an interest in the shares of all the subsidiary companies of the Company to the extent the Company has an interest.

Other than disclosed above, none of the other Directors in office at the end of the financial year held shares or had any beneficial interest in the shares of the Company or its related companies during and at the end of the financial year.

## DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive any benefit (other than those disclosed as Directors' remuneration in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than any benefit which may be deemed to have arisen by virtue of the transactions as disclosed in Note 37 to the financial statements.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate except for the options and shares granted to certain Directors pursuant to the Company's Employees' Share Scheme as disclosed under "Directors' Interests".

## INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains Directors' liability insurance for purposes of Section 289 of the Companies Act 2016 throughout the year, which provides appropriate insurance cover for the Directors of the Company. The amount of insurance premium paid during the financial year amounted to RM19,090.

# REPORT OF THE DIRECTORS

## AUDITORS' REMUNERATION

The auditors' remuneration for the financial year ended 30 April 2020 is as disclosed in Note 9(a) to the financial statements.

## AUDITORS

The auditors, Deloitte PLT, have indicated their willingness to continue in office.

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

**SIGNED**

\_\_\_\_\_  
**TAN SRI DATO' MOHAMED MANSOR BIN FATEH DIN**

**SIGNED**

\_\_\_\_\_  
**DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR**

Kuala Lumpur  
19 August 2020

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOMAC BERHAD

(Incorporated in Malaysia)

## Report on Audit of the Financial Statements

### *Opinion*

We have audited the financial statements of **GLOMAC BERHAD**, which comprise the statements of financial position of the Group and of the Company as at 30 April 2020, 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 102 to 203.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2020, 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 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.

We have determined that there are no key audit matters in the audit of the separate financial statement of the Company to communicate in our auditors' report.

### **Revenue recognition on property development**

#### Key audit matter

Revenue from property development during the year as disclosed in Note 5 to the financial statements amounted to RM206 million, which represented 84% of the Group's revenue.

The Group recognises revenue from property development using the cost-based input method, which is measured on the basis of the Group's efforts or inputs to the property development costs incurred as at 30 April 2020 relative to the total expected property development costs.

Budgets for property development costs are reviewed and revised periodically as work progresses and as variation orders are approved.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOMAC BERHAD

(Incorporated in Malaysia)

In determining the total expected property development costs, significant management estimates and judgement is involved, which includes relying on the opinion or service of experts, past experiences and continuous monitoring of the budgeting process.

These management estimates and judgements affect the cost-based input method computations and the corresponding amount of revenue and profit recognised during the year, as well as assessing the recoverability of the property development projects.

## Our audit response

We have reviewed the terms and conditions of significant sales transaction to ensure that revenue is recognised in accordance with the Group's accounting policy and the requirements of MFRS 15 *Revenue from Contracts with Customers*.

We have obtained an understanding of the relevant controls put in place by the Group in respect of revenue recognition for property development projects and performed procedures to evaluate the design and implementation and operating effectiveness of such controls.

We have assessed the reasonableness of management-prepared budgets for property development costs and challenged management assumptions used in the preparation of the respective budgets. We have also performed a retrospective review to establish the reliability of management-prepared budgets and considered the implications of any changes in assumptions used in the budgets.

We have assessed the property development costs from property development projects are properly recognised based on the cost-based input method by vouching to supporting evidence such as contractors' progress claims and suppliers' invoices to ascertain the actual property development costs incurred and the proportion of the property development units sold attributable to the percentage of development work performed during the year where the outcome of the projects can be reliably estimated.

We have assessed the revenue from property development projects are properly recognised by checking the mathematical accuracy of the revenue and profit recognised based on the cost-based input method.

## **Fair value of investment properties**

### Key audit matter

As at 30 April 2020, the investment property portfolio of the Group carried at fair value of RM354 million, mainly consisted of a retail mall valued at RM295 million which is based on independent external valuation.

The valuation process involves significant judgement in determining the appropriate valuation method to be used and the estimates used in the underlying assumptions applied. The valuation is sensitive to the key assumptions applied and significant various unobservable inputs are disclosed in Note 16 to the financial statements.

### Our audit response

We have performed site visits to verify the existence and conditions of the investment properties.

We have assessed the appropriateness of the external valuer's scope of work and evaluated on the independence and competency of the external valuer.

We have held discussions with the external valuer to develop an understanding of the valuation method and assumptions used in performing the valuation. We have involved our internal valuation specialists to assist us in assessing the appropriateness of the valuation method and assumptions used. We have challenged the basis of the assumptions used, which included verifying the property related input data applied by the external valuer.

We have also assessed the adequacy and appropriateness of the related disclosures in the financial statements.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOMAC BERHAD

(Incorporated in Malaysia)

## ***Net realisable value of completed property units***

### Key audit matter

As at 30 April 2020, the carrying amount of the completed property units of the Group, which are stated at the lower of cost and net realisable value, amounted to RM126 million and represented 20% of the Group's total current assets. Management applies significant judgement in determining the net realisable value of the completed property units based on recent sales transactions of similar properties or comparable properties in similar or nearby locations net of estimated cost necessary to complete the sale.

### Our audit response

We have evaluated the Group's policy for inventory valuation of completed property units through discussion with management, and considered management's basis for determining the net realisable value.

We have tested management's assessment of net realisable value by comparing it to recent transacted prices of similar or comparable completed property units and taking into consideration the estimated selling costs and current market sentiments.

We have also physically sighted to the selected samples of the completed property units, focusing on long-aged property units, to ascertain if any further write-down was warranted due to physical damage and deterioration of the units.

### *Information Other than the Financial Statements and Auditors' Report Thereon*

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

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

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

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

### *Responsibilities of the Directors for the Financial Statements*

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

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



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOMAC BERHAD

(Incorporated in Malaysia)

## *Auditors' Responsibilities for the Audit of the Financial Statements*

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

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

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

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

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

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

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOMAC BERHAD

(Incorporated in Malaysia)

## Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are as disclosed in Note 42 to the financial statements.

## Other Matter

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

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

## **SIGNED**

**LAI CAN YIEW**  
**Partner - 02179/11/2020 J**  
**Chartered Accountant**

19 August 2020

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
Revenue	5	245,814,499	273,353,038	18,809,477	20,779,620
Cost of sales	6	(156,491,768)	(190,642,333)	-	(210,244)
Gross profit		89,322,731	82,710,705	18,809,477	20,569,376
Investment income	7	4,733,783	5,351,523	35,031,681	33,654,362
Other operating income		3,733,084	2,897,324	972,336	861,767
Share of losses of associated companies	18	(531,467)	(341,073)	-	-
Marketing expenses		(5,946,514)	(6,707,963)	-	-
Administrative expenses		(20,211,285)	(22,054,020)	(2,838,310)	(3,577,433)
Other operating expenses		(5,675,760)	(10,653,565)	(25,492)	(2,335,611)
Fair value (loss)/gain on investment properties	16	(24,619,620)	8,650,144	-	-
Impairment loss on investment in subsidiary companies	17	-	-	(12,570,089)	(105,000)
Finance costs	8	(20,628,646)	(22,050,536)	(19,291,676)	(20,748,613)
<b>Profit before tax</b>	9	20,176,306	37,802,539	20,087,927	28,318,848
Income tax expense	10	(2,778,926)	(23,083,178)	(3,344,420)	(5,161,711)
<b>Profit for the financial year</b>		17,397,380	14,719,361	16,743,507	23,157,137
<b>Other comprehensive loss:</b>					
Item that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		(84,572)	(23,455)	-	-
<b>Total comprehensive income for the financial year</b>		17,312,808	14,695,906	16,743,507	23,157,137
<b>Profit attributable to:</b>					
Owners of the Company		12,597,141	14,719,158	16,743,507	23,157,137
Non-controlling interests		4,800,239	203	-	-
		17,397,380	14,719,361	16,743,507	23,157,137
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		12,512,569	14,695,703	16,743,507	23,157,137
Non-controlling interests		4,800,239	203	-	-
		17,312,808	14,695,906	16,743,507	23,157,137
Basic earnings per share (sen)	11	1.62	1.88		

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

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2020

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
<b>ASSETS</b>					
<b>Non-current Assets</b>					
Property, plant and equipment	13	44,674,105	47,425,786	63,233	89,052
Right-of-use assets	14	8,841,920	-	3,056,753	-
Prepaid lease payments on leasehold land	15	44,497	48,542	-	-
Investment properties	16	354,249,096	375,475,318	-	-
Inventories	22	760,315,576	784,907,658	-	-
Subsidiary companies	17	-	-	530,636,975	543,207,064
Associated companies	18	28,095,114	29,204,221	-	-
Other investments	19	4,000,000	4,000,000	-	-
Goodwill on consolidation	20	395,165	395,165	-	-
Deferred tax assets	21	59,208,230	35,797,613	1,138,952	1,060,947
<b>Total Non-current Assets</b>		1,259,823,703	1,277,254,303	534,895,913	544,357,063
<b>Current Assets</b>					
Inventories	22	227,400,001	210,661,060	1,100,299	1,100,299
Contract assets	23	78,668,684	70,642,960	-	-
Contract costs	24	10,582,173	5,860,053	-	-
Trade receivables	25	90,140,416	124,969,798	-	-
Other receivables	26	30,360,728	28,904,375	6,054,125	3,854,597
Tax recoverable		22,321,334	26,783,448	871,365	-
Amount due from subsidiary companies	27	-	-	646,902,931	642,404,419
Deposits, cash and bank balances	28	176,450,722	154,615,973	18,617,957	3,475,102
<b>Total Current Assets</b>		635,924,058	622,437,667	673,546,677	650,834,417
<b>TOTAL ASSETS</b>		1,895,747,761	1,899,691,970	1,208,442,590	1,195,191,480

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2020

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and Reserves</b>					
Issued capital	29	418,631,554	418,631,554	418,631,554	418,631,554
Capital reserve	29	300,000	300,000	-	-
Equity-settled employee benefits reserve	29	3,508,221	4,685,666	3,508,221	4,685,666
Foreign currency translation reserve		630,373	714,945	-	-
Treasury shares	29	(12,518,303)	(10,412,458)	(12,518,303)	(10,412,458)
Restricted shares grant reserve	29	(1,387,207)	(1,387,207)	(1,387,207)	(1,387,207)
Retained earnings	30	685,602,873	678,215,102	379,186,946	368,127,749
Equity attributable to owners of the Company		1,094,767,511	1,090,747,602	787,421,211	779,645,304
Non-controlling interests		38,912,604	34,112,365	-	-
<b>Total Equity</b>		<b>1,133,680,115</b>	<b>1,124,859,967</b>	<b>787,421,211</b>	<b>779,645,304</b>
<b>Non-current Liabilities</b>					
Borrowings	31	240,195,705	248,684,011	111,307,390	101,400,000
Lease liabilities	14	5,147,734	-	2,439,253	-
Deferred tax liabilities	21	1,164,725	1,677,720	-	-
Contract liabilities	23	251,678	107,857	-	-
<b>Total Non-current Liabilities</b>		<b>246,759,842</b>	<b>250,469,588</b>	<b>113,746,643</b>	<b>101,400,000</b>
<b>Current Liabilities</b>					
Trade payables	32	94,918,769	118,809,295	-	-
Other payables and accrued expenses	33	53,717,201	42,867,302	2,158,365	3,044,558
Provisions	33	93,549,395	95,275,284	-	-
Contract liabilities	23	16,089,645	6,216,659	-	-
Amount due to subsidiary companies	27	-	-	114,484,855	112,616,118
Borrowings	31	244,338,474	259,847,839	189,935,004	197,500,000
Lease liabilities	14	3,893,011	-	696,512	-
Tax liabilities		8,801,309	1,346,036	-	985,500
<b>Total Current Liabilities</b>		<b>515,307,804</b>	<b>524,362,415</b>	<b>307,274,736</b>	<b>314,146,176</b>
<b>Total Liabilities</b>		<b>762,067,646</b>	<b>774,832,003</b>	<b>421,021,379</b>	<b>415,546,176</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,895,747,761</b>	<b>1,899,691,970</b>	<b>1,208,442,590</b>	<b>1,195,191,480</b>

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



# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

The Group	Non-distributable reserves					Distributable reserve		Attributable to owners of the Company RM	Non-controlling interest RM	Total equity RM
	Issued capital RM	Capital reserve RM	Equity-settled employee benefits reserve RM	Foreign currency translation reserve RM	Treasury shares RM	Restricted shares grant reserve RM	Retained earnings RM			
<b>As at 1 May 2018</b>	418,631,554	300,000	6,027,275	738,400	(5,349,087)	(1,387,207)	673,325,324	1,092,286,259	37,155,342	1,129,441,601
Profit for the financial year	-	-	-	-	-	-	14,719,158	14,719,158	203	14,719,361
Other comprehensive loss for the financial year	-	-	-	(23,455)	-	-	-	(23,455)	-	(23,455)
Total comprehensive (loss)/ income for the financial year	-	-	-	(23,455)	-	-	14,719,158	14,695,703	203	14,695,906
Dividend to non-controlling shareholders of subsidiary companies	-	-	-	-	-	-	-	-	(3,043,180)	(3,043,180)
Dividend to owners of the Company (Note 12)	-	-	-	-	-	-	(11,730,519)	(11,730,519)	-	(11,730,519)
Effect of expiration of ESOS (Note 29)	-	-	(1,901,139)	-	-	-	1,901,139	-	-	-
Recognition of share-based payments (Note 29)	-	-	559,530	-	-	-	-	559,530	-	559,530
Repurchase of treasury shares (Note 29)	-	-	-	-	(5,063,371)	-	-	(5,063,371)	-	(5,063,371)
<b>As at 30 April 2019</b>	418,631,554	300,000	4,685,666	714,945	(10,412,458)	(1,387,207)	678,215,102	1,090,747,602	34,112,365	1,124,859,967
<b>As at 1 May 2019</b>	418,631,554	300,000	4,685,666	714,945	(10,412,458)	(1,387,207)	678,215,102	1,090,747,602	34,112,365	1,124,859,967
Profit for the financial year	-	-	-	-	-	-	12,597,141	12,597,141	4,800,239	17,397,380
Other comprehensive loss for the financial year	-	-	-	(84,572)	-	-	-	(84,572)	-	(84,572)
Total comprehensive (loss)/ income for the financial year	-	-	-	(84,572)	-	-	12,597,141	12,512,569	4,800,239	17,312,808
Dividend to owners of the Company (Note 12)	-	-	-	-	-	-	(6,209,173)	(6,209,173)	-	(6,209,173)
Effect of expiration of ESOS (Note 29)	-	-	(999,803)	-	-	-	999,803	-	-	-
Reversal of share-based payments (Note 29)	-	-	(177,642)	-	-	-	-	(177,642)	-	(177,642)
Repurchase of treasury shares (Note 29)	-	-	-	-	(2,105,845)	-	-	(2,105,845)	-	(2,105,845)
<b>As at 30 April 2020</b>	418,631,554	300,000	3,508,221	630,373	(12,518,303)	(1,387,207)	685,602,873	1,094,767,511	38,912,604	1,133,680,115

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

The Company	Non-distributable reserves				Distributable reserve	Total RM
	Issued capital RM	Equity-settled employee benefits reserve RM	Treasury shares RM	Restricted shares grant reserve RM	Retained earnings RM	
<b>As at 1 May 2018</b>	418,631,554	6,027,275	(5,349,087)	(1,387,207)	355,763,992	773,686,527
Total comprehensive income for the financial year	-	-	-	-	23,157,137	23,157,137
Dividends (Note 12)	-	-	-	-	(11,730,519)	(11,730,519)
Effect of expiration of ESOS (Note 29)	-	(1,901,139)	-	-	937,139	(964,000)
Recognition of share-based payments (Note 29)	-	559,530	-	-	-	559,530
Repurchase of treasury shares (Note 29)	-	-	(5,063,371)	-	-	(5,063,371)
<b>As at 30 April 2019</b>	418,631,554	4,685,666	(10,412,458)	(1,387,207)	368,127,749	779,645,304
<b>As at 1 May 2019</b>	418,631,554	4,685,666	(10,412,458)	(1,387,207)	368,127,749	779,645,304
Total comprehensive income for the financial year	-	-	-	-	16,743,507	16,743,507
Dividends (Note 12)	-	-	-	-	(6,209,173)	(6,209,173)
Effect of expiration of ESOS (Note 29)	-	(999,803)	-	-	524,863	(474,940)
Reversal of share-based payments (Note 29)	-	(177,642)	-	-	-	(177,642)
Repurchase of treasury shares (Note 29)	-	-	(2,105,845)	-	-	(2,105,845)
<b>As at 30 April 2020</b>	418,631,554	3,508,221	(12,518,303)	(1,387,207)	379,186,946	787,421,211

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

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>					
Profit before tax		20,176,306	37,802,539	20,087,927	28,318,848
Adjustments for:					
Fair value loss/(gain) on investment properties		24,619,620	(8,650,144)	-	-
Finance costs		20,628,646	22,050,536	19,291,676	20,748,613
Depreciation of right-of-use assets		4,230,684	-	740,193	-
Depreciation of property, plant and equipment		3,071,335	3,686,423	52,128	316,845
Share of losses of associated companies		531,467	341,073	-	-
Provision for liquidated ascertained damages to purchasers		268,031	1,905,967	-	-
Bad debts written off		120,594	651,106	-	-
Impairment losses on other receivables		100,000	-	-	-
Inventories written off		25,203	-	-	-
Amortisation of prepaid lease payments on leasehold land		4,045	4,045	-	-
Impairment losses on trade receivables		-	1,657,987	-	-
Loss on disposal of property, plant and equipment		-	1,879	-	-
Property, plant and equipment written off		-	20	-	20
Impairment loss on investment in subsidiary companies		-	-	12,570,089	105,000
Dividend income		-	-	(18,809,477)	(20,049,620)
Unrealised foreign exchange gain on amount due to a subsidiary company		-	-	-	(13,666)
Reversal of impairment losses on receivables no longer required		(151,091)	(332,323)	-	-
(Reversal)/Recognition of share-based payments		(177,642)	559,530	-	466,854
Interest income		(4,733,783)	(5,351,523)	(35,031,681)	(33,654,362)
Operating Profit/(Loss) Before Working Capital Changes		68,713,415	54,327,115	(1,099,145)	(3,761,468)
(Increase)/Decrease in:					
Inventories - land held for property development		(41,845,625)	(89,508,593)	-	-
Inventories - property development costs		41,684,533	68,791,743	-	-
Inventories - completed units		9,398,086	14,650,294	-	195,643
Inventories - food and beverages		(894)	-	-	-
Contract assets		(8,025,724)	14,123,081	-	-
Contract costs		(4,722,120)	(5,532,739)	-	-
Receivables		31,531,399	11,230,013	(261,313)	(568)
Amount due from/to subsidiary companies		-	-	(9,468,231)	(8,243,555)
(Decrease)/Increase in:					
Payables		(13,743,113)	(4,602,943)	(692,916)	(734,439)
Contract Liabilities		9,748,776	(10,925)	-	-
Cash Generated From/(Used In) Operations		92,738,733	63,467,046	(11,521,605)	(12,544,387)
Income tax paid		(14,785,151)	(36,191,926)	(5,150,520)	(5,636,030)
Finance costs paid		(25,947,011)	(29,131,980)	(15,493,730)	(15,213,243)
Net Cash From/(Used In) Operating Activities		52,006,571	(1,856,860)	(32,165,855)	(33,393,660)

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
(Placement)/Withdrawal of deposits with maturity in excess of 90 days and deposits pledged		(1,442,117)	8,175,097	-	-
Interest received		5,999,452	5,844,784	187,486	2,137,724
Dividend received from investment in associated companies		577,500	1,155,000	-	-
Proceeds from disposal of property, plant and equipment		-	5,100	-	-
Dividends received from subsidiary companies		-	-	18,809,477	20,049,620
Additional investment in an existing subsidiary company		-	-	-	(1,999,998)
Purchase of property, plant and equipment		(319,654)	(289,476)	(26,309)	-
Advances to subsidiary companies		-	-	(45,314,020)	(42,066,483)
Repayment of advances from subsidiary companies		-	-	82,766,164	77,749,122
Net Cash From Investing Activities		4,815,181	14,890,505	56,422,798	55,869,985
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>					
Proceeds from drawdown of term loans and bridging loans		51,649,279	54,566,861	9,952,137	-
Repayment of term loans and bridging loans		(69,622,668)	(49,016,282)	(19,109,743)	(6,250,000)
(Repayment)/Drawdown of revolving credits		(5,599,413)	(11,477,160)	11,500,000	(1,400,000)
Repayment of hire-purchase and finance lease liabilities		(424,869)	(529,589)	-	-
Payment of lease liabilities		(4,031,859)	-	(661,181)	-
Advances from subsidiary companies		-	-	19,458,000	26,281,100
Repayment of advances to subsidiary companies		-	-	(21,938,283)	(26,836,785)
Dividends paid		(6,209,173)	(11,730,519)	(6,209,173)	(11,730,519)
Dividends paid to non-controlling shareholders of subsidiary companies		-	(3,043,180)	-	-
Repurchase of treasury shares		(2,105,845)	(5,063,371)	(2,105,845)	(5,063,371)
Net Cash Used In Financing Activities		(36,344,548)	(26,293,240)	(9,114,088)	(24,999,575)

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		20,477,204	(13,259,595)	15,142,855	(2,523,250)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		133,270,562	146,553,612	3,475,102	5,998,352
Effect of currency translation		(84,572)	(23,455)	-	-
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	28	153,663,194	133,270,562	18,617,957	3,475,102

(a) Cash outflow for leases as a lessee

	Note	The Group 2020	The Company 2020
<b>Included in net cash from operating activities:</b>			
Payment relating to short-term leases	14	275,805	23,360
Payment relating to leases of low-value assets	14	342	342
Payment relating to variable lease payments not included in the measurement of lease liabilities	14	1,466,767	-
Interest expense on lease liabilities	14	498,510	183,235
<b>Included in net cash from financing activities:</b>			
Payment of lease liabilities		4,031,859	661,181
<b>Total cash outflow for leases</b>		<b>6,273,283</b>	<b>868,118</b>

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



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 1. GENERAL INFORMATION

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

The Company is principally involved in property development and investment holding. The principal activities of the subsidiary and associated companies are disclosed in Note 42 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

The registered office and principal place of business of the Company is located at Level 15, Menara Glomac, Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur.

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors dated 19 August 2020.

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as disclosed in the significant accounting policies in Note 3.

The financial statements are presented in Ringgit Malaysia ("RM") unless otherwise stated.

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

In the current financial year, the Group and the Company adopted all the new MFRSs, amendments to MFRSs and IC Interpretation issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to its operations and effective for annual financial periods beginning on or after 1 May 2019.

MFRS 16	Leases
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
IC Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to MFRS 4	Extension of the Temporary Exemption from applying MFRS 9
Amendments to MFRSs	Annual Improvements to MFRSs 2015 - 2017 Cycle

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

#### MFRS 16 Leases

MFRS 16 changes how the Group and the Company account for leases previously classified as operating leases under MFRS 117 *Leases*, which were off balance sheet. MFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities, except for short-term leases and leases of low-value assets. A lessee is required to recognise a right-of-use ("ROU") asset representing its rights to use the underlying leased asset and a lease liability representing its obligation to make lease payments. In contrast to the lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details are described in Note 3(m).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (Cont'd)

### Adoption of new and amended Malaysian Financial Reporting Standards (Cont'd)

#### The Group as Lessee

On transition to MFRS 16, the Group and the Company elected to apply the practical expedient on not to reassess whether the contract is, or contains a lease at the date of initial application. MFRS 16 is only applied to contracts that were previously identified as leases. Contracts that were not identified as leases under MFRS 117 *Leases* and IC Interpretation 4 *Determining whether an Arrangement contains a Lease* were not reassessed. Therefore, the definition of a lease under MFRS 16 has been applied only to contracts entered into or changed on or after the date of initial application, 1 May 2019.

The Group and the Company adopted the simplified transition approach and without restating the comparative amounts for the financial year prior to first adoption. The reclassifications and adjustments arising from the new leasing rules are therefore recognised in the opening balance of statement of financial position as at 1 May 2019.

At 1 May 2019, for leases that were classified as operating leases under MFRS 117, lease liabilities were measured at the present value of the remaining lease payments, discounted at the lessee's incremental borrowing rate as at 1 May 2019. The incremental borrowing rates of the Group applied to the lease liabilities as at 1 May 2019 ranges between 4.40% to 8.00% (the Company: ranges between 5.32% to 8.00%). ROU assets are measured at an amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments.

The Group and the Company have used the following practical expedients when applying the cumulative catch-up approach to leases previously classified as operating leases applying MFRS 117:

- (a) The use of a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (b) The accounting for operating leases with a remaining lease term of less than 12 months as at 1 May 2019 as short-term leases
- (c) The exclusion of initial direct costs for the measurement of the ROU asset at the date of initial application.
- (d) The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The table below explains the difference between operating lease commitments applying MFRS 117 as at 30 April 2019, and lease liabilities recognised in the statements of financial position as at 1 May 2019.

	<b>The Group RM</b>	<b>The Company RM</b>
Operating lease commitments as at 30 April 2019 (Note 36)	4,028,908	1,868,484
Effect of discounting using the lessee's incremental borrowing rate as at 1 May 2019	(107,061)	(101,736)
Less: Recognition exemption for short-term leases	(247,305)	(23,360)
Less: Recognition exemption for leases of low-value assets	(342)	(342)
Add: Extension or termination options reasonably certain to be exercised	5,542,596	2,053,900
<b>Total lease liabilities recognised as at 1 May 2019</b>	<b>9,216,796</b>	<b>3,796,946</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (Cont'd)

### Adoption of new and amended Malaysian Financial Reporting Standards (Cont'd)

#### The Group as Lessor

MFRS 16 does not change substantially how a lessor accounts for leases. Under MFRS 16, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently.

However, MFRS 16 has expanded the disclosures required, in particular regarding how a lessor manages the risks arising from its residual interest in leased assets.

Under MFRS 16, an intermediate lessor accounts for the head lease and the sublease as two separate contracts. The intermediate lessor is required to classify the sublease as a finance or operating lease by reference to the right-of-use asset arising from the head lease (and not by reference to the underlying asset as was the case under MFRS 117).

The Group did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of MFRS 16.

The table below shows the impact of changes to the statements of financial position of the Group and of the Company resulting from the adoption of MFRS 16 as at 1 May 2019.

<b>The Group</b>	<b>Note</b>	<b>As at 30 April 2019 RM</b>	<b>Effects of MFRS 16 RM</b>	<b>As at 1 May 2019 RM</b>
<b>Non-current Assets</b>				
Right-of-use assets	14	-	9,233,296	9,233,296
<b>Current Assets</b>				
Other receivables		28,904,375	(16,500)	28,887,875
<b>Non-current Liabilities</b>				
Lease liabilities		-	5,593,889	5,593,889
<b>Current Liabilities</b>				
Lease liabilities		-	3,622,907	3,622,907

<b>The Company</b>	<b>Note</b>	<b>As at 30 April 2019 RM</b>	<b>Effects of MFRS 16 RM</b>	<b>As at 1 May 2019 RM</b>
<b>Non-current Assets</b>				
Right-of-use assets	14	-	3,796,946	3,796,946
<b>Non-current Liabilities</b>				
Lease liabilities		-	3,135,765	3,135,765
<b>Current Liabilities</b>				
Lease liabilities		-	661,181	661,181

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (Cont'd)

### Standards and Amendments in issue but not yet effective

The new MFRSs and amendments to MFRSs which are in issue but not yet effective and not early adopted by the Group and the Company are listed below:

Amendments to MFRS 3	Definition of a Business <sup>1</sup>
Amendments to MFRS 101 and MFRS 108	Definition of Material <sup>1</sup>
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform <sup>1</sup>
MFRS 17 and amendments to MFRS 17	Insurance Contracts <sup>6</sup>
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current <sup>6</sup>
Amendments to MFRS 3	Reference to the Conceptual Framework <sup>3</sup>
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use <sup>3</sup>
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract <sup>3</sup>
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendment to MFRS 16	COVID-19-Related Rent Concessions <sup>5</sup>
Amendment to MFRSs	Annual Improvements to MFRS Standards 2018 - 2020 <sup>3</sup>
MFRSs	Amendments to References to the Conceptual Framework in MFRS Standards <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2020, with earlier application permitted.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.

<sup>4</sup> Effective date deferred to a date to be determined and announced, with earlier application permitted.

<sup>5</sup> Effective for annual periods beginning on or after 1 June 2020, with earlier application permitted, including in financial statements not authorised for issue at 28 May 2020.

<sup>6</sup> Effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.

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

### IFRIC Agenda Decision on IAS 23 *Borrowing Costs*

The IFRS Interpretations Committee ("IFRIC") received a submission about the capitalisation of borrowing costs in relation to the construction of a residential multi-unit real estate development.

Based on the fact pattern described in the submission, the request asked whether the entity has a qualifying asset as defined in IAS 23 *Borrowing Costs* ("IAS 23") and, therefore, capitalises any directly attributable costs.

The IFRIC concluded in March 2019 that, in the fact pattern described in the request:

- (i) Any receivable and contract asset that the entity recognises is not a qualifying asset.
- (ii) Any inventory (work-in-progress) for unsold units under construction that the entity recognises is also not a qualifying asset because the unsold units are ready for its intended use or sale.

On 20 March 2019, the Malaysian Accounting Standards Board ("MASB") announced that an entity shall apply the change in accounting policy as a result of the IFRIC Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020.

The MASB observed that non-private entities in the real estate industry might need to change their accounting policy as a result of the Agenda Decision on IAS 23. Therefore, based on guidance given by MASB above, the Directors of the Group and of the Company will adopt the change in accounting policy on financial year 30 April 2022.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES

### Basis of Accounting

The assets and liabilities carried at fair value are categorised into different levels of fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

### (a) Revenue Recognition

#### (i) Revenue from property development

Revenue is recognised when a performance obligation in a contract with a customer is satisfied, i.e. when the “control” of the goods or services underlying the particular performance obligation is transferred to a customer.

A performance obligation is a promise to transfer distinct goods or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group’s customary business practices.

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties such as sales taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, liquidated ascertained damages (“LAD”) payment or other similar items, the Group estimates the amount of consideration to which it will be entitled based on the expected value or the most likely outcome. If the contract with customer contains more than one performance obligation, the amount of consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

Revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The control of the promised goods or services may be transferred over time or at a point in time. The control over the goods or services is transferred over time and revenue is recognised over time if:

- (a) the customer simultaneously receives and consumes the benefits provided as the Group performs;
- (b) the Group’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) the Group’s performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Revenue for a performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

The Group recognises revenue from property development over time if it creates an asset with no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (a) Revenue Recognition (Cont'd)

#### (i) Revenue from property development (Cont'd)

The progress towards complete satisfaction of the performance obligation, based on cost-based input method is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation (e.g. by reference to the property development costs incurred to date as a percentage of the estimated total costs of development of the contract).

Revenue from sales of completed property units and vacant land is recognised at a point in time, when the control of the properties have been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the asset sold.

When property development revenue recognised in profit or loss exceeds billings to purchasers, the balance is shown as contract assets. When billings to purchasers exceed property development revenue recognised in profit or loss, the balance is shown as contract liabilities.

There is not considered to be a significant financing component in property development contracts with customers as the period between the recognition of revenue and the milestone payments is less than one year.

#### (ii) Revenue from construction contracts

The fair value of revenue, which is based on the fixed price under the agreement have been allocated based on relative stand-alone selling price of the considerations for each of the separate performance obligations.

Revenue from construction contracts is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer.

Control of the asset is transferred over time as the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period by reference to the progress towards complete satisfaction of that performance obligation. The Group recognises revenue over time by using the cost-based input method, based on the physical proportion that contract costs incurred for work performed to date bears to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately as provision for foreseeable loss.

When costs incurred on construction contracts plus recognised profits (less recognised losses) exceed progress billings to contract customers, the balance is shown as contract assets. When billings to contract customers exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as contract liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (a) Revenue Recognition (Cont'd)

#### (iii) Property management fee

Property management fees are recognised over time when such services are rendered.

#### (iv) Other goods and services

Revenue from other goods and services representing multiple promises included in the contracts with purchasers on sale of properties, which is therefore accounted as separate performance obligations. Transaction price is being allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

Revenue for rendering of services is recognised on a straight line basis over the tenure of the service period of which the customer consumes the benefit.

Revenue for sale of goods is recognised at a point in time when the goods are delivered or control transferred to the customer.

#### (v) Sale of food and beverages

Revenue from sale of food and beverage is recognised at a point in time when the food and beverage are served to the customer and upon its payment.

#### (vi) Dividend income

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

#### (vii) Rental income

Rental income is recognised over the tenure of the rental period of properties.

### (b) Interest income

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### (c) Employee Benefits

#### (i) Short-term benefits

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (c) Employee Benefits (Cont'd)

#### (ii) Defined contribution plan

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"), a statutory defined contribution plan for all their eligible employees based on certain prescribed rates of the employees' salaries. Such contributions are recognised as an expense in profit or loss as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

#### (iii) Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The employee share option reserve is transferred to retained earnings upon expiry of the share option.

### (d) Foreign currency

#### (i) Presentation and functional currency

Items included in the financial statements of each of the individual entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

#### (ii) Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was measured. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange differences arising therefrom and on settlement are recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (d) Foreign currency (Cont'd)

#### (iii) Translation of foreign currency financial statements

For consolidation purpose, the assets and liabilities of the Group's foreign operations are translated into the Group's presentation currency using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates prevailing on the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Intercompany loans where settlement is neither planned nor likely to occur in the foreseeable future, are treated as part of the parent's net investment. Translation differences arising therefrom are recognised in other comprehensive income and reclassified from equity to profit or loss upon disposal of the relevant entity.

On the disposal of a foreign operation, all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified from equity to profit or loss on disposal. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but not being reclassified to profit or loss.

### (e) Income Taxes

Income tax in profit or loss for the financial year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences as of the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences while deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Directors of the Group reviewed the Group's investment properties and concluded that they are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Therefore, the Directors have determined that the 'sale' presumption set out in the amendments to MFRS 112 is not rebutted. As a result, the Group has recognised deferred taxes on changes in fair value of the investment properties based on the expected rate that would apply on disposal of the investment properties.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (e) Income Taxes (Cont'd)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle their current tax assets and liabilities on a net basis.

#### (f) Subsidiary Companies and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiary companies. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

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

Consolidation of a subsidiary company begins when the Company obtains control over the subsidiary company and ceases when the Company loses control of the subsidiary company. Specifically, income and expenses of a subsidiary company acquired or disposed of during the financial year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary company.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiary companies are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (f) Subsidiary Companies and Basis of Consolidation (Cont'd)

Changes in the Group's interests in subsidiary companies that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary companies. Any difference between the amount by which the non-controlling interests are adjusted at the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Where the Group loses control of a subsidiary company, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary company and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary company are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of a financial asset in accordance with MFRS 9 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### (g) Business Combinations

Acquisitions of subsidiary companies and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant MFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under MFRS 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with MFRS 112 *Income Taxes* and MFRS 119 *Employee Benefits*, respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with MFRS 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (g) Business Combinations (Cont'd)

If the initial accounting for a business combination is incomplete by end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items of which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

#### (h) Investments in Subsidiary Companies

Investments in unquoted shares of subsidiary companies, which are eliminated on consolidation, are stated at cost less any accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

#### (i) Investments in Associated Companies

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with MFRS 5. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

When necessary, the entire carrying amount of the investment in an associate (including goodwill) is tested for impairment in accordance with MFRS 136 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the net investment. Any reversal of that impairment loss is recognised in accordance with MFRS 136 to the extent that the recoverable amount of the investment subsequently increases.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (i) Investments in Associated Companies (Cont'd)

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with MFRS 9. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of the Group's interest in the associate that are not related to the Group.

### (j) Goodwill

Goodwill arising on the acquisition of subsidiary company represents the excess of cost of the acquisition over the Group's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities, and is initially recognised as an asset at cost and subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary company, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (k) Impairment of Non-Financial Assets Excluding Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### (l) Property, Plant and Equipment

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

Depreciation of property, plant and equipment is computed on a straight-line basis to write off the cost of the property, plant and equipment over their estimated useful lives.

The principal annual rates used are as follows:

Building and improvements	5 years to 30 years
Furniture and fittings	10% - 20%
Office equipment	10% - 30%
Computers	15% - 33 1/3%
Motor vehicles	20% - 33%
Plant and machinery	15% - 20%

At the end of each reporting period, the residual values, useful lives and depreciation method of the property, plant and equipment are reviewed, and the effects of any changes are recognised prospectively.

Gain or loss arising on the disposal or retirement of an asset is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (m) Leases

The Group and the Company adopted the simplified transition approach and without restating the comparative amounts for the financial year prior to first adoption. The reclassifications and adjustments arising from the new leasing rules are therefore recognised in the opening balance of statements of financial position as at 1 May 2019.

#### ***Accounting policy applied from 1 May 2019***

##### (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 and the Company assess 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 physical distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
- The customer has the right to obtain substantially all of the economic benefits from the 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 operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group and the Company allocate 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 and the Company 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 and the Company recognise 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 the rate cannot be readily determined, incremental borrowing rate. Generally, the Group and the Company use the incremental borrowing rate as the discount rate. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar term, security and conditions.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (m) Leases (Cont'd)

#### *Accounting policy applied from 1 May 2019 (Cont'd)*

#### (ii) Recognition and initial measurement (Cont'd)

##### (a) As a lessee (Cont'd)

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 and the Company are reasonably certain to exercise; and
- Penalties for early termination of a lease unless the Group and the Company are reasonably certain not to terminate early.

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

##### (b) As a lessor

When the Group and the Company act 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 and the Company make an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset to the lessee, and also consider indicators such as whether the lease is for the major part of the economic life of the asset. If this is the case, 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 and the Company apply MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract based on the stand-alone selling prices.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (m) Leases (Cont'd)

#### *Accounting policy applied from 1 May 2019 (Cont'd)*

#### (iii) Subsequent measurement

##### (a) As a lessee

The right-of-use assets are subsequently measured at cost, less accumulated depreciation and impairment loss (if any) in accordance with MFRS 136 *Impairment of Assets* as described in Note 3(k). The right-of-use assets are generally depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life 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 assets are adjusted for certain remeasurement of the lease liabilities.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or change in expected payment under guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modifications is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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 and the Company recognise lease payment received or receivable under operating leases as income on a straight-line basis over the lease term.

#### (iv) Determination of lease term

In determining the lease term upon the lease commencement, the Group and the Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group and the Company reassess the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and the Company which affects whether the Group and the Company are reasonably certain to exercise an option not previously included in the determination of the lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (m) Leases (Cont'd)

##### Accounting policy applied until 30 April 2019

##### (i) Finance Lease

Assets acquired under leases which transfer substantially all of the risks and rewards incident to ownership of the assets are capitalised under property, plant and equipment. The assets and the corresponding lease obligations are recorded at their fair values or, if lower, at the present value of the minimum lease payments of the leased assets at the inception of the respective leases.

In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Group's incremental borrowing rate is used.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as an expense in profit or loss over the term of the relevant lease period so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets and assets under hire-purchase is consistent with that for depreciable property, plant and equipment as described in Note 3(l).

##### (ii) Operating Lease

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

##### (a) As a lessee

Payments made under operating lease are charged to profit or loss over the lease period.

##### (b) As a lessor

Rental income from operating leases is recognised on a straight-line basis over the tenure of the rental period.

#### (n) Investment Properties

##### Investment properties carried at fair value

Investment properties are properties which are owned 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 are measured initially at cost and subsequently at fair value with any changes in fair value are recognised in profit or loss for the period in which they arise.

Cost includes expenditure that is directly attributable to the acquisition of the investment property.

If the Group determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably determinable when construction is complete, the Group measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is complete (whichever is earlier).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (n) Investment Properties (Cont'd)

#### Investment properties carried at fair value (Cont'd)

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.

#### Reclassification to/from investment property

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 in other comprehensive income and accumulated in equity as revaluation reserve. 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 change in use becomes its deemed cost for subsequent accounting.

#### Determination of fair value

Fair value of investment properties are determined based on valuation carried out by an external, independent valuation firm, having appropriate recognised professional qualifications and recent experience in the location and category of properties being valued or, based on past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the Directors' best estimates.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

### (o) Inventories

#### (i) Land Held for Property Development

Land held for property development consists of land on which no significant development has been undertaken or where development activities are not expected to be completed within the normal operating cycle, and costs attributable to the development activities which are held for future development. Such land is classified as non-current asset and is stated at lower of cost and net realisable value.

Land held for property development is classified as property development cost under current assets when significant development work has been undertaken and is expected to be completed within the normal operating cycle.

#### (ii) Property Development Costs

Property development costs are stated at the lower of cost and net realisable value. The property development cost is subsequently recognised as an expense in profit or loss when the control of the inventory is transferred to the customer.

Property development cost of unsold unit is transferred to completed property unit once the development is completed.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (o) Inventories (Cont'd)

##### (iii) Completed property units and vacant land for sale

Completed property units and vacant land for sale are valued at the lower of cost (determined on the specific identification basis) and net realisable value.

##### (iv) Food and beverages

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis. Cost represents cost of food, beverages and materials purchased.

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

#### (p) Borrowing Costs

Interest incurred on borrowings related to property development activities or construction of assets are capitalised as part of the cost of the asset during the period of time required to complete and prepare the asset for its intended use. Capitalisation of borrowing costs ceases when the assets are ready for their intended use or sale.

All other borrowing costs are recognised as finance costs in profit or loss in the period in which they are incurred.

#### (q) Property, Plant and Equipment Under Hire-Purchase Arrangements

Property, plant and equipment acquired under hire-purchase arrangements are recognised in the financial statements and the corresponding obligations treated as liabilities. Finance charges are allocated to profit or loss to give a constant periodic rate of interest on the remaining hire-purchase liabilities.

#### (r) Prepaid Lease Payments on Leasehold Land

##### ***Accounting policy applied from 1 May 2019***

The upfront payments for right to use the leasehold land over a predetermined period are accounted for as prepaid lease payments that are stated at cost less accumulated amortisation, are amortised over the lease term on a straight line basis, except for leasehold land classified as investment property.

##### ***Accounting policy applied until 30 April 2019***

Lease of land with title not expected to pass to the lessee by the end of the lease term is treated as operating lease as land normally has an indefinite economic life. The upfront payments made on entering into a lease or acquiring a leasehold land that is accounted for as an operating lease are accounted for as prepaid lease payments that are amortised over the lease term on a straight line basis, except for leasehold land classified as investment property.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (s) Contract assets and contract liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of cumulative revenue earned over the billings to-date.

Where there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the cumulative revenue earned. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

### (t) Contract costs

The Group recognise the incremental costs of obtaining a contract with a customer, which are expected to be recovered, as an asset. The incremental costs of obtaining a contract are costs incur to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

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 profit and loss when the carrying amount of the contract cost asset exceeds the expected revenue less expected costs that will be incurred.

### (u) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group and of the Company. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are initially recognised at fair value. The Group and the Company hold the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(aa)(iii).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (v) Provisions

Provisions are made when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### (w) Repurchase of own shares

Shares bought back held as treasury shares are accounted for on the cost method and presented as a deduction from equity. Should such shares be cancelled, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves as appropriate. When such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental external cost and the deferred tax effects, is recognised in equity.

#### (x) Cash and Cash Equivalents

The Group and the Company adopt the indirect method in the preparation of statements of cash flows.

For the purposes of the statements of cash flows, cash and cash equivalents include cash on hand and at bank and short-term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

#### (y) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

#### (z) Segment Reporting

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (aa) Financial Instruments

Financial instruments are contracts that give rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

#### (i) Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the Group and the Company become a party to the contractual provisions of the instruments.

At initial recognition, the Group and the Company measure a financial asset (unless it is a trade receivable without significant financing component) or a financial liability at its fair value plus or minus, in the case of a financial instrument not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance. Transaction costs of financial assets at FVTPL are recognised immediately in profit or loss.

Trade receivables without a significant financing component are initially measured at transaction price in accordance with MFRS 15.

Regular way of purchase or sale of a financial asset is recognised on the trade date, the date on which the Group and the Company commit to purchase or sell an asset.

#### (ii) Classification and Subsequent Measurement

##### Financial Assets

The Group and the Company classify its financial assets in the following measurement categories:

- (a) those to be measured at fair value either through other comprehensive income ("FVTOCI") or through profit or loss ("FVTPL"); and
- (b) those to be measured at amortised cost.

The classification depends on the Group's and the Company's business model for managing the financial assets and its contractual cash flow characteristics.

For assets measured at fair value, gain and losses will be recorded in either profit or loss or other comprehensive income ("OCI").

The Group and the Company reclassify debt instruments when and only when its business model for managing those assets changes.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (aa) Financial Instruments (Cont'd)

#### (ii) Classification and Subsequent Measurement (Cont'd)

##### Financial Assets (Cont'd)

###### (a) Financial assets at amortised cost

Financial assets that are held for collection of contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding are classified as financial assets at amortised cost. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method, less accumulated impairment.

Interest income from these financial assets is calculated using the effective interest rate method and is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. For credit-impaired financial assets the effective interest rate shall be applied to the amortised cost of the financial asset in subsequent reporting periods.

###### (b) Financial assets at fair value through other comprehensive income ("FVTOCI")

This category comprises investment in equity instruments which are not held for trading, and the Group and the Company irrevocably elect to present subsequent changes in fair value of the investments in OCI. The election is made on an investment-by-investment basis, of which the Group and the Company consider this classification to be more relevant for those strategic investments which are not held for trading purposes. On derecognition, gains and losses accumulated in OCI are not reclassified to profit or loss.

Dividend income from these investments is recognised in profit or loss when the right to receive payment of the dividend is established.

The Group and the Company subsequently measured all investments in equity instruments at fair value.

###### (c) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Fair value changes are recognised in profit or loss in the period in which it arises.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (aa) Financial Instruments (Cont'd)

#### (iii) Impairment of financial assets and contract assets

An impairment loss is recognised in profit or loss based on expected credit losses ("ECL") at the end of each reporting period. ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the end of reporting period.

Reversal of impairment loss to profit or loss, if any, is restricted to not exceeding what the amortised cost would have been had the impairment not been recognised previously.

The Group and the Company apply the simplified approach to measure the impairment of trade receivables, contract assets and lease receivables at lifetime ECL. The ECL are estimated based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where appropriate.

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

For other financial assets such as other receivables and amount due from intercompany, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the impairment losses for that financial instrument at an amount equal to 12-month ECL.

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

At the end of each reporting period, the Group and the Company assess whether the 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, such as debtor who have defaulted on payment, or are in significant financial difficulties, or it is becoming probable that the borrower will enter bankruptcy.

These assets are written off when there is no reasonable expectation of recovery, with case-by-case assessment performed based on indicators such as insolvency or demise. Subsequent recoveries of amounts previously written off are recognised in profit or loss as bad debts recovered.

Deposits and bank balances of the Group and the Company are placed with reputable financial institution with high credit ratings and no history of default. Hence, the Group and the Company do not expect any losses from default or non-performance by the counterparties.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### (aa) Financial Instruments (Cont'd)

##### (iv) Derecognition of financial assets

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the consideration received and receivable is recognised in profit or loss, except for the derecognition of an investment in equity instruments measured at FVTOCI, the cumulative gain or loss is transferred within equity, not recognised in profit or loss.

#### Financial liabilities and equity instruments issued by the Group and the Company

##### (i) **Classification as debt or equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

##### (ii) **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs. Ordinary shares are equity instruments.

Dividends on ordinary shares are recognised in equity in the period in which they are declared.

##### (iii) **Financial liabilities**

Financial liabilities of the Group and the Company are classified as 'financial liabilities measured at amortised cost'.

##### (a) Financial liabilities measured at amortised cost

The Group's and the Company's financial liabilities measured at amortised cost, including trade payables, other payables and accrued expenses, amount due to subsidiary companies, lease liabilities, hire-purchase and finance lease liabilities and borrowings, are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### (aa) Financial Instruments (Cont'd)

#### **Financial liabilities and equity instruments issued by the Group and the Company (Cont'd)**

#### **(iii) Financial liabilities (Cont'd)**

##### (b) Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability recognised and the consideration paid or payable is recognised in profit or loss.

##### (c) 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 payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the impairment loss determined in accordance with MFRS 9 *Financial Instruments*; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

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

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

In the process of applying the Group's accounting policies, which are described in Note 3 above, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements except as discussed below:

#### **(i) Classification between Investment Properties and Property, Plant and Equipment**

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion is held for own use for administrative purposes.

If these portions were to be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for own use for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

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

#### (ii) Extension or termination options and incremental borrowing rates in relation to leases

Upon lease commencement, the Group and the Company apply significant judgement on the assessment of whether it is reasonably certain to exercise an extension option, or not to exercise a termination option. The Group and the Company consider all facts and circumstances, including the past practice, to determine the lease term.

The Group and the Company also apply judgement and assumptions in determining the incremental borrowing rates of the respective leases. The closest available borrowing rates are being first determined by referring to the lessee's incremental borrowing rates obtained from the financial institutions or vendors of the leased equipment before using significant judgement to determine the adjustment required to reflect the term, security, value or economic environment of the respective leases.

### (b) Key sources of estimation uncertainty

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

#### (i) Revenue Recognition on Property Development

Revenue is recognised as and when the control of the asset is transferred to the customers and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the contract terms and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, the Group recognises property development revenue in profit or loss over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation, based on cost-based input method, is measured on the basis of the Group's efforts or inputs to the property development incurred to date relative to the total expected property development. Estimated losses are recognised in full when determined. Property development and contract revenue and expenses estimates are reviewed and revised periodically as work progresses and as variation orders are approved.

Significant judgement is required in determining the total expected property development, which includes relying on the opinion or service of experts, past experience and continuous monitoring of the budgeting process. These management estimates and judgements affect the cost-based input method computations and the amount of revenue and profit recognised during the year, as well as assessing the recoverability of the property development projects.

If the Group is unable to make reasonably dependable estimates, the Group would not recognise any profit before a contract is completed, but would recognise a loss as soon as the loss becomes evident.

Adjustments based on the progress towards satisfaction of performance obligations are reflected in property development and contract revenue in the reporting period. To the extent that these adjustments result in a reduction or elimination of previously reported property development and contract revenue and costs, the Group recognises a charge or credit against current earnings and amounts in prior periods, if any, are not restated.

Note 3(a) describes the Group's policy to recognise revenue from sales of properties by reference to the progress towards satisfaction of performance obligations. Property development revenue is recognised in respect of all development units that have been sold.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

### (b) Key sources of estimation uncertainty (Cont'd)

#### (i) Revenue Recognition on Property Development (Cont'd)

Some portions of the Group's revenue are billed under fixed price contracts. Variation orders are commonly billed to customers in the normal course of business and these are recognised to the extent they have been agreed with the customers and can be reasonably estimated.

Any anticipated loss on a property development project is recognised immediately as a foreseeable loss expense. As at 30 April 2020, the amount of provision for foreseeable losses are disclosed in Note 22(a) and Note 22(b).

Any estimated amount of shortfall relating to affordable housing obligations is recognised as a provision. As at 30 April 2020, the provision for affordable housing obligations is disclosed in Note 33.

#### (ii) Deferred Tax Assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profits will be available against which these losses and capital allowances can be utilised. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are included in Note 21.

#### (iii) Fair Value of Investment Properties

The Group determines the fair value of investment properties based on valuation carried out by independent professional valuers or, based on available past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the Directors' best estimates. The carrying amount of investment properties is disclosed in Note 16.

#### (iv) Impairment of Goodwill

The Group tests goodwill for impairment annually in accordance with its accounting policy. More regular reviews are performed if events indicate that this is necessary.

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the end of the reporting period is disclosed in Note 20.

#### (v) Impairment of Non-Financial Assets

The Group and the Company review the carrying amount of its non-financial assets, which include property, plant and equipment, right-of-use assets, investments in associated companies, other investments classified as amortised cost, contract assets, contract costs and the Company's investment in subsidiary companies, to determine whether there is an indication that those assets have suffered an impairment loss. The impairment loss on investment in subsidiary companies and other investments are disclosed in Note 17 and Note 19, respectively.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

### (b) Key sources of estimation uncertainty (Cont'd)

#### (vi) Net Realisable Value of Inventories

Inventories are stated at the lower of cost and net realisable value. The Group determines net realisable value based on the estimated selling price by reference to valuation performed by independent valuer, or recent sales transactions of similar properties or comparable properties in similar or nearby locations net of estimated cost necessary to complete the sale. The estimation of the selling price in particular is subject to significant inherent uncertainties, in particular the property market. Possible changes in these estimates could result in revisions to the valuation of inventories. Details are disclosed in Note 22.

#### (vii) Provision for Impairment Loss on Receivables

The Group makes provision for impairment loss for financial assets at amortised cost based on assumptions about risk of default and expected loss rates. The Group use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying value of the receivables and impairment loss in the period in which such estimate has been changed. Details are disclosed in Note 25 and Note 26.

#### (viii) Provision for Release of Bumiputra Quota

Provision for release of bumiputra quota is recognised for expected bumiputra quota penalties to be imposed by local authorities. Significant judgement is required in determining the amount of provision to be made. The Group evaluates the amount of provision required based on past experience and industry norm. As at 30 April 2020, the amount of provision for release of bumiputra quota is disclosed in Note 33.

#### (ix) Provision for Liquidated Ascertained Damages ("LAD")

Provision for LAD is recognised for expected LAD claims based on the terms of the applicable sale and purchase agreements. Significant judgement is required in determining the amount of provision for LAD to be made and in assessing LAD recoverable from the main contractors. The Group evaluates the amount of provision required based on management's best estimate of the anticipated completion date of the project, past experience and the industry norm. As at 30 April 2020, the amount of provision made for LAD payable to purchasers is accounted for in deriving the carrying amount of contract asset or contract liability as disclosed in Note 23.

#### (x) Material Litigation

The Group and the Company assess the probable outcome of material litigation, which is contingent upon future event beyond the control of the Group and the Company, based on available facts and circumstances and in consultation with its legal counsel. Details of material litigation are disclosed in Note 43.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 5. REVENUE

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
<b>Revenue from contract with customers:</b>				
Property development	206,371,109	228,479,289	-	-
Sale of completed properties	10,940,848	18,678,753	-	730,000
Rendering of other services	4,386	399,963	-	-
Total revenue from property development activities (Note 23)	217,316,343	247,558,005	-	730,000
Property management fee	2,490,461	1,973,324	-	-
Sale of food and beverages	266,703	-	-	-
	220,073,507	249,531,329	-	730,000
<b>Revenue from other sources:</b>				
Rental income	25,740,992	23,821,709	-	-
Dividends from subsidiary companies (Note 27)	-	-	18,809,477	20,049,620
	25,740,992	23,821,709	18,809,477	20,049,620
	245,814,499	273,353,038	18,809,477	20,779,620
<b>Timing of revenue recognition</b>				
Revenue from contract with customers:				
- At a point in time	11,207,551	18,678,753	-	730,000
- Over time	208,865,956	230,852,576	-	-
	220,073,507	249,531,329	-	730,000

The Group's revenue is derived in Malaysia. The Company's revenue is derived in Malaysia and Australia.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 6. COST OF SALES

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Property development costs [Note 22(b)]	129,280,383	155,005,021	-	-
Costs of completed units sold [Note 22(c)]	9,398,086	14,650,294	-	195,643
Rental and related costs	9,382,704	19,040,654	-	-
Depreciation of right-of-use assets (Note 14)	3,860,094	-	-	-
Costs to obtain contracts (Note 24)	2,602,205	1,742,938	-	14,601
Expenses relating to variable lease payments not included in the measurement of lease liabilities (Note 14)	1,466,767	-	-	-
Expenses relating to short-term leases (Note 14)	252,445	-	-	-
Food and beverages	152,233	-	-	-
Other direct costs	71,648	203,426	-	-
Inventories written off [Note 22(c)]	25,203	-	-	-
	156,491,768	190,642,333	-	210,244

## 7. INVESTMENT INCOME

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Interest income from:				
Deposits with licensed financial institutions	2,356,253	2,727,646	186,892	158,415
Housing development accounts	1,623,336	1,862,577	-	-
Overdue balances of house purchasers	247,736	437,148	-	-
Amount due from subsidiary companies (Note 27)	-	-	34,844,789	33,495,947
Accretion of interest on trade payables	506,458	324,152	-	-
	4,733,783	5,351,523	35,031,681	33,654,362

The following is an analysis of investment income earned on financial assets and financial liabilities by category.

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Financial assets measured at amortised cost (including deposits, cash and bank balances)	4,227,325	5,027,371	35,031,681	33,654,362
Financial liabilities measured at amortised cost	506,458	324,152	-	-
	4,733,783	5,351,523	35,031,681	33,654,362



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 8. FINANCE COSTS

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Interest expense on:				
Revolving credits	13,605,096	15,781,451	12,691,093	13,589,493
Term loans and bridging loans	10,884,055	11,811,979	1,806,473	2,608,846
Lease liabilities (Note 14)	498,510	-	183,235	-
Other payable	78,846	-	-	-
Hire-purchase and finance lease liabilities	40,004	59,719	-	-
Amount due to subsidiary companies (Note 27)	-	-	4,610,875	4,550,274
Unwinding of discount on trade payables	323,695	378,994	-	-
	25,430,206	28,032,143	19,291,676	20,748,613
Less: Finance charges capitalised in:				
Property development costs [Note 22(b)]	(1,579,714)	(3,000,383)	-	-
Land held for property development [Note 22(a)]	(3,221,846)	(2,981,224)	-	-
	20,628,646	22,050,536	19,291,676	20,748,613

## 9. PROFIT BEFORE TAX

### (a) Profit before tax has been arrived at after charging/(crediting):

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Depreciation of property, plant and equipment (Note 13)	3,071,335	3,686,423	52,128	316,845
Auditors' remuneration:				
Statutory audit				
Current	535,000	528,900	100,000	100,000
Under/(Over) provision in prior years	4,100	(600)	-	-
Other services	39,000	39,000	6,000	6,000
Depreciation of right-of-use asset (Note 14)	370,590	-	740,193	-
Bad debts written off	120,594	651,106	-	-
Remuneration of other professional services rendered by affiliates of auditors	118,200	156,900	18,000	65,000
Impairment losses on other receivables (Note 26)	100,000	-	-	-
Expenses relating to short-term leases (Note 14)	23,360	-	23,360	-
Amortisation of prepaid lease payments on leasehold land (Note 15)	4,045	4,045	-	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 9. PROFIT BEFORE TAX (Cont'd)

### (a) Profit before tax has been arrived at after charging/(crediting): (cont'd)

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Expenses relating to leases of low-value assets (Note 14)	342	-	342	-
Impairment losses on trade receivables (Note 25)	-	1,657,987	-	-
Rental of premises paid to:				
Third parties	-	302,494	-	-
Subsidiary company (Note 27)	-	-	-	798,593
Loss on disposal of property, plant and equipment	-	1,879	-	-
Property, plant and equipment written off	-	20	-	20
Reversal of provision for release of bumiputra quota	-	(280,000)	-	-
Net realised foreign exchange gain	(44,852)	-	(44,852)	-
Reversal of impairment losses on receivables no longer required (Note 25)	(151,091)	(332,323)	-	-
(Reversal)/Recognition of share-based payments (Note 29)	(177,642)	559,530	-	466,854
Unrealised foreign exchange gain on amount due to a subsidiary company	-	-	-	(13,666)
Rental income	(467,546)	(651,794)	(79,822)	(45,120)

### (b) Staff costs

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Wages, salaries and bonuses	16,360,410	16,365,266	366,635	383,850
Defined contribution plan	1,988,278	1,964,762	43,745	46,825
Social security contributions	194,458	225,101	2,647	3,188
Others	535,346	777,521	17,640	73,429
	19,078,492	19,332,650	430,667	507,292
Less: Amount capitalised in:				
Property development costs [Note 22(b)]	(2,878,488)	(3,582,548)	-	-
Land held for property development [Note 22(a)]	(204,537)	(258,703)	-	-
	15,995,467	15,491,399	430,667	507,292

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 9. PROFIT BEFORE TAX (Cont'd)

### (c) Directors' remuneration

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
<i>Directors of the Company</i>				
Executive:				
Salaries	3,256,199	3,597,900	162,810	179,895
Other emoluments	194,000	367,000	21,000	21,000
Defined contribution plan	485,321	545,470	23,814	26,313
Benefits-in-kind	96,600	96,600	96,600	96,600
	4,032,120	4,606,970	304,224	323,808
Non-Executive:				
Fees	180,000	180,000	180,000	180,000
Other emoluments	39,500	38,000	39,500	38,000
Total	4,251,620	4,824,970	523,724	541,808
<i>Directors of the subsidiary companies</i>				
Salaries	528,676	517,450	-	-
Other emoluments	319,559	397,904	-	-
Defined contribution plan	65,383	74,692	-	-
	913,618	990,046	-	-
Total	5,165,238	5,815,016	523,724	541,808
	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Analysis excluding benefits-in-kind:				
Total executive directors' remuneration	3,935,520	4,510,370	207,624	227,208
Total non-executive directors' remuneration	219,500	218,000	219,500	218,000
Total directors' remuneration for directors of the subsidiary companies	913,618	990,046	-	-
	5,068,638	5,718,416	427,124	445,208
Less: Amount capitalised in:				
Property development costs [Note 22(b)]	(2,510,838)	(2,660,596)	-	-
Land held for property development [Note 22(a)]	(178,413)	(247,448)	-	-
	2,379,387	2,810,372	427,124	445,208

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 10. INCOME TAX EXPENSE

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Income tax:				
Current	34,685,513	20,457,447	4,940,771	4,794,000
(Over)/Underprovision in prior years	(7,982,975)	6,209,888	(1,518,346)	97,530
	26,702,538	26,667,335	3,422,425	4,891,530
Deferred tax (Note 21):				
Current	(19,145,717)	(1,056,757)	(203,971)	45,009
(Under)/Overprovision in prior years	(4,777,895)	(2,527,400)	125,966	225,172
	(23,923,612)	(3,584,157)	(78,005)	270,181
	2,778,926	23,083,178	3,344,420	5,161,711

During the financial year ended 30 April 2018, the Malaysian Inland Revenue Board commenced tax investigation on the Company and certain subsidiary companies covering years of assessment 2011 to 2016. The tax investigation has been concluded in the financial year ended 30 April 2019 with total net settlement amounted to RM4,615,668.

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

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Profit before tax	20,176,306	37,802,539	20,087,927	28,318,848
Add: Share of losses of associated companies	531,467	341,073	-	-
	20,707,773	38,143,612	20,087,927	28,318,848
Taxation at Malaysian statutory tax rate of 24% (2019: 24%)	4,969,866	9,154,467	4,821,102	6,796,524
Effect of different tax rate in foreign jurisdiction	(77,263)	-	(77,263)	-
Tax effects of income not subject to tax	(579,805)	(162,420)	(4,440,546)	(4,815,700)
Effect of group tax relief	-	-	(1,041,600)	-
Tax effects of expenses not deductible for tax purposes	4,108,653	5,829,870	5,475,107	2,858,185
Deferred tax assets recognised at different tax rate	186,237	62,860	-	-
Deferred tax assets not recognised	6,932,108	4,515,913	-	-
(Over)/Underprovision of income tax expense in prior years	(7,982,975)	6,209,888	(1,518,346)	97,530
(Under)/Overprovision of deferred tax in prior years	(4,777,895)	(2,527,400)	125,966	225,172
Tax expense for the financial year	2,778,926	23,083,178	3,344,420	5,161,711

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 10. INCOME TAX EXPENSE (Cont'd)

In the prior year of assessment 2019, a wholly-owned subsidiary of the Company surrendered its adjusted business losses amounted to RM7,899,440 which was utilised by the Company as group tax relief. Accordingly, the said group relief has resulted in an overprovision of income tax expenses of RM1,895,865 in prior year.

In the current financial year, the Company estimated adjusted business losses for year of assessment 2020 to be surrendered by the abovementioned wholly-owned subsidiary amounted to RM4,340,000 to be utilised by the Company, which resulting in estimated group tax relief of RM1,041,600.

## 11. EARNINGS PER SHARE

### Basic

Basic earnings per ordinary share of the Group is calculated by dividing the profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:

	<b>The Group</b>	
	<b>2020</b>	<b>2019</b>
Profit attributable to owners of the Company (RM)	12,597,141	14,719,158
Weighted average number of ordinary shares used for the purposes of basic earnings per share*	775,872,363	784,953,613
Basic earnings per share (sen)	1.62	1.88

\* The weighted average number of shares takes into account the weighted average effect of changes in ordinary shares transactions and net of treasury shares and restricted shares.

### Diluted

The basic and diluted earnings per share are the same as the Group has no dilutive potential ordinary shares.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 12. DIVIDENDS

The Group and the Company	Amount		Net Dividends per Ordinary Share	
	2020 RM	2019 RM	2020 Sen	2019 Sen
In respect of financial year ended 30 April 2018:				
- Final single-tier dividend of RM0.015 per share on 782,034,645 ordinary shares, paid on 28 December 2018	-	11,730,519	-	1.5
In respect of financial year ended 30 April 2019:				
- Final single-tier dividend of RM0.008 per share on 776,146,845 ordinary shares, paid on 27 December 2019	6,209,173	-	0.8	-
	6,209,173	11,730,519	0.8	1.5

The Directors propose a final single-tier dividend of RM0.01 per share on 771,563,945 ordinary shares, totalling approximately RM7,715,639 in respect of the current financial year. This dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, and has not been included as a liability in the financial statements. Upon approval by the shareholders, the proposed dividend for the financial year 2020 will be paid on 28 December 2020 to all outstanding ordinary shares in issue. The cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 April 2021.

## 13. PROPERTY, PLANT AND EQUIPMENT

The Group	Building and improvements RM	Furniture and fittings RM	Office equipment RM	Computers RM	Motor vehicles RM	Plant and machinery RM	Total RM
<b>Cost</b>							
As at 1 May 2018	64,900,391	3,666,772	2,873,461	2,405,931	5,214,418	4,299,463	83,360,436
Additions	110,932	47,199	115,344	3,500	1	12,500	289,476
Disposal	-	(34,520)	(9,404)	-	(339,550)	-	(383,474)
Write-offs	-	(3,480)	(7,177)	-	-	-	(10,657)
As at 30 April 2019/ 1 May 2019	65,011,323	3,675,971	2,972,224	2,409,431	4,874,869	4,311,963	83,255,781
Additions	-	112,358	160,073	43,223	-	4,000	319,654
Reclassification	-	(283,003)	283,003	-	-	-	-
As at 30 April 2020	65,011,323	3,505,326	3,415,300	2,452,654	4,874,869	4,315,963	83,575,435



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 13. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The Group	Building and improvements RM	Furniture and fittings RM	Office equipment RM	Computers RM	Motor vehicles RM	Plant and machinery RM	Total RM
<b>Accumulated Depreciation</b>							
As at 1 May 2018	15,533,130	2,606,051	2,169,950	2,084,239	4,303,383	3,441,948	30,138,701
Charge for the year [Note 9(a)]	2,349,174	195,925	208,823	139,031	468,298	325,172	3,686,423
Disposal	-	(34,520)	(2,425)	-	(339,550)	-	(376,495)
Write-offs	-	(3,480)	(7,157)	-	-	-	(10,637)
As at 30 April 2019/ 1 May 2019	17,882,304	2,763,976	2,369,191	2,223,270	4,432,131	3,767,120	33,437,992
Charge for the year [Note 9(a)]	2,013,813	157,528	215,532	96,774	337,481	250,207	3,071,335
Reclassification	-	(252,189)	252,189	-	-	-	-
As at 30 April 2020	19,896,117	2,669,315	2,836,912	2,320,044	4,769,612	4,017,327	36,509,327
<b>Accumulated Impairment Loss</b>							
As at 1 May 2018/ 30 April 2019/ 1 May 2019/ 30 April 2020	2,392,003	-	-	-	-	-	2,392,003
<b>Net Carrying Amount</b>							
As at 30 April 2019	44,737,016	911,995	603,033	186,161	442,738	544,843	47,425,786
As at 30 April 2020	42,723,203	836,011	578,388	132,610	105,257	298,636	44,674,105

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 13. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The Company	Building and improvements RM	Furniture and fittings RM	Office equipment RM	Computers RM	Motor vehicles RM	Total RM
<b>Cost</b>						
As at 1 May 2018	1,713,301	450,878	229,934	595,371	1,826,984	4,816,468
Write-off	-	-	(7,177)	-	-	(7,177)
As at 30 April 2019/1 May 2019	1,713,301	450,878	222,757	595,371	1,826,984	4,809,291
Additions	-	1,300	6,249	18,760	-	26,309
As at 30 April 2020	1,713,301	452,178	229,006	614,131	1,826,984	4,835,600
<b>Accumulated Depreciation</b>						
As at 1 May 2018	1,497,759	420,950	199,129	465,733	1,826,980	4,410,551
Charge for the year [Note 9(a)]	213,314	29,742	16,938	56,851	-	316,845
Write-off	-	-	(7,157)	-	-	(7,157)
As at 30 April 2019/1 May 2019	1,711,073	450,692	208,910	522,584	1,826,980	4,720,239
Charge for the year [Note 9(a)]	1,591	130	5,343	45,064	-	52,128
As at 30 April 2020	1,712,664	450,822	214,253	567,648	1,826,980	4,772,367
<b>Net Carrying Amount</b>						
As at 30 April 2019	2,228	186	13,847	72,787	4	89,052
As at 30 April 2020	637	1,356	14,753	46,483	4	63,233

At the end of the reporting period, property, plant and equipment of the Group and of the Company with net carrying amount of RM180,239 and RM4 (2019: RM730,125 and RM4) respectively were acquired under hire-purchase and lease arrangements.

Building and improvements of the Group with a net carrying amount of RM42,028,306 (2019: RM43,941,564) have been pledged as security for banking facilities granted to the Group as disclosed in Note 31.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

### (a) Right-of-use assets

The Group	Properties RM	Equipment RM	Total RM
<b>Carrying Amount</b>			
As at 1 May 2019, following the adoption of MFRS 16 (Note 2)	9,032,689	200,607	9,233,296
Modification	3,597,555	-	3,597,555
Additions	199,972	41,781	241,753
Depreciation	(4,149,010)	(81,674)	(4,230,684)
As at 30 April 2020	8,681,206	160,714	8,841,920
<b>Carrying Amount</b>			
As at 1 May 2019, following the adoption of MFRS 16 (Note 2)	3,754,433	42,513	3,796,946
Depreciation	(726,664)	(13,529)	(740,193)
As at 30 April 2020	3,027,769	28,984	3,056,753

### (b) Lease liabilities

	The Group 2020 RM	The Company 2020 RM
Analysed as follows:		
Non-current	5,147,734	2,439,253
Current	3,893,011	696,512
	9,040,745	3,135,765

The maturity analysis of the lease liabilities at the reporting date is disclosed in Note 41(v).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Cont'd)

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

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
Depreciation of right-of-use assets included in:					
(i) Cost of sales	6	3,860,094	-	-	-
(ii) Administrative expenses	9(a)	370,590	-	740,193	-
		4,230,684	-	740,193	-
Expenses relating to short-term leases included in:					
(i) Cost of sales	6	252,445	-	-	-
(ii) Administrative expenses	9(a)	23,360	-	23,360	-
		275,805	-	23,360	-
Expenses relating to leases of low-value assets	9(a)	342	-	342	-
Expenses relating to variable lease payments not included in the measurement of lease liabilities					
included in cost of sales	6	1,466,767	-	-	-
Interest expense on lease liabilities	8	498,510	-	183,235	-

The Group's leases mainly comprise car park rental contracts entered into by a subsidiary company with third parties for the operation of car park management, in addition to the rental of equipment by other subsidiaries. The Company's leases mainly comprise rental contracts for office rental and office equipment.

Lease contracts of the Group and the Company are typically entered into for a fixed periods, with extension options exercisable by the Group and the Company to optimise operational flexibility. Lease terms are negotiated on an individual basis.

The lease agreements do not impose any covenants. However, leased assets may or may not be used as security for borrowing purposes.

During the current financial year, the financial effect of revising lease payments and lease terms to reflect the effect of exercising extension options was an increase in lease liabilities and right-of-use assets of RM3,597,555.

Some of the leases of car park by one of the Group's subsidiary companies contain variable lease payments that are based on the sales generated from that leased asset.

The Group and the Company have elected not to recognise right-of-use assets and leases liabilities for short-term leases and leases of low-value assets. The Group and the Company have leases of certain office equipment (i.e. water dispensers) that are considered as low-value assets.

The Group as lessee has elected for early application of the practical expedient in paragraph 46A of MFRS 16 and not to assess whether a rent concession, occurring as a direct consequence of the COVID-19 pandemic, is a lease modification. The reduction in lease payments of RM222,468 has been recognised in profit or loss in the current financial year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 15. PREPAID LEASE PAYMENTS ON LEASEHOLD LAND

The Group	Leasehold Land Unexpired period less than 30 years RM
<b>Cost</b>	
As at 1 May 2018/30 April 2019/1 May 2019/30 April 2020	121,353
<b>Accumulated Amortisation</b>	
As at 1 May 2018	68,766
Amortisation for the year [Note 9(a)]	4,045
As at 30 April 2019/1 May 2019	72,811
Amortisation for the year [Note 9(a)]	4,045
As at 30 April 2020	76,856
<b>Net Book Value</b>	
As at 30 April 2019	48,542
As at 30 April 2020	44,497

## 16. INVESTMENT PROPERTIES

The Group	Freehold land and buildings RM	Leasehold land and buildings RM	Subtotal RM	Freehold land and buildings under construction RM	Total RM
<b>At fair value:</b>					
As at 1 May 2018	343,117,616	6,495,762	349,613,378	-	349,613,378
Changes in fair value of investment properties	9,099,144	(449,000)	8,650,144	-	8,650,144
Transfer from inventories [Note 22(c)]	17,211,796	-	17,211,796	-	17,211,796
As at 30 April 2019/1 May 2019	369,428,556	6,046,762	375,475,318	-	375,475,318
Transfer from inventories [Note 22(a)]	-	-	-	3,393,398	3,393,398
Changes in fair value of investment properties	(23,195,620)	(1,424,000)	(24,619,620)	-	(24,619,620)
As at 30 April 2020	346,232,936	4,622,762	350,855,698	3,393,398	354,249,096

Investment properties of the Group are leased, or held to be leased, to third parties under operating leases with rentals payable on a monthly basis.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 16. INVESTMENT PROPERTIES (Cont'd)

During the current financial year ended 30 April 2020, the Group has transferred a portion of development cost capitalised on a piece of freehold land, with carrying value of RM3,393,398, from land held for property development to investment properties under construction. The fair value of the said investment property under construction is not reliably determinable and hence being measured at cost, until either its fair value becomes reliably determinable or construction is complete (whichever is earlier).

In 2019, the Group transferred certain residential property units and car parks with a carrying value totalling RM16,050,796 and RM1,161,000 respectively, from inventories to investment properties following a change in plan to hold the said residential property units and car parks to earn rentals and for capital appreciation. The fair value of the said residential property units and car parks were estimated based on market reference to transacted prices of the same or similar properties.

Total property rental income earned by the Group from its investment properties, all of which are leased out under operating leases, amounted to RM12,532,665 (2019: RM8,202,504).

Direct operating expenses arising from the investment properties that generated rental income during the current year amounted to RM8,109,062 (2019: RM10,963,922), whereas the direct operating expenses arising from investment property that did not generate rental income amounted to RM225,100 (2019: RM259,165).

Investment properties amounting to RM311,028,378 (2019: RM330,964,420) have been pledged as securities for banking facilities granted to the Group and the Company as mentioned in Note 31.

The operating lease payments to be received are as follows:

	<b>The Group 2020 RM</b>
Less than one year	6,914,832
One to two years	3,417,675
Two to three years	1,161,974
<b>Total undiscounted lease payments</b>	<b>11,494,481</b>

### **Fair value information**

The fair value of the Group's investment properties as at 30 April 2020 and 30 April 2019 have been arrived at on the basis of the Directors' best estimates, by reference to valuations performed by an independent valuer and market evidence of transacted prices for the same or similar properties. Based on this, the Directors are of the opinion that the carrying amount of the investment properties of the Group approximates their fair value.

### **Retail mall**

The fair value of the retail mall as at 30 April 2020 and 30 April 2019 has been arrived at on the basis of a valuation carried out by an independent valuer.

The fair value as at 30 April 2020 was determined based on the investment method of valuation, which is the more appropriate method of valuation for current year as compared to comparison method adopted in the prior years, as the retail mall is in its fourth years of operations, hence established data is available to form the basis for projection of the probable annual income of the mall.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 16. INVESTMENT PROPERTIES (Cont'd)

### *Other investment properties*

The fair value of the other investment properties of the Group as at 30 April 2020 and 30 April 2019 have been arrived at based on available past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the Directors' best estimates or on the basis of a valuation carried out by an independent valuer.

### *Fair value hierarchy*

Details of the Group's investment properties and information about the fair value hierarchy as at 30 April 2020 and 30 April 2019 are as follows:

<b>Located in Malaysia:</b>	<b>Level 1 RM</b>	<b>Level 2 RM</b>	<b>Level 3 RM</b>	<b>Total RM</b>
<b>30 April 2020</b>				
Retail mall	-	-	295,000,000	295,000,000
Commercial property units and car parks	-	20,437,978	11,471,240	31,909,218
Residential property units	-	23,946,480	-	23,946,480
	-	44,384,458	306,471,240	350,855,698
<b>30 April 2019</b>				
Retail mall	-	-	318,000,000	318,000,000
Commercial property units and car parks	-	21,861,978	10,757,500	32,619,478
Residential property units	-	24,855,840	-	24,855,840
	-	46,717,818	328,757,500	375,475,318

There was no transfer between Level 1 and 2 during the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 16. INVESTMENT PROPERTIES (Cont'd)

Qualitative information about fair value measurement of the investment properties using significant unobservable inputs (Level 3) as at 30 April 2020 and 30 April 2019:

Properties	Valuation Technique	Significant Unobservable Inputs	Range	Inter-relationship
<b>30 April 2020</b>				
Retail mall	Investment method of valuation	Estimated rental rates	RM5.80 psf	Higher estimated rental, higher fair value
		Outgoings	RM1.50 psf	Higher estimated outgoings, lower fair value
		Allowance for void	10%	Higher range of inputs, lower fair value
		Capitalisation/Reversion rate	6.00% to 6.50%	Higher range of inputs, lower fair value
Car parks	Investment method of valuation	Estimated rental rates	RM170 per bay	Higher estimated rental, higher fair value
		Outgoings	5%	Higher estimated outgoings, lower fair value
		Allowance for void	10%	Higher range of inputs, lower fair value
		Capitalisation rate	5%	Higher range of inputs, lower fair value
<b>30 April 2019</b>				
Retail mall and car parks	Comparison method of valuation	Difference in occupancy, size, location, amenities/ surrounding and timing of transaction	-20% to 5%	Higher differential rate, lower fair value

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 17. SUBSIDIARY COMPANIES

	<b>The Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
Unquoted shares, at cost	545,979,801	545,979,801
Less: Accumulated impairment losses	(15,342,826)	(2,772,737)
	530,636,975	543,207,064

Details of the subsidiary companies are set out in Note 42.

Details of non-wholly owned subsidiary companies that have material non-controlling interests to the Group are as follows:

Name of subsidiary companies	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by non-controlling interests		Profit/(Loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2020	2019	2020 RM	2019 RM	2020 RM	2019 RM
Glomac Bina Sdn. Bhd.	Malaysia	49%	49%	2,316,807	(377,057)	18,825,585	16,508,779
Glomac Al-Batha Mutiara Sdn. Bhd.	Malaysia	49%	49%	2,179,031	36,291	2,448,548	5,267,516
Glomac Al-Batha Sdn. Bhd.	Malaysia	49%	49%	(2,398)	25,633	5,079,217	83,615
Glomac Power Sdn. Bhd.	Malaysia	14.3%	14.3%	(63,738)	(40,628)	4,577,541	4,641,279

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 17. SUBSIDIARY COMPANIES (Cont'd)

Movement of impairment loss on investment in subsidiary companies:

	<b>The Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
At beginning of year	2,772,737	2,667,737
Impairment loss recognised during the year	12,570,089	105,000
At end of year	15,342,826	2,772,737

Summarised financial information in respect of each of the Group's subsidiary companies that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
<b>Glomac Bina Sdn. Bhd.</b>		
<b>Statement of financial position</b>		
Current assets	61,362,086	64,426,193
Non-current assets	9,641,860	11,787,766
Current liabilities	(32,584,384)	(42,522,574)
Equity attributable to owners of the Company	(19,593,977)	(17,182,606)
Non-controlling interests	(18,825,585)	(16,508,779)
<b>Statement of profit or loss and other comprehensive income</b>		
Revenue	37,153,372	38,302,350
Profit/(Loss)/Total comprehensive income/(loss) for the financial year	4,728,177	(769,505)
Profit/(Loss)/Total comprehensive income/(loss) attributable to:		
Owners of the Company	2,411,370	(392,448)
Non-controlling interests	2,316,807	(377,057)
	4,728,177	(769,505)
<b>Statement of cash flows</b>		
Net cash inflow/(outflow) from operating activities	12,739,127	(4,737,499)
Net cash inflow from investing activities	385,585	8,877,148
Net cash outflow from financing activities	(545,987)	(553,636)
Net cash inflow	12,578,725	3,586,013

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 17. SUBSIDIARY COMPANIES (Cont'd)

Summarised financial information in respect of each of the Group's subsidiary companies that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. (Cont'd)

	2020 RM	2019 RM
<b>Glomac Al-Batha Mutiara Sdn. Bhd.</b>		
<b>Statement of financial position</b>		
Current assets	6,973,467	12,823,230
Current liabilities	(1,976,431)	(2,073,197)
Equity attributable to owners of the Company	(2,548,488)	(5,482,517)
Non-controlling interests	(2,448,548)	(5,267,516)
<b>Statement of profit or loss and other comprehensive income</b>		
Revenue	-	-
Profit/Total comprehensive income for the financial year	4,447,003	74,063
Profit/Total comprehensive income attributable to:		
Owners of the Company	2,267,972	37,772
Non-controlling interests	2,179,031	36,291
	4,447,003	74,063
<b>Statement of cash flows</b>		
Net cash inflow from operating activities	8,407,293	5,831,174
Net cash inflow from investing activities	108,541	298,984
Net cash outflow from financing activities	(10,199,990)	(4,060,892)
Net cash (outflow)/inflow	(1,684,156)	2,069,266

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 17. SUBSIDIARY COMPANIES (Cont'd)

Summarised financial information in respect of each of the Group's subsidiary companies that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. (Cont'd)

	2020 RM	2019 RM
<b>Glomac Al-Batha Sdn. Bhd.</b>		
<b>Statement of financial position</b>		
Current assets	13,970,923	183,142
Non-current assets	5,470,977	10,200,002
Current liabilities	(9,076,150)	(12,500)
Equity attributable to owners of the Company	(5,286,532)	(5,289,028)
Non-controlling interests	(5,079,218)	(5,081,616)
<hr/>		
<b>Statement of profit or loss and other comprehensive income</b>		
Revenue	-	-
<hr/>		
(Loss)/Profit/Total comprehensive (loss)/income for the financial year	(4,894)	52,312
<hr/>		
(Loss)/Profit/Total comprehensive (loss)/income attributable to:		
Owners of the Company	(2,496)	26,679
Non-controlling interests	(2,398)	25,633
	(4,894)	52,312
<hr/>		
<b>Statement of cash flows</b>		
Dividends paid to non-controlling interests	-	(1,960,000)
Net cash (outflow)/inflow from operating activities	(18,014,049)	28,573
Net cash inflow from investing activities	10,228,718	4,092,833
Net cash inflow/(outflow) from financing activities	8,861,966	(2,040,000)
Net cash inflow	1,076,635	121,406
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# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 17. SUBSIDIARY COMPANIES (Cont'd)

Summarised financial information in respect of each of the Group's subsidiary companies that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. (Cont'd)

	2020 RM	2019 RM
<b>Glomac Power Sdn. Bhd.</b>		
<b>Statement of financial position</b>		
Current assets	3,921,465	3,256,343
Non-current assets	28,095,114	29,204,081
Current liabilities	(5,804)	(3,929)
Equity attributable to owners of the Company	(27,433,234)	(27,815,216)
Non-controlling interests	(4,577,541)	(4,641,279)
<hr/>		
<b>Statement of profit or loss and other comprehensive income</b>		
Revenue	-	-
<hr/>		
Loss/Total comprehensive loss for the financial year	(445,720)	(284,113)
<hr/>		
Loss/Total comprehensive loss attributable to:		
Owners of the Company	(381,982)	(243,485)
Non-controlling interests	(63,738)	(40,628)
	(445,720)	(284,113)
<hr/>		
<b>Statement of cash flows</b>		
Dividends paid to non-controlling interests	-	(163,300)
Net cash inflow/(outflow) from operating activities	652,044	(11,331)
Net cash inflow from investing activities	577,500	1,155,000
Net cash inflow/(outflow) from financing activities	8,217	(3,369,822)
<hr/>		
Net cash inflow/(outflow)	1,237,761	(2,389,453)
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# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 18. ASSOCIATED COMPANIES

	<b>The Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
Unquoted shares, at cost	2,310,000	2,310,140
Share of post-acquisition reserves	25,785,114	26,894,081
	28,095,114	29,204,221

Summarised financial information in respect of each of the Group's material associated companies is set out below. The summarised financial information below represents amounts in the associated companies' financial statements prepared in accordance with MFRSs.

	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
<b>PPC Glomac Sdn. Bhd. and its subsidiary company, Irama Teguh Sdn. Bhd.</b>		
<b><i>Statement of financial position</i></b>		
Current assets	38,502,357	44,718,256
Non-current assets	53,567,049	48,281,553
Current liabilities	(11,797,653)	(9,559,579)
Net assets	80,271,753	83,440,230
<b><i>Statement of profit or loss and other comprehensive income</i></b>		
Revenue	4,724,780	8,558,733
Loss/Total comprehensive loss for the financial year	(1,518,477)	(974,495)
Share of losses of associated companies	(531,467)	(341,073)
Dividend received from the associated company during the financial year	577,500	1,155,000

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 18. ASSOCIATED COMPANIES (Cont'd)

Reconciliation of the above summarised financial information to the carrying amount of the interest in PPC Glomac Sdn. Bhd. and its subsidiary company as recognised in the consolidated financial statements:

	2020 RM	2019 RM
Net assets of the associated company	80,271,753	83,440,230
Proportion of the Group's ownership interest in PPC Glomac Sdn. Bhd.	35%	35%
Carrying amount of the Group's interest in PPC Glomac Sdn. Bhd.	28,095,114	29,204,081

Financial information of associated company that is individually immaterial:

	2020 RM	2019 RM
Carrying amount of the Group's interest in VIP Glomac Pty Ltd	-	140

Details of the associated companies are set out in Note 42.

## 19. OTHER INVESTMENTS

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
<u>Fair value through other comprehensive income</u>				
Unquoted shares	4,000,000	4,000,000	-	-
<u>Amortised cost</u>				
Unquoted subordinated bonds	10,300,000	10,300,000	10,300,000	10,300,000
Less: Impairment loss	(10,300,000)	(10,300,000)	(10,300,000)	(10,300,000)
	-	-	-	-
	4,000,000	4,000,000	-	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 20. GOODWILL ON CONSOLIDATION

	<b>The Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
<b>Cost</b>		
At beginning and end of year	1,032,918	1,032,918
<b>Accumulated impairment losses</b>		
At beginning and end of year	(637,753)	(637,753)
<b>Carrying amount</b>		
At beginning and end of year	395,165	395,165

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating unit ("CGU") that is expected to benefit from that business combination. Before recognition of any impairment losses, the carrying amount of goodwill had been allocated to the following business segment as independent CGU:

	<b>The Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
Property development division	395,165	395,165

The Group assesses goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the CGU is determined from value-in-use calculation which uses cash flow projections derived from the most recent financial budgets approved by management covering a three-year period, and an estimated discount rate of 5.33% (2019: 5.57%) per annum.

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 21. DEFERRED TAX ASSETS/(LIABILITIES)

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
At beginning of year	34,119,893	30,535,736	1,060,947	1,331,128
Recognised in profit or loss (Note 10):				
Property, plant and equipment	73,453	(38,207)	(27,865)	(44,872)
Right-of-use assets and lease liabilities	116,534	-	18,964	-
Investment properties	2,535,020	(1,860,537)	-	-
Property development costs	(340,868)	7,604,972	-	-
Other payables and accrued expenses	1,975,992	(108,700)	-	-
Gain on disposal of development land and completed units	17,093,109	-	100,433	-
Unused tax losses and unabsorbed capital allowances	2,600,536	(1,903,499)	-	-
Amount due to a subsidiary company	-	-	112,440	(112,440)
Others	(130,164)	(109,872)	(125,967)	(112,869)
	23,923,612	3,584,157	78,005	(270,181)
At end of year	58,043,505	34,119,893	1,138,952	1,060,947

Certain deferred tax assets and deferred tax liabilities have been offset in accordance with the Group's accounting policy. The following is an analysis of the deferred tax balances (after offset) for statements of financial position purposes:

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Deferred tax assets	59,208,230	35,797,613	1,138,952	1,060,947
Deferred tax liabilities	(1,164,725)	(1,677,720)	-	-
	58,043,505	34,119,893	1,138,952	1,060,947

### Deferred tax liabilities (before offsetting)

Temporary differences arising from:				
Property, plant and equipment	(112,758)	(237,191)	-	-
Property development costs	(1,143,416)	(95,263)	-	-
Investment properties	(1,422,857)	(3,957,877)	-	-
Amount due to a subsidiary company	-	-	-	(112,440)
	(2,679,031)	(4,290,331)	-	(112,440)
Offsetting	1,514,306	2,612,611	-	112,440
<b>Deferred tax liabilities (after offsetting)</b>	<b>(1,164,725)</b>	<b>(1,677,720)</b>	<b>-</b>	<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 21. DEFERRED TAX ASSETS/(LIABILITIES) (Cont'd)

Certain deferred tax assets and deferred tax liabilities have been offset in accordance with the Group's accounting policy. The following is an analysis of the deferred tax balances (after offset) for statements of financial position purposes: (Cont'd)

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
<b>Deferred tax assets (before offsetting)</b>				
Temporary differences arising from:				
Property development costs	35,044,393	34,337,108	-	-
Right-of-use assets and lease liabilities	116,534	-	18,964	-
Property, plant and equipment	72,909	123,889	22,663	50,528
Gain on disposal of development land and completed units	17,093,109	-	100,433	-
Other payables and accrued expenses	1,975,992	-	-	-
Amount due from subsidiary companies	-	-	504,563	504,563
Others	577,556	707,720	492,329	618,296
Unused tax losses and unabsorbed capital allowances	5,842,043	3,241,507	-	-
	60,722,536	38,410,224	1,138,952	1,173,387
Offsetting	(1,514,306)	(2,612,611)	-	(112,440)
<b>Deferred tax assets (after offsetting)</b>	59,208,230	35,797,613	1,138,952	1,060,947

As mentioned in Note 3(e), the tax effects of all taxable temporary differences are recognised. Where deductible temporary differences, unused tax losses and unused tax credits would give rise to net deferred tax asset, the tax effects are generally recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences, unused tax losses and unused tax credits can be utilised.

As at 30 April 2020, the estimated amount of deductible temporary differences, unused tax losses and unabsorbed capital allowances pertaining to certain subsidiary companies, for which no deferred tax assets have been recognised in the financial statements due to uncertainty of their realisation, is as follows:

	The Group	
	2020 RM	2019 RM
Temporary differences arising from:		
Investment properties	20,676,792	5,213,392
Property development costs	7,706,164	7,926,884
Other payables, accrued expenses and provision	1,117,323	1,208,175
Unused tax losses	66,084,606	59,902,747
Unabsorbed capital allowances	39,195,313	31,645,218
	134,780,198	105,896,416



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 21. DEFERRED TAX ASSETS/(LIABILITIES) (Cont'd)

No deferred tax assets were recognised in the financial statements of these subsidiary companies due to uncertainty of their recoverability. The comparative information presented above has been restated to conform with the actual income tax computation submitted to tax authorities. The unabsorbed capital allowances are available indefinitely for offset against future taxable profits of the respective subsidiary companies in the Group.

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, any accumulated unused tax losses brought forward from year of assessment 2018 can be carried forward for another 7 consecutive years of assessment. Upon expiry of the 7 years, the unused tax losses will be disregarded.

## 22. INVENTORIES

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
<u>Non-current</u>					
Land held for property development	(a)	760,315,576	784,907,658	-	-
<u>Current</u>					
Property development costs	(b)	101,320,145	77,910,594	-	-
Completed units	(c)	126,078,962	132,750,466	1,100,299	1,100,299
Food and beverages		894	-	-	-
		227,400,001	210,661,060	1,100,299	1,100,299
Total inventories		987,715,577	995,568,718	1,100,299	1,100,299

### (a) Land Held for Property Development

	The Group	
	2020 RM	2019 RM
At beginning of year:		
Freehold land - at cost	18,185,042	32,820,088
Leasehold land - at cost	297,612,259	309,889,067
Development expenditure	469,110,357	451,990,970
	784,907,658	794,700,125
Reclassification:		
Leasehold land - at cost	(4,949,085)	-
Development expenditure	4,949,085	-
	-	-
Additions:		
Leasehold land - at cost	5,422,734	2,958,637
Development expenditure	39,644,737	89,531,180
	45,067,471	92,489,817

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 22. INVENTORIES (Cont'd)

### (a) Land Held for Property Development (Cont'd)

	<b>The Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
Transfer to property development costs [Note 22(b)]:		
Freehold land - at cost	-	(14,635,046)
Leasehold land - at cost	(21,969,907)	(15,235,445)
Development expenditure	(37,426,018)	(72,411,793)
	(59,395,925)	(102,282,284)
Transfer from property development costs [Note 22(b)]:		
Provision for foreseeable losses	(6,870,230)	-
Transfer to investment properties (Note 16)	(3,393,398)	-
<b>At end of year</b>	<b>760,315,576</b>	<b>784,907,658</b>
Comprising:		
Freehold land - at cost	18,185,042	18,185,042
Leasehold land - at cost	276,116,001	297,612,259
Development expenditure	466,014,533	469,110,357
	760,315,576	784,907,658

Current year charges to development expenditure include the following:

	<b>The Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
Finance costs (Note 8)	3,221,846	2,981,224
Staff costs [Note 9(b)]	204,537	258,703
Directors' remuneration [Note 9(c)]	178,413	247,448

Land held for property development of certain subsidiary companies has been pledged for banking facilities granted to the Group as disclosed in Note 22(b) and Note 31.

In accordance with the Joint Venture Agreement ("JVA") with Permodalan Negeri Selangor Berhad ("PNSB"), Glomac Rawang Sdn. Bhd., a wholly-owned subsidiary company, is obliged to pay PNSB entitlement the higher of either RM41,400,000 (2019: RM41,400,000) or a sum equal to 30% of the gross profit before tax (as defined in the JVA) to be generated by the development of the parcel of land belonging to PNSB progressively. As at 30 April 2020 and 30 April 2019, a total entitlement of RM41,400,000 has been fully paid and included in the land held for property development and property development costs.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 22. INVENTORIES (Cont'd)

### (b) Property Development Costs

	The Group	
	2020	2019
	RM	RM
At beginning of year:		
Freehold land - at cost	47,388,445	71,440,215
Leasehold land - at cost	387,743,471	376,674,301
Development expenditure	1,796,181,956	1,843,349,509
	2,231,313,872	2,291,464,025
Costs incurred/(reversed) during the year:		
Leasehold land - at cost	154,130	3,549,534
Reversal of leasehold land premium	-	(7,715,809)
Development expenditure	88,854,327	92,078,366
	89,008,457	87,912,091
Transfer from land held for property development [Note 22(a)]:		
Freehold land - at cost	-	14,635,046
Leasehold land - at cost	21,969,907	15,235,445
Development expenditure	37,426,018	72,411,793
	59,395,925	102,282,284
Transfer to completed units [Note 22(c)]	(2,751,785)	(24,922,878)
Closed out due to completion of projects	(574,136,190)	(225,421,650)
Provision for foreseeable losses:		
At beginning of year	(19,298,579)	(20,600,149)
Transfer to land held for property development [Note 22(a)]	6,870,230	-
Provision realised during the year	167,107	1,301,570
At end of year	(12,261,242)	(19,298,579)
Costs recognised as an expense in profit or loss:		
Previous year	(2,134,104,699)	(2,204,521,328)
Current year (Note 6)	(129,280,383)	(155,005,021)
Closed out due to completion of projects	574,136,190	225,421,650
Cumulative costs at end of year	(1,689,248,892)	(2,134,104,699)
At end of year	101,320,145	77,910,594

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 22. INVENTORIES (Cont'd)

### (b) Property Development Costs (Cont'd)

	The Group	
	2020 RM	2019 RM
Comprising:		
Freehold land - at cost	8,411,347	10,796,417
Leasehold land - at cost	55,673,713	44,069,362
Development expenditure	37,235,085	23,044,815
	101,320,145	77,910,594

Current year charges to development expenditure include the following:

	The Group	
	2020 RM	2019 RM
Finance costs (Note 8)	1,579,714	3,000,383
Staff costs [Note 9(b)]	2,878,488	3,582,548
Directors' remuneration [Note 9(c)]	2,510,838	2,660,596

Land held for property development and property development costs of certain subsidiary companies amounting to RM794,097,523 (2019: RM768,688,297) are charged for banking facilities granted to the Group as disclosed in Note 31.

In accordance with the Joint Venture Agreement ("JVA") between Leader Domain Sdn. Bhd. ("LDSB") and Glomac Resources Sdn. Bhd., a wholly-owned subsidiary company, LDSB is entitled to profit-sharing arising from the property development activity amounting to RM12,225,258 (2019: RM12,225,258) which has been included in the property development costs. As at 30 April 2020, an amount of RM9,770,522 (2019: RM9,770,522) has been paid and the remaining amount of RM2,454,736 (2019: RM2,454,736) has been recognised as part of land cost payable in Note 33.

On 22 November 2019, Glomac Alliance Sdn. Bhd., a wholly-owned subsidiary of Glomac Berhad ("Glomac"), entered into a Sale and Purchase Agreement with Glomac Al Batha Sdn. Bhd. ("GABSB"), a 51%-owned subsidiary of Glomac Berhad, for the disposal of vacant land held under Individual Title H.S.(D) 319254 PT 2914, Pekan Desa Puchong, District of Petaling, State of Selangor measuring approximately 6.213 hectares in area for a total cash consideration of RM127,042,740. The land is purchased by GABSB with the intention for future mixed development. As at 30 April 2020, GABSB has paid a 10% deposit and currently the said transaction is pending fulfillment of the conditions precedent as stipulated in the Sale and Purchase Agreement by all parties.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 22. INVENTORIES (Cont'd)

### (c) Completed units

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
At beginning of year	132,750,466	139,689,678	1,100,299	1,295,942
Transfer from property development costs [Note 22(b)]:				
Cost of completed units	2,751,785	24,922,878	-	-
Transfer to investment properties (Note 16)	-	(17,211,796)	-	-
Inventories written off (Note 6)	(25,203)	-	-	-
Completed units sold (Note 6)	(9,398,086)	(14,650,294)	-	(195,643)
At end of year	126,078,962	132,750,466	1,100,299	1,100,299

## 23. CONTRACT ASSETS/(LIABILITIES)

	The Group	
	2020 RM	2019 RM
<b>Contract assets</b>		
<b>Current</b>		
Property development contracts	78,668,684	70,642,960
<b>Contract liabilities</b>		
<b>Non-current</b>		
Deferred revenue	251,678	107,857
<b>Current</b>		
Property development contracts	16,089,645	6,216,659
Total contract liabilities	16,341,323	6,324,516
Represented by:		
Contract assets	78,668,684	70,642,960
Contract liabilities	(16,341,323)	(6,324,516)
	62,327,361	64,318,444

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 23. CONTRACT ASSETS/(LIABILITIES) (Cont'd)

	Note	The Group	
		2020 RM	2019 RM
At beginning of year		64,318,444	80,336,567
Revenue recognised during the year (Note 5)		217,316,343	247,558,005
Progress billings during the year		(223,736,663)	(265,393,669)
Net payment/(Provision) for liquidated ascertained damages ("LAD") payable to purchasers (Note 44)	(a)	1,697,809	(1,905,967)
Amortisation for consideration payable to customers		2,731,428	3,723,508
At end of year		62,327,361	64,318,444
Revenue recognised that was included in the contract liabilities balance at beginning of year		4,386	3,627,919

### (a) Provision for LAD payable to purchasers

Provision for LAD is recognised for expected LAD claims based on the terms of the applicable sale and purchase agreements. Movement of the provision for LAD is as follows:

	The Group	
	2020 RM	2019 RM
At beginning of year	1,905,967	452,918
Provision made during the year	268,031	1,905,967
Payments made during the year	(1,965,840)	(452,918)
At end of year	208,158	1,905,967

The transaction price allocated to the performance obligations that are unsatisfied (or partially satisfied) as at 30 April 2020 is RM486,717,088 (2019: RM326,450,630), where the Group expects to recognise it as revenue over the next 4 years (2019: 4 years).

The Company does not have any unsatisfied performance obligation as at 30 April 2020.

There was no impairment losses recognised on contract assets in the reporting period.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 24. CONTRACT COSTS

	The Group	
	2020 RM	2019 RM
Costs to obtain contracts	10,582,173	5,860,053

Costs to obtain contracts relate to incremental salesperson and agent commission for obtaining property sales contracts which are expected to be recovered. These costs are subsequently expensed off as cost of sales by reference to the performance completed to date, consistent with the revenue recognition pattern.

During the financial year, total costs to obtain contracts recognised by the Group and the Company as cost of sales in profit or loss amounting to RM2,602,205 (2019: RM1,742,938) and RMNil (2019: RM14,601) respectively.

There was no impairment loss in relation to the costs capitalised.

## 25. TRADE RECEIVABLES

	The Group	
	2020 RM	2019 RM
Trade receivables		
Third parties	67,615,583	74,645,406
Stakeholders' sum	25,465,107	53,415,757
	93,080,690	128,061,163
Less: Impairment loss	(2,940,274)	(3,091,365)
	90,140,416	124,969,798

The Group's normal trade credit term ranges from 7 to 90 days (2019: 7 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

Stakeholders' sum represents retention sums held by solicitors upon handing over of vacant possession to individual purchasers of development properties. These amounts will be paid from 8 to 24 months after the delivery of vacant possession together with interest earned.

### Ageing of past due but not impaired receivables

	The Group	
	2020 RM	2019 RM
Past due < 1 month	7,926,042	26,650,800
Past due 1 - 2 months	6,749,134	8,416,949
Past due 2 - 3 months	13,650,301	3,519,828
Past due > 3 months	28,907,035	16,163,153
Total	57,232,512	54,750,730

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 25. TRADE RECEIVABLES (Cont'd)

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

Trade receivables that are past due but not impaired are mainly related to the progress billings to be settled by the purchasers or the purchasers' end financiers. However, these debts are expected to be realised in full without material losses in the ordinary course of business as majority of the customers are with financing facilities obtained from reputable end-financiers. Amount due from tenants are secured with deposits paid by tenants prior to occupancy of premises and rentals paid in advance.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or groups of debtors.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated.

The Group recognises impairment losses based on expected credit losses ("ECL") model using the simplified approach, which measures the impairment losses at an amount equal to lifetime ECL.

### Movement in the allowance for impairment loss

	<b>The Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
At beginning of year	3,091,365	1,765,701
Impairment losses recognised during the year [Note 9(a)]		
- Individually assessed	-	1,657,987
Reversal of impairment losses no longer required [Note 9(a)]	(151,091)	(332,323)
At end of year	2,940,274	3,091,365

### Ageing of past due and impaired

	<b>The Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
Past due > 3 months	2,940,274	3,091,365

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 26. OTHER RECEIVABLES

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
Other receivables	(a)	7,223,174	6,037,102	3,268,792	3,771,667
Less: Impairment losses		(166,871)	(66,871)	-	-
		7,056,303	5,970,231	3,268,792	3,771,667
Refundable deposits		15,305,443	16,284,517	63,455	61,775
Other assets	(b)	6,928,694	3,828,480	-	-
Prepaid expenses		825,630	804,362	131,080	21,155
Interest income receivable		244,658	2,016,785	2,590,798	-
		30,360,728	28,904,375	6,054,125	3,854,597

(a) Included in the other receivables of the Company are amount recoverable from subsidiary companies amounted to RM1,456,848 (2019: RM2,109,430) relates to share options and restricted shares granted by the Company to employees of the subsidiary companies under the Employees' Share Scheme, which are yet to expire. Further information about the share-based payments to employees and equity-settled employee benefits reserve are set out in Note 38 and Note 29 respectively.

(b) Other assets of the Group are the costs for consideration payable to customers to be accounted for as a reduction of revenue, when the Group recognises revenue for the transfer of the related goods or services to the customer.

## 27. AMOUNT DUE FROM/(TO) SUBSIDIARY COMPANIES

	The Company	
	2020 RM	2019 RM
Amount due from subsidiary companies	649,005,279	644,506,767
Less: Impairment losses	(2,102,348)	(2,102,348)
	646,902,931	642,404,419
Amount due to subsidiary companies	(114,484,855)	(112,616,118)
	532,418,076	529,788,301

Amount due from subsidiary companies, which arose mainly from trade transactions, assignment of debts, payment made on behalf and advances granted, bears interest at 5.33% (2019: 5.57%) per annum and is unsecured and repayable on demand.

Amount due to subsidiary companies, which arose mainly from assignment of debts and advances, is unsecured, bears interest at 5.33% (2019: 5.57%) per annum and is repayable on demand.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 27. AMOUNT DUE FROM/(TO) SUBSIDIARY COMPANIES (Cont'd)

During the financial year, significant transactions, which are determined on a basis as negotiated between the Company and its subsidiary companies, are as follows:

	The Company	
	2020 RM	2019 RM
Dividend income from subsidiary companies (Note 5)	18,809,477	20,049,620
Interest income from subsidiary companies (Note 7)	34,844,789	33,495,947
Interest expense charged by subsidiary companies (Note 8)	(4,610,875)	(4,550,274)
Head office allocation income	716,003	762,982
Management fee income charged by a subsidiary company	(19,702)	(23,844)
Rental expenses charged by a subsidiary company [Note 9(a)]	-	(798,593)
Rental fee charged by a subsidiary company	(829,026)	-
Rental fee income charged to subsidiary companies	34,702	-

## 28. DEPOSITS, CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Cash on hand and at banks	149,238,517	130,276,278	18,617,957	3,475,102
Deposits with licensed banks	27,212,205	24,339,695	-	-
Deposits, cash and bank balances	176,450,722	154,615,973	18,617,957	3,475,102
Less: Fixed deposits with maturity in excess of 90 days	(11,973,175)	(11,511,036)	-	-
Non-cash and cash equivalents: Deposits pledged	(10,814,353)	(9,834,375)	-	-
Cash and cash equivalents	153,663,194	133,270,562	18,617,957	3,475,102

Included in the Group's cash and bank balances is an amount of RM83,553,514 (2019: RM87,609,495) which is held under Housing Development Accounts pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966. These accounts consist of monies received from purchasers and are used for the payment of property development expenditure incurred. The surplus monies, if any, will be released to the Group upon the completion of the property development and after all property development expenditure have been fully settled. The Housing Development Accounts with a licensed bank earn interest at 1.49% (2019: 1.76%) per annum.

Deposits of the Group totalling RM10,814,353 (2019: RM9,834,375) have been pledged to secure bank guarantee facilities.

Included in the Group's cash and bank balances are placement of debt or finance service reserve and escrow accounts amounting to RM1,174,984 (2019: RM2,336,966), which are required as designated accounts to meet the requirement by the banks for securing principal payments or any financing charges resulted from the financing granted to the Group.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 28. DEPOSITS, CASH AND CASH EQUIVALENTS (Cont'd)

The weighted average effective interest rates per annum for deposits held at the end of the reporting period are as follows:

	The Group		The Company	
	2020 %	2019 %	2020 %	2019 %
Licensed banks	2.8	3.3	-	-

The average maturity periods relating to the various deposits held at the end of the reporting period are as follows:

	The Group		The Company	
	2020 Days	2019 Days	2020 Days	2019 Days
Licensed banks	90	90	-	-

## 29. SHARE CAPITAL AND RESERVES

	2020 Number of shares	The Group and the Company	
		2019 Number of shares	2020 2019 RM RM
<b>Issued and fully paid</b>			
Ordinary shares			
At beginning/end of year	800,089,370	800,089,370	418,631,554 418,631,554

### Capital reserve

This reserve represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 29. SHARE CAPITAL AND RESERVES (Cont'd)

### Equity-settled employee benefits reserve

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
At beginning of year	4,685,666	6,027,275	4,685,666	6,027,275
(Reversal)/Recognition of share-based payments:				
Administrative Expenses [Note 9(a)]	(177,642)	559,530	-	466,854
Recoverable from subsidiary companies [Note 26(a)]	-	-	(177,642)	92,676
	(177,642)	559,530	(177,642)	559,530
Effect of expiration of ESOS:				
Retained earnings	(999,803)	(1,901,139)	(524,863)	(937,139)
Recoverable from subsidiary companies [Note 26(a)]	-	-	(474,940)	(964,000)
	(999,803)	(1,901,139)	(999,803)	(1,901,139)
At end of year	3,508,221	4,685,666	3,508,221	4,685,666

The equity-settled employee benefits reserve relates to share options and restricted shares granted by the Company to employees of the Group under the Employees' Share Scheme. Further information about share-based payments to employees is set out in Note 38.

### Treasury shares

The shareholders of the Company, by an ordinary resolution passed at the 35th Annual General Meeting held on 23 October 2019, renewed their approval for the Company's plan to repurchase its own shares up to a maximum of 10% of the total issued and fully paid up share capital listed on the Bursa Malaysia Securities Berhad.

During the financial year, the Company purchased 6,353,200 (2019: 12,786,500) units of its own shares through purchases on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of the shares was RM2,105,845 (2019: RM5,063,371) and it has been deducted from equity. The share transactions were financed by internally generated funds and the average price paid for the shares was RM0.33 (2019: RM0.40) per share. The repurchased shares are held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016.

As at 30 April 2020, the Company held a total of 26,054,000 (2019: 19,700,800) ordinary shares as treasury shares out of its issued and paid-up share capital of 800,089,370 ordinary shares. Such treasury shares are held at carrying amount of RM12,518,303 (2019: RM10,412,458).

The Company has a right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 29. SHARE CAPITAL AND RESERVES (Cont'd)

### Restricted shares grant ("RSG") reserve

	2020 Number of shares	The Group and the Company		2019 RM
		2019 Number of shares	2020 RM	
At beginning/end of year	2,471,425	2,471,425	1,387,207	1,387,207

As at 30 April 2020, the Company has repurchased a total of 14,993,000 of its issued ordinary shares from the open market at an average price of RM0.90 per share. These shares are being held in trust by the Company and recorded as Restricted Shares Grant ("RSG") reserve for the purpose of granting restricted shares to eligible employees in future. The first, second and third tranches of RSG under ESS scheme totalling 12,746,250 shares have been vested and awarded to a selected group of eligible employees as at 30 April 2020. A total of 224,675 shares are being granted under bonus issue during the financial year ended 30 April 2018. The balance shares held in trust by the Company as at 30 April 2020 is 2,471,425 shares at an average price of RM0.56 per share. There is no movement in the balance of shares held in trust during the financial year.

## 30. RETAINED EARNINGS

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

## 31. BORROWINGS

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
<b>Non-current</b>					
<b>Secured:</b>					
Term loans	(a)	131,215,345	138,836,866	10,582,390	14,050,000
Bridging loans	(a)	8,034,419	8,329,928	-	-
Revolving credits	(b)	25,100,000	13,779,159	25,100,000	-
Hire-purchase and finance lease liabilities	(c)	220,941	388,058	-	-
<b>Unsecured:</b>					
Revolving credits	(b)	75,625,000	87,350,000	75,625,000	87,350,000
		240,195,705	248,684,011	111,307,390	101,400,000

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 31. BORROWINGS (Cont'd)

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
<b>Current</b>					
<b>Secured:</b>					
Term loans	(a)	59,753,098	68,245,364	19,310,004	25,000,000
Bridging loans	(a)	-	1,564,093	-	-
Revolving credits	(b)	13,779,159	17,099,413	-	-
Hire-purchase and finance lease liabilities	(c)	181,217	438,969	-	-
<b>Unsecured:</b>					
Revolving credits	(b)	170,625,000	172,500,000	170,625,000	172,500,000
		244,338,474	259,847,839	189,935,004	197,500,000
<b>Total borrowings</b>		484,534,179	508,531,850	301,242,394	298,900,000

The borrowings are repayable as follows:

Not later than one year	244,338,474	259,847,839	189,935,004	197,500,000
Later than one year but not later than five years	226,585,705	235,224,011	111,307,390	101,400,000
Later than five years	13,610,000	13,460,000	-	-
	484,534,179	508,531,850	301,242,394	298,900,000

The weighted average effective interest rates per annum at the end of the reporting period for borrowings are as follows:

	The Group		The Company	
	2020 %	2019 %	2020 %	2019 %
Term loans	5.0	5.3	5.0	5.8
Bridging loans	5.0	5.6	-	-
Revolving credits	4.7	5.3	4.7	5.2

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 31. BORROWINGS (Cont'd)

### (a) Term loans and bridging loans

As at 30 April 2020, the Group has term loans and bridging loans balances under Shariah Principles amounting to RM36.0 million (2019: RM21.4 million), which were obtained from licensed financial institutions.

The abovementioned term loans and bridging loans are secured by way of the following:

- (i) the respective subsidiary companies' stamped facility agreements;
- (ii) fixed charges over certain investment properties of subsidiary companies as disclosed in Note 16;
- (iii) first party legal charge over certain parcels of freehold land of subsidiary companies held for property development as disclosed in Note 22(a) and 22(b);
- (iv) first party legal charge over certain parcels of leasehold land of subsidiary companies held for property development as disclosed in Note 22(a) and 22(b);
- (v) a fixed and floating charge by way of a debenture on present and future assets of the subsidiary companies;
- (vi) assignment of sales proceeds arising from sale of development properties of certain subsidiary companies;
- (vii) assignment of all monies in the Housing Development Accounts of certain subsidiary companies, subject to the provisions of the Housing Development Account Regulations 1991;
- (viii) assignment of all monies in the Project Development Accounts of certain subsidiary companies;
- (ix) assignment of future rental or lease proceeds from properties of certain subsidiary companies; and
- (x) fixed charge over certain building and improvements of subsidiary companies as disclosed in Note 13.

As at 30 April 2020, the Company has term loans balances issued under Shariah Principles amounting to RM5.2 million (2019: Nil), which were obtained from licensed financial institutions.

The term loans facilities of the Company are secured by way of the following:

- (i) third party legal charge over certain building and improvements of subsidiary companies as disclosed in Note 13;
- (ii) fixed charges over certain investment properties of subsidiary companies as disclosed in Note 16; and
- (iii) assignment of future rental proceeds generated from certain properties of subsidiary companies.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 31. BORROWINGS (Cont'd)

### (b) Revolving credits

As at 30 April 2020, the Group has revolving credits balances under Shariah Principles amounting to RM271.4 million (2019: RM261.9 million), which were obtained from licensed financial institutions.

The abovementioned revolving credits of the Group are secured by way of:

- (i) fixed charges over certain investment properties of subsidiary companies as disclosed in Note 16;
- (ii) first party legal charge over certain parcel of leasehold land of certain subsidiary company as disclosed in Note 22(a) and Note 22(b); and
- (iii) fixed charge over certain parcels of freehold and leasehold land of subsidiary companies held for property development as disclosed in Note 22(a).

As at 30 April 2020, the Company has revolving credits balances under Shariah Principles amounting to RM271.4 million (2019: RM259.9 million), which were obtained from licensed financial institutions.

The revolving credits facilities of the Company were secured by corporate guarantee from one of its wholly-owned subsidiaries and fixed charge over certain parcels of freehold and leasehold land of subsidiary companies held for property development as disclosed in Note 22(a).

### (c) Hire-purchase and finance lease liabilities

	<b>The Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
Minimum lease payments:		
Not later than one year	204,872	481,285
Later than one year but not later than five years	234,814	423,274
	439,686	904,559
Future finance charges	(37,528)	(77,532)
Present value of hire-purchase and finance lease liabilities	402,158	827,027
Present value of hire-purchase and finance lease liabilities:		
Not later than one year	181,217	438,969
Later than one year but not more than two years	136,475	315,440
Later than two years but not more than five years	84,466	72,618
	402,158	827,027

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 31. BORROWINGS (Cont'd)

### (c) Hire-purchase and finance lease liabilities (Cont'd)

	The Group	
	2020 RM	2019 RM
Analysed as follows:		
Due within 12 months	181,217	438,969
Due after 12 months	220,941	388,058
	402,158	827,027

The hire-purchase and finance lease liabilities of the Group bear interest at rates ranging from 3.0% to 8.1% (2019: 2.7% to 8.1%) per annum. Interest rates are fixed at the inception of the hire-purchase and lease arrangements.

The Group's hire-purchase and finance lease liabilities are secured by the financial institutions' charge over the assets under hire-purchase and finance lease.

## 32. TRADE PAYABLES

Included in the Group's trade payables are retention sums of RM19,355,757 (2019: RM18,436,622) payable to subcontractors.

The normal credit terms granted to the Group range from 1 to 60 days (2019: 1 to 60 days).

## 33. OTHER PAYABLES AND ACCRUED EXPENSES AND PROVISIONS

Other payables and accrued expenses comprise:

	Note	The Group		The Company	
		2020 RM	2019 RM	2020 RM	2019 RM
Other accrued expenses		21,545,365	16,610,305	73,000	693,200
Deposits received from purchasers and tenants		10,629,976	12,317,051	101,350	36,250
Other payables	(a)	11,373,837	6,036,098	851,551	989,368
Advances from non-controlling shareholder of a subsidiary company in relation to acquisition of land		4,430,983	-	-	-
Rental and government subsidy received in advance		2,656,635	3,982,941	-	-
Land cost payable [Note 22(b)]		2,454,736	2,454,736	-	-
Accrued interest expense		625,669	1,466,171	1,132,464	1,325,740
		53,717,201	42,867,302	2,158,365	3,044,558

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

### 33. OTHER PAYABLES AND ACCRUED EXPENSES AND PROVISIONS (Cont'd)

Provisions comprise:

	Note	The Group	
		2020 RM	2019 RM
Provision for affordable housing obligations	(b)	81,330,403	82,815,381
Provision for release of bumiputra quota		12,218,992	12,459,903
	44	93,549,395	95,275,284

#### (a) Other payables

Other payables comprise amounts outstanding for ongoing costs and operating expenses payable.

Included in other payables of the Group and the Company is an amount due to KJ Leisure Sdn. Bhd., a company in which certain directors of the Company have interest, of RM185,561 and RM47,562 (2019: RM185,561 and RM47,562), respectively. The said amount, which mainly arose from payment on behalf, is interest-free, unsecured and repayable on demand.

#### (b) Provision for affordable housing obligations

The Malaysian Institute of Accountants (MIA) issued Financial Reporting Standards Implementation Committee ("FRSIC") Consensus 17 on Development of Affordable Housing on 24 November 2011. It recommends that the estimated amount of shortfall relating to affordable housing obligations be recognised as a provision. The recognition of such provision would result in the recognition of a corresponding asset in the form of common costs in the development of premium housing as included in Note 22(a) on Land Held for Property Development and Note 22(b) on Property Development Costs.

On 7 March 2018, MIA issued an Addendum to FRSIC Consensus 17, clarifying that an entity shall not apply the principles FRSIC Consensus 17 after the adoption of MFRS 15 which was effective for annual periods beginning on 1 May 2018. Based on the Addendum issued, the Group will continue to assess and estimate the provision for affordable housing obligations as and when there is present obligation to construct the affordable housing.

Movement of the provision for affordable housing obligations is as follows:

	The Group	
	2020 RM	2019 RM
At beginning of year	82,815,381	54,124,359
Provision (reversed)/made during the year	(1,484,978)	28,691,022
At end of year	81,330,403	82,815,381



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from/(used in) financing activities.

	As at 30 April 2019 RM	Adjustment on initial application of MFRS 16 RM	As at 1 May 2019 RM	Cash Flows RM	Non-cash Transactions RM	As at 30 April 2020 RM
<b>The Group</b>						
Hire-purchase and finance lease liabilities (Note 31)	827,027	-	827,027	(424,869)	-	402,158
Lease liabilities [Note 14(b)]	-	9,216,796	9,216,796	(4,031,859)	3,855,808	9,040,745
Revolving credits (Note 31)	290,728,572	-	290,728,572	(5,599,413)	-	285,129,159
Term loans and bridging loans (Note 31)	216,976,251	-	216,976,251	(17,973,389)	-	199,002,862

### The Company

Amount due to subsidiary companies (Note 27)	112,616,118	-	112,616,118	(2,480,283)	4,349,020	114,484,855
Lease liabilities [Note 14(b)]	-	3,796,946	3,796,946	(661,181)	-	3,135,765
Revolving credits (Note 31)	259,850,000	-	259,850,000	11,500,000	-	271,350,000
Term loans (Note 31)	39,050,000	-	39,050,000	(9,157,606)	-	29,892,394

	As at 1 May 2018 RM	Cash Flows RM	Non-cash Transactions RM	As at 30 April 2019 RM
<b>The Group</b>				
Hire-purchase and finance lease liabilities (Note 31)	1,356,616	(529,589)	-	827,027
Revolving credits (Note 31)	302,205,732	(11,477,160)	-	290,728,572
Term loans and bridging loans (Note 31)	211,425,672	5,550,579	-	216,976,251

### The Company

Amount due to subsidiary companies (Note 27)	94,630,918	(555,685)	18,540,885	112,616,118
Revolving credits (Note 31)	261,250,000	(1,400,000)	-	259,850,000
Term loans (Note 31)	45,300,000	(6,250,000)	-	39,050,000

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 35. CORPORATE GUARANTEES

The Company has provided corporate guarantees to certain financial institutions pertaining to the banking facilities utilised by its subsidiary companies as at 30 April 2020.

The total amount of corporate guarantees provided by the Company for the abovementioned facilities amounted to RM513,450,000 (2019: RM542,747,611). The financial guarantees have not been recognised since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiary companies' borrowings in view of the securities pledged by the subsidiary companies as disclosed in Note 31.

## 36. COMMITMENTS

### (a) Capital Commitment

As at the end of reporting period, the Group has the following capital commitments:

	<b>The Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>
Purchase of land held for property development	2,000,000	2,000,000

The Company does not have any capital commitment as at 30 April 2020 and 30 April 2019.

### (b) Operating Lease Commitment

As at the end of reporting period, future minimum lease payments under non-cancellable operating leases are payable as follows:

	<b>The Group</b>		<b>The Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Not later than one year	-	3,533,221	-	844,266
Later than one year but not later than five years	-	495,687	-	1,024,218
	-	4,028,908	-	1,868,484

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 37. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in the financial statements, the related parties and their relationship with the Company and its subsidiary companies are as follows:

Name of related parties	Relationship
Tan Sri Dato' Mohamed Mansor bin Fateh Din Datuk Fong Loong Tuck Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor Dato' Ikhwan Salim bin Dato' Haji Sujak	Directors of the Company
Fara Inez binti Tan Sri Dato' Mohamed Mansor	Daughter of a Director of the Company
Fateh Idzham bin Datuk Seri Fateh Iskandar Fateh Imran bin Datuk Seri Fateh Iskandar	Son of a Director of the Company
KJ Leisure Sdn. Bhd.	A company in which certain directors of the Company have direct interest and one of them is also a director of the company
Mind Flux Sdn. Bhd.	A company in which a director of the Company has direct interest and is also a director of the company
Berapit Holdings Sdn. Bhd.	A company in which certain directors of the Company have direct interest and are also directors of the company
Efdiai Sdn. Bhd. Stagbridge Sdn. Bhd.	A company in which a director of the Company and his spouse have direct interest and are also directors of the company

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 37. RELATED PARTY TRANSACTIONS (Cont'd)

Significant transactions undertaken on agreed terms and prices by the Group with their related parties during the financial year are as follows:

	The Group			
	2020		2019	
	Amount of Transaction RM	Outstanding Amount RM	Amount of Transaction RM	Outstanding Amount RM
Sale of properties to a company in which certain directors of the Company have direct interest and are also directors of the company	1,834,433	100,000	4,968,643	92,617
Sale of properties to a director of the Company	551,133	-	1,063,513	-
Cancellation of sale of properties to a company in which certain directors of the Company have direct interest and are also directors of the company	(3,036,589)	-	-	-
Sale of properties to close members of the family of certain directors of the Company	-	-	906,002	-
Rental income from a company in which a director of the Company has direct interest and is also a director of the company	270,000	397,500	163,500	163,500
Rental expenses paid or payable to companies in which certain directors of the Company have direct interest and are also directors of the companies	(258,000)	-	(258,000)	-
Marketing services rendered by a company in which certain director of the Company has direct interest and is also a director of the company	(88,075)	-	-	-

## Compensation of key management personnel

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
<b>Directors</b>				
Salaries and other emoluments	4,337,934	4,918,254	223,310	238,895
Directors' fees	180,000	180,000	180,000	180,000
Benefits-in-kind	96,600	96,600	96,600	96,600
Total short-term employment benefits	4,614,534	5,194,854	499,910	515,495
Post-employment benefits:				
Defined contribution plan	550,704	620,162	23,814	26,313
	5,165,238	5,815,016	523,724	541,808

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 37. RELATED PARTY TRANSACTIONS (Cont'd)

### Compensation of key management personnel (Cont'd)

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
<b>Other key management personnel</b>				
Salaries and other emoluments/Total short-term employment benefits	6,160,377	5,605,827	101,854	65,052
Post-employment benefits:				
Defined contribution plan	692,664	619,083	11,317	6,983
	6,853,041	6,224,910	113,171	72,035
<b>Total Compensation</b>	<b>12,018,279</b>	<b>12,039,926</b>	<b>636,895</b>	<b>613,843</b>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company, directly or indirectly.

## 38. SHARE-BASED PAYMENTS

The Employees' Share Scheme ("ESS") of the Company is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 24 October 2013. The ESS was implemented on 31 March 2014 and will be in force for a maximum period of 7 years from the effective date.

The maximum number of the Company's shares under the ESS should not exceed in aggregate 8% of the issued and paid-up share capital (excluding treasury shares) of the Company at any point of time during the duration of the scheme period. Other principal features of the ESS are as follows:

- (i) The employees eligible to participate in the ESS must be employed on a full time basis and on the payroll of any corporation in the Group and has not served a notice of resignation or received a notice of termination and is confirmed in service;
- (ii) The entitlement under the ESS for the Executive Directors, including any person connected to the Directors is subject to the approval of the shareholders of the Company in a general meeting;
- (iii) The ESS comprises 2 schemes, i.e. Employees' Share Option Scheme ("ESOS") and Restricted Share Grant ("RSG").

Key features of the ESOS award are as follows:

- (a) The maximum number of the Company's new shares pursuant to the ESOS should not exceed 4% of the issued and paid-up share capital (excluding treasury shares) of the Company.
- (b) Under the ESOS award, the Company may from time to time within the offer period, offer to eligible employees a certain number of options at the offer date, subject to the acceptance of the participants. The participants will be granted the ESOS options which can then be exercised within a period of up to 5 years to subscribe for fully paid-up ordinary shares in the Company, provided all the conditions are duly and fully satisfied.
- (c) The subscription price of the ESOS shall be at the Volume Weighted Average Market Price ("VWAMP") of the Company's shares for the 5 market days immediately preceding the offer date with a potential discount of not more than 10% or any other limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities as may be amended from time to time, or at the par value of the shares (or such other par value as may be permitted by the Companies Act), whichever is higher.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 38. SHARE-BASED PAYMENTS (Cont'd)

The maximum number of the Company's shares under the ESS should not exceed in aggregate 8% of the issued and paid-up share capital (excluding treasury shares) of the Company at any point of time during the duration of the scheme period. Other principal features of the ESS are as follows: (Cont'd)

- (iii) The ESS comprises 2 schemes, i.e. Employees' Share Option Scheme ("ESOS") and Restricted Share Grant ("RSG"). (Cont'd)

Key features of the RSG award are as follows:

- (a) The maximum number of the Company existing shares pursuant to RSG should not exceed 4% of the existing issued and paid-up share capital (excluding treasury shares) of the Company.
- (b) Under the RSG award, the Company may from time to time within the offer period, invite a selected senior management to enter into an agreement with the Company, whereupon the Company shall agree to award the scheme shares to the participants, subject to fulfilling the relevant service and performance objectives and provided all the performance-related conditions are duly and fully satisfied. The scheme shares as specified in the RSG award will only vest based on a 2 year cliff vesting schedule, provided all the RSG vesting conditions are duly and fully satisfied.
- (c) The RSG grant price for each underlying shares will be based on the fair value of the Company's shares with no entitlement to any discount, after taking into account among others, the VWAMP of the Company's shares for the 5 market days immediately preceding the RSG grant date.
- (iv) The Company may terminate the ESS at any time during the duration of the scheme subject to:
- (a) consent of the Company's shareholders at a general meeting, wherein at least a majority of the shareholders, present and voting, vote in favor of the termination; and
- (b) written consent of all scheme participants who have yet to exercise their ESOS options either in part or in whole, and all scheme participants whose RSG Agreements are still subsisting.

Upon termination of the ESS, all unexercised ESOS and/or unvested RSG shall be deemed to have been cancelled and be null and void.

During the financial year ended 30 April 2018, the Company has undertaken a bonus issue on the basis of one (1) bonus share for every ten (10) existing shares held. Following this, the Company revised upward the number of shares granted under its unexpired ESOS and RSG by 10% and revised downward the exercise price of its unexpired ESOS by 10%.

In accordance with the requirements of MFRS 2 *Share-based Payment*, fair valuation at modification date has been performed and the incremental fair value is included in the measurement of the amount recognised for services received over the period from the modification date until the date when the additional equity instruments vest, in addition to the amount based on the grant date fair value of the equity instruments originally granted, which is recognised over the remainder of the original vesting period.

The number of share options under ESOS outstanding as at 30 April 2020 are as follows:

Option Series	Balance at 1.5.2019	Cancelled	Balance at 30.4.2020	Grant date	Expiry date	Exercise price <sup>(i)</sup> RM	Fair value at modification date RM
Grant 3	6,743,000	(554,400)	6,188,600	4.1.2016	2.1.2021	0.72	0.21

<sup>(i)</sup> ESOS exercise price per share after modification

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 38. SHARE-BASED PAYMENTS (Cont'd)

The number of shares under RSG outstanding as at 30 April 2020 are as follows:

Series	Balance at 1.5.2019	Cancelled	Balance at 30.4.2020	Grant date	Expiry date	Exercise price RM	Fair value at modification date RM
Grant 4	3,568,400	-	3,568,400	3.1.2017	2.1.2019 <sup>(ii)</sup>	-	0.61

<sup>(ii)</sup> The Remuneration and Employees' Share Scheme ("ESS") Committee has decided to defer vesting of the Fourth Tranche of the RSG until further notice.

### Fair value of ESOS and RSG

Fair value of ESOS and RSG are computed using the Monte Carlo Fair Valuation model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the option), and behavioural considerations. Expected volatility for ESOS and RSG is based on the historical annualised 5 years and 2 years volatility measured monthly, respectively.

### Summarised information of unexpired share grants as at 30 April 2020:

Inputs into the model	ESOS Grant 3	RSG Grant 4
Modification date share price (RM)	0.53	0.53
Exercise price (RM)	0.72	-
Expected volatility (%)	18.84	9.88
Option life (years)	2.92	1.92
Dividend yield (%)	5.15	5.15
Risk-free interest rate (%)	3.74	3.68

## 39. SEGMENTAL INFORMATION

### (a) Business Segments

The Group is organised into three areas of businesses:

- (i) Property development - the development of land into residential and commercial properties for sale and sale of vacant land
- (ii) Construction - the construction of buildings
- (iii) Property investment - the investment of land and buildings held for investment potential and rental income in future

Other business segments include investment holding which are not separately reported as the segment's operations are not material to the Group.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Management has determined the operating segments based on the reports viewed by the Chief Executive Officer (the chief operating decision-maker) for the purpose of resources allocation and assessment of segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 39. SEGMENTAL INFORMATION (Cont'd)

### (b) Geographical Segments

The Group operates and derives its income in Malaysia. Accordingly, the financial information by geographical segment has not been presented.

2020	Property Development RM	Construction RM	Property Investment RM	Other Operations RM	Eliminations RM	Consolidated RM
<b>REVENUE</b>						
External revenue	217,316,343	-	25,740,992	2,757,164	-	245,814,499
Inter-segment revenue	-	37,153,372	3,222,764	11,473,565	(51,849,701)	-
Total revenue	217,316,343	37,153,372	28,963,756	14,230,729	(51,849,701)	245,814,499
<b>RESULTS</b>						
Operating profit/(loss)	52,309,000	5,604,941	(13,068,915)	(2,637,449)	(5,604,941)	36,602,636
Share of losses of associated companies	(531,467)	-	-	-	-	(531,467)
Interest income	10,773,094	2,086,881	22,804,939	36,125,345	(67,056,476)	4,733,783
Finance costs	(14,934,723)	(157,944)	(31,937,343)	(19,403,883)	45,805,247	(20,628,646)
Income tax expense	(2,692,572)	(718,820)	(1,000,497)	(3,525,764)	5,158,727	(2,778,926)
Profit for the financial year						17,397,380
<b>ASSETS</b>						
Segment assets	1,419,664,891	44,512,413	342,213,616	61,261,727	-	1,867,652,647
Investment in associated companies	28,095,114	-	-	-	-	28,095,114
Consolidated total assets						1,895,747,761
<b>LIABILITIES</b>						
Segment liabilities/ Consolidated total liabilities	378,793,994	6,056,467	74,334,398	302,882,787	-	762,067,646
<b>OTHER INFORMATION</b>						
Capital expenditure	22,463	-	41,030	256,161	-	319,654
<b>Non-cash expenses</b>						
Depreciation and amortisation	2,867,783	72,906	4,277,666	87,709	-	7,306,064
Fair value loss on investment properties	909,360	1,424,000	28,286,260	-	(6,000,000)	24,619,620
Impairment losses on other receivables	100,000	-	-	-	-	100,000
Bad debts written off	-	-	120,594	-	-	120,594
<b>Non-cash income</b>						
Reversal of impairment losses on receivables no longer required	-	-	(151,091)	-	-	(151,091)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 39. SEGMENTAL INFORMATION (Cont'd)

2019	Property Development RM	Construction RM	Property Investment RM	Other Operations RM	Eliminations RM	Consolidated RM
<b>REVENUE</b>						
External revenue	247,558,005	-	23,821,709	1,973,324	-	273,353,038
Inter-segment revenue	-	38,302,350	3,467,541	10,623,385	(52,393,276)	-
Total revenue	247,558,005	38,302,350	27,289,250	12,596,709	(52,393,276)	273,353,038
<b>RESULTS</b>						
Operating profit/(loss)	64,653,413	2,325,622	(2,794,244)	(7,016,544)	(2,325,622)	54,842,625
Share of losses of associated companies	(341,073)	-	-	-	-	(341,073)
Interest income	10,656,666	2,630,716	27,308,384	34,726,499	(69,970,742)	5,351,523
Finance costs	(16,140,038)	(302,839)	(35,618,957)	(20,777,862)	50,789,160	(22,050,536)
Income tax expense	(18,610,161)	(2,792,288)	(725,159)	(5,448,110)	4,492,540	(23,083,178)
Profit for the financial year						14,719,361
<b>ASSETS</b>						
Segment assets	1,416,357,187	34,772,847	368,886,079	50,471,636	-	1,870,487,749
Investment in associated companies	29,204,081	-	140	-	-	29,204,221
Consolidated total assets						1,899,691,970
<b>LIABILITIES</b>						
Segment liabilities/ Consolidated total liabilities	398,531,594	8,236,786	66,454,028	301,609,595	-	774,832,003
<b>OTHER INFORMATION</b>						
Capital expenditure	191,908	-	35,968	61,600	-	289,476
<b>Non-cash expenses</b>						
Depreciation and amortisation	848,305	76,753	504,090	2,261,320	-	3,690,468
Impairment losses on receivables	-	-	1,657,987	-	-	1,657,987
Bad debts written off	-	-	651,106	-	-	651,106
Property, plant and equipment written off	-	-	-	20	-	20
Loss on disposal of plant and equipment	-	-	1,879	-	-	1,879
<b>Non-cash income</b>						
Fair value gain on investment properties	(8,805,044)	449,000	(294,100)	-	-	(8,650,144)
Reversal of impairment losses on receivables no longer required	-	-	(332,323)	-	-	(332,323)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 40. FINANCIAL INSTRUMENTS

### Categories of Financial Instruments

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
<b>Financial assets</b>				
<b>Amortised cost</b>				
Trade receivables	90,140,416	124,969,798	-	-
Other receivables	22,081,376	23,460,384	5,923,045	3,833,442
Deposit, cash and bank balances	176,450,722	154,615,973	18,617,957	3,475,102
Amount due from subsidiary companies	-	-	646,902,931	642,404,419
<b>Fair value through other comprehensive income</b>				
Other investments	4,000,000	4,000,000	-	-
<b>Financial liabilities</b>				
<b>Amortised cost</b>				
Debts:				
Revolving credits	285,129,159	290,728,572	271,350,000	259,850,000
Term loans	190,968,443	207,082,230	29,892,394	39,050,000
Lease liabilities	9,040,745	-	3,135,765	-
Bridging loans	8,034,419	9,894,021	-	-
Hire-purchase and finance lease liabilities	402,158	827,027	-	-
	493,574,924	508,531,850	304,378,159	298,900,000
Trade payables	94,918,769	118,809,295	-	-
Accrued expenses	22,171,034	18,076,476	1,205,464	2,018,940
Other payables	11,373,837	6,036,098	851,551	989,368
Refundable deposits received	10,629,976	12,317,051	101,350	36,250
Advances from non-controlling shareholder of a subsidiary company	4,430,983	-	-	-
Land cost payable	2,454,736	2,454,736	-	-
Amount due to subsidiary companies	-	-	114,484,855	112,616,118

### Fair Value of Financial Instruments

The Directors consider the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values due to the relatively short-term maturity period of the financial instruments or exposure to floating interest rates, except as follows:

	The Group	
	2020 RM	2019 RM
<b>Financial assets</b>		
<b>Fair value through other comprehensive income</b>		
Other investments	4,000,000	4,000,000

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 40. FINANCIAL INSTRUMENTS (Cont'd)

Fair values of other investments have been arrived at based on estimation using certain valuation techniques such as discounted future cash flows using a rate based on the current market rate of borrowing. These techniques involve uncertainties and are affected by the assumptions used and judgements made regarding the discount rates and estimates of the timing of the future cash flows. Changes in assumptions could affect these estimates and the resulting fair values.

The other investments are classified as Level 3 under fair value hierarchy.

There is no material difference between the fair values and carrying values of these investments at the end of reporting period.

## 41. FINANCIAL RISK MANAGEMENT

The operations of the Group are subject to a variety of financial risks, including credit risk, interest rate risk, foreign currency risk and liquidity risk.

The Group has formulated a financial risk management framework whose principal objective is to minimise the Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

Financial risk management is carried out through risk reviews, internal control systems and adherence to Group financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which cover the management of these risks.

### (i) Capital risk management

The Group and the Company manage its capital to ensure that it will be able to continue as a going concern while maximising returns to the shareholders through the optimisation of debt and equity balance. The Group's and the Company's overall strategy remain unchanged from 2019.

The Group and the Company did not engage in any transaction involving financial derivative instruments during the financial year.

The Group's and the Company's risk management committee reviews the capital structure of the Group and the Company on a regular basis. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristic of the underlying assets. No changes were made in the objectives, policies or processes during the financial year ended 30 April 2020.

### Gearing ratio

The gearing ratio at end of the reporting period is as follows:

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Debts	493,574,924	508,531,850	304,378,159	298,900,000
Deposits, cash and bank balances	(176,450,722)	(154,615,973)	(18,617,957)	(3,475,102)
Net debt	317,124,202	353,915,877	285,760,202	295,424,898
Equity	1,133,680,115	1,124,859,967	787,421,211	779,645,304
Net gearing ratio	28%	31%	36%	38%

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 41. FINANCIAL RISK MANAGEMENT (Cont'd)

### (i) Capital risk management (Cont'd)

#### Gearing ratio (Cont'd)

Debt is defined as lease liabilities and borrowings, as described in Note 14 and Note 31.

Equity includes all capital and reserves of the Group and the Company that are managed as capital.

#### Significant Accounting Policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition and the bases of measurement) for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

### (ii) Credit Risk Management

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group.

The Group is exposed to credit risk mainly from its customer base, including trade receivables. The Group extends credit to its customers based upon careful evaluation of the customer's financial condition and credit history. Trade receivables are monitored on an ongoing basis by the Group's credit control department.

#### Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is the carrying amount of trade and other receivables, deposits with licensed bank and cash and bank balances.

The Company's maximum exposure to credit risk also includes amount due from subsidiary companies.

The carrying amount of financial assets recognised in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk, without taking into account collateral or other credit enhancements held.

### (iii) Interest Rate Risk Management

The Group and the Company are exposed to interest rate risk through the impact of rate changes on interest-bearing deposits and borrowings.

The Group's interest bearing assets are primarily bank deposits with licensed banks. The interest rates on these deposits are monitored closely to ensure that they are maintained at favourable rates. The Group considers the risk of significant changes to interest rates on deposits to be unlikely.

The Group's interest rate exposure arises mainly from borrowings. The Group's and the Company's exposure to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 41. FINANCIAL RISK MANAGEMENT (Cont'd)

### (iii) Interest Rate Risk Management (Cont'd)

Interest rate exposure is measured using sensitivity analysis as disclosed below:

#### *Interest rate sensitivity analysis*

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating-rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the financial year ended 30 April 2020 would decrease/increase by RM2,442,815 (2019: RM2,538,524). This is mainly attributable to the Group's exposure to interest rates on its variable-rate borrowings. The Group's sensitivity to interest rates has decreased during the current period mainly due to the decreased in variable rate debt instruments.

### (iv) Foreign Currency Risk Management

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

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

	The Group		The Company	
	2020 RM	2019 RM	2020 RM	2019 RM
<b>Assets</b>				
Australian Dollar (AUD)	1,169,551	1,374,278	-	-
<b>Liabilities</b>				
Australian Dollar (AUD)	41,149	42,421	-	774,558

#### *Foreign currency sensitivity analysis*

The Group and the Company are mainly exposed to the Australian Dollar.

The following table details the Group's and the Company's sensitivity to a 10% increase and decrease in the RM against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans from/to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 41. FINANCIAL RISK MANAGEMENT (Cont'd)

### (iv) Foreign Currency Risk Management (Cont'd)

	The Group Profit or (loss)		The Company Profit or (loss)	
	2020 RM	2019 RM	2020 RM	2019 RM
Impact of AUD	112,840	133,186	-	(77,456)

The above is attributable to the exposure outstanding on AUD denominated bank balances and payables in the Group and the Company at the end of the reporting period.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the year-end exposure does not reflect the exposure during the financial year. During the financial year, no other transaction denominated in foreign currency was undertaken by the Group and the Company.

### (v) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group and the Company may be required to pay.

#### Liquidity and interest risk table

Note	Weighted average effective interest rate per annum %	Less than 1 year RM	1 - 2 years RM	2 - 5 years RM	5+ years RM	Total RM
<b>The Group</b>						
<b>30 April 2020</b>						
Non-interest bearing instruments (a)	-	139,884,502	841,128	822,722	-	141,548,352
Hire-purchase and finance lease liability	7.51%	204,872	148,000	86,814	-	439,686
Lease liabilities	4.49%	4,199,745	3,416,149	1,910,491	-	9,526,385
Variable-interest rate instruments	4.83%	260,823,393	79,123,347	183,938,292	18,383,642	542,268,674
Financial guarantee (c)	-	-	-	-	-	-



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 41. FINANCIAL RISK MANAGEMENT (Cont'd)

### (v) Liquidity Risk Management (Cont'd)

#### Liquidity and interest risk table (Cont'd)

Note	Weighted average effective interest rate per annum %	Less than 1 year RM	1 - 2 years RM	2 - 5 years RM	5+ years RM	Total RM
<b>The Company</b>						
<b>30 April 2020</b>						
Non-interest bearing instruments (b)	-	2,158,365	-	-	-	2,158,365
Lease liabilities	5.35%	843,366	838,866	1,805,212	-	3,487,444
Variable-interest rate instruments	4.88%	319,279,833	24,131,096	108,140,157	-	451,551,086
Financial guarantee (c)	-	-	-	-	-	-

#### **The Group** **30 April 2019**

Non-interest bearing instruments (a)	-	157,034,269	659,387	-	-	157,693,656
Hire-purchase and finance lease liability	6.04%	481,001	201,726	221,832	-	904,559
Variable-interest rate instruments	5.31%	277,761,047	110,408,642	162,011,181	15,551,240	565,732,110
Financial guarantee (c)	-	-	-	-	-	-

#### **The Company** **30 April 2019**

Non-interest bearing instruments (b)	-	3,044,558	-	-	-	3,044,558
Variable-interest rate instruments	5.39%	326,835,054	23,936,236	98,512,668	-	449,283,958
Financial guarantee (c)	-	-	-	-	-	-

(a) Non-interest bearing instruments of the Group consist of trade payables, other payables and accrued expenses.

(b) Non-interest bearing instruments of the Company consist of other payables and accrued expenses.

(c) Based on management's assessment, it is not probable that the counterparties to financial guarantee contracts will claim under the contracts. Consequently, the amount included above is nil.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 42. SUBSIDIARY AND ASSOCIATED COMPANIES

Name of company	Proportion of ownership interest and voting power held by the Group		Principal Activities
	2020 %	2019 %	
<b><u>Subsidiary companies</u></b>			
<b>Incorporated in Malaysia</b>			
Anugerah Armada Sdn. Bhd.#	100	100	Property development and investment <sup>^</sup>
Bangi Integrated Corporation Sdn. Bhd.	100	100	Property investment
Berapit Development Sdn. Bhd.#	100	100	Property development and investment holding <sup>^</sup>
BH Interiors Sdn. Bhd. #	100	100	Provision of renovation works <sup>^</sup>
Dunia Heights Sdn. Bhd. #	100	100	Property development and investment
Elmina Equestrian Centre (Malaysia) Sdn. Bhd. #	100	100	Property development and investment
Glomac Alliance Sdn. Bhd.	100	100	Property development and investment
Glomac Consolidated Sdn. Bhd. #	100	100	Property development and investment
Glomac City Sdn. Bhd. #	100	100	Property development and investment
Glomac Damansara Sdn. Bhd.	100	100	Property development and investment
Glomac Enterprise Sdn. Bhd.	100	100	Property development and investment holding
Glomac Group Management Services Sdn. Bhd. #	100	100	Property development, investment holding and project management
Glomac Jaya Sdn. Bhd.	100	100	Property development and investment
Glomac Land Sdn. Bhd. #	100	100	Property development and investment <sup>^</sup>
Glomac Leisure Sdn. Bhd. #	100	100	Property development and investment <sup>^</sup>
Glomac Maju Sdn. Bhd.	100	100	Property development and investment
Glomac Nusantara Sdn. Bhd. #	100	100	Property development and investment
Glomac Property Services Sdn. Bhd. #	100	100	Property management services
Glomac Rawang Sdn. Bhd.	100	100	Property development and investment
Glomac Real Estate Sdn. Bhd. #	100	100	Property development and investment holding <sup>^</sup>
Glomac Realty Sdn. Bhd. #	100	100	Property development and investment holding
Glomac Regal Sdn. Bhd. #	100	100	Property development and investment
Glomac Resources Sdn. Bhd.	100	100	Property development and investment
Glomac Restaurants Sdn. Bhd.* #	100	100	Investment holding
Glomac Segar Sdn. Bhd.	100	100	Property development and investment holding
Glomac Sutera Sdn. Bhd. #	100	100	Property development and investment
Glomac Vantage Sdn. Bhd. #	100	100	Property development and investment
Kelana Centre Point Sdn. Bhd.* #	100	100	Property development and investment holding
Kelana Seafood Centre Sdn. Bhd.* #	100	100	Management and operation of restaurant <sup>^^</sup>
Magic Season Sdn. Bhd. #	100	100	Property development and investment <sup>^</sup>
Magnitud Teknologi Sdn. Bhd. #	100	100	Property development and investment <sup>^</sup>
OUG Square Sdn. Bhd. #	100	100	Property development and investment holding <sup>^</sup>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 42. SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd)

Name of company	Proportion of ownership interest and voting power held by the Group		Principal Activities
	2020 %	2019 %	
<b>Subsidiary companies (cont'd)</b>			
<b>Incorporated in Malaysia (cont'd)</b>			
Precious Quest Sdn. Bhd.	100	100	Property development and investment
Prisma Legacy Sdn. Bhd. *#	100	100	Building contractor^
Prima Sixteen Sdn. Bhd.*#	100	100	Property development and investment holding^
Regency Land Sdn. Bhd.	100	100	Property development and investment
Sungai Buloh Country Resort Sdn. Bhd. #	100	100	Management and operation of clubhouse^
Glomac Thailand Sdn. Bhd. #	100	100	Investment holding^
Glomac Power Sdn. Bhd. #	85.7	85.7	Investment holding
FDA Sdn. Bhd. #	70	70	Property development and investment holding^
Glomac Excel Sdn. Bhd. #	60	60	Car park operators^
Glomac Utama Sdn. Bhd. #	60	60	Property investment
Prominent Excel Sdn. Bhd. #	60	60	Car park operators and managers
Glomac Al Batha Sdn. Bhd.	51	51	Property development and investment holding
Glomac Al Batha Mutiara Sdn. Bhd. *	51	51	Property development and investment
Glomac Bina Sdn. Bhd.	51	51	Building contractor
Glomac Kristal Sdn. Bhd. #	100	100	Property development and investment
FDM Development Sdn. Bhd.	100	100	Property development and investment
Berapit Properties Sdn. Bhd. #	100	100	Property development and investment
Kelana Property Services Sdn. Bhd. #	100	100	Property management services
Berapit Pertiwi Sdn. Bhd. #	100	100	Property investment
Kelana Kualiti Sdn. Bhd.	100	100	Property development and investment
Glomac Cekap Sdn. Bhd. #	100	100	Property development and investment^
Magical Sterling Sdn. Bhd.	100	100	Property development and investment
Glo Damansara Sdn. Bhd.	100	100	Property investment
<b>Incorporated in Australia</b>			
Glomac Australia Pty Ltd #	100	100	Investment holding
<b>Associated companies</b>			
<b>Incorporated in Malaysia</b>			
PPC Glomac Sdn. Bhd. (held through Glomac Power Sdn. Bhd.) #	30	30	Turnkey contractor and property developer
Irama Teguh Sdn. Bhd. (held through PPC Glomac Sdn. Bhd.) #	30	30	Investment holding

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 42. SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd)

Name of company	Proportion of ownership interest and voting power held by the Group		Principal Activities
	2020 %	2019 %	
<b>Associated companies (cont'd)</b>			
<b>Incorporated in Australia</b>			
VIP Glomac Pty Ltd (held through Glomac Australia Pty Ltd) #	-	45.45	Dissolved

\* Interest held through subsidiary companies.

# The financial statements of these companies are examined by auditors other than the auditors of the Company.

^ Dormant/inactive as at 30 April 2020 and 30 April 2019.

^^ Commenced operation during the current financial year ended 30 April 2020, dormant/inactive as at 30 April 2019.

## 43. MATERIAL LITIGATION

### (a) Score Option Sdn. Bhd. v Glomac Alliance Sdn. Bhd. ("GASB")

On 16 August 2017, a subsidiary company, Glomac Alliance Sdn. Bhd. ("GASB"), received an Amended Writ and Amended Statement of Claim dated 10 August 2017 from Score Option Sdn. Bhd., a former joint venture ("JV") partner of a property development project ("the Project"). The suit was inter alia based on the JV Agreement dated 17 January 2003, which was subsequently terminated and the underlying Project Land was acquired by GASB from the receiver of the said former JV partner. In the suit dated 10 August 2017, the said former JV partner is claiming for:

- (i) A compensation sum of RM107,800,000 for the loss of the Project Land;
- (ii) An unspecified amount of loss of expenses of the Project; and
- (iii) 22% of gross development value of the Project or a minimum of RM47,000,000, whichever the higher (collectively referred to as "Claim").

In 2011, similar claims were brought up by the said former JV partner in a civil suit whereby it has been struck off by the High Court and the Court of Appeal.

On 19 September 2017, GASB filed an application to strike out the Claim, but on 17 April 2018 the High Court dismissed GASB's striking out application. Thereafter, on 3 May 2018, GASB appealed to the Court of Appeal against the dismissal of GASB's striking out application ("Striking Out Appeal").

On 17 July 2019, the Court of Appeal unanimously allowed GASB's Striking Out Appeal with no order as to costs, thereby resulting in the Claim against GASB being struck out. Accordingly, on 31 July 2019, GASB filed a Notice of Withdrawal of Appeal in respect of the Security for Costs Appeal.

At the hearing in the Federal Court on 27 July 2020, the Federal Court panels dismissed the Leave Application filed by Score Option Sdn. Bhd. against GASB with costs of RM10,000 (subject to allocator fees) to be paid out of the deposit held by the Liquidator.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 43. MATERIAL LITIGATION (Cont'd)

### (b) Soon Hoe Chuan v Glomac Berhad

On 22 May 2020, Glomac Berhad ("the Defendant") has been served with a Writ of Summons and Statement of Claim dated 14 May 2020 from Soon Hoe Chuan ("the Plaintiff") ("the Suit").

The Plaintiff claimed to have been engaged by the Defendant on 19 October 2004 as the Chief Executive Officer ("CEO") for Glomac Alliance Sdn. Bhd. ("GASB"), a wholly-owned subsidiary of Glomac Berhad. It was further alleged by the Plaintiff that he had undertaken the role of Project Manager for a particular development project ("the Project").

Through the Suit, the Plaintiff seeks to recover, amongst others, the following relief from the Defendant:

- i. Management fees amounting to RM5,301,910.90;
- ii. RM11,470,070, being 70% of the profit share due and payable at the present time;
- iii. Professional fees at 1.5% of gross development value ("GDV") received by the Defendant and/or GASB from 14 June 2019 to the date of filing of the Suit;
- iv. An order that 30% of the 20% profit sharing on the profits in excess on Phase 1-7 of RM43,000,000 (alternatively RM56,700,000) made by GASB (alternatively the Plaintiff and GASB) in respect of the Project be held on trust in favour of the Plaintiff pending withdrawal of profit from the Housing Development Account;
- v. A declaration that the Plaintiff is entitled to professional fees at 1.5% of GDV and profit share at 20% for all profits in excess of RM43,000,000 (alternatively RM56,700,000) made by GASB (alternatively the Plaintiff and GASB) in respect of the Project;
- vi. An account of sales values and profits in respect of the entire Project;
- vii. An order for payment of the profit share and professional fees pursuant to the said account; and
- viii. Interest and costs.

The Defendant has filed its Statement of Defence on 15 June 2020. Further, the Plaintiff has filed an application for summary judgment (which is being resisted by the Defendant), and the Defendant has filed an application to strike out the Suit. Both applications as well as the Suit are fixed for further case management on 7 September 2020.

No provision has been made in the financial statements of the Group and the Company in respect of this claim at this juncture, as the outcome of the Suit is not presently determinable.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

## 44. COMPARATIVE FIGURES

Certain comparative figures in relation to the provision of LAD to purchasers have been reclassified to conform with current year presentation:

The Group	As previously stated RM	Reclassification RM	As reclassified as at 30 April 2019 RM
<b>Statement of financial position</b>			
<b>Current Liabilities</b>			
Provisions (Note 33)	97,181,251	(1,905,967)	95,275,284
Contract liabilities (Note 23)	4,310,692	1,905,967	6,216,659

## 45. SIGNIFICANT EVENT DURING THE YEAR AND SUBSEQUENT EVENT

On 11 March 2020, the World Health Organisation declared the Coronavirus (“COVID-19”) outbreak as a pandemic in recognition of its rapid spread across the globe. The COVID-19 outbreak has resulted in travel restrictions, quarantines, lockdowns and other precautionary measures imposed by various countries. The emergence of the COVID-19 outbreak since early 2020 has brought significant economic uncertainties in Malaysia and markets in which the Group and the Company operates.

On 16 March 2020, the Malaysian Government imposed the Movement Control Order (“MCO”) from 18 March 2020 and subsequently implemented the Conditional Movement Control Order (“CMCO”) from 4 May 2020, and the Recovery Movement Control Order (“RMCO”) from 10 June 2020 to 31 August 2020 to curb the spread of the COVID-19 outbreak in Malaysia.

As a result of the MCO, the Group and the Company have temporary shut down its premises from 18 March 2020 till 3 May 2020 in alignment with the MCO policy. Subsequently, on 4 May 2020, the Group and the Company reopened by phases and stages to resume its operations with proper Standard Operating Procedures (“SOP”) put in place. The disruption of its operations during the financial year due to MCO and the relevant financial impact has been taken into account in the financial results of the Group and the Company.

The continuous spread of the COVID-19 may continue to affect the Group’s and the Company’s operation and those of third parties of which they rely. The ultimate impact of the COVID-19 is highly uncertain and subject to change. The Group and the Company will continuously monitor the impact of COVID-19 on their operations and their financial performances. The Group and the Company will also be taking appropriate and timely measures to minimise the potential impact of the outbreak on the Group and the Company’s operation.

## STATEMENT BY DIRECTORS

The Directors of **GLOMAC BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2020 and of the financial performance and the cash flows of the Group and of the Company for the financial year ended on that date.

Signed in accordance with  
a resolution of the Directors,

**SIGNED**

\_\_\_\_\_  
**TAN SRI DATO' MOHAMED MANSOR BIN  
FATEH DIN**

Kuala Lumpur  
19 August 2020

**SIGNED**

\_\_\_\_\_  
**DATUK SERI FATEH ISKANDAR BIN  
TAN SRI DATO' MOHAMED MANSOR**

## DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **ONG SHAW CHING**, the Officer primarily responsible for the financial management of **GLOMAC BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

**SIGNED**

\_\_\_\_\_  
**ONG SHAW CHING**  
(MIA membership no. 7819)

Subscribed and solemnly declared by the abovenamed  
**ONG SHAW CHING** at **KUALA LUMPUR** this 19<sup>th</sup> day of  
August, 2020.

Before me,

**SIGNED**

\_\_\_\_\_  
**KAPT (B) JASNI BIN YUSOFF**  
No. W465  
**COMMISSIONER FOR OATHS**



# ADDITIONAL COMPLIANCE STATEMENT

## 1. Utilisation of proceeds

The Company did not raise funds through any corporate proposal during the financial year ended 30 April 2020 (“**FYE 2020**”).

## 2. Audit fees and non-audit fees

The audit and non-audit fees incurred for services rendered by the External Auditors of the Group for the FYE 2020 were as follows:-

	Group (RM)	Company (RM)
Audit fees	535,000	100,000
Non-audit fees	39,000	6,000

## 3. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors’, chief executive’s and/ or major shareholders’ interests either subsisting at the end of the FYE 2020 or entered into since the end of the previous financial year.

## 4. Employees’ Share Scheme (“ESS”)

The Company’s ESS comprises two (2) schemes i.e. Employees’ Share Option Scheme (“**ESOS**”) and Performance-based Restricted Share Grant (“**RSG**”). The ESS was implemented on 31 March 2014 and will be in force for a maximum period of seven (7) years from the effective date. The percentage of maximum allocation of RSG and ESOS to the eligible employees including Directors and Senior Management are 4.00% and 4.00%, respectively.

During the FYE 2020, the Company did not grant any RSG shares to its eligible employees nor were any ESOS options granted to the employees of the Group. As at 30 April 2020, the total RSG and ESOS outstanding are 3,568,400 and 6,188,600, respectively.

During the FYE 2020, the actual percentage granted to the Directors and Senior Management in terms of RSG and ESOS are as follows:-

i) <u>ESOS</u>		
Directors		Nil
Senior Management		Nil
ii) <u>RSG</u>		
Directors		Nil
Senior Management		Nil

Since the commencement of the ESS, the actual percentage granted to the Directors and Senior Management in terms of RSG and ESOS are as follows:

i) <u>ESOS</u>		
Directors		0.15%
Senior Management		0.48%
ii) <u>RSG</u>		
Directors		1.12%
Senior Management		0.92%

The Company did not offer the schemes to its Non-Executive Directors.

Further details on the options granted to the Directors pursuant to the ESS are set out on page 94 of this Annual Report.

## ADDITIONAL COMPLIANCE STATEMENT

### 5. Recurrent Related Party Transactions of a Revenue or Trading Nature (“RRPTs”)

At the Thirty-Fifth Annual General Meeting held on 23 October 2019, the Company had obtained a general mandate from the shareholders to renew the Group’s authority to enter into RRPTs.

In accordance with Section 3.1.5 of Practice Note No. 12 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the details of RRPTs conducted during the FYE 2020 pursuant to the shareholders’ mandate are disclosed as follows:-

Company	Nature of transaction	Transacting party	Related parties	Amount transacted during the FYE2020 (RM)
Glomac Berhad (“Glomac”)	Award of contracts and/or projects for construction works	Glomac Bina Sdn. Bhd. <sup>(A)</sup>	<ul style="list-style-type: none"> <li>• Tan Sri Dato’ Mohamed Mansor bin Fateh Din</li> <li>• Interested Directors and interested major shareholders <sup>(B)</sup></li> </ul>	36,818,106.25
Glomac Group	Sale of properties by Glomac Group in the ordinary course of business	Directors and major shareholders of Glomac and its subsidiaries and persons connected to them	Directors and major shareholders of Glomac and its subsidiaries and persons connected to them	2,385,566 (3,036,589)*

<sup>(A)</sup> *Glomac Bina Sdn. Bhd. is a 51% subsidiary company of Glomac wherein Tan Sri Dato’ Mohamed Mansor bin Fateh Din has a direct interest of 1,092,000 shares.*

<sup>(B)</sup> *Interested Directors and/or interested major shareholders are Tan Sri Dato’ Mohamed Mansor bin Fateh Din, Datuk Richard Fong Loong Tuck and Datuk Seri Fateh Iskandar bin Tan Sri Dato’ Mohamed Mansor, collectively. They are interested via 1,428,000 and 175,000 shares in Glomac Bina Sdn. Bhd. and FDA Sdn. Bhd., respectively.*

\* *Cancellation of sale of properties during financial year ended 30 April 2019 by Glomac Group to the transacting party.*

# LIST OF TOP 10 PROPERTIES AND DEVELOPMENT PROPERTIES

AS AT 30 APRIL 2020

No.	Location	Description of Asset / Existing Use	Tenure	Age of Buildings (Years)	Size	Net Book Value as at 30 April 2020 (RM'000)	Date of Acquisition / Date of Valuation*
1.	Glo Damansara No. 699 Jalan Damansara 60000 Kuala Lumpur	Retail Mall / Tenanted	Freehold	5	380,000 sq. ft.	295,000	30 April 2020*
2.	HS(D) 112510, PT2063 Mukim Petaling (Puchong)	Land approved for mixed development / Development in progress	99 years leasehold, expiring 15.06.2088	N/A	63.98 acres	277,290	21 January 2011
3.	HS(D) 4766 & 4767 Lot 6983 & 6984 Mukim Dengkil Daerah Sepang (Saujana KLIA)	Land held for mixed residential and commercial development / Vacant	99 years leasehold, expiring 30.12.2113/ 30.12.2058	N/A	123.1 acres	144,203	5 November 2012 / 1 June 2012
4.	HS(D) 5472 & 5473 Lot P.T. 9147 & 9148 Mukim of Ijok, District of Kuala Selangor (Saujana Perdana)	Land held for mixed residential and commercial development / Development in progress	99 years leasehold, expiring 01.12.2115	N/A	107.7 acres	137,882	17 February 2012
5.	Lot 28044, Batu 27, Kelapa Sawit 81030 Kulaijaya, Johor (Saujana Jaya)	Land held for mixed residential and commercial development / Development in progress	99 years leasehold, expiring 25.06.2115	N/A	167.2 acres	80,311	8 August 2017
6.	Suria Stonor - Glomac Regal Sdn. Bhd. - Berapit Pertiwi Sdn. Bhd. Geran 40006 Lot 58 & Geran 33299 Lot 122, Section 63, in the Town and District of Kuala Lumpur	Luxurious Condominium / Completed units	Freehold	12 12	30,466 49,587 sq. ft.	23,946 32,089	30 April 2020* 22 October 2010
7.	HS(D) 2628 - 2632 and HS(D) 3189 Lot P.T. 2143 -2147 and P.T 2708 Mukim of Ijok, District of Kuala Selangor (Saujana Utama V)	Land held for mixed residential and commercial development / Vacant	99 years leasehold, expiring 07.12.2114	N/A	62.5 acres	44,460	14 March 2014

# LIST OF TOP 10 PROPERTIES AND DEVELOPMENT PROPERTIES

AS AT 30 APRIL 2020

No.	Location	Description of Asset / Existing Use	Tenure	Age of Buildings (Years)	Size	Net Book Value as at 30 April 2020 (RM'000)	Date of Acquisition / Date of Valuation*
8.	Menara Glomac Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur	Office Building / Tenanted	Freehold	8	97,166 sq. ft.	42,028	1 January 2012
9.	Geran 332977 Lot 72710 Seksyen 40 Bandar Petaling Jaya, Daerah Petaling Negeri Selangor (Plaza@Kelana Jaya)	Land approved for mixed development / Development in progress	Freehold	N/A	1.2 acres	31,783	1 April 2008
10.	Lot 2265 & 888, Geran No. 18689 & 20146, Mukim of Kota Tinggi, District of Kota Tinggi (Sri Saujana)	Land approved for mixed development / Development in progress	Freehold	N/A	76.7 acres	25,817	25 September 1995

# ANALYSIS OF SHAREHOLDINGS

AS AT 30 JULY 2020

Issued Share Capital : 800,089,370 ordinary shares (including 27,455,000 treasury shares)  
 Class of Shares : Ordinary shares  
 Voting Rights : One vote per ordinary share on poll

## A. Distribution of Shareholdings (less treasury shares)

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Less than 100	218	3.58	6,131	0
100 – 1,000 shares	381	6.25	157,477	0.02
1,001 – 10,000 shares	3,520	57.77	14,246,522	1.84
10,001 – 100,000 shares	1,713	28.11	47,130,972	6.10
100,001 to less than 5% of issued shares	257	4.22	281,624,484	36.45
5% and above of issued shares	4	0.07	429,468,784	55.59
<b>Total</b>	<b>6,093</b>	<b>100.00</b>	<b>772,634,370</b>	<b>100.00</b>

## B. List of Thirty (30) Largest Shareholders

No	Name	No. of Shares	*% of Shareholdings
1	Tan Sri Dato' Mohamed Mansor bin Fateh Din	161,283,317	20.87
2	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB For Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor (PB)	146,930,800	19.02
3	Citigroup Nominees (Tempatan) Sdn. Bhd. - Urusharta Jamaah Sdn. Bhd. (1)	80,060,310	10.36
4	Datuk Richard Fong Loong Tuck	41,194,357	5.33
5	Citigroup Nominees (Tempatan) Sdn. Bhd. - Employees Provident Fund Board	27,410,350	3.55
6	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Datuk Richard Fong Loong Tuck (MM0886)	26,772,088	3.47
7	RHB Capital Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Datuk Richard Fong Loong Tuck (CEB)	22,000,000	2.85
8	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB Bank for Datuk Richard Fong Loong Tuck (PBCL-0G0588)	20,000,000	2.59
9	Alliancegroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Datuk Richard Fong Loong Tuck (8037502)	19,580,000	2.53
10	Amanahraya Trustees Berhad - Public Smallcap Fund	18,059,910	2.34
11	DB (Malaysia) Nominee (Asing) Sdn. Bhd. - Deutsche Bank AG Singapore for Yeoman 3-Rights Value Asia Fund (PTSL)	11,825,000	1.53

# ANALYSIS OF SHAREHOLDINGS

AS AT 30 JULY 2020

No	Name	No of Shares	*% of Shareholdings
12	Mah Siew Seong	5,624,790	0.73
13	HSBC Nominees (Tempatan) Sdn. Bhd. - HSBC (M) Trustee Bhd for Manulife Investment Dividend Fund (5311-401)	4,620,170	0.60
14	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Liew Kon Sing @ Liew Kong	4,555,040	0.59
15	HSBC Nominees (Tempatan) Sdn. Bhd. - HSBC (M) Trustee Bhd for Manulife Investment AI-Faid (4389)	4,418,280	0.57
16	Fara Eliza binti Tan Sri Dato' Mohamed Mansor	3,806,000	0.49
17	Chuah Theong Yee	3,580,830	0.46
18	Fara Inez binti Tan Sri Dato' Mohamed Mansor	3,520,000	0.46
19	DB (Malaysia) Nominee (Asing) Sdn. Bhd. - SSBT Fund SD4N for Alberta Investment Management Corporation	3,332,890	0.43
20	Carrie Fong Kah Wai	3,300,000	0.43
21	AMSEC Nominees (Asing) Sdn. Bhd. - KGI Securities (Singapore) Pte. Ltd. for Lee Chee Seng (80227)	2,851,200	0.37
22	Lim Pei Tiam @ Liam Ahat Kiat	2,800,021	0.36
23	Abu Talib bin Othman	2,687,410	0.35
24	Pacific Trustees Berhad - AN Exempt for Glomac Bhd (RSG)	2,471,425	0.32
25	HSBC Nominees (Asing) Sdn. Bhd. - AN Exempt for Credit Suisse (SG BR-TST-ASING)	2,200,000	0.28
26	Affin Hwang Nominees (Asing) Sdn. Bhd. - DBS Vickers Secs (S) Pte Ltd for Lim Mee Hwa	2,200,000	0.28
27	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB Bank for Fong Kah Kuen (PBCL-0G0043)	2,200,000	0.28
28	Ambank (M) Berhad - Pledged Securities Account for Datuk Ali bin Abdul Kadir (SMART)	2,013,000	0.26
29	Federlite Holdings Sdn. Bhd.	1,853,500	0.24
30	Lim Chun Yin	1,769,000	0.23
<b>TOTAL</b>		<b>634,919,688</b>	<b>82.18</b>

Note:

\* percentage calculated excluding treasury shares

# ANALYSIS OF SHAREHOLDINGS

AS AT 30 JULY 2020

## C. Substantial Shareholders (as per Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct	*% of Shareholding	Indirect	*% of Shareholding
1. Tan Sri Dato' Mohamed Mansor bin Fateh Din	161,283,317	20.87	146,930,800 <sup>@</sup>	19.02
2. Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	146,930,800 <sup>^</sup>	19.02	161,283,317 <sup>+</sup>	20.87
3. Datuk Richard Fong Loong Tuck	130,874,805 <sup>^</sup>	16.94	-	-
4. Urusharta Jamaah Sdn. Bhd.	80,060,310 <sup>^</sup>	10.36	-	-

## D. Directors' Shareholdings (as per Register of Directors)

Name of Directors	Direct	*% of Shareholding	Indirect	*% of Shareholding
1. Tan Sri Dato' Mohamed Mansor bin Fateh Din	161,283,317	20.87	154,256,800 <sup>#</sup> <sup>^</sup>	19.97
2. Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	146,930,800 <sup>^</sup>	19.02	161,283,317 <sup>+</sup>	20.87
3. Datuk Richard Fong Loong Tuck	130,874,805 <sup>^</sup>	16.94	-	-
4. Dato' Ikhwan Salim bin Dato' Haji Sujak	22,880	0.00	-	-
5. Datuk Ali bin Abdul Kadir	2,013,000 <sup>^</sup>	0.26	-	-
6. Shan Choo	-	-	-	-
7. Datuk Bazlan bin Osman	-	-	-	-

### Notes:

\* percentage calculated excluding treasury shares of 27,455,000

<sup>^</sup> including shares held by nominee companies

<sup>#</sup> Deemed interested pursuant to Section 8 and Section 59(11)(c) of the Companies Act 2016 by virtue of his son's and daughters' interests in Glomac Berhad, respectively

<sup>+</sup> Deemed interested pursuant to Section 8 of the Companies Act 2016 by virtue of his father's interest in Glomac Berhad

<sup>@</sup> Deemed interested pursuant to Section 8 of the Companies Act 2016 by virtue of his son's interest in Glomac Berhad



# NOTICE OF 36<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Thirty-Sixth Annual General Meeting (“**36<sup>th</sup> AGM**”) of Glomac Berhad (“**Glomac**” or “**the Company**”) will be held on a fully virtual basis at the Broadcast Venue at Board Room, Glomac Berhad, Level 15, Menara Glomac, Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan on Monday, 26 October 2020 at 10.00 a.m. for the following purposes:-

## AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 April 2020 together with the Reports of the Directors and the Auditors thereon. **Please refer to Note A**
2. To approve the payment of a single-tier final dividend of 1.0 sen per ordinary share for the financial year ended 30 April 2020. **(Ordinary Resolution 1)**
3. To approve the payment of Directors’ fees amounting to RM240,000 payable to the Directors from 27 October 2020 until the date of the next Annual General Meeting of the Company to be held in year 2021. **(Ordinary Resolution 2)**
4. To approve the payment of Directors’ benefits payable to the Directors of an amount of up to RM180,000 from 27 October 2020 until the date of the next Annual General Meeting of the Company to be held in year 2021. **(Ordinary Resolution 3)**
5. To re-elect the following Directors who are retiring in accordance with Clause 118 of the Company’s Constitution, and being eligible, have offered themselves for re-election:-
  - (a) Datuk Ali bin Abdul Kadir; and **(Ordinary Resolution 4)**
  - (b) Shan Choo. **(Ordinary Resolution 5)**
6. To re-elect Datuk Bazlan bin Osman who is retiring in accordance with Clause 117 of the Company’s Constitution, and being eligible, has offered himself for re-election. **(Ordinary Resolution 6)**
7. To re-appoint Messrs. Deloitte PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 7)**

## Special Businesses

To consider and, if thought fit, with or without any modification, to pass the following resolutions:-

8. **Retention of Dato’ Ikhwan Salim bin Dato’ Haji Sujak as an Independent Non-Executive Director**  
 “**THAT** Dato’ Ikhwan Salim bin Dato’ Haji Sujak who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years be and is hereby retained as an Independent Non-Executive Director of the Company.” **(Ordinary Resolution 8)**
9. **Retention of Datuk Ali bin Abdul Kadir as an Independent Non-Executive Director**  
 “**THAT** Datuk Ali bin Abdul Kadir who has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years be and is hereby retained as an Independent Non-Executive Director of the Company.” **(Ordinary Resolution 9)**

## NOTICE OF 36<sup>TH</sup> ANNUAL GENERAL MEETING

### 10. Authority to issue shares pursuant to the Companies Act 2016

**“THAT** subject always to the Companies Act 2016 (**“the Act”**), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad (**“Bursa Malaysia Securities”**) and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

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

**AND THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

**(Ordinary Resolution 10)**

### 11. Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (**“Proposed Renewal of Existing Shareholders’ Mandate”**)

**“THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries (**“Glomac Group”**) to enter into recurrent related party transactions of a revenue or trading nature as set out in Part A of the Circular/Statement to Shareholders dated 28 August 2020, which are necessary for the day-to-day operations of Glomac Group to be entered into by Glomac Group provided that such transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company;

**THAT** such approval shall, commence immediately upon the passing of this ordinary resolution and continue to be in force until:-

- (i) the conclusion of the first Annual General Meeting of the Company following the general meeting at which such mandate was passed at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next Annual General Meeting after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

## NOTICE OF 36<sup>TH</sup> ANNUAL GENERAL MEETING

**AND THAT** the Board of Directors of the Company and/or any of them be and is hereby authorised to complete and to do all such acts and things including executing such documents as may be required to give effect to the transactions contemplated and/or authorised by this resolution.”

**(Ordinary Resolution 11)**

### 12. Proposed Renewal of Share Buy-Back Authority

“**THAT** subject to the compliance with Section 127 of the Companies Act 2016 (“**the Act**”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities as the Directors may deem fit and expedient in the interest of the Company, provided that:-

- (i) the aggregate number of shares to be purchased and/or held pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company including shares previously purchased and retained as treasury shares (if any); and
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase;

**THAT** upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:-

- (i) cancel all the shares so purchased; and/or
- (ii) retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Malaysia Securities; and/or
- (iii) retain part thereof as treasury shares and cancel the remainder; and/or
- (iv) transfer the shares so purchased for the purposes of or under an employees share scheme; and/or
- (v) transfer the shares so purchased as purchase consideration;

in such manner as permitted or prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Malaysia Securities and any other relevant authority for the time being in force;

## NOTICE OF 36<sup>TH</sup> ANNUAL GENERAL MEETING

**THAT** such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:-

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

whichever occurs first;

**AND THAT** the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”

**(Ordinary Resolution 12)**

13. To transact any other ordinary business for which due notice shall have been given.

### NOTICE OF DIVIDEND ENTITLEMENT

**NOTICE IS ALSO HEREBY GIVEN THAT** the single-tier final dividend of 1.0 sen per ordinary share in respect of the financial year ended 30 April 2020 will be payable on 28 December 2020 to depositors who are registered in the Record of Depositors at the close of business on 17 December 2020, if approved by members at the forthcoming Thirty-Sixth Annual General Meeting on 26 October 2020.

A Depositor shall qualify for entitlement only in respect of:-

- (a) Securities transferred into the Depositor's Securities Account before 4:30 p.m. on 17 December 2020 in respect of ordinary transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") on a cum entitlement basis according to the Rules of Bursa Malaysia Securities.

### By Order of the Board

**ONG SHAW CHING (MIA 7819) (SSM PC NO.: 202008003578)**  
**CHUA SIEW CHUAN (MAICSA 0777689) (SSM PC NO.: 201908002648)**  
**CHIN MUN YEE (MAICSA 7019243) (SSM PC NO.: 201908002785)**  
Company Secretaries

Kuala Lumpur  
28 August 2020

# NOTICE OF 36<sup>TH</sup> ANNUAL GENERAL MEETING

## Explanatory Notes:-

### 1. Item 1 of the Agenda

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements for the financial year ended 30 April 2020. Hence, this Agenda item is not put forward for voting.

### 2. Ordinary Resolutions 2 & 3 - Payment of Directors' Fees and Directors' Benefits

Pursuant to Section 230(1) of the Companies Act 2016, the fees and benefits payable to the Directors of the Company will have to be approved by the Company's shareholders at a general meeting.

Ordinary Resolution 2 is proposed to seek the shareholders' approval for the payment of Directors' fees payable to the Directors amounting to RM240,000 from 27 October 2020 until the next Annual General Meeting of the Company to be held in year 2021.

Ordinary Resolution 3 is proposed to seek the shareholders' approval for the payment of Directors' benefits payable to the Directors of an amount of up to RM180,000 from 27 October 2020 until the date of the next Annual General Meeting of the Company to be held in year 2021.

### 3. Ordinary Resolutions 4 to 6 - Re-election of Directors

In determining the eligibility of the Directors to stand for re-election at the forthcoming 36<sup>th</sup> AGM, the Nomination Committee ("NC"), guided by the requirements of Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities and recommended Datuk Ali bin Abdul Kadir and Shan Choo, for re-election as Directors pursuant to Clause 118 of the Constitution of the Company, and Datuk Bazlan bin Osman for re-election as Director pursuant to Clause 117 of the Constitution of the Company ("Retiring Directors"). The Board of Directors ("Board") has conducted a separate assessment and being satisfied with the performance/contribution of the Retiring Directors. Therefore, the Board recommended the same be tabled to the shareholders for approval at the forthcoming 36<sup>th</sup> AGM of the Company under Ordinary Resolutions 4, 5 and 6 respectively.

The evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2020 of the Company. All the Retiring Directors have consented to their re-election, and abstained from deliberations and voting in relation to their individual re-election at the NC and Board Meetings, respectively.

### 4. Ordinary Resolution 8 - Retention of Dato' Ikhwan Salim bin Dato' Haji Sujak as an Independent Non-Executive Director

Dato' Ikhwan Salim bin Dato' Haji Sujak ("Dato' Ikhwan") was appointed as a Senior Independent Non-Executive Director on 9 February 2000 and has served the Board for a cumulative term of more than twelve (12) years.

The Board through its NC, after having assessed the independence of Dato' Ikhwan, still regards him to be independent based amongst others, the following justifications and recommended that Dato' Ikhwan to be retained as an Independent Non-Executive Director subject to the approval from the shareholders of the Company:-

- (a) he has fulfilled the criteria of the definition of Independent Non-Executive Director as set out under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and had expressed his willingness to continue in office as an Independent Non-Executive Director of the Company;
- (b) his vast experience would enable him to provide the Board with a diverse set of experience, expertise and independent judgement as well as to provide constructive opinion in the Board's deliberations;
- (c) he has served the Company as an Independent Non-Executive Director for a cumulative term of more than twelve (12) years during which he had acted in good faith and in the best interest of the Company, exercising his independent judgement during deliberations and decision making during the Company's meetings and is familiar with the Company's business operations; and
- (d) he has proven to be a reliable Independent Non-Executive Director with his professionalism aptitude and outlook of business perspective, devoted sufficient time and attention to his professional obligations for informed and balance decision making and had also exercised due care during his tenure in the best interest of the Company and the shareholders.

## NOTICE OF 36<sup>TH</sup> ANNUAL GENERAL MEETING

### 5. **Ordinary Resolution 9 - Retention of Datuk Ali bin Abdul Kadir as an Independent Non-Executive Director**

Datuk Ali bin Abdul Kadir (“**Datuk Ali**”) was appointed as an Independent Non-Executive Director on 20 February 2009 and has served the Board for a cumulative term of more than nine (9) years.

The Board through its NC, after having assessed the independence of Datuk Ali, still regards him to be independent based amongst others, the following justifications and recommended that Datuk Ali to be retained as an Independent Non-Executive Director subject to the approval from the shareholders of the Company:-

- (a) he has fulfilled the criteria of the definition of Independent Non-Executive Director as set out under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and had expressed his willingness to continue in office as an Independent Non-Executive Director of the Company;
- (b) his vast experience would enable him to provide the Board with a diverse set of experience, expertise and independent judgement without the influence of the Management;
- (c) he has served the Company as an Independent Non-Executive Director for a cumulative term of more than nine (9) years during which he had acted in good faith and in the best interest of the Company, exercising his independent judgement during deliberations and decision making during the Company’s meetings and is familiar with the Company’s business operations; and
- (d) he has proven to be a reliable Independent Non-Executive Director with his professionalism aptitude and outlook of business perspective, devoted sufficient time and attention to his professional obligations for informed and balance decision making and had also exercised due care during his tenure in the best interest of the Company and the shareholders.

### 6. **Ordinary Resolution 10 - Authority to issue shares pursuant to the Companies Act 2016**

The proposed resolution is for the purpose of seeking a renewal for the general mandate to empower the Directors of the Company pursuant to the Companies Act 2016, from the date of the 36<sup>th</sup> AGM, to issue and allot ordinary shares of not more than ten per centum (10%) of the total number of issued shares of the Company for such purposes as the Directors of the Company consider would be in the best interest of the Company. This authority will, unless revoked or varied at a General Meeting, expire at the conclusion of the next Annual General Meeting of the Company. This authority will provide flexibility and enable the Directors to take swift action for allotment of shares for any possible fund raising activities, including but not limited to further placement of shares for purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

As at the date of this Notice, no new shares in the Company were issued under the provision of the general mandate granted to the Directors at the Thirty-Fifth Annual General Meeting held on 23 October 2019, which will lapse at the conclusion of the 36<sup>th</sup> AGM.

### 7. **Ordinary Resolution 11 - Proposed Renewal of Existing Shareholders’ Mandate**

The proposed resolution, if passed, will enable the Company and its subsidiaries (“**Glomac Group**”) to enter into recurrent related party transactions of a revenue or trading nature with related parties in the ordinary course of business and necessary for the day-to-day operations of Glomac Group, based on commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Please refer to Part A of the Circular/Statement to Shareholders dated 28 August 2020 made available together with this Annual Report for more information.

## NOTICE OF 36<sup>TH</sup> ANNUAL GENERAL MEETING

### 8. Ordinary Resolution 12 - Proposed Renewal of Share Buy-Back Authority

The proposed resolution, if passed, will empower the Directors to purchase the Company's shares of up to ten per centum (10%) of the total number of issued shares of the Company by utilising the retained profits of the Company. This authority will, unless revoked or varied by the shareholders of the Company in general meeting, expire at the conclusion of the next Annual General Meeting.

Please refer to Part B of the Circular/Statement to Shareholders dated 28 August 2020 made available together with this Annual Report for more information.

Notes:

1. In respect of deposited securities, only members/shareholders whose names appear in the Record of Depositors on 19 October 2020 ("**General Meeting Record of Depositors**") shall be eligible to attend the Meeting.
2. A shareholder of the Company entitled to attend and vote at this Meeting is entitled to appoint one (1) or more person as his proxy to attend and vote instead of him. A proxy appointed to attend and vote at this Meeting shall have the same rights as the member to speak at the Meeting.
3. A proxy may but need not be a shareholder of the Company and a shareholder may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate, speak and vote at the Meeting shall have the same rights as the shareholder to speak at the Meeting.

As guided by the Securities Commission's Guidance and FAQs on the Conduct of General Meetings for Listed Issuers that was issued on 18 April 2020 and subsequently revised on 15 July 2020, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders and proxies shall communicate with the main venue of the Meeting via real time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the Meeting as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders and proxies may email their questions to **eservices@sshsb.com.my** during the Meeting. The questions and/or remarks submitted by the shareholders and/or proxies will be broadcasted and responded by the Chairman/Board/relevant adviser during the Meeting. In the event of any unattended questions and/or remarks submitted, the Company will response to the said unattended questions and/or remarks after the Meeting via email.

4. The instrument appointing a proxy shall be in writing under the hand of the shareholder/appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Common Seal or under the hand of an officer or attorney duly authorised.
5. Where a shareholder of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited to SS E Solutions Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time for holding the Meeting or any adjournment thereof. All the resolutions set out in this Notice are to be voted by poll. The form of proxy can also be submitted electronically via Securities Services e-Portal at <https://sshsb.net.my> before the form of proxy submission cut-off time as mentioned above. For further information on the electronic submission of form of proxy, kindly refer to the Administrative Guide.

The Administrative Guide on the Conduct of a Fully Virtual General Meeting is available for download at <https://www.glocmac.com.my/investor-relations>.



## Appendix I

# ADMINISTRATIVE DETAILS

FOR THE THIRTY-SIXTH ANNUAL GENERAL MEETING

In light of the recent COVID-19 pandemic and Recovery Movement Control Order, Glomac Berhad (“**Glomac**” or “**the Company**”) will conduct its Thirty-Sixth Annual General Meeting (“**36<sup>th</sup> AGM**”) on a fully virtual basis by way of live streaming and online remote voting via Remote Participation and Voting (“**RPV**”) facilities which are available on Securities Services e-Portal, details as set out below:

<b>Meeting Platform</b>	: Securities Services e-Portal <a href="https://sshsb.net.my/">https://sshsb.net.my/</a>
<b>Day and Date</b>	: <b>Monday, 26 October 2020</b>
<b>Time</b>	: <b>10:00 a.m.</b>
<b>Broadcast Venue</b>	: Board Room, Glomac Berhad, Level 15, Menara Glomac, Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan
<b>Modes of Communication</b>	: 1. Typed text in the Meeting Platform 2. Email questions to cosec@glomac.com.my prior to the 36 <sup>th</sup> AGM

### Remote Participation and Voting

1. Only shareholders whose names appear on the General Meeting Record of Depositors as at 19 October 2020 shall be eligible to participate in the 36<sup>th</sup> AGM or appoint proxy(ies) to participate and/or vote on his/her behalf.
2. Since the 36<sup>th</sup> AGM will be conducted virtually, shareholders/proxies will not be allowed to be physically present at the broadcast venue.
3. Shareholders who wish to participate at the 36<sup>th</sup> AGM are required to register as a user of the Securities Services e-Portal as well as register for the remote participation via <https://sshsb.net.my/> latest by Thursday, 22 October 2020. *Please refer to the Securities Services e-Portal User Guide in Appendix I.*
4. Securities Services e-Portal allowed individual and body corporate shareholders, through their appointed representatives to:
  - (a) Submit proxy forms electronically
  - (b) Register for RPV at meeting
  - (c) Attend and participate in meeting via live streaming
  - (d) Vote online on resolutions tabled at meeting

### Appointment of Proxy

1. If a Shareholder is unable to participate at the 36<sup>th</sup> AGM via the RPV facilities, he/she may appoint more than one (1) proxy to participate, speak and vote on his/her behalf. He/she may also appoint the Chairman of the Meeting as his/her proxy and indicate the voting instructions in the proxy form.
2. If you wish to participate the 36<sup>th</sup> AGM yourself, please do not submit any proxy form. A shareholder will not be allowed to participate at the 36<sup>th</sup> AGM if his/her proxy/proxies has/have been registered to participate at the 36<sup>th</sup> AGM.
3. The appointment of proxy may be made in a hardcopy form or by electronic means as follows:

#### In Hardcopy Form

The proxy form shall be deposited at the SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia, no later than **10:00 a.m.** on **Saturday, 24 October 2020**.

#### By Electronic Means

The proxy form shall be electronically lodged via Securities Services e-Portal’s platform at <https://sshsb.net.my/> or by fax to **+603-2094 9940** or by email to **eservices@sshb.com.my** no later than **10:00 a.m.** on **Saturday, 24 October 2020**. *Please refer to the Securities Services e-Portal User Guide in Appendix I.*

# ADMINISTRATIVE DETAILS

FOR THE THIRTY-SIXTH ANNUAL GENERAL MEETING

Appendix I

4. Appointed proxies need not register for remote participation but are required to register as the users of the Securities Services e-Portal latest by **Thursday, 22 October 2020**.
5. If you have submitted your proxy form and subsequently decide to appoint another person or wish to participate personally in the 36<sup>th</sup> AGM, please write in to [eservices@sshb.com.my](mailto:eservices@sshb.com.my) no later than **10:00 a.m.** on **Saturday, 24 October 2020** to revoke the earlier appointed proxy.

## Submission of Questions

1. Shareholders that wish to post questions to the Chairman/Board/Management can email their questions to [cosec@glomac.com.my](mailto:cosec@glomac.com.my) no later than **10.00 a.m.** on **Monday, 19 October 2020**.
2. Shareholders may also submit their questions to the Chairman/Board/Management via the real time submission of typed texts through a text box within Securities Services e-Portal's platform before the start or during the live streaming of the 36<sup>th</sup> AGM.
3. The Chairman/Board/Management will endeavour to respond to relevant questions during the Meeting or by email after the Meeting.

## Poll Voting

1. The voting at the 36<sup>th</sup> AGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The poll will be conducted by way of electronic voting. Poll Administrators and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll, respectively.
2. Access to eVoting will be opened from the commencement of the 36<sup>th</sup> AGM until the end of the voting session which will be announced by the Chairman of the 36<sup>th</sup> AGM. *Please refer to the Securities Services e-Portal User Guide in Appendix I.*

## Door Gift

No door gifts shall be provided to shareholders and/or proxyholders attending 36<sup>th</sup> Annual General Meeting.

## Enquiries on Securities Services e-Portal

If you have any enquiry relating to the Securities Services e-Portal or proxy appointment prior to the 36<sup>th</sup> AGM, please contact our Poll Administrator during office hours (from 8:30 a.m. to 5:30 p.m.):

**Poll Administrator** : **SS E Solutions Sdn. Bhd.**  
**Contact Person** : 1. Mr. Yeow Lip Lin : +603-2084 9006  
 2. Ms. Lee Pei Yeng : +603-2084 9169  
 3. Ms. Rachel Ou : +603-2084 9145  
**Email** : **eservices@sshb.com.my**

## Appendix I

# ADMINISTRATIVE DETAILS

FOR THE THIRTY-SIXTH ANNUAL GENERAL MEETING

## Securities Services e-Portal User Guide

### Before the 36<sup>th</sup> AGM

#### A) Register as a user of Securities Services e-Portal

##### Step 1:

Visit <https://sshsb.net.my/> to register as a user (registration is free). Please click on 'REGISTER NOW' to begin. You will be prompted to fill in & submit your details and also to upload a copy of your MyKad (front and back separately) or passport.

##### Step 2:

A notification email will be sent to you within one (1) working day. Please verify your user account within seven (7) days of the notification email and login (Note: Your email address is your User ID)

##### Notes :

1. This is a **ONE-TIME Registration**. If you already a registered user of Securities Services e-Portal, you need not register again.
2. Please register **latest by Thursday, 22 October 2020**.

#### B) Registration for Remote Participation

##### Step 1:

Log on to <https://sshsb.net.my/> with your registered User ID (email address) and password.

##### Step 2:

Select "**Glomac Berhad 36<sup>th</sup> AGM on 26 October 2020 at 10:00 a.m. - Registration for Remote Participation**" under the Corporate Exercise/Event tab and Click ">".

##### Step 3:

Select whether you are participating as

- (1) **Individual Shareholder**; or
- (2) **Corporate or Authorised Representative of a body corporate<sup>1</sup>**, then enter the **CDS account number** and click "**Submit**".

##### Notes :

1. If you wish to participate remotely at the 36<sup>th</sup> AGM, please register for remote participation **latest by Saturday, 24 October 2020, 10:00 a.m.**
2. A copy of your e-Registration for remote participation can be accessed via My Records.
3. You need to register for remote participation for every CDS account(s) you have or represent as an individual shareholder or Corporate or Authorised Representative.

#### C) Submission of eProxy Form

##### Step 1:

Log on to <https://sshsb.net.my/> with your registered User ID (email address) and password.

##### Step 2:

Select "**Glomac Berhad 36<sup>th</sup> AGM on 26 October 2020 at 10:00 a.m. - Submission of Proxy Form**" under the Corporate Exercise/Event tab and Click ">".

##### Step 3:

Select whether you are submitting the proxy form as

- (1) **Individual Shareholder**; or
- (2) **Corporate or Authorised Representative of a body corporate<sup>1</sup>**

##### Step 4:

Enter your **CDS account number** or the body corporate's CDS account number and corresponding **number of securities**.

##### Notes :

1. Please submit your proxy form latest by Saturday, 24 October 2020, 10:00 a.m. if you wish to appoint proxy(ies) to participate on behalf.
2. You are strongly encouraged to appoint the Chairman as the proxy in the event you are not being able to participate remotely.
3. A copy of your submitted eProxy Form can be accessed via My Records.
4. You need to submit your eProxy Form for every CDS account(s) you have or represent.
5. **Appointed proxies need not register for remote participation under (B) above but are required to be registered users** of the Securities Services e-Portal by **Thursday, 22 October 2020**.

# ADMINISTRATIVE DETAILS

FOR THE THIRTY-SIXTH ANNUAL GENERAL MEETING

Appendix I

## C) Submission of eProxy Form (cont'd)

### Step 5:

Enter the information of your proxy(ies) and the securities to be represented by your proxy(ies).

### Step 6:

Proceed to indicate how your votes are to be casted against each resolution.

### Step 7:

Review and confirm your proxy form details before submission.

6. Upon processing the proxy forms, remote participation access will be granted to the proxy(ies) instead of the shareholder, provided the proxy(ies) must be a registered user of the Securities Services e-Portal, failing which, the proxy will not be able to participate at the 36<sup>th</sup> AGM.
7. Upon verification by the Share Registrar with the General Meeting Record of Depositors as at 19 October 2020, you will receive an email advising you if your remote participation/eProxy Form was approved or rejected.

**On the 36<sup>th</sup> AGM Day (Monday, 26 October 2020 @ 10:00 a.m.)**

## A) Joining the Live Stream Meeting

### Step 1:

Log on to <https://sshbsb.net.my/> with your registered User ID (email address) and password.

### Step 2:

Select "**Glomac Berhad 36<sup>th</sup> AGM on 26 October 2020 at 10:00 a.m. - Live Stream Meeting**" under the Corporate Exercise/Event tab and Click ">" to join the 36<sup>th</sup> AGM.

### Notes:

1. You can start to login 30 minutes before the commencement of the 36<sup>th</sup> AGM.
2. If you have any questions that you wish to raise, please use the text box to submit your question. The Chairman/Board will endeavour to respond to your question during the 36<sup>th</sup> AGM.
3. Quality of the live streaming is dependent on the stability of the internet connection at the location of the user.

## B) Remote Online Voting during the 36<sup>th</sup> AGM

### Step 1:

Log on to <https://sshbsb.net.my/> with your registered User ID (email address) and password.

### Step 2:

Select "**Glomac Berhad 36<sup>th</sup> AGM on 26 October 2020 at 10:00 a.m. - Remote Voting**" under the Corporate Exercise/Event tab and Click ">" to remotely cast and submit votes online for the resolutions tabled at the 36<sup>th</sup> AGM.

### Step 3:

Cast your votes by clicking on the radio buttons against each resolution and review your casted votes and submit the votes.

### Notes:

1. Access to eVoting will be opened on the aforementioned date and time.
2. Your votes casted will apply throughout **ALL** the CDS accounts you represent as an individual shareholder, corporate/ authorised representative and proxy.
3. Where you are attending as a proxy, and the shareholder who appointed you has indicated how the votes are to be casted, we will take the shareholder's indicated votes in the proxy form.
4. Access to eVoting will be closed when the Chairman announces the closing of all voting at the 36<sup>th</sup> AGM.
5. A copy of your submitted eVoting can be accessed via My Records.

## C) End of Remote Participation

The live streaming will end upon the announcement by the Chairman on the closure of the 36<sup>th</sup> AGM.

**Appendix I****ADMINISTRATIVE DETAILS**  
FOR THE THIRTY-SIXTH ANNUAL GENERAL MEETING

- <sup>1</sup> For body corporates, the appointed Corporate/Authorised Representative must upload the evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). Any document that are not in English or Bahasa Malaysia must be accompanied by a certified translation in English in one (1) file. The original evidence of authority and translation thereof, if required, have to be submitted to SS E Solutions Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50940 Kuala Lumpur, Malaysia for verification before the registration closing date and time.

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# PROXY FORM



GLOMAC BERHAD  
[Registration No: 198301015139 (110532-M)]  
(Incorporated in Malaysia)

<b>No. of shares</b>		<b>CDS Account No.</b>	
<b>Contact No.</b>		<b>Email address</b>	

I/We \_\_\_\_\_ (NRIC / Passport No. \_\_\_\_\_) of \_\_\_\_\_  
(FULL NAME IN BLOCK LETTERS)

\_\_\_\_\_ being a member(s) of **GLOMAC BERHAD ("the Company")** hereby appoint:  
(FULL ADDRESS)

Full Name (In Block)	NRIC/ Passport No.	Proportion of Shareholdings	
Address		No. of	%

\*and

Full Name (In Block)	NRIC/ Passport No.	Proportion of Shareholdings	
Address		No. of	%

\*or the Chairman of the Meeting as \*my/our proxy to vote for \*me/us and on \*my/our behalf at the Thirty-Sixth Annual General Meeting of the Company to be held on a fully virtual basis at the Broadcast venue at Board Room, Glomac Berhad, Level 15, Menara Glomac, Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur, Wilayah Persekutuan on Monday, 26 October 2020 at 10.00 a.m. or any adjournment thereof.

My/Our proxy(ies) \*is/are to vote as indicated below (if no indication is given \*my/our proxy will vote or abstain from voting at \*his/her discretion):-

	RESOLUTIONS	For	Against
<b>Ordinary Resolution 1</b>	To approve the payment of a single-tier final dividend		
<b>Ordinary Resolution 2</b>	To approve the payment of Directors' fees		
<b>Ordinary Resolution 3</b>	To approve the payment of Directors' benefits		
<b>Ordinary Resolution 4</b>	To re-elect Datuk Ali bin Abdul Kadir as Director		
<b>Ordinary Resolution 5</b>	To re-elect Shan Choo as Director		
<b>Ordinary Resolution 6</b>	To re-elect Datuk Bazlan bin Osman as Director		
<b>Ordinary Resolution 7</b>	To re-appoint Messrs. Deloitte PLT as Auditors of the Company		
<b>Special Businesses</b>			
<b>Ordinary Resolution 8</b>	Retention of Dato' Ikhwan Salim bin Dato' Haji Sujak as an Independent Non-Executive Director		
<b>Ordinary Resolution 9</b>	Retention of Datuk Ali bin Abdul Kadir as an Independent Non-Executive Director		
<b>Ordinary Resolution 10</b>	Authority to issue shares pursuant to the Companies Act 2016		
<b>Ordinary Resolution 11</b>	Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		
<b>Ordinary Resolution 12</b>	Proposed Renewal of Share Buy-Back Authority		

\* Strike out whichever not applicable

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2020

Signature/Seal \_\_\_\_\_

Notes:

- In respect of deposited securities, only members/shareholders whose names appear in the Record of Depositors on 19 October 2020 ("**General Meeting Record of Depositors**") shall be eligible to attend the Meeting.
  - A shareholder of the Company entitled to attend and vote at this Meeting is entitled to appoint one (1) or more person as his proxy to attend and vote instead of him. A proxy appointed to attend and vote at this Meeting shall have the same rights as the member to speak at the Meeting.
  - A proxy may but need not be a shareholder of the Company and a shareholder may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate, speak and vote at the Meeting shall have the same rights as the shareholder to speak at the Meeting.
  - The instrument appointing a proxy shall be in writing under the hand of the shareholder/appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Common Seal or under the hand of an officer or attorney duly authorised.
  - Where a shareholder of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
  - The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited to SS E Solutions Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time for holding the Meeting or any adjournment thereof. All the resolutions set out in this Notice are to be voted by poll. The form of proxy can also be submitted electronically via Securities Services e-Portal at <https://www.sshsb.net.my> before the form of proxy submission cut-off time as mentioned above. For further information on the electronic submission of form of proxy, kindly refer to the Administrative Guide.
- As guided by the Securities Commission's Guidance and FAQs on the Conduct of General Meetings for Listed Issuers that was issued on 18 April 2020 and subsequently revised on 15 July 2020, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders and proxies shall communicate with the main venue of the Meeting via real time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the Meeting as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders and proxies may email their questions to [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my) during the Meeting. The questions and/or remarks submitted by the shareholders and/or proxies will be broadcasted and responded by the Chairman/Board/relevant adviser during the Meeting. In the event of any unattended questions and/or remarks submitted, the Company will response to the said unattended questions and/or remarks after the Meeting via email.
- The Administrative Guide on the Conduct of a Fully Virtual General Meeting is available for download at <https://www.glomac.com.my/investor-relations>.



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Affix Stamp

**SS E Solutions Sdn. Bhd.**  
Level 7, Menara Milenium  
Jalan Damanlela, Pusat Bandar Damansara  
Damansara Heights, 50490 Kuala Lumpur

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[www.glomac.com.my](http://www.glomac.com.my)

GLOMAC BERHAD

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