

13. ACCOUNTANTS' REPORT (CONT'D)

5. REVENUE

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM (Unaudited)	FPE 2023 RM
Revenue from contracts with customers	<u>523,859,538</u>	<u>488,796,559</u>	<u>790,436,718</u>	<u>548,975,479</u>	<u>615,460,853</u>
Disaggregation of the revenue from contracts with customers:					
Property development	471,801,852	468,979,898	757,715,134	530,490,565	565,816,219
Construction revenue	21,627,996	-	-	-	-
Sale of completed units	28,554,401	19,220,409	32,653,544	18,432,567	49,096,519
Property management fee	1,875,289	596,252	68,040	52,347	37,601
Commission from e-commerce platform	-	-	-	-	510,514
	<u>523,859,538</u>	<u>488,796,559</u>	<u>790,436,718</u>	<u>548,975,479</u>	<u>615,460,853</u>
Timing of revenue recognition:					
At a point in time	28,554,401	19,220,409	32,653,544	18,432,567	49,607,033
Over time	<u>495,305,137</u>	<u>469,576,150</u>	<u>757,783,174</u>	<u>530,542,912</u>	<u>565,853,820</u>
	<u>523,859,538</u>	<u>488,796,559</u>	<u>790,436,718</u>	<u>548,975,479</u>	<u>615,460,853</u>

13. ACCOUNTANTS' REPORT (CONT'D)**6. COST OF SALES**

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM (Unaudited)	FPE 2023 RM
Property development costs	290,896,235	319,751,606	529,221,799	373,327,381	380,580,541
Construction costs	32,214,270	-	-	-	-
Reversal of overprovision of construction cost	-	-	(1,579,844)	-	(91,755)
Cost of completed units sold	20,225,981	15,380,329	13,115,474	8,694,477	32,419,390
Other direct costs	1,801,939	2,000,534	72,268	-	1,882,052
	<u>345,138,425</u>	<u>337,132,469</u>	<u>540,829,697</u>	<u>382,021,858</u>	<u>414,790,228</u>

Property development costs of the Group recognised during the financial period ended 2023 consists of reversal adjustment due to overaccrual of development costs which amounted to RM43,823 (FPE 2022: RM7,745,281; FYE 2022: RM9,681,550; FYE 2021: RM4,327,637; FYE 2020: RM Nil) in the previous year.

13. ACCOUNTANTS' REPORT (CONT'D)

7. OTHER OPERATING INCOME

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM (Unaudited)	FPE 2023 RM
Commission from provision of services	-	-	27,356	-	-
Interest income from fixed deposits	2,150,915	1,370,333	1,580,163	727,206	2,403,121
Gain on remeasuring to fair value of existing interest in the former associated companies on acquisition of control	45,525	-	-	-	-
Rental income	144,550	171,590	377,516	241,352	633,264
Forfeiture of deposits	561,715	1,131,966	327,850	249,375	425,228
Realised gain on foreign exchange	-	-	795	812	11,950
Compensation fee	1,375,000	-	-	-	-
Sundry income	928,295	534,891	827,694	460,923	598,337
	<u>5,206,000</u>	<u>3,208,780</u>	<u>3,141,374</u>	<u>1,679,668</u>	<u>4,071,900</u>

13. ACCOUNTANTS' REPORT (CONT'D)

8. FINANCE COSTS

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM (Unaudited)	FPE 2023 RM
Interest expense on:					
- Bank borrowings	26,048,882	26,118,063	24,644,379	17,264,325	14,738,056
- Lease liabilities (Note 29)	34,366	70,120	54,994	45,207	21,816
	26,083,248	26,188,183	24,699,373	17,309,532	14,759,872
Less: Finance costs capitalised in:					
Investment property (Note 15)	-	-	-	-	(625,930)
Inventories - land held for property development (Note 16)	(10,430,905)	(7,676,712)	(6,956,819)	(4,572,392)	(2,668,360)
	(10,430,905)	(7,676,712)	(6,956,819)	(4,572,392)	(3,294,290)
	<u>15,652,343</u>	<u>18,511,471</u>	<u>17,742,554</u>	<u>12,737,140</u>	<u>11,465,582</u>

13. ACCOUNTANTS' REPORT (CONT'D)**9. PROFIT BEFORE TAX**

Profit before tax is arrived at after charging and crediting:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM (Unaudited)	FPE 2023 RM
After charging:					
Staff costs and directors' remuneration (Note 10)	33,178,307	33,550,737	41,903,179	27,892,764	32,298,480
Allowance for doubtful debts:					
- Trade receivables (Note 23)	-	-	137,591	-	8,649
- Other receivables (Note 24)	-	100,000	1,692,593	-	-
- Refundable deposits (Note 24)	5,966,406	-	-	-	-
Depreciation of:					
- Property, plant and equipment (Note 12)	1,522,169	1,366,840	897,652	699,256	902,432
- Right-of-use assets (Note 13)	513,296	555,881	596,211	457,617	411,425
Amortisation of intangible assets (Note 14)	-	-	-	-	131,730
Property, plant and equipment written off	262	1	4,426	-	-
Loss on derecognition of right-of-use assets	-	-	23,918	-	-
Expenses relating to short-term leases	703,044	794,388	1,052,466	200	764,702

13. ACCOUNTANTS' REPORT (CONT'D)

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM (Unaudited)	FPE 2023 RM
After charging:					
Expenses relating to leases of low-value assets	23,234	43,964	74,044	36,768	86,776
Auditors' remuneration	335,632	352,620	490,402	296,322	367,904
Provision for Bumiputera quota penalties (Note 32)	-	-	3,433,899	-	758,803
Realised loss on foreign exchange	3,603	961	-	-	-
Unrealised loss on foreign exchange	-	-	-	-	246,053
Inventories - completed properties written down (Note 20)	1,416,374	-	-	-	-
Impairment losses on intangible assets (Note 14)	-	254,400	2,807,155	-	693,248
After crediting:					
Reversal of allowance for doubtful debt of trade receivables (Note 23)	-	-	-	-	(59,232)

13. ACCOUNTANTS' REPORT (CONT'D)

10. STAFF COSTS AND DIRECTORS' REMUNERATION

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM (Unaudited)	FPE 2023 RM
Staff costs:					
- Salaries, wages, allowances and overtime	16,262,970	18,482,317	21,824,849	15,963,246	16,251,733
- Bonus	4,944,525	3,610,289	7,086,635	3,460,677	4,389,975
- Employees provident fund	2,679,090	2,834,065	3,612,192	2,419,336	2,585,752
- Social security contribution	150,564	167,680	185,159	138,598	147,897
- Other staff related costs	1,415,571	1,427,467	1,673,433	654,045	3,145,235
	<u>25,452,720</u>	<u>26,521,818</u>	<u>34,382,268</u>	<u>22,635,902</u>	<u>26,520,592</u>
Directors' remuneration:					
- Salaries, wages, allowances and overtime	4,798,820	4,966,102	4,796,200	3,582,000	3,721,832
- Bonus	2,101,436	1,273,399	1,849,614	1,063,556	1,358,600
- Employees provident fund	821,637	785,724	871,403	608,536	685,724
- Social security contribution	3,694	3,694	3,694	2,770	2,987
- Other emoluments	-	-	-	-	8,745
	<u>7,725,587</u>	<u>7,028,919</u>	<u>7,520,911</u>	<u>5,256,862</u>	<u>5,777,888</u>
	<u>33,178,307</u>	<u>33,550,737</u>	<u>41,903,179</u>	<u>27,892,764</u>	<u>32,298,480</u>

13. ACCOUNTANTS' REPORT (CONT'D)

11. INCOME TAX EXPENSE

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM (Unaudited)	FPE 2023 RM
Estimated tax payable:					
Current					
year/period	37,318,946	19,743,371	39,556,139	25,763,833	41,089,519
Under/(Over) provision in prior years	358,306	(208,554)	4,698,140	4,256,481	8,185,483
	<u>37,677,252</u>	<u>19,534,817</u>	<u>44,254,279</u>	<u>30,020,314</u>	<u>49,275,002</u>
Deferred tax (Note 18):					
Current					
year/period	(1,406,662)	(7,398,929)	(481,341)	984,623	(2,519,653)
Under/(Over) provision in prior years	241,543	(1,097,489)	1,959,654	808,280	(6,047,281)
	<u>(1,165,119)</u>	<u>(8,496,418)</u>	<u>1,478,313</u>	<u>1,792,903</u>	<u>(8,566,934)</u>
	<u>36,512,133</u>	<u>11,038,399</u>	<u>45,732,592</u>	<u>31,813,217</u>	<u>40,708,068</u>

13. ACCOUNTANTS' REPORT (CONT'D)

A reconciliation of income tax expense applicable to profit before tax at the applicable statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM (Unaudited)	FPE 2023 RM
Profit before tax	101,759,513	74,348,998	150,018,134	111,675,292	132,156,477
Tax expense calculated using the Malaysia statutory income tax rate of 24%	24,422,283	17,843,760	36,004,352	26,802,070	31,717,554
Tax effects of:					
- expenses that are not deductible in determining taxable profit	10,517,904	1,865,001	3,780,466	2,626,269	9,937,915
- income not taxable in determining taxable profit	(212,273)	(3,136,849)	(2,135,342)	(1,612)	-
Utilisation of deferred tax assets not previously recognised	(2,140,036)	(3,849,711)	(229,787)	(3,131,109)	(3,113,008)
Deferred tax assets not recognised	3,324,778	347,117	1,655,109	452,838	27,405
Change in unrecognised deferred tax assets	(372)	(724,876)	-	-	-
Under/(Over) provision of estimated tax payable in prior years	358,306	(208,554)	4,698,140	4,256,481	8,185,483
Under/(Over) provision of deferred tax in prior years	241,543	(1,097,489)	1,959,654	808,280	(6,047,281)
	<u>36,512,133</u>	<u>11,038,399</u>	<u>45,732,592</u>	<u>31,813,217</u>	<u>40,708,068</u>

13. ACCOUNTANTS' REPORT (CONT'D)

As mentioned in Note 3, the tax effects of deductible temporary differences, unused tax losses and unabsorbed capital allowances which would give rise to deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses, and unabsorbed capital allowances can be utilised.

Pursuant to an amendment to Section 44(5F) of the Income Tax Act 1967, the time limit to utilise tax losses has been extended to a maximum of 10 consecutive years. This amendment is deemed to have effect from the year of assessment 2019. Furthermore, the unused tax losses brought forward from year of assessment 2018 can be carried forward for another 10 consecutive years of assessment (i.e. from year of assessment 2019 to 2028).

Year of assessment:	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM	FPE 2023 RM
	(Unaudited)				
2028	24,983,166	7,098,828	1,426,693	2,223,936	-
2029	-	9,931,970	923,597	923,597	-
2030	-	18,766,359	832,472	832,472	-
2031	-	16,505,937	8,798,555	14,812,843	168,304
2032	-	-	5,901,283	10,751,690	48,549
2033	-	-	-	-	1,620,717

As at year/period end, the estimated amount of unused tax losses and unabsorbed capital allowances and other deductible temporary differences for which deferred tax assets are not recognised in the consolidated financial statements due to uncertainty of realisation are as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM	FPE 2023 RM
	(Unaudited)				
Unused tax losses	24,983,166	7,360,548	12,001,724	6,459,763	320,060
Unabsorbed capital allowances	-	8,160	75,258	1,437,798	75,258
Other deductible temporary differences	-	-	1,230,568	7,480,572	55,552
	<u>24,983,166</u>	<u>7,368,708</u>	<u>13,307,550</u>	<u>15,378,133</u>	<u>450,870</u>

13. ACCOUNTANTS' REPORT (CONT'D)**12. PROPERTY, PLANT AND EQUIPMENT**

	Building RM	Computer software RM	Electrical fittings RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Renovation RM	Plant and machinery RM	Capital work in progress RM	Total RM
Cost										
As at 1 April										
2019	-	2,785,609	46,670	927,766	79,013	1,527,355	3,454,757	-	-	8,821,170
Additions	-	343,290	-	-	-	190,504	6,800	-	-	540,594
Written off	-	-	-	(2,500)	-	(13,609)	-	-	-	(16,109)
As at 31										
March 2020/ 1 April 2020	-	3,128,899	46,670	925,266	79,013	1,704,250	3,461,557	-	-	9,345,655
Additions	-	194,536	-	44,861	-	117,500	172,160	98,848	-	627,905
Written off	-	-	-	-	-	(2,499)	-	-	-	(2,499)
As at 31										
March 2021/ 1 April 2021	-	3,323,435	46,670	970,127	79,013	1,819,251	3,633,717	98,848	-	9,971,061
Additions	6,650,000	131,096	-	-	-	112,950	8,000	8,002	130,587	7,040,635
Written off	-	-	-	-	-	(7,480)	-	-	-	(7,480)
As at 31										
March 2022	6,650,000	3,454,531	46,670	970,127	79,013	1,924,721	3,641,717	106,850	130,587	17,004,216

13. ACCOUNTANTS' REPORT (CONT'D)

	Building RM	Computer software RM	Electrical fittings RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Renovation RM	Plant and machinery RM	Capital work in progress RM	Total RM
Cost										
As at 31										
March 2022/										
1 April 2022	6,650,000	3,454,531	46,670	970,127	79,013	1,924,721	3,641,717	106,850	130,587	17,004,216
Additions	-	258,238	-	22,760	-	152,716	4,052,313	-	1,651,204	6,137,231
As at 31										
December										
2022	6,650,000	3,712,769	46,670	992,887	79,013	2,077,437	7,694,030	106,850	1,781,791	23,141,447

13. ACCOUNTANTS' REPORT (CONT'D)

	Building RM	Computer software RM	Electrical fittings RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Renovation RM	Plant and machinery RM	Capital work in progress RM	Total RM
Accumulated depreciation										
As at 1 April 2019	-	1,384,148	46,667	479,241	44,756	940,204	2,111,285	-	-	5,006,301
Charge for the year (Note 9)	-	574,606	-	135,322	15,173	263,621	533,447	-	-	1,522,169
Written off	-	-	-	(2,240)	-	(13,607)	-	-	-	(15,847)
As at 31 March 2020/ 1 April 2020	-	1,958,754	46,667	612,323	59,929	1,190,218	2,644,732	-	-	6,512,623
Charge for the year (Note 9)	-	593,131	-	61,595	15,173	258,636	430,495	7,810	-	1,366,840
Written off	-	-	-	-	-	(2,498)	-	-	-	(2,498)
As at 31 March 2021/ 1 April 2021	-	2,551,885	46,667	673,918	75,102	1,446,356	3,075,227	7,810	-	7,876,965
Charge for the year (Note 9)	21,201	304,365	-	51,811	3,910	162,440	333,240	20,685	-	897,652
Written off	-	-	-	-	-	(3,054)	-	-	-	(3,054)
As at 31 March 2022	21,201	2,856,250	46,667	725,729	79,012	1,605,742	3,408,467	28,495	-	8,771,563

13. ACCOUNTANTS' REPORT (CONT'D)

	Building RM	Computer software RM	Electrical fittings RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Renovation RM	Plant and machinery RM	Capital work in progress RM	Total RM
Accumulated depreciation										
As at 31 March 2022/ 1 April 2022	21,201	2,856,250	46,667	725,729	79,012	1,605,742	3,408,467	28,495	-	8,771,563
Charge for the period (Note 9)	111,799	248,434	-	40,299	-	106,364	379,508	16,028	-	902,432
As at 31 December 2022	133,000	3,104,684	46,667	766,028	79,012	1,712,106	3,787,975	44,523	-	9,673,995

13. ACCOUNTANTS' REPORT (CONT'D)

	Building RM	Computer software RM	Electrical fittings RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Renovation RM	Plant and machinery RM	Capital work in progress RM	Total RM
Net carrying amount										
As at 31										
March 2020	-	1,170,145	3	312,943	19,084	514,032	816,825	-	-	2,833,032
As at 31										
March 2021	-	771,550	3	296,209	3,911	372,895	558,490	91,038	-	2,094,096
As at 31										
March 2022	6,628,799	598,281	3	244,398	1	318,979	233,250	78,355	130,587	8,232,653
As at 31										
December 2022	6,517,000	608,085	3	226,859	1	365,331	3,906,055	62,327	1,781,791	13,467,452

Included in property, plant and equipment of the Group are fully depreciated assets which are still in use, with an aggregate cost of RM7,194,966 (FYE 2022: RM6,617,689; FYE 2021: RM4,176,796; FYE 2020: RM1,887,303)

13. ACCOUNTANTS' REPORT (CONT'D)**13. RIGHT-OF-USE ASSETS**

	Office building RM	Office equipment RM	Total RM
Cost			
As at 1 April 2019/31 March 2020/1 April 2020	759,903	92,290	852,193
Additions (Note 29)	1,427,395	12,705	1,440,100
Derecognition	(468,454)	(1,941)	(470,395)
As at 31 March 2021/1 April 2021	1,718,844	103,054	1,821,898
Additions (Note 29)	56,407	26,281	82,688
Derecognition	(109,339)	(18,213)	(127,552)
As at 31 March 2022/1 April 2022	1,665,912	111,122	1,777,034
Additions (Note 29)	-	27,774	27,774
As at 31 December 2022	1,665,912	138,896	1,804,808
Accumulated depreciation			
As at 1 April 2019	-	-	-
Charge for the year (Note 9)	492,587	20,709	513,296
As at 31 March 2020/1 April 2020	492,587	20,709	513,296
Charge for the year (Note 9)	531,288	24,593	555,881
Derecognition	(468,454)	(1,941)	(470,395)
As at 31 March 2021/1 April 2021	555,421	43,361	598,782
Charge for the year (Note 9)	574,625	21,586	596,211
Derecognition	(85,421)	(18,213)	(103,634)
As at 31 March 2022/1 April 2022	1,044,625	46,734	1,091,359
Charge for the period (Note 9)	392,020	19,405	411,425
As at 31 December 2022	1,436,645	66,139	1,502,784
Net carrying amount			
As at 31 March 2020	267,316	71,581	338,897
As at 31 March 2021	1,163,423	59,693	1,223,116
As at 31 March 2022	621,287	64,388	685,675
As at 31 December 2022	229,267	72,757	302,024

13. ACCOUNTANTS' REPORT (CONT'D)

The Group leases several assets including office building and office equipment. The average lease term is 4 years (FYE 2022: 4 years; FYE 2021: 4 years; FYE 2020: 4 years).

The maturity analysis of lease liabilities is presented in Note 29.

14. INTANGIBLE ASSETS

	Computer software programmes RM	Billboard advertisement rights RM	Total RM
Cost			
As at 1 April 2019	-	-	-
Additions	84,800	-	84,800
As at 31 March 2020/1 April 2020	84,800	-	84,800
Additions	169,600	-	169,600
As at 31 March 2021/1 April 2021	254,400	-	254,400
Transferred from inventories - property development costs (Note 19)	-	92,967	92,967
Additions	-	5,524,420	5,524,420
As at 31 March 2022/1 April 2022	254,400	5,617,387	5,871,787
Additions	-	693,248	693,248
As at 31 December 2022	254,400	6,310,635	6,565,035
Accumulated amortisation			
As at 1 April 2019/31 March 2020/1 April 2020/31 March 2021/1 April 2021/31 March 2022/1 April 2022	-	-	-
Charge for the period (Note 9)	-	(131,730)	(131,730)
As at 31 December 2022	-	(131,730)	(131,730)
Impairment loss			
As at 1 April 2019/31 March 2020/1 April 2020	-	-	-
Impairment loss (Note 9)	(254,400)	-	(254,400)
As at 31 March 2021/1 April 2021	(254,400)	-	(254,400)
Impairment loss (Note 9)	-	(2,807,155)	(2,807,155)
As at 31 March 2022/1 April 2022	(254,400)	(2,807,155)	(3,061,555)
Impairment loss (Note 9)	-	(693,248)	(693,248)
As at 31 December 2022	(254,400)	(3,500,403)	(3,754,803)

13. ACCOUNTANTS' REPORT (CONT'D)

	Computer software programmes RM	Billboard advertisement rights RM	Total RM
Net carrying amount			
As at 31 March 2020	84,800	-	84,800
As at 31 March 2021	-	-	-
As at 31 March 2022	-	2,810,232	2,810,232
As at 31 December 2022	-	2,678,502	2,678,502

The additions during the financial year 2022 represent advertisement right for a period of 6 years granted to the Group by a local authority in exchange for the construction of an overhead pedestrian bridge. As at 31 March 2022, the Group is in the process of completing the application process. Amortisation of the intangible asset will commence upon completing the application process. During the period, the application process was completed.

The directors performed impairment assessment on intangible assets with an indefinite useful life at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired. Based on the assessment, impairment loss of RM693,248 (FYE 2022: RM2,807,155; FYE 2021: RM Nil; FYE 2020: RM Nil) has been recognised.

Qualitative information about fair value measurement of the advertisement right using significant unobservable inputs (Level 3) as at 31 March 2022 and 31 December 2022 are as follows:

Intangible asset	Valuation technique	Significant unobservable inputs	Range	Inter- relationship
Billboard advertisement rights	Comparison method of valuation	Prices quoted by third party advertisement company for similar advertisement services with a similar tenure	RM5,952 per slot	Higher quoted price, higher fair value
		Operating costs	RM36,384 per month	Higher estimated outgoings, lower fair value
		Pre-tax discount rate	5.7% per annum	Higher range of inputs, lower fair value

13. ACCOUNTANTS' REPORT (CONT'D)**15. INVESTMENT PROPERTY**

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
At beginning of year/period	-	-	-	-
Additions	-	-	-	3,375,575
Transferred from inventories - land held for property development (Note 16)	-	-	-	44,610,500
At end of year/period	-	-	-	47,986,075

Finance costs of RM625,930 (FYE 2022: RM Nil; FYE 2021: RM Nil; FYE 2020: RM Nil) are capitalised in the investment property of the Group at the rates ranging from 5.51% to 6.76% (FYE 2022: Nil; FYE 2021: Nil; FYE 2020: Nil) per annum.

Investment property of the Group amounting to RM35,543,374 (FYE 2022: RM Nil; FYE 2021: RM Nil; FYE 2020: RM Nil) are charged to the banks for credit facilities granted to the Group as disclosed in Note 30.

Fair value of the investment property under construction with carrying amount of RM47,986,075 (FYE 2022: RM Nil; FYE 2021: RM Nil; FYE 2020: RM Nil) are unable to be determined reliably as there are uncertainties in estimating their fair value at this juncture.

13. ACCOUNTANTS' REPORT (CONT'D)**16. INVENTORIES - LAND HELD FOR PROPERTY DEVELOPMENT**

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
At beginning of year/period	332,032,481	485,168,722	538,798,910	528,763,902
Additions	171,475,565	103,464,182	50,121,288	95,801,283
Transferred to inventories - property development costs (Note 19)	(18,339,324)	(48,787,284)	(60,156,296)	-
Transferred to investment property (Note 15)	-	-	-	(44,610,500)
Reclassified (to)/from prepaid expenses	-	(1,046,710)	-	4,021,940
At end of year/period	<u>485,168,722</u>	<u>538,798,910</u>	<u>528,763,902</u>	<u>583,976,625</u>

Included in the inventories - land held for property development are as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Development costs	84,033,289	102,168,916	102,543,060	133,070,293
Long-term leasehold and freehold land	<u>401,135,433</u>	<u>436,629,994</u>	<u>426,220,842</u>	<u>450,906,332</u>
	<u>485,168,722</u>	<u>538,798,910</u>	<u>528,763,902</u>	<u>583,976,625</u>

Finance costs of RM2,668,360 (FYE 2022: RM6,956,819; FYE 2021: RM7,676,712; FYE 2020: RM10,430,905) are capitalised in the land held for property development of the Group at the rates ranging from 3.71% to 6.76% (FYE 2022: 5.51% to 6.51%; FYE 2021: 6.40% to 7.40%; FYE 2020: 5.87% to 8.25%) per annum.

Land held for property development of the Group amounting to RM178,171,928 (FYE 2022: RM213,507,104; FYE 2021: RM248,227,813; FYE 2020: RM252,015,935) are charged to the banks for credit facilities granted to the Group as disclosed in Note 30.

13. ACCOUNTANTS' REPORT (CONT'D)**17. GOODWILL**

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
At beginning of year/period	560,533	1,149,238	1,149,238	1,149,238
Additions	588,705	-	-	64,660
At end of year/period	<u>1,149,238</u>	<u>1,149,238</u>	<u>1,149,238</u>	<u>1,213,898</u>

Goodwill acquired is allocated at acquisition to the cash generating unit ("CGU") of the Group that is expected to benefit from the business combination. The Group's methodology to test goodwill for impairment is described in Note 3.

During the financial period, additional goodwill on consolidation as at the date of acquisition are as follows:

	Kem Batu Kentonmen Development Sdn. Bhd. RM	Central Enclave Sdn. Bhd. RM	SkyWorld Builder Sdn. Bhd. RM	Total RM
Cash consideration paid	20	25	100	145
Cash and bank balances	(1,000)	(2)	-	(1,002)
Other payables and accrued expenses	37,845	25,248	2,424	65,517
Net liabilities	<u>36,845</u>	<u>25,246</u>	<u>2,424</u>	<u>64,515</u>
Goodwill arising from acquisition	<u>36,865</u>	<u>25,271</u>	<u>2,524</u>	<u>64,660</u>

13. ACCOUNTANTS' REPORT (CONT'D)

The carrying amount of goodwill allocated by CGUs with indefinite useful life are allocated as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Medan Srijuta Sdn. Bhd.	403,716	403,716	403,716	403,716
SkyAwani 2 Development Sdn. Bhd.	97,514	97,514	97,514	97,514
Citra Amal Sdn. Bhd.	83,744	83,744	83,744	83,744
SkySanctuary Development Sdn. Bhd.	70,193	70,193	70,193	70,193
NTP World Corporation Sdn. Bhd.	63,597	63,597	63,597	63,597
Rimba Maju Realiti Sdn. Bhd.	58,337	58,337	58,337	58,337
SkyMeridien Development Sdn. Bhd.	47,080	47,080	47,080	47,080
SkySierra Development Sdn. Bhd.	46,172	46,172	46,172	46,172
SkyWorld Capital Berhad Kem Batu Kentonmen Development Sdn. Bhd.	-	-	-	36,865
SkyAwani 5 Development Sdn. Bhd.	34,561	34,561	34,561	34,561
Desa Imbangan Sdn. Bhd.	26,266	26,266	26,266	26,266
SkyLuxe Development Sdn. Bhd.	25,812	25,812	25,812	25,812
Central Enclave Sdn. Bhd.	-	-	-	25,271
SkyVue Development Sdn. Bhd.	24,364	24,364	24,364	24,364
SkyVogue Development Sdn. Bhd.	23,201	23,201	23,201	23,201
SkyWorld Venture Sdn. Bhd.	20,480	20,480	20,480	20,480
SkyWorld Properties Sdn. Bhd.	20,475	20,475	20,475	20,475
SkyWorld Land Sdn. Bhd.	20,475	20,475	20,475	20,475
Aqua Legacy Sdn. Bhd.	15,806	15,806	15,806	15,806
Legasi Spohra Sdn. Bhd.	14,855	14,855	14,855	14,855
SkyHill Development Sdn. Bhd.	8,510	8,510	8,510	8,510
Bennington Development Sdn. Bhd.	3,063	3,063	3,063	3,063
SkyWorld Builder Sdn. Bhd.	-	-	-	2,524
Curvo Development Sdn. Bhd.	2	2	2	2
	<u>1,149,238</u>	<u>1,149,238</u>	<u>1,149,238</u>	<u>1,213,898</u>

13. ACCOUNTANTS' REPORT (CONT'D)**Impairment test for goodwill on consolidation**

For the purpose of impairment testing, the goodwill has been allocated to the respective individual CGU.

The recoverable amount of the CGUs was based on its value in use calculation using cash flow projections based on the Group's financial budgets covering a three-year period.

The key assumptions used:

(i) Gross margins

Gross margins are based on average values achieved in the three years preceding the start of the budget period.

(ii) Discount rate

The pre-tax discount rate used of 7.06% (FYE 2022: 7.06%; FYE 2021: 7.06%; FYE 2020: 7.06%) is on a basis that reflect specific risks relating to the CGUs.

The values assigned to the key assumptions represent management's assessment of future trends as well as historical data in the industry which are based on both external and internal sources.

Based on the above, the carrying amount of the Group's CGUs was determined to be lower than the recoverable amount and no impairment loss was recognised.

The directors believe that no reasonably possible changes in any of the above key assumptions would cause the carrying amount of the Group's CGUs to materially exceed their recoverable amount.

18. DEFERRED TAX ASSETS/(LIABILITIES)

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Deferred tax assets	5,297,326	13,793,744	12,815,253	21,403,624
Deferred tax liabilities	<u>(289,676)</u>	<u>(289,676)</u>	<u>(789,498)</u>	<u>(810,935)</u>
	<u>5,007,650</u>	<u>13,504,068</u>	<u>12,025,755</u>	<u>20,592,689</u>
At beginning of year/period	3,842,531	5,007,650	13,504,068	12,025,755
Recognised in profit or loss (Note 11)	<u>1,165,119</u>	<u>8,496,418</u>	<u>(1,478,313)</u>	<u>8,566,934</u>
At end of year/period	<u>5,007,650</u>	<u>13,504,068</u>	<u>12,025,755</u>	<u>20,592,689</u>

13. ACCOUNTANTS' REPORT (CONT'D)

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

	Contract liabilities RM	Others temporary differences RM	Unused tax losses RM	Net RM
As at 1 April 2019	3,541,430	301,101	-	3,842,531
Recognised in profit or loss	<u>(2,158,539)</u>	<u>(446,777)</u>	3,770,435	<u>1,165,119</u>
As at 31 March 2020/1 April 2020	1,382,891	(145,676)	3,770,435	5,007,650
Recognised in profit or loss	<u>3,005,105</u>	<u>(1,524,463)</u>	7,015,776	<u>8,496,418</u>
As at 31 March 2021/1 April 2021	4,387,996	(1,670,139)	10,786,211	13,504,068
Recognised in profit or loss	<u>5,033,616</u>	<u>2,862,872</u>	<u>(9,374,801)</u>	<u>(1,478,313)</u>
As at 31 March 2022/1 April 2022	9,421,612	1,192,733	1,411,410	12,025,755
Recognised in profit or loss	<u>(3,457,146)</u>	<u>13,071,287</u>	<u>(1,047,207)</u>	<u>8,566,934</u>
As at 31 December 2022	<u>5,964,466</u>	<u>14,264,020</u>	<u>364,203</u>	<u>20,592,689</u>

13. ACCOUNTANTS' REPORT (CONT'D)

19. INVENTORIES - PROPERTY DEVELOPMENT COSTS

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
At beginning of year/period	214,035,919	216,661,190	270,155,803	196,428,318
Additions	338,335,105	326,381,564	449,475,460	293,895,493
Transferred from inventories - land held for property development (Note 16)	18,339,324	48,787,284	60,156,296	-
Transferred to intangible assets (Note 14)	-	-	(92,967)	-
Completed properties transferred to inventories	<u>(65,150,185)</u>	<u>(239,026)</u>	<u>(52,948,393)</u>	-
	505,560,163	591,591,012	726,746,199	490,323,811
Costs charged to profit or loss	<u>(288,898,973)</u>	<u>(321,435,209)</u>	<u>(530,317,881)</u>	<u>(374,701,682)</u>
At end of year/period	<u>216,661,190</u>	<u>270,155,803</u>	<u>196,428,318</u>	<u>115,622,129</u>

Included in the inventories - property development costs are as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Development costs	121,787,821	148,070,295	91,192,541	44,685,799
Long-term leasehold and freehold land	<u>94,873,369</u>	<u>122,085,508</u>	<u>105,235,777</u>	<u>70,936,330</u>
	<u>216,661,190</u>	<u>270,155,803</u>	<u>196,428,318</u>	<u>115,622,129</u>

Property development costs of the Group amounting to RM54,419,034 (FYE 2022: RM105,235,777; FYE 2021: RM122,085,508; FYE 2020: RM94,873,369) are charged to the banks for credit facilities granted to the Group as disclosed in Note 30.

13. ACCOUNTANTS' REPORT (CONT'D)**20. INVENTORIES - COMPLETED PROPERTIES**

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Completed development properties:				
- at cost	54,617,552	40,424,176	80,205,228	47,972,557
- at net realisable value	<u>772,258</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>55,389,810</u>	<u>40,424,176</u>	<u>80,205,228</u>	<u>47,972,557</u>
Charged to profit or loss:				
Cost of sales	20,225,981	15,380,329	13,115,474	32,419,390
Written down to net realisable value (Note 9)	<u>1,416,374</u>	<u>-</u>	<u>-</u>	<u>-</u>

Inventories with a carrying amount of RM Nil (FYE 2022: RM1,282,583; FYE 2021: RM8,057,047; FYE 2020: RM8,967,864) have been pledged as security for term loan as disclosed in Note 30.

21. CONTRACT ASSETS AND CONTRACT LIABILITIES

The Group's contract assets and contract liabilities relating to the sales of property development as at each reporting period can be summarised as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Contract assets	27,195,804	33,901,881	117,432,233	68,631,172
Contract liabilities	<u>(10,092,301)</u>	<u>(56,342,301)</u>	<u>(109,416,070)</u>	<u>(11,135,904)</u>
	<u>17,103,503</u>	<u>(22,440,420)</u>	<u>8,016,163</u>	<u>57,495,268</u>

Included in contract assets of the Group represent 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 customers.

The Group issues progress billings to purchasers when the billing milestones are attained and recognise revenue when the performance obligations are satisfied.

13. ACCOUNTANTS' REPORT (CONT'D)

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
At beginning of year/period	22,141,258	17,103,503	(22,440,420)	8,016,163
Revenue recognised	502,231,542	488,796,559	790,436,718	615,460,853
Less: Progress billings	<u>(507,269,297)</u>	<u>(528,340,482)</u>	<u>(759,980,135)</u>	<u>(565,981,748)</u>
At end of year/period	<u>17,103,503</u>	<u>(22,440,420)</u>	<u>8,016,163</u>	<u>57,495,268</u>

The transaction price allocated to the remaining unsatisfied performance obligations of the Group are expected to be recognised as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Within 1 year	449,976,796	716,385,338	727,581,546	630,405,525
Between 1 and 4 years	<u>447,252,224</u>	<u>440,631,021</u>	<u>421,122,171</u>	<u>244,921,601</u>
	<u>897,229,020</u>	<u>1,157,016,359</u>	<u>1,148,703,717</u>	<u>875,327,126</u>

22. CONTRACT COST ASSETS

The Group recognises 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 incurred 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 or loss when the carrying amount of the contract cost asset exceeds the expected revenue less expected costs that will be incurred.

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
At beginning of year/period	3,612,809	4,311,028	8,169,149	8,426,531
Additions	2,695,481	6,502,155	8,842,850	4,429,520
Costs charged to profit or loss	<u>(1,997,262)</u>	<u>(2,644,034)</u>	<u>(8,585,468)</u>	<u>(5,922,682)</u>
At end of year/period	<u>4,311,028</u>	<u>8,169,149</u>	<u>8,426,531</u>	<u>6,933,369</u>

13. ACCOUNTANTS' REPORT (CONT'D)**23. TRADE RECEIVABLES**

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Current:				
Trade receivables	19,193,387	55,473,864	58,806,202	23,193,307
Amount due from director	-	-	60,750	86,265
Amount due from related parties	-	47,300	161,000	-
Stakeholders' sum	42,361,133	23,198,713	15,318,375	36,738,109
	61,554,520	78,719,877	74,346,327	60,017,681
Less: Loss allowance	-	-	(137,591)	(87,008)
	<u>61,554,520</u>	<u>78,719,877</u>	<u>74,208,736</u>	<u>59,930,673</u>

Amount due from director, which arose mainly from trade transactions, are unsecured, bears interest at a rate of 10% (FYE 2022: 10%; FYE 2021: Nil; FYE 2020: Nil) per annum and have a credit term of 30 days (FYE 2022: 30 days; FYE 2021: Nil; FYE 2020: Nil).

Amount due from related parties, which were due from persons connected to certain directors of the Group in respect of purchase of development properties of the Group. The transactions were unsecured, bore interest at a rate of FYE 2022: 10%; FYE 2021: 10%; FYE 2020: Nil per annum and had a credit term of FYE 2022: 30 days; FYE 2021: 30 days; FYE 2020: Nil.

Credit quality of financial assets

The credit term offered by the Group in respect of trade receivables is 30 days (FYE 2022: 30 days; FYE 2021: 30 days; FYE 2020: 30 days) from the date of invoice and progress billing. The amount outstanding from purchasers, bears interest at a rate of 10% (FYE 2022: 10%; FYE 2021: 10%; FYE 2020: 10%) per annum.

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.

13. ACCOUNTANTS' REPORT (CONT'D)

Set out below is the ageing analysis of trade receivables:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Not impaired:				
- not past due	51,732,226	55,628,517	50,528,531	58,453,784
- past due by:				
1 to 30 days	3,784,282	9,931,546	9,007,545	1,022,285
31 to 60 days	2,343,251	4,898,924	10,143,717	55,034
61 to 90 days	3,334,204	4,692,838	3,379,447	39,536
91 to 120 days	168,264	1,340,485	372,186	11,975
More than 120 days	192,293	2,227,567	777,310	348,059
	<u>61,554,520</u>	<u>78,719,877</u>	<u>74,208,736</u>	<u>59,930,673</u>
Impaired	-	-	137,591	87,008
	<u>61,554,520</u>	<u>78,719,877</u>	<u>74,346,327</u>	<u>60,017,681</u>

Trade receivables that are neither past due nor impaired comprises:

- (a) receivables arising from sale of development units to large number of purchasers with end financing facilities from reputable end financiers and the ownership and rights to the properties revert to the Group in the event of default; and
- (b) receivables from creditworthy debtors with good payment records.

The movement in the allowance for doubtful debts during the year/period is as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
At beginning of year/period	-	-	-	137,591
Addition (Note 9)	-	-	137,591	8,649
Reversal (Note 9)	-	-	-	(59,232)
At end of year/period	<u>-</u>	<u>-</u>	<u>137,591</u>	<u>87,008</u>

The directors are of the opinion that these debts could be realised in full without material losses in the ordinary course of business as the legal title to the properties sold remained with the Group until the purchase consideration is fully settled/paid.

The Group's credit risk management objectives, policies and exposure are described in Note 34.4.4.

13. ACCOUNTANTS' REPORT (CONT'D)**24. OTHER RECEIVABLES, REFUNDABLE DEPOSITS AND PREPAID EXPENSES**

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Other receivables	5,259,669	32,489,296	37,644,382	2,591,167
Refundable deposits	9,221,426	4,271,430	4,434,932	7,290,168
Prepaid expenses	670,624	2,129,118	7,134,895	2,940,799
Goods and services tax receivables	1,833,822	1,415,599	1,422,317	1,422,317
	16,985,541	40,305,443	50,636,526	14,244,451
Less: Loss allowance	(5,966,406)	(100,000)	(1,792,593)	(1,792,593)
	11,019,135	40,205,443	48,843,933	12,451,858
Less: Prepaid expenses - non- current portion	-	(994,207)	(1,788,623)	(1,941,341)
	<u>11,019,135</u>	<u>39,211,236</u>	<u>47,055,310</u>	<u>10,510,517</u>

Included in other receivables of the Group is excess redemption of term loan of RM52,518 (FYE 2022: RM33,601,005; FYE 2021: RM26,327,022; FYE 2020: RM Nil).

The movement in the allowance for doubtful debts during the year/period is as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
At beginning of year/period	-	5,966,406	100,000	1,792,593
Addition:				
- Other receivables (Note 9)	-	100,000	1,692,593	-
- Refundable deposits (Note 9)	5,966,406	-	-	-
Written off	-	(5,966,406)	-	-
At end of year/period	<u>5,966,406</u>	<u>100,000</u>	<u>1,792,593</u>	<u>1,792,593</u>

13. ACCOUNTANTS' REPORT (CONT'D)**25. CASH AND BANK BALANCES**

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FYE 2023 RM
Cash and bank balances	78,747,878	8,131,653	17,496,223	89,690,681
Housing Development Accounts	61,583,577	147,784,430	248,320,664	177,848,343
Fixed deposits placed with licensed banks	14,419,926	5,705,564	14,655,171	70,380,659
Total (Note 33)	154,751,381	161,621,647	280,472,058	337,919,683

Fixed deposits placed with licensed banks have maturity periods ranging from 1 to 48 months (FYE 2022: 1 to 24 months; FYE 2021: 1 to 18 months; FYE 2020: 1 to 18 months) and earn interest at the effective interest rates ranging from 1.65 % to 3.35% (FYE 2022: 1.35 % to 3.35%; FYE 2021: 2.60 % to 3.30%; FYE 2020: 2.15% to 3.35%) per annum.

Included in fixed deposits placed with licensed banks of the Group are:

- (a) fixed deposits pledged to bank for credit facilities granted to the Group amounting to RM6,927,846 (FYE 2022: RM6,715,171; FYE 2021: RM2,765,564; FYE 2020: RM10,724,426) as disclosed in Note 30; and
- (b) monies held in debt service reserve accounts amounting to RM Nil (FYE 2022: RM2,940,000; FYE 2021: RM2,940,000; FYE 2020: RM3,695,500) for the Group which are restricted in usage and do not form part of cash and cash equivalents; and
- (c) monies held in escrow accounts amounting to RM5,084,637 (FYE 2022: RM5,000,000; FYE 2021: RM Nil; FYE 2020: RM Nil) for the Group which are restricted in usage and do not form part of cash and cash equivalents.
- (d) money market deposit amounting to RM58,368,176 (FYE 2022: RM Nil; FYE 2021: RM Nil; FYE 2020: RM Nil) for the Group which are not restricted in usage and form part of cash and cash equivalents.

Bank balances held under Housing Development Accounts which are maintained in designated Housing Development Accounts are pursuant to the Housing Developers (Control and Licensing) Act, 1966 and Housing Development (Housing Development Account) Regulations, 1991 in connection with the Group's property development projects. The utilisation of these balances are restricted, before the completion of the housing development and fulfilling all relevant obligations to the purchasers, the cash could only be withdrawn from such accounts for the purpose of completing the particular projects concerned.

13. ACCOUNTANTS' REPORT (CONT'D)

26. SHARE CAPITAL

	FYE 2020		FYE 2021		FYE 2022		FPE 2023	
	No. of shares	RM	No. of shares	RM	No. of shares	RM	No. of shares	RM
Ordinary shares:								
Issued and fully paid up:								
As at 1 April								
2019/31 March								
2020/1 April								
2020/31 March								
2021/1 April								
2021/31 March								
2022/1 April								
2022/31								
December 2022	<u>62,500,000</u>	<u>62,500,000</u>	<u>62,500,000</u>	<u>62,500,000</u>	<u>62,500,000</u>	<u>62,500,000</u>	<u>62,500,000</u>	<u>62,500,000</u>

The holders of ordinary shares is entitled to receive dividends as declared from time to time, and is entitled to one vote per share at meetings of the Group.

13. ACCOUNTANTS' REPORT (CONT'D)**27. RETAINED EARNINGS**

Retained earnings are available for distribution by way of dividends. The Company is under the single tier tax system. Under this system, tax on a company's profit is final tax and dividends paid are exempted from tax in hands of the shareholder.

28. LAND COSTS PAYABLE

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Current	18,982,388	77,476,704	77,020,778	68,258,057
Non-current	75,350,453	504,078	-	-
	<u>94,332,841</u>	<u>77,980,782</u>	<u>77,020,778</u>	<u>68,258,057</u>

Included in the land costs payable is an amount of RM67,000,000 (FYE 2022: RM75,164,400; FYE 2021: RM75,164,400; FYE 2020: RM75,164,400) representing the balance purchase consideration for the acquisition of leasehold land located in Kuala Lumpur by a wholly-owned subsidiary of the Company. Subsequent to the financial period end, the amount of RM67,000,000 has been fully settled on 18 January 2023.

29. LEASE LIABILITIES

	RM
As at 1 April 2019	852,193
Finance costs (Note 8)	34,366
Payments of leases and interest	<u>(570,876)</u>
As at 31 March 2020/1 April 2020	315,683
Additions (Note 13)	1,440,100
Finance costs (Note 8)	70,120
Payments of leases and interest	<u>(605,571)</u>
As at 31 March 2021/1 April 2021	1,220,332
Additions (Note 13)	82,688
Finance costs (Note 8)	54,994
Payments of leases and interest	<u>(669,285)</u>
As at 31 March 2022/1 April 2022	688,729
Additions (Note 13)	27,774
Finance costs (Note 8)	21,816
Payments of leases and interest	<u>(447,733)</u>
As at 31 December 2022	<u>290,586</u>

13. ACCOUNTANTS' REPORT (CONT'D)

The minimum lease payments for the lease liabilities are payable as follows:

	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM
FYE 2023			
Current liabilities:			
- Within one year	246,122	(5,283)	240,839
Non-current liabilities:			
- More than 1 year and within 2 years	21,078	(1,344)	19,734
- More than 2 years and within 5 years	31,248	(1,235)	30,013
	<u>52,326</u>	<u>(2,579)</u>	<u>49,747</u>
	<u>298,448</u>	<u>(7,862)</u>	<u>290,586</u>
FYE 2022			
Current liabilities:			
- Within one year	588,916	(24,374)	564,542
Non-current liabilities:			
- More than 1 year and within 2 years	101,356	(1,790)	99,566
- More than 2 years and within 5 years	25,668	(1,047)	24,621
	<u>127,024</u>	<u>(2,837)</u>	<u>124,187</u>
	<u>715,940</u>	<u>(27,211)</u>	<u>688,729</u>
FYE 2021			
Current liabilities:			
- Within one year	638,984	(55,474)	583,510
Non-current liabilities:			
- More than 1 year and within 2 years	654,136	(24,454)	629,682
- More than 2 years and within 5 years	7,392	(252)	7,140
	<u>661,528</u>	<u>(24,706)</u>	<u>636,822</u>
	<u>1,300,512</u>	<u>(80,180)</u>	<u>1,220,332</u>

13. ACCOUNTANTS' REPORT (CONT'D)

	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM
FYE 2020			
Current liabilities:			
- Within one year	198,251	(10,293)	187,958
Non-current liabilities:			
- More than 1 year and within 2 years	92,096	(3,451)	88,645
- More than 2 years and within 5 years	34,080	(1,826)	32,254
- More than 5 years	7,392	(566)	6,826
	<u>133,568</u>	<u>(5,843)</u>	<u>127,725</u>
	<u>331,819</u>	<u>(16,136)</u>	<u>315,683</u>

The Group discounted the lease liabilities by using the Group's incremental borrowing rates ranging from 3.40% to 6.00% (FYE 2022: 3.40% to 6.00%; FYE 2021: 3.40% to 6.00%; FYE 2020: 3.40% to 6.00%) per annum.

30. BANK BORROWINGS

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Term loans	297,568,689	262,501,125	363,751,494	426,921,718
Bridging loans	29,439,619	25,701,209	7,851,870	15,823,710
Bank overdrafts (Note 33)	85,000,000	104,300,000	76,417,543	9,800,000
	<u>412,008,308</u>	<u>392,502,334</u>	<u>448,020,907</u>	<u>452,545,428</u>

13. ACCOUNTANTS' REPORT (CONT'D)

Bank borrowings are repayable as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Current	<u>181,803,347</u>	<u>190,537,266</u>	<u>158,224,826</u>	<u>213,703,200</u>
Non-current:				
Later than one year but not more than 2 years	66,767,145	47,117,941	129,099,681	57,127,967
Later than 2 years but not more than 5 years	104,459,332	154,847,127	160,696,400	181,714,261
More than 5 years	<u>58,978,484</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>230,204,961</u>	<u>201,965,068</u>	<u>289,796,081</u>	<u>238,842,228</u>
	<u>412,008,308</u>	<u>392,502,334</u>	<u>448,020,907</u>	<u>452,545,428</u>

- (a) As at 31 December 2022, the Group has term loans, bridging loans, bank overdrafts and other credit facilities totaling to RM922,388,000 (FYE 2022: RM1,152,220,678; FYE 2021: RM1,251,475,700; FYE 2020: RM749,355,700). These credit facilities bear interest at rates ranging from 3.71% to 8.95% (FYE 2022: 4.07% to 8.95%; FYE 2021: 4.00% to 8.95%; FYE 2020: 6.26% to 8.95%) per annum.

The credit facilities of the Group are secured by the following:

- (i) third party first to third legal fixed charge over the development lands of the Group;
- (ii) a fixed charge and floating charge by way of a debenture on the Group's present and future assets;
- (iii) a charge over investment property of the Group amounting to RM35,543,374 (FYE 2022: RM Nil; FYE 2021: RM Nil; FYE 2020: RM Nil) as disclosed in Note 15;
- (iv) a charge over land held for property development of the Group amounting to RM178,171,928 (FYE 2022: RM213,507,104; FYE 2021: RM248,227,813; FYE 2020: RM252,015,935) as disclosed in Note 16;
- (v) a charge over property development costs of the Group amounting to RM54,419,034 (FYE 2022: RM105,235,777; FYE 2021: RM122,085,508; FYE 2020: RM94,873,369) as disclosed in Note 19;

13. ACCOUNTANTS' REPORT (CONT'D)

- (vi) a charge over completed properties of the Group amounting to RM Nil (FYE 2022: RM1,282,583; FYE 2021: RM8,057,047; FYE 2020: RM8,967,864) as disclosed in Note 20;
 - (vii) assignment of sales proceeds arising from sale of development properties of certain subsidiary;
 - (viii) assignment of all monies in the Housing Development Accounts of certain subsidiaries subject to the provisions of the Housing Developer (Housing Development Account) Regulations, 1991;
 - (ix) corporate guarantee by the Company;
 - (x) joint and several guarantees by the following directors of the Group and of the Company:
 - a. Datuk Seri Ng Thien Phing
 - b. Datuk Lam Soo Keong @ Low Soo Keong
 - (xi) deed of subordination from shareholders and directors of the Group and of the Company of all advances, right, benefits, interest including but not limited to profit.
 - (xii) fixed deposits pledged to bank for credit facilities granted to the Group amounting to RM6,927,846 (FYE 2022: RM6,715,171; FYE 2021: RM2,765,564; FYE 2020: RM10,724,426) as disclosed in Note 25.
- (b) In 2021 and 2020, the Group has standing Sukuk Musharakah and Sukuk Murabahah totaling RM1,000,000,000 as follows:
- (i) Sukuk Musharakah

On 2 November 2017, the Group has established a Sukuk Musharakah Programme ("Sukuk Musharakah") for the issuance up to RM600,000,000 in nominal value of Sukuk Musharakah. It provides the subsidiary the flexibility to raise funds from time to time to finance and/or reimbursement of the acquisition of land(s), to fund working capital requirements and to refinance existing bank borrowings of its related companies. Sukuk Musharakah is rated AA3/Stable and has a tenure of twelve (12) years from the date of first issuance of the Sukuk Musharakah on 8 December 2017.
 - (ii) Sukuk Murabahah

On 2 November 2017, the Group also established a Sukuk Murabahah Programme ("Sukuk Murabahah") for the issuance up to RM400,000,000 in nominal value of Sukuk Murabahah. Sukuk Murabahah is unrated and has a tenure of seven (7) years from the date of first issuance of the Sukuk Murabahah on 5 January 2018.

On 7 July 2020, both Sukuk Musharakah and Sukuk Murabahah were retired.

13. ACCOUNTANTS' REPORT (CONT'D)**31. TRADE PAYABLES**

Trade payables comprise amounts outstanding for trade and on-going costs. The credit term granted to the Group in respect of trade purchases ranges from 30 to 90 days (FYE 2022: 30 to 90 days; FYE 2021: 30 to 90 days; FYE 2020: 30 to 90 days).

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Trade payables	97,115,745	173,957,676	105,605,314	101,357,245
Retention sums	<u>51,413,848</u>	<u>67,898,680</u>	<u>84,871,666</u>	<u>65,947,714</u>
	<u>148,529,593</u>	<u>241,856,356</u>	<u>190,476,980</u>	<u>167,304,959</u>

32. OTHER PAYABLES AND ACCRUED EXPENSES

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Other payables	16,607,520	20,155,734	21,106,328	16,631,837
Accrued expenses	10,398,115	16,755,563	30,552,213	29,246,350
Amount due to related parties	11,239,052	9,964,788	13,538	-
Refundable deposits	171,200	70,500	5,145,569	544,519
Provision for Bumiputera quota penalties	-	-	3,433,899	4,192,702
	<u>38,415,887</u>	<u>46,946,585</u>	<u>60,251,547</u>	<u>50,615,408</u>

In previous financial years, amount due to related parties mainly comprise of advances and expenses paid on behalf for the Company amounting to FYE 2022: RM Nil; FYE 2021: RM9,964,788; FYE 2020: RM11,222,657, which were unsecured, interest-free and repayable on demand. In addition, included in amount due to related parties were rental of office building, rental of office equipments, rental of motor vehicles and insurance brokerage services amounting to FYE 2022: RM13,538; FYE 2021: RM Nil; FYE 2020: RM16,395. These transactions were unsecured and granted with credit terms range from FYE 2022: 0 to 7 days; FYE 2021: 0 to 7 days; FYE 2020: 0 to 7 days.

13. ACCOUNTANTS' REPORT (CONT'D)

Movement of the provision for Bumiputera quota penalties is as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
At beginning of year/period	-	-	-	3,433,899
Additions (Note 9)	-	-	3,433,899	758,803
At end of year/period	-	-	3,433,899	4,192,702

33. CASH AND CASH EQUIVALENTS

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Cash and bank balances (Note 25)	154,751,381	161,621,647	280,472,058	337,919,683
Less: Cash and bank balances restricted in usage (Note 25)	(14,419,926)	(5,705,564)	(14,655,171)	(12,012,483)
Bank overdrafts (Note 30)	(85,000,000)	(104,300,000)	(76,417,543)	(9,800,000)
	<u>55,331,455</u>	<u>51,616,083</u>	<u>189,399,344</u>	<u>316,107,200</u>

34. FINANCIAL INSTRUMENTS**34.1 Capital Risk Management**

The primary objective of the Group's capital management is to ensure that the Group maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the period/year ended 31 December 2022, 31 March 2022, 31 March 2021 and 31 March 2020.

The Group monitors capital using a gearing ratio, which is total debts divided by total equity. The total debts represents bank borrowings. Total equity represents net equity attributable to the owners of the parent plus non-controlling interests.

13. ACCOUNTANTS' REPORT (CONT'D)

The net gearing ratios at the end of the reporting period are as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Total debts (Note 30)	412,008,308	392,502,334	448,020,907	452,545,428
Less: Cash and bank balances (Note 25)	<u>(154,751,381)</u>	<u>(161,621,647)</u>	<u>(280,472,058)</u>	<u>(337,919,683)</u>
Net debts	<u>257,256,927</u>	<u>230,880,687</u>	<u>167,548,849</u>	<u>114,625,745</u>
Total equity	<u>297,465,120</u>	<u>360,769,919</u>	<u>465,055,900</u>	<u>555,930,088</u>
Gearing ratio (%)	<u>86</u>	<u>64</u>	<u>36</u>	<u>21</u>

The gearing ratio is not governed by the MFRS and its definition and calculation may vary.

34.2 Significant Accounting Policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial instruments are disclosed in Note 3.

34.3 Categories of Financial Instruments

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Financial assets at amortised cost				
Trade receivables	61,554,520	78,719,877	74,208,736	59,930,673
Other receivables and refundable deposits (Note 24)	8,514,689	36,660,726	40,286,721	8,088,742
Cash and bank balances	<u>154,751,381</u>	<u>161,621,647</u>	<u>280,472,058</u>	<u>337,919,683</u>

13. ACCOUNTANTS' REPORT (CONT'D)

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Financial liabilities at amortised cost				
Trade payables	148,529,593	241,856,356	190,476,980	167,304,959
Other payables and accrued expenses (Note 32)	38,415,887	46,946,585	56,817,648	46,422,706
Bank borrowings	412,008,308	392,502,334	448,020,907	452,545,428
Land costs payable	94,332,841	77,980,782	77,020,778	68,258,057
Lease liabilities	315,683	1,220,332	688,729	290,586

34.4 Financial Risk Management

The operations of the Group are subject to various risks which include liquidity risk, cash flow risk, interest rate risk and credit risk, in connection with their use or holding of financial instruments. The Group has adopted a financial risk management framework with the principal objective of effectively managing these risks and minimising any potential adverse effects on the financial performance of the Group.

13. ACCOUNTANTS' REPORT (CONT'D)**34.4.1 Liquidity Risk Management**

Liquidity risk is the risk that an entity will encounter difficulty in meeting its financial obligations due to a shortage of funds.

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and financial liabilities and to maintain sufficient credit facilities for contingent funding requirement of working capital.

The table below summarises the maturity profile of the Group's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	Carrying amount RM	Effective interest rates per annum %	Contractual cash flows RM	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	Total RM
FPE 2023							
Trade payables	167,304,959	-	167,304,959	167,304,959	-	-	167,304,959
Other payables and accrued expenses	46,422,706	-	46,422,706	46,422,706	-	-	46,422,706
Land costs payable	68,258,057	-	68,258,057	68,258,057	-	-	68,258,057
Bank borrowings	452,545,428	3.71 - 8.95	518,684,488	238,350,216	94,885,791	185,448,481	518,684,488
Lease liabilities	290,586	3.40 - 6.00	298,448	246,122	21,078	31,248	298,448
	<u>734,821,736</u>		<u>800,968,658</u>	<u>520,582,060</u>	<u>94,906,869</u>	<u>185,479,729</u>	<u>800,968,658</u>

13. ACCOUNTANTS' REPORT (CONT'D)

	Carrying amount RM	Effective interest rates per annum %	Contractual cash flows RM	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	Total RM
FYE 2022							
Trade payables	190,476,980	-	190,476,980	190,476,980	-	-	190,476,980
Other payables and accrued expenses	56,817,648	-	56,817,648	56,817,648	-	-	56,817,648
Land costs payable	77,020,778	-	77,020,778	77,020,778	-	-	77,020,778
Bank borrowings	448,020,907	4.07 - 8.95	509,145,244	178,230,803	145,837,388	185,077,053	509,145,244
Lease liabilities	688,729	3.40 - 6.00	715,940	588,916	101,356	25,668	715,940
	<u>773,025,042</u>		<u>834,176,590</u>	<u>503,135,125</u>	<u>145,938,744</u>	<u>185,102,721</u>	<u>834,176,590</u>
FYE 2021							
Trade payables	241,856,356	-	241,856,356	241,856,356	-	-	241,856,356
Other payables and accrued expenses	46,946,585	-	46,946,585	46,946,585	-	-	46,946,585
Land costs payable	77,980,782	-	77,980,782	77,476,704	504,078	-	77,980,782
Bank borrowings	392,502,334	4.00 - 8.95	440,185,082	211,554,353	58,560,092	170,070,637	440,185,082
Lease liabilities	1,220,332	3.40 - 6.00	1,300,512	638,984	654,136	7,392	1,300,512
	<u>760,506,389</u>		<u>808,269,317</u>	<u>578,472,982</u>	<u>59,718,306</u>	<u>170,078,029</u>	<u>808,269,317</u>

13. ACCOUNTANTS' REPORT (CONT'D)

	Carrying amount RM	Effective interest rates per annum %	Contractual cash flows RM	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM	Total RM
FYE 2020								
Trade payables	148,529,593	-	148,529,593	148,529,593	-	-	-	148,529,593
Other payables and accrued expenses	38,415,887	-	38,415,887	38,415,887	-	-	-	38,415,887
Land costs payable	94,332,841	-	94,332,841	18,982,388	75,164,400	186,053	-	94,332,841
Bank borrowings	412,008,308	6.26 - 8.95	478,262,186	209,939,652	82,567,908	124,469,642	61,284,984	478,262,186
Lease liabilities	315,683	3.40 - 6.00	331,819	198,251	92,096	34,080	7,392	331,819
	<u>693,602,312</u>		<u>759,872,326</u>	<u>416,065,771</u>	<u>157,824,404</u>	<u>124,689,775</u>	<u>61,292,376</u>	<u>759,872,326</u>

13. ACCOUNTANTS' REPORT (CONT'D)**34.4.2 Cash Flow Risk Management**

The Group reviews its cash flow position regularly to manage its exposure to fluctuations in future cash flows associated with its monetary financial instruments.

34.4.3 Interest Rate Risk Management

Interest rate risk is the risk that the fair values or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's interest-bearing financial assets are primarily short-term fixed deposits placed with licensed banks. The interest rates on these deposits are monitored closely to ensure that they are maintained at favourable rates and placements are made at varying maturities. The Group considers the risk of significant changes to interest rates on deposits to be low.

The Group is exposed to interest rate risk through the impact of rate changes on bank borrowings. The interest rates of the Group's bank borrowings are disclosed in Note 30.

The interest rate profile of the Group's significant interest-bearing financial assets and financial liabilities are disclosed in the table below as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Floating rate instruments				
Term loans	297,568,689	262,501,125	363,751,494	426,921,718
Bridging loans	29,439,619	25,701,209	7,851,870	15,823,710
Bank overdrafts	85,000,000	104,300,000	76,417,543	9,800,000
	<u>412,008,308</u>	<u>392,502,334</u>	<u>448,020,907</u>	<u>452,545,428</u>

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for interest bearing bank borrowings at the end of the reporting period. A 100 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.

13. ACCOUNTANTS' REPORT (CONT'D)

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's profit for the period/year ended 31 December 2022 would decrease/increase by RM4,525,454 (FYE 2022: RM4,480,209; FYE 2021: RM3,925,023; FYE 2020: RM4,120,083).

34.4.4 Credit Risk Management

Financial assets that are primarily exposed to credit risk are receivables and bank balances.

Credit risk arising from trade receivables

The Group does not have any significant credit risk as its development units are predominantly rendered and sold to a large number of customers using financing from reputable end-financiers. The Group does not have significant exposure to any individual or counterparty nor does it have any major concentration of credit risk related to any financial instruments. Credit risks with respect to trade receivables are limited as the ownership and rights to the properties revert to the Group in the event of default.

Credit risk arising from deposits placed with licensed banks

Credit risk also arises from deposits placed with licensed banks. The deposits are placed with credit worthy financial institutions. The Group considers the risk of material loss in the event of non-performance by a financial counterparty to be unlikely.

Credit risk arising from other receivables

As at 31 December 2022, 31 March 2022, 31 March 2021 and 31 March 2020, the maximum exposure to credit risk arising from other receivables is represented by its carrying amounts in the consolidated statement of financial position.

Credit risk arising from refundable deposits

Credit risk on refundable deposits is mainly arising from deposits paid for acquisition of land and office and office equipment rented. These deposits will be received at the end of each lease terms. The Group manages the credit risk together with the leasing arrangement.

As at 31 December 2022, 31 March 2022, 31 March 2021 and 31 March 2020, the maximum exposure to credit risk is represented by their carrying amounts in the consolidated statement of financial position.

13. ACCOUNTANTS' REPORT (CONT'D)**34.5 Fair Values of Financial Instruments**

The fair values of financial instruments refer to the amounts at which the instruments could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction. Fair values have been arrived at based on prices quoted in an active, liquid market or estimated using certain valuation techniques such as discounted future cash flows based upon certain assumptions. Amounts derived from such methods and valuation techniques are inherently subjective and therefore do not necessarily reflect the amounts that would be received or paid in the event of immediate settlement of the instruments concerned.

On the basis of the amounts estimated from the methods and techniques as mentioned in the preceding paragraph, the carrying amount of the various financial assets and financial liabilities reflected on the consolidated statement of financial position approximate their fair values.

The methodologies used in arriving at the fair values of the financial assets and financial liabilities of the Group are as follows:

- **Cash and bank balances, trade and other receivables, refundable deposits, trade and other payables, accrued expenses, short-term borrowings, land costs payable and lease liabilities:** The carrying amounts are considered to approximate the fair values as they are either within the normal credit terms or they have short-term maturity period.
- **Long-term borrowings:** The fair values of long-term borrowings are determined by estimating future cash flows on a borrowing-by-borrowing basis, and discounting these future cash flows using an interest rate which takes into consideration the Group's incremental borrowing rate at year/period end for similar types of debt arrangements.
- **Long-term lease liabilities and land costs payable:** The fair values of long-term financial assets and financial liabilities are determined by the present value of future cash flow estimated and discounted using the current interest rates for similar instruments at the end of the reporting date. There is no material difference between the fair values and carrying values of these liabilities as at the reporting date.

13. ACCOUNTANTS' REPORT (CONT'D)

35. CAPITAL COMMITMENTS

At the end of reporting period, the Group has the following capital commitments in respect of property, plant and equipment:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Approved and contracted for:				
Balance payment for purchase of building	-	5,985,000	-	-

36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group'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 consolidated statement of cash flows as cash flows from financing activities.

	Bank borrowings RM	Lease liabilities RM
2023		
At beginning of period (excluding bank overdrafts)	371,603,364	688,729
Changes from financing cash flows		
Proceeds from bank borrowings	200,191,884	-
Repayments of bank borrowings	(96,773,310)	-
Payment of lease liabilities	-	(425,917)
Interest paid	-	(21,816)
Non-cash items		
Additions	-	27,774
Interest charged	14,738,056	21,816
Interest paid	(14,738,056)	-
Loan transaction cost	1,271,977	-
Reclassification from other receivables	(33,548,487)	-
At end of period (excluding bank overdrafts)	<u>442,745,428</u>	<u>290,586</u>

13. ACCOUNTANTS' REPORT (CONT'D)

	Bank borrowings RM	Lease liabilities RM
2022		
At beginning of year (excluding bank overdrafts)	288,202,334	1,220,332
Changes from financing cash flows		
Proceeds from bank borrowings	334,570,330	-
Repayments of bank borrowings	(260,336,062)	-
Payment of lease liabilities	-	(614,291)
Interest paid	-	(54,994)
Non-cash items		
Additions	-	82,688
Interest charged	24,644,379	54,994
Interest paid	(24,644,379)	-
Loan transaction cost	1,892,779	-
Reclassification to other receivables	7,273,983	-
At end of year (excluding bank overdrafts)	<u>371,603,364</u>	<u>688,729</u>
2021		
At beginning of year (excluding bank overdrafts)	327,008,308	315,683
Changes from financing cash flows		
Proceeds from bank borrowings	196,750,594	-
Repayments of bank borrowings	(255,256,372)	-
Payment of lease liabilities	-	(535,451)
Interest paid	-	(70,120)
Non-cash items		
Additions	-	1,440,100
Interest charged	26,118,063	70,120
Interest paid	(26,118,063)	-
Loan transaction cost	(6,627,218)	-
Reclassification to other receivables	26,327,022	-
At end of year (excluding bank overdrafts)	<u>288,202,334</u>	<u>1,220,332</u>

13. ACCOUNTANTS' REPORT (CONT'D)

	Amount owing to associated companies RM	Bank borrowings RM	Lease liabilities RM
2020			
At beginning of year (excluding bank overdrafts)	103,020	245,623,727	-
Effect of adoption of MFRS 16	-	-	852,193
	<u>103,020</u>	<u>245,623,727</u>	<u>852,193</u>
Changes from financing cash flows			
Repayments made to associated companies	(103,020)	-	-
Proceeds from bank borrowings	-	158,852,458	-
Repayments of bank borrowings	-	(77,467,877)	-
Payment of lease liabilities	-	-	(536,510)
Interest paid	-	-	(34,366)
Non-cash items			
Interest charged	-	26,048,882	34,366
Interest paid	-	(26,048,882)	-
	<u>-</u>	<u>327,008,308</u>	<u>315,683</u>
At end of year (excluding bank overdrafts)	<u>-</u>	<u>327,008,308</u>	<u>315,683</u>

13. ACCOUNTANTS' REPORT (CONT'D)**37. LIST OF SUBSIDIARIES**

The details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Proportion of ownership interest and voting power held by the Group				Principal activities
		FYE 2020 %	FYE 2021 %	FYE 2022 %	FPE 2023 %	
Bennington Development Sdn. Bhd.	Malaysia	100	100	100	100	Property development
Citra Amal Sdn. Bhd.	Malaysia	100	100	100	100	Property development
Curvo Development Sdn. Bhd.	Malaysia	100	100	100	100	Property development
SkyAwani 2 Development Sdn. Bhd.	Malaysia	100	100	100	100	Property development
SkyAwani 5 Development Sdn. Bhd. ⁽⁶⁾	Malaysia	100	100	100	100	Property development
SkyHill Development Sdn. Bhd.	Malaysia	100	100	100	100	Property development
SkyLuxe Development Sdn. Bhd.	Malaysia	100	100	100	100	Property development
SkyMeridien Development Sdn. Bhd.	Malaysia	100	100	100	100	Property development
SkySanctuary Development Sdn. Bhd.	Malaysia	100	100	100	100	Property development and property investment
SkySierra Development Sdn. Bhd.	Malaysia	99.99	99.99	99.99	99.99	Property development

13. ACCOUNTANTS' REPORT (CONT'D)

Name of subsidiaries	Country of incorporation	Proportion of ownership interest and voting power held by the Group				Principal activities
		FYE 2020 %	FYE 2021 %	FYE 2022 %	FPE 2023 %	
SkyVogue Development Sdn. Bhd.	Malaysia	100	100	100	100	Property development
SkyVue Development Sdn. Bhd.	Malaysia	100	100	100	100	Property development
SkyAman Development Sdn. Bhd.	Malaysia	100	100	100	100	Property development
West Victory Sdn. Bhd.	Malaysia	100	100	100	100	Property development
Desa Imbangan Sdn. Bhd. ^(a)	Malaysia	60	60	-	-	Property development
Medan Srijuta Sdn. Bhd. ^(d)	Malaysia	60	60	60	60	Property development
NTP World Corporation Sdn. Bhd. ^{(k)(w)}	Malaysia	59.99	59.99	59.99	60	Property development
SkyWorld Capital Berhad	Malaysia	100	100	100	100	Treasury management
SkyWorld Connects Sdn. Bhd.	Malaysia	100	100	100	100	Management services and e-commerce business
Aqua Legacy Sdn. Bhd. ^(e)	Malaysia	100	100	100	100	Property development

13. ACCOUNTANTS' REPORT (CONT'D)

Name of subsidiaries	Country of incorporation	Proportion of ownership interest and voting power held by the Group				Principal activities
		FYE 2020 %	FYE 2021 %	FYE 2022 %	FPE 2023 %	
Legasi Spohra Sdn. Bhd. ^(f)	Malaysia	100	100	100	100	Property development
SkyWorld Land Sdn. Bhd. ^{(f)(g)}	Malaysia	100	100	100	75	Property development and investment holding
SkyWorld Properties Sdn. Bhd. ^{(h)(i)}	Malaysia	100	100	100	80	Property development and investment holding
SkyWorld Venture Sdn. Bhd. ^{(g)(o)}	Malaysia	100	100	60	60	Property development and investment holding
Rimba Maju Realiti Sdn. Bhd. ^(b)	Malaysia	60	60	60	60	Property development
SkyWorld Asset Management Sdn. Bhd. ^(m)	Malaysia	-	-	100	100	Management services and property investment
SkyRia Development Sdn. Bhd. ^(j)	Malaysia	-	-	100	100	Property development
Klasik Eramas Sdn. Bhd. ^(l)	Malaysia	-	-	100	100	Property development

13. ACCOUNTANTS' REPORT (CONT'D)

Name of subsidiaries	Country of incorporation	Proportion of ownership interest and voting power held by the Group				Principal activities
		FYE 2020 %	FYE 2021 %	FYE 2022 %	FPE 2023 %	
SkyWorld Staris Development Sdn. Bhd. ^(k)	Malaysia	-	-	100	100	Property development
SkyWorld Builder Sdn. Bhd. ⁽ⁿ⁾	Malaysia	-	-	-	100	Property development
Aspirasi Cepak Sdn. Bhd. ^(v)	Malaysia	-	-	-	100	Property development
SkyWorld Development (Vietnam) Company Limited ^{ff(a)}	Vietnam	100	100	100	100	Management consulting services
Subsidiary of NTP World Corporation Sdn. Bhd.						
SkyWorld Asset Management Sdn. Bhd. ^(m)	Malaysia	60	60	-	-	Management services and property investment
Subsidiary of SkyWorld Venture Sdn. Bhd.						
Desa Imbangan Sdn. Bhd. ⁽ⁿ⁾	Malaysia	-	-	60	60	Property development

13. ACCOUNTANTS' REPORT (CONT'D)

Name of subsidiaries	Country of incorporation	Proportion of ownership interest and voting power held by the Group				Principal activities
		FYE 2020 %	FYE 2021 %	FYE 2022 %	FPE 2023 %	
Subsidiary of SkyWorld Land Sdn. Bhd.						
Central Enclave Sdn. Bhd. ^(r)	Malaysia	-	-	-	75	Property development
Subsidiary of SkyWorld Properties Sdn. Bhd.						
Kem Batu Kentonmen Development Sdn. Bhd. ^(s)	Malaysia	-	-	-	80	Property development

The financial statements of the subsidiary are audited by auditors other than the auditors of the Company.

- (a) On 6 August 2019, the Company incorporated a new private limited company, SkyWorld Development (Vietnam) Company Limited ("SDVCL") with charter capital of RM208,775. On 30 June 2021, 8 July 2022 and 15 December 2022, the Company increased its investment in SDVCL amounting to RM207,835, RM446,570 and RM44,913,408 respectively by way of subscription of shares via cash.
- (b) On 29 June 2019, the Company acquired additional 30% equity interest comprising 30,000 ordinary shares in Rimba Maju Realiti Sdn. Bhd. ("RMRSB"), for a total cash consideration of RM30,000 and the Company's interest in RMRSB increased from 30% to 60%. Consequently, the Company gained control over RMRSB.

13. ACCOUNTANTS' REPORT (CONT'D)

- (c) On 29 June 2019, the Company acquired 100% equity interest comprising 2 ordinary shares in SkyAwani 5 Development Sdn. Bhd. for a total consideration of RM2.
- (d) On 13 January 2020, the Company acquired additional 30% equity interest comprising 300,000 ordinary shares in Medan Srijuta Sdn. Bhd. ("MSSB"), for a total cash consideration of RM300,000 and the Company's interest in MSSB increased from 30% to 60%. Consequently, the Company gained control over MSSB.
- (e) On 3 February 2020, the Company acquired 100% equity interest comprising 200,000 ordinary shares in Aqua Legacy Sdn. Bhd. for a total cash consideration of RM10.
- (f) On 3 February 2020, the Company acquired 100% equity interest comprising 200,000 ordinary shares in Legasi Spohra Sdn. Bhd. for a total cash consideration of RM10.
- (g) On 18 February 2020, the Company acquired 100% equity interest comprising 2 ordinary shares in SkyWorld Venture Sdn. Bhd. ("SVSB") for a total cash consideration of RM2.
- (h) On 18 February 2020, the Company acquired 100% equity interest comprising 2 ordinary shares in SkyWorld Properties Sdn. Bhd. ("SPSB") for a total cash consideration of RM2.
- (i) On 18 February 2020, the Company acquired 100% equity interest comprising 2 ordinary shares in SkyWorld Land Sdn. Bhd. ("SLSB") for a total cash consideration of RM2.
- (j) On 22 April 2021, the Company acquired 100% equity interest comprising 100 ordinary shares in SkyRia Development Sdn. Bhd. (formerly known as Nusa Jutamas Sdn. Bhd.) for a total consideration of RM100 via cash.
- (k) On 26 July 2021, the Company incorporated a new subsidiary, SkyWorld Staris Development Sdn. Bhd. with an issued share capital of RM2 comprising 2 ordinary shares via cash.

13. ACCOUNTANTS' REPORT (CONT'D)

- (l) On 19 November 2021, the Company acquired 100% equity interest comprising 100 ordinary shares in Klasik Eramas Sdn. Bhd. for a total consideration of RM100 via cash.
- (m) On 19 November 2021, the Company acquired 100% equity interest comprising 2 ordinary shares in Skyworld Asset Management Sdn. Bhd. (formerly known as Arena Sports KL Sdn. Bhd.) from its subsidiary, NTP World Corporation Sdn. Bhd. ("NTP"), for a total consideration of RM2 via cash.
- (n) On 26 January 2022, the Company disposed 60% equity interest comprising 600,000 ordinary shares in Desa Imbangan Sdn. Bhd., representing all equity interest held by the Company, to its subsidiary, SVSB, for a total consideration of RM60 via cash.
- (o) On 26 January 2022, the Company increased its investment in SVSB by RM58 via cash. Thereafter, the directors of SVSB have allotted 40 ordinary shares, representing 40% equity interest of SVSB to Mohd Nor Bin Othman. Consequently, the Company's equity interest in SVSB decreased from 100% to 60%.
- (p) On 21 April 2022, the directors of SLSB have allotted 25 ordinary shares, representing 25% equity interest of SLSB to Hijrah Megah Sdn. Bhd. Consequently, the Company's equity interest in SLSB decreased from 100% to 75%.
- (q) On 25 April 2022, the directors of SPSB have allotted 20 ordinary shares, representing 20% equity interest of SPSB to Hijrah Megah Sdn. Bhd. Consequently, the Company's equity interest in SPSB decreased from 100% to 80%.
- (r) On 5 May 2022, SLSB, a subsidiary of the Company, acquired 100% equity interest comprising 2 ordinary shares in Central Enclave Sdn. Bhd. ("CESB") for a total consideration of RM25 via cash. CESB is currently involved in the business of property development. The effective interest of the Company on CESB is 75%.
- (s) On 9 May 2022, SPSB, a subsidiary of the Company, acquired 100% equity interest comprising 1,000 ordinary shares in Kem Batu Kentonmen Development Sdn. Bhd. ("KBKD") for a total consideration of RM20 via cash. KBKD is currently involved in the business of property development. The effective interest of the Company on KBKD is 80%.
- (t) On 14 June 2022, the Company acquired 1 ordinary share in NTP from one of its resigned director of the Company for a total consideration of RM1 via cash. Consequently, the Company's equity interest in NTP increased from 59.99% to 60%.

13. ACCOUNTANTS' REPORT (CONT'D)

- (u) On 28 July 2022, the Company acquired 100% equity interest comprising 100 ordinary shares in SkyWorld Builder Sdn. Bhd. ("SBSB") for a total consideration of RM100 via cash. SBSB is currently involved in the business of property development.
- (v) On 15 August 2022, the Company acquired 100% equity interest comprising 100 ordinary shares in Aspirasi Cekap Sdn. Bhd. ("ACSB") for a total consideration of RM100 via cash. ACSB is currently involved in the business of property development.
- (w) On 12 September 2022, the Company entered into a conditional share sale agreement to acquire the remaining 40% equity interest comprising 2,000,000 ordinary shares held by Zafidi bin Mohamad, a director of the Group, in NTP for a total consideration of RM20,000,000 by way of issuance and allotment of 25,000,000 ordinary shares of the Company. The completion of the acquisition is subject to and conditional upon the approvals obtained from the regulatory authorities. Upon completion of the acquisition, NTP would become a wholly-owned subsidiary of the Company.

Subsidiaries with material non-controlling interests

Set out below are the non-controlling interests of the subsidiaries which the Group regards as material. The equity interests held by non-controlling interests are as follows:

	Equity interest held by non-controlling interests			
	FYE 2020	FYE 2021	FYE 2022	FPE 2023
	%	%	%	%
Desa Imbangan Sdn. Bhd. ("DISB")	40	40	40	40
NTP World Corporation Sdn. Bhd. ("NTP")	40	40	40	40
	Profit/(Loss) and total comprehensive income/(loss) allocated to non-controlling interests			
	FYE 2020	FYE 2021	FYE 2022	FPE 2023
	RM	RM	RM	RM
DISB	(2,222,890)	(162,208)	(472,130)	(432,198)
NTP	1,125,510	4,270,946	(1,226,868)	6,124,095
Individually immaterial subsidiaries with non-controlling interests	(1,253,350)	(339,566)	(50,342)	(34,004)
	(2,350,730)	3,769,172	(1,749,340)	5,657,893

13. ACCOUNTANTS' REPORT (CONT'D)

	Accumulated non-controlling interests			
	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
DISB	(1,875,135)	(2,037,344)	(2,530,475)	(2,962,674)
NTP	(1,229,477)	2,864,184	1,637,316	7,761,411
Individually immaterial subsidiaries with non-controlling interests	97,475	(64,805)	66,887	12,485
	<u>(3,007,137)</u>	<u>762,035</u>	<u>(826,272)</u>	<u>4,811,222</u>

Summarised financial information of the subsidiaries which have non-controlling interests that are material to the Group is set out below. The summarised financial information presented below are the amounts before intercompany elimination.

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
DISB				
Non-current assets	469,761	494,611	1,133,006	1,238,240
Current assets	3,057	81,114	12,021	12,336
Current liabilities	(5,160,656)	(5,669,084)	(7,471,215)	(8,657,260)
Capital deficiency	(4,687,838)	(5,093,359)	(6,326,188)	(7,406,684)
Capital deficiency attributable to material non-controlling interests at 40%	<u>(1,875,135)</u>	<u>(2,037,344)</u>	<u>(2,530,475)</u>	<u>(2,962,674)</u>
Revenue	-	-	-	-
Expenses	<u>(5,557,226)</u>	<u>(405,521)</u>	<u>(1,180,326)</u>	<u>(1,080,496)</u>
Total comprehensive loss	<u>(5,557,226)</u>	<u>(405,521)</u>	<u>(1,180,326)</u>	<u>(1,080,496)</u>
Total comprehensive loss attributable to material non-controlling interests for the year/period	<u>(2,222,890)</u>	<u>(162,208)</u>	<u>(472,130)</u>	<u>(432,198)</u>

13. ACCOUNTANTS' REPORT (CONT'D)

DISB	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Net cash outflow from operating activities	(40,443)	(75,937)	(1,379,919)	(883,936)
Net cash inflow from investing activities	-	-	522	5
Net cash inflow from financing activities	<u>43,224</u>	<u>153,994</u>	<u>1,309,980</u>	<u>884,570</u>
Net cash inflow/(outflow)	<u>2,781</u>	<u>78,057</u>	<u>(69,417)</u>	<u>639</u>
Net cash inflow/(outflow) attributable to material non-controlling interests for the year/period	<u>1,112</u>	<u>31,223</u>	<u>(27,767)</u>	<u>256</u>

13. ACCOUNTANTS' REPORT (CONT'D)

NTP	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Non-current assets	173,276,673	120,722,249	127,286,849	104,650,206
Current assets	2,682,192	1,141,433	935,247	547,195
Current liabilities	(179,032,558)	(114,703,222)	(124,128,807)	(85,793,874)
(Capital deficiency)/ Equity	(3,073,693)	7,160,460	4,093,289	19,403,527
(Capital deficiency)/ Equity attributable to material non- controlling interests at 40%	<u>(1,229,477)</u>	<u>2,864,184</u>	<u>1,637,316</u>	<u>7,761,411</u>
Revenue	61,274,648	-	-	43,092,951
Expenses	<u>(58,460,874)</u>	<u>10,677,364</u>	<u>(3,067,171)</u>	<u>(27,782,714)</u>
Total comprehensive income/(loss)	<u>2,813,774</u>	<u>10,677,364</u>	<u>(3,067,171)</u>	<u>15,310,237</u>
Total comprehensive income/(loss) attributable to material non- controlling interests for the year/period	<u>1,125,510</u>	<u>4,270,946</u>	<u>(1,226,868)</u>	<u>6,124,095</u>

13. ACCOUNTANTS' REPORT (CONT'D)

NTP	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Net cash inflow/(outflow) from operating activities	19,056,011	(560,310)	1,118,690	(4,816,047)
Net cash outflow from investing activities	(51,483)	(423,392)	(4,975,158)	(693,248)
Net cash (outflow)/inflow from financing activities	<u>(17,777,096)</u>	<u>(153,099)</u>	<u>3,854,351</u>	<u>5,490,259</u>
Net cash inflow/(outflow)	<u>1,227,432</u>	<u>(1,136,801)</u>	<u>(2,117)</u>	<u>(19,036)</u>
Net cash inflow/(outflow) attributable to material non-controlling interests for the year/period	<u>490,973</u>	<u>(454,720)</u>	<u>(847)</u>	<u>(7,614)</u>

13. ACCOUNTANTS' REPORT (CONT'D)

38. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the financial statements, the financial statements of the Group reflect the following transactions which are determined on a basis as negotiated between the Group and its related parties, being companies in which certain directors of the Company are also directors and have financial interest:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2023 RM
Director:				
Sale of development property	-	-	(996,300)	-
Related parties:				
Sale of development property	(765,850)	(769,600)	-	-
Rental of:				
- office building	446,520	478,480	484,872	471,168
- office equipment	-	29,550	71,700	98,950
- motor vehicles	194,400	150,462	79,893	-
Insurance brokerage and related services	434,628	608,896	609,977	146,610

As disclosed in Note 23, amount due from director, which arose mainly from trade transactions, are unsecured, bears interest at a rate of 10% (FYE 2022: 10%; FYE 2021: Nil; FYE 2020: Nil) per annum and have a credit term of 30 days (FYE 2022: 30 days; FYE 2021: Nil; FYE 2020: Nil).

As disclosed in Note 23, amount due from related parties, which were due from persons connected to certain directors of the Group in respect of purchase of development properties of the Group. The transactions were unsecured, bore interest at a rate of FYE 2022: 10%; FYE 2021: 10%; FYE 2020: Nil per annum and had a credit term of FYE 2022: 30 days; FYE 2021: 30 days; FYE 2020: Nil.

As disclosed in Note 32, amount due to related parties were from companies in which directors of the Company are also the directors of and have financial interests. Amount due to related parties, which arose mainly from rental of office building, rental of office equipments, rental of motor vehicles and insurance brokerage services which had credit terms of FYE 2022: 0 to 7 days; FYE 2021: 0 to 7 days; FYE 2020: 0 to 7 days and bore interest at rate of FYE 2022: 0% to 8%; FYE 2021: 0% to 8%; FYE 2020: 0% to 8% per annum.

13. ACCOUNTANTS' REPORT (CONT'D)**Compensation of Key Management Personnel**

The members of key management personnel of the Group comprise directors of the Company. Details on the compensation for these key management personnel are disclosed in Note 10.

39. EARNINGS PER SHARE**Basic**

The calculation of basic earnings per ordinary share at the end of the reporting period was based on the profit attributable to ordinary equity holders and a weighted average number of ordinary shares outstanding, calculated as follows:

	FYE 2020 RM	FYE 2021 RM	FYE 2022 RM	FPE 2022 RM	FPE 2023 RM
				(Unaudited)	
Profit attributable to ordinary equity holders	<u>67,598,110</u>	<u>59,541,427</u>	<u>106,034,882</u>	<u>80,353,149</u>	<u>85,790,516</u>
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>62,500,000</u>	<u>62,500,000</u>	<u>62,500,000</u>	<u>62,500,000</u>	<u>62,500,000</u>
Basic earnings per ordinary share attributable to owners of the Company (RM)	<u>1.08</u>	<u>0.95</u>	<u>1.70</u>	<u>1.29</u>	<u>1.37</u>

Diluted

The basic and diluted earnings per share are the same as there were no dilutive potential ordinary shares.

13. ACCOUNTANTS' REPORT (CONT'D)

40. SEGMENT INFORMATION

Segment information is presented in respect of the Group's business segments, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

For management purposes, the Group is organised into the following operating divisions:

- (i) Property Development - Comprising development of high-rise residential, commercial and affordable home
- (ii) Property Management and Management Services - Supervision of third party management company, provision of management services to the subsidiaries and commission from e-commerce platform
- (iii) Construction - Design and build of a sports complex

Segment assets and segment liabilities are neither included in the internal management reports nor provided regularly to the Group's chief operating decision maker for regular review. Accordingly, there is no further disaggregation of segment assets and segment liabilities of property development of the Group.

Geographical information

No geographical information is provided as the Group's principal activities are carried out predominantly in Malaysia.

Major customers information

No major customers information is provided as the Group does not have any single customer more than 10% of the total revenue.

13. ACCOUNTANTS' REPORT (CONT'D)

Information regarding the Group's reportable segments is presented below:

	Property Development RM	Property Management and Services RM	Construction RM	Elimination RM	Total RM
FPE 2023					
Revenue					
External revenue	614,912,738	548,115	-	-	615,460,853
Inter-segment revenue	-	73,005,771	-	(73,005,771)	-
Total revenue	614,912,738	73,553,886	-	(73,005,771)	615,460,853
Cost of sales					
External cost of sales	(414,724,054)	(157,929)	91,755	-	(414,790,228)
Inter-segment cost of sales	(31,911,552)	-	-	31,911,552	-
Total cost of sales	(446,635,606)	(157,929)	91,755	31,911,552	(414,790,228)
Gross profit	168,277,132	73,395,957	91,755	(41,094,219)	200,670,625
Other operating income					4,071,900
Selling and marketing expenses					(7,514,260)
Administrative expenses					(53,606,206)
Finance costs					(11,465,582)
Profit before tax					132,156,477
Income tax expense					(40,708,068)
Profit for the period					91,448,409

13. ACCOUNTANTS' REPORT (CONT'D)

	Property Development RM	Property Management and Services RM	Construction RM	Elimination RM	Total RM
Other information					
Staff costs and directors' remuneration	(32,298,480)	-	-	-	(32,298,480)
Depreciation of:					
- Property, plant and equipment	(876,511)	(25,921)	-	-	(902,432)
- Right-of-use assets	(411,425)	-	-	-	(411,425)
Amortisation of intangible assets	(131,730)	-	-	-	(131,730)
Provision for Bumiputera quota penalties	(758,803)	-	-	-	(758,803)
Impairment losses on intangible assets	(693,248)	-	-	-	(693,248)
Allowance for doubtful debt of trade receivables	(8,649)	-	-	-	(8,649)
Reversal of allowance for doubtful debt of trade receivables	59,232	-	-	-	59,232

13. ACCOUNTANTS' REPORT (CONT'D)

	Property Development RM	Property Management and Services RM	Construction RM	Elimination RM	Total RM
FPE 2022					
Revenue					
External revenue	548,923,132	52,347	-	-	548,975,479
Inter-segment revenue	-	24,052,590	-	(24,052,590)	-
Total revenue	548,923,132	24,104,937	-	(24,052,590)	548,975,479
Cost of sales					
External cost of sales	(382,021,858)	-	-	-	(382,021,858)
Inter-segment cost of sales	(6,142,173)	-	-	6,142,173	-
Total cost of sales	(388,164,031)	-	-	6,142,173	(382,021,858)
Gross profit	160,759,101	24,104,937	-	(17,910,417)	166,953,621
Other operating income					1,679,668
Selling and marketing expenses					(6,355,241)
Administrative expenses					(37,865,616)
Finance costs					(12,737,140)
Profit before tax					111,675,292
Income tax expense					(31,813,217)
Profit for the period					79,862,075

13. ACCOUNTANTS' REPORT (CONT'D)

	Property Development RM	Property Management and Services RM	Construction RM	Elimination RM	Total RM
Other information					
Staff costs and directors' remuneration	(27,892,764)	-	-	-	(27,892,764)
Depreciation of:					
- Property, plant and equipment	(688,276)	(10,980)	-	-	(699,256)
- Right-of-use assets	(457,617)	-	-	-	(457,617)
FYE 2022 Revenue					
External revenue	790,368,678	68,040	-	-	790,436,718
Inter-segment revenue	-	31,976,120	-	(31,976,120)	-
Total revenue	<u>790,368,678</u>	<u>32,044,160</u>	<u>-</u>	<u>(31,976,120)</u>	<u>790,436,718</u>
Cost of sales					
External cost of sales	(542,409,541)	-	1,579,844	-	(540,829,697)
Inter-segment cost of sales	(13,041,018)	-	-	13,041,018	-
Total cost of sales	<u>(555,450,559)</u>	<u>-</u>	<u>1,579,844</u>	<u>13,041,018</u>	<u>(540,829,697)</u>
Gross profit	<u>234,918,119</u>	<u>32,044,160</u>	<u>1,579,844</u>	<u>(18,935,102)</u>	249,607,021
Other operating income					3,141,374
Selling and marketing expenses					(10,751,120)
Administrative expenses					(74,236,587)
Finance costs					<u>(17,742,554)</u>
Profit before tax					150,018,134
Income tax expense					<u>(45,732,592)</u>
Profit for the year					<u>104,285,542</u>

13. ACCOUNTANTS' REPORT (CONT'D)

	Property Development RM	Property Management and Services RM	Construction RM	Elimination RM	Total RM
Other information					
Staff costs and directors' remuneration	(41,903,179)	-	-	-	(41,903,179)
Allowance for doubtful debts:					
- Trade receivables	(137,591)	-	-	-	(137,591)
- Other receivables	(1,692,593)	-	-	-	(1,692,593)
Depreciation of:					
- Property, plant and equipment	(883,012)	(14,640)	-	-	(897,652)
- Right-of-use assets	(596,211)	-	-	-	(596,211)
Provision for Bumiputera quota penalties	(3,433,899)	-	-	-	(3,433,899)
Impairment losses on intangible assets	(2,807,155)	-	-	-	(2,807,155)

13. ACCOUNTANTS' REPORT (CONT'D)

	Property Development RM	Property Management and Services RM	Elimination RM	Total RM
FYE 2021				
Revenue				
External revenue	488,200,307	596,252	-	488,796,559
Inter-segment revenue	-	16,700,984	(16,700,984)	-
Total revenue	<u>488,200,307</u>	<u>17,297,236</u>	<u>(16,700,984)</u>	<u>488,796,559</u>
Cost of sales				
External cost of sales	(336,583,358)	(549,111)	-	(337,132,469)
Inter-segment cost of sales	(15,194,276)	-	15,194,276	-
Total cost of sales	<u>(351,777,634)</u>	<u>(549,111)</u>	<u>15,194,276</u>	<u>(337,132,469)</u>
Gross profit	<u>136,422,673</u>	<u>16,748,125</u>	<u>(1,506,708)</u>	151,664,090
Other operating income				3,208,780
Selling and marketing expenses				(13,062,717)
Administrative expenses				(48,949,684)
Finance costs				(18,511,471)
Profit before tax				74,348,998
Income tax expense				(11,038,399)
Profit for the year				<u>63,310,599</u>

13. ACCOUNTANTS' REPORT (CONT'D)

	Property Development RM	Property Management and Management Services RM	Elimination RM	Total RM
Other information				
Staff costs and directors' remuneration	(33,550,737)	-	-	(33,550,737)
Allowance for doubtful debts on other receivables	(100,000)	-	-	(100,000)
Depreciation of:				
- Property, plant and equipment	(1,360,740)	(6,100)	-	(1,366,840)
- Right-of-use assets	(555,881)	-	-	(555,881)
Impairment losses on intangible assets	(254,400)	-	-	(254,400)

13. ACCOUNTANTS' REPORT (CONT'D)

	Property Development RM	Property Management and Services RM	Construction RM	Elimination RM	Total RM
FYE 2020					
Revenue					
External revenue	500,356,253	1,875,289	21,627,996	-	523,859,538
Inter-segment revenue	-	65,210,272	-	(65,210,272)	-
Total revenue	500,356,253	67,085,561	21,627,996	(65,210,272)	523,859,538
Cost of sales					
External cost of sales	(311,122,216)	(1,801,939)	(32,214,270)	-	(345,138,425)
Inter-segment cost of sales	(31,781,708)	-	-	31,781,708	-
Total cost of sales	(342,903,924)	(1,801,939)	(32,214,270)	31,781,708	(345,138,425)
Gross profit	157,452,329	65,283,622	(10,586,274)	(33,428,564)	178,721,113
Other operating income					5,206,000
Selling and marketing expenses					(9,756,121)
Administrative expenses					(56,751,788)
Finance costs					(15,652,343)
Share of results of associated companies					(7,348)
Profit before tax					101,759,513
Income tax expense					(36,512,133)
Profit for the year					65,247,380

13. ACCOUNTANTS' REPORT (CONT'D)

	Property Development RM	Property Management and Services RM	Construction RM	Elimination RM	Total RM
Other information					
Staff costs and directors' remuneration	(33,178,307)	-	-	-	(33,178,307)
Allowance for doubtful debts on refundable deposits	(5,966,406)	-	-	-	(5,966,406)
Depreciation of:					
- Property, plant and equipment	(1,522,169)	-	-	-	(1,522,169)
- Right-of-use assets	(513,296)	-	-	-	(513,296)

41. SIGNIFICANT EVENT SUBSEQUENT TO THE FINANCIAL PERIOD

- (a) On 31 January 2023, the Group has, via its subsidiary, SkyWorld Capital Berhad, lodged a rated Islamic Commercial Paper ("ICP") and Islamic Medium Term Notes ("IMTN") programme amounting to RM300,000,000 in nominal value under the Shariah principle of Wakalah Bi Al-Istithmar ("ICP and IMTN Programme"). The ICP and IMTN Programme is intended for various business conduct including investing activities and working capital requirements. On 10 May 2023, the Group has issued the first tranche of ICP under the ICP and IMTN Programme amounting to RM1,000,000 with a tenure of 92 days at the interest rate of 4.30%.
- (b) On 30 March 2023, the Company acquired 2 ordinary shares in SkySierra Development Sdn. Bhd. ("SSDSB") for a total consideration of RM2 via cash. Consequently, the Company's equity interest in SSDSB increased from 99.99% to 100% and SSDSB became a wholly-owned subsidiary of the Company.

13. ACCOUNTANTS' REPORT (CONT'D)

- (c) On 3 May 2023, the Company had undertaken a bonus issue of shares on the basis of 1,409 bonus shares for every 125 existing shares. The bonus issue of shares was undertaken without any capitalisation from the reserves of the Company and that the new shares issued pursuant to the bonus issue of shares was issued as fully paid shares at nil consideration. Consequentially, the issued share capital of the Company after the effect of bonus issue of shares changed from RM62,500,000 comprising of 62,500,000 shares to RM62,500,000 comprising of 767,000,000 shares.
- (d) Concurrently with the bonus issue of shares, the Company has undertaken a bonus issue of irredeemable convertible preference shares ("ICPS") on the basis of 3 ICPS for every 1 existing share to its existing shareholders. The bonus issue of ICPS was undertaken by way of capitalisation from the reserves of the Company amounting to RM150,000,000.
- (e) As disclosed on Note 37(w), the Company entered into a conditional share sale agreement to acquire the remaining 40% equity interest comprising 2,000,000 ordinary shares held by Zafidi bin Mohamad, a director of the Group, in NTP for a total consideration of RM20,000,000 by way of issuance and allotment of 25,000,000 ordinary shares of the Company. The completion of the acquisition is subject to and conditional upon the success of the Listing.

On 11 May 2023, the acquisition was completed and NTP became a wholly-owned subsidiary of the Company. Consequentially, the issued share capital after the effect of acquisition of NTP shares increased from RM62,500,000 comprising of 767,000,000 shares to RM82,500,000 comprising of 792,000,000 shares.

13. ACCOUNTANTS' REPORT (CONT'D)

ACCOUNTANTS' REPORT

(Prepared for inclusion in the Prospectus of SkyWorld Development Berhad)

SKYWORLD DEVELOPMENT BERHAD

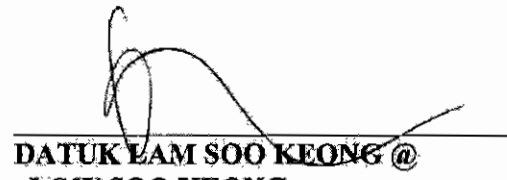
STATEMENT BY DIRECTORS

The directors of **SKYWORLD DEVELOPMENT BERHAD** state that, in their opinion, the accompanying Consolidated Financial Statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and Chapter 10 Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission of Malaysia so as to give a true and fair view of the financial position of the Consolidated Financial Statements as at 31 March 2020, 31 March 2021, 31 March 2022 and 31 December 2022 and of the financial performance and the cash flows for the financial years ended 31 March 2020, 31 March 2021, 31 March 2022 and for the financial period ended 31 December 2022.

Signed in accordance with a resolution of the Directors dated **24 MAY 2023**



DATUK SERING THIEN PHING



DATUK LAM SOO KEONG @
LOW SOO KEONG

14. VALUATION CERTIFICATES

The table below sets out a summary of our material properties which have been valued by our Independent Valuer.

No.	Property details	Market value as at 31 May 2022	Updated Market Value as at 31 January 2023
1.	Twenty-three (23) units of condominium, located within Bennington Residences erected on parent Lot No. 201666, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM14,300,000	⁽¹⁾ RM13,810,000
2.	1) Fifty-eight (58) stratified shop offices; 2) A food court and 135 carpark bays, All located within SkyAwani II Residences, erected on parent Lot No. 81355, Mukim of Batu, District of Kuala Lumpur, FT Kuala Lumpur	RM15,800,000	⁽²⁾ RM15,030,000
3.	An ongoing affordable apartment development known as "SkyAwani IV Residences" erected on Lot 201836, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM30,000,000	RM30,000,000
4.	Seventy-seven (77) units of serviced apartment located within SkyMeridien Residences erected on parent Lot No. 201813, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM44,730,000	⁽³⁾ RM25,590,000
5.	An ongoing condominium development known as "SkySierra Residences (The Valley)" erected on Lot No. 80068 (formerly known as PT1283), Mukim Ulu Kelang, District of Kuala Lumpur, FT Kuala Lumpur	RM85,000,000	RM82,000,000
6.	An ongoing affordable apartment development known as "SkyAwani V Residences" erected on Lot No. 201438, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM24,000,000	RM9,000,000
7.	An ongoing condominium development known as "SkyVogue Residences" erected on Lot No. PT 50017, Mukim of Kuala Lumpur, District of Kuala Lumpur, FT Kuala Lumpur	RM20,000,000	RM32,000,000
8.	An ongoing condominium development known as "EdgeWood Residences" erected on Lot PT 50178, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM60,000,000	RM54,000,000
9.	A parcel of residential land known as Lot No. PT 50038, Mukim of Kuala Lumpur, District of Kuala Lumpur, FT Kuala Lumpur	RM40,000,000	RM40,000,000
10.	A parcel of vacant residential land known as Lot No. 201208, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM56,000,000	⁽⁴⁾ RM60,000,000
11.	A parcel of commercial land known as Lot No. 201210, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM90,000,000	RM92,000,000
12.	A parcel of vacant commercial land known as Lot No. 201619, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM35,000,000	RM35,000,000
13.	Five (5) parcels of vacant residential land known as Lot Nos. PT 50177, PT 50179 – PT 50182 (inclusive), Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM167,000,000	RM167,000,000

14. VALUATION CERTIFICATES (CONT'D)

No.	Property details	Market value as at 31 May 2022	Updated Market Value as at 31 January 2023
14.	Three (3) parcels of vacant commercial land known as Lot Nos. PT 50007, PT 50008 and PT 50009, Mukim Ulu Kelang, District of Kuala Lumpur, FT Kuala Lumpur	RM137,000,000	RM139,000,000
15.	A parcel of vacant residential land known as Lot No. PT 50138, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM11,000,000	RM11,000,000
16.	A parcel of vacant residential land known as Lot No. PT 50052, Mukim of Petaling, District of Kuala Lumpur, FT Kuala Lumpur	RM19,000,000	RM19,000,000
17.	A parcel of vacant residential land known as Lot 4249, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM43,000,000	RM43,000,000
18.	A parcel of agricultural land with residential potential and an alienated residential land known as Lot No. 1478 & Alienated Land known as Plot A, Both within Mukim of Kuala Lumpur, District of Kuala Lumpur, FT Kuala Lumpur	RM27,000,000	RM27,000,000
19.	A parcel of vacant commercial land known as Lot No. PT 50176, Mukim of Setapak, District of Kuala Lumpur, FT Kuala Lumpur	RM42,000,000	RM42,000,000
Total		RM960,830,000	RM936,430,000

Notes:

- (1) *Comprising of twenty-two (22) units of condominium as 3 units were sold whereas two (2) additional units have been included as unsold units due to default payment since 31 May 2022.*
- (2) *Comprising of fifty-five (55) stratified shop offices as 3 units were sold since 31 May 2022. Two (2) stalls within the food court had been removed but no change to its strata floor area. There is no change to the number of carpark bays.*
- (3) *Comprising of forty-two (42) units of serviced apartment as 35 units were sold since 31 May 2022.*
- (4) *Pursuant to the commencement of piling & substructure works in Curvo Residences as at January 2023, the vacant land has been classified as ongoing development, details are set out in Section 7.21.1 of this Prospectus.*

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14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)
(formerly known as C H Williams Talhar & Wong Sdn Bhd)

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Report and Valuation

Our Ref: WTW/01/V/002260/21/LKC

10 November 2022

PRIVATE & CONFIDENTIAL

SKYWORLD DEVELOPMENT BERHAD

Level 8, Block B, Wisma NTP World
Excella Business Park, Jalan Ampang Putra
55100 Ampang, Kuala Lumpur, Malaysia

Attn: Mr. Lee Chee Seng (Non-Independent Executive Director and Chief Executive Officer)

Dear Sir,

CERTIFICATE OF VALUATION OF NINETEEN (19) PROPERTIES FOR THE PURPOSE OF SUBMISSION TO SECURITIES COMMISSION MALAYSIA IN RELATION TO THE PROPOSED LISTING OF SKYWORLD DEVELOPMENT BERHAD ON THE MAIN MARKET

In accordance with the instructions of SkyWorld Development Berhad, we, CBRE WTW Valuation & Advisory Sdn Bhd (formerly known as C H Williams Talhar & Wong Sdn Bhd), have carried out a valuation on the above mentioned properties as at 31 May 2022 for the purpose of submission to Securities Commission Malaysia in relation to the Proposed Initial Public Offering in conjunction with the listing of SkyWorld Development Berhad on the Main Market of Bursa Malaysia Securities Berhad.

This Master Valuation Certificate is prepared for inclusion in the prospectus in relation to the Proposed Listing.

We have prepared and provided this Valuation Certificate which outlines key factors that have been considered in arriving at our opinion of Market Value and reflects all information known by us and based on present market conditions.

The valuation has been prepared in accordance with the requirements as set out in the Asset Valuation Guidelines issued by Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia.

For all intents and purposes, this Master Valuation Certificate should be read in conjunction with the full Report and Valuation.

The basis of the valuation is Market Value which is defined by the Malaysian Valuation Standards (MVS) to be "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion".

We have inspected the subject property and the material date of valuation is taken as at 31 May 2022.

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002260/21/LKC
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METHOD OF VALUATION

In arriving at our opinion of Market Values, we have adopted the following Valuation Methodologies.

1. Vacant Lands**Comparison Approach**

We have adopted the Comparison Approach of Valuation for most of the properties. The Comparison Approach entails analysing the recent transactions and asking prices of similar property in the locality for comparison purposes with adjustments made for differences in location, accessibility, terrain, size and shape of land, tenure, planning status, title restrictions, if any, and other relevant characteristics to arrive at the market value.

We have compiled and analysed sale evidences in the localities of the subject property. In arriving at our opinion of value of the subject property using the Comparison Approach, the selected suitable sale evidences, amongst others, are considered and adopted.

In some instances, the Comparison Approach is the only method adopted as there are adequate transaction data either from Valuation and Property Services Department ("JPPH"), Bursa Malaysia or company announcements which can be relied upon with significant level of certainty.

Income Approach – (Residual Method)

Under the Income Approach – (Residual Method), consideration is given to the Gross Development Value (GDV) (being the estimated gross proceeds obtainable from the completed development) of the project and deducting there from the estimated costs of development including construction costs, professional fees, contribution to authorities, marketing, administrative and legal fees, financing charge, contingencies and developer's profit. The resultant answer is then deferred over the period of time required for the completion of the project to arrive at the market value.

The GDV refers to the potential sales revenue achievable from the proposed development units. A survey has been carried out on the transactions and selling prices of similar units launched or transacted in the market in order to arrive at the fair and reasonable sale prices of each component of the subject property. Adjustments are then made for differences in location, size, tenure, density, specifications and other relevant characteristics, if any, to arrive at the final proposed sales figure.

The Gross Development Cost ("GDC") includes preliminaries, contribution to Air Selangor, Tenaga Nasional Berhad, Indah Water Konsortium and building plan fees, earthwork and site clearance, building construction costs, infrastructure work costs, finance costs, marketing, administrative & legal fees, administration & project management, professional fees, contingencies and developer's profit.

In arriving at the GDC, we have considered and adopted the industry average costs as derived from the analysis of contracts awarded for the construction of similar type of development components, client's information and the current cost estimated by quantity surveyors as well as make reference to the JUBM & Arcadis Construction Cost Handbook Malaysia 2022.

2. Shopoffices, Condominium, Serviced Apartment and Car Parking Bays**Comparison Approach**

The Comparison Approach entails analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location, accessibility/visibility, size, shape, orientation and other relevant characteristics to arrive at the market value.

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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Page 3

METHOD OF VALUATION (Cont'd)**2. Shopoffices, Condominium, Serviced Apartment and Car Parking Bays (Cont'd)****Comparison Approach (Cont'd)**

In some instances, the Comparison Approach is the only method adopted as there are adequate transaction data either from Valuation and Property Services Department ("JPPH"), Bursa Malaysia or company announcements which can be relied upon with significant level of certainty.

Income Approach (Investment Method)

Income Approach (Investment Method) entails determining the net current annual income by deducting the annual outgoings from the gross annual income and capitalising the net income by a suitable rate of return consistent with the type and quality of investment to arrive at the market value.

3. Ongoing Developments**Income Approach (Residual Method/ Discounted Cash Flow Method)**

We have adopted the Income Approach (Residual Method/ Discounted Cash Flow Method). Under the Residual Method/ Discounted Cash Flow Method, consideration is given to the gross development value of the project deducting there from the estimated costs of development including construction costs, professional fees, contribution to authorities, marketing, administrative and legal fees, financing charge, contingencies and developer's profit. The resultant answer is then deferred over the period of time required for the completion of the project to arrive at the market value.

The Gross Development Value (GDV) refers to the potential sales revenue achievable from the proposed development units. A survey has been carried out on the transactions and selling prices of similar units launched or transacted in the market in order to arrive at the fair and reasonable sale prices of each components of the subject property. Adjustments are then made for differences in location, size, tenure, density, specifications and other relevant characteristics, if any, to arrive at the final proposed sales figure.

The Gross Development Cost (GDC) include preliminaries, contribution to Syarikat Bekalan Air Selangor (SYABAS), Tenaga Nasional Berhad (TNB), Indah Water Konsortium (IWK) and building plan fees, earthwork and site clearance, building construction costs, infrastructure work costs, finance costs, contribution to relevant authorities, marketing, administrative & legal fees, administration & project management, professional fees, contingencies, and developer's profit. In arriving at the GDC, we have considered and adopted the industry average costs as derived from the analysis of contracts awarded for the construction of similar type development components, client's information and the current cost estimated by quantity surveyors as well as make reference to the JUBM & Arcadis Construction Handbook Malaysia 2022.

Legal fees, Agency fees and Marketing is adopted at 1.5% for affordable housing development and 4% of unsold units GDV for normal development components, administration (project management) is at 3% of balance of total construction cost, professional fees from 3.90% to 10.20% of total construction cost and a contingency of 5% of total cost excluding developer's profit is adopted. The developer's profit is adopted at 10% of GDV for land with affordable home component, 15% to 20% of GDV for ongoing normal development components. The development period for the properties is between 2 years to 3 years. A discount rate of 8.0% is applied for properties in our valuation.

We have only adopted one (1) valuation approach in arriving at our valuation as the subject property is an ongoing development.

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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The table below is a summary of Market Values for the properties valued:-

No.	Property Details	Market Value
1.	Twenty-Three (23) units of condominium, located within Residensi Bennington erected on parent Lot No. 201666, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur (Our Ref : WTW/01/V/002260A/21/CSN)	RM14,300,000/-
2.	1) Fifty-eight (58) stratified shopoffices; 2) A food court and 135 carpark bays All located within Residensi SkyAwani 2, erected on parent Lot No. 81355, Mukim of Batu, District of Kuala Lumpur, Federal Territory of Kuala Lumpur (Our Ref : WTW/01/V/002260B/21/CSN)	RM15,800,000/-
3.	An ongoing affordable apartment development known as "SkyAwani 4" erected on Lot 201836, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur An ongoing affordable apartment development (Our Ref : WTW/01/V/002260D/21/THP)	RM30,000,000/-
4.	Seventy Seven (77) units of serviced apartment located within SkyMeridian erected on parent Lot No. 201813, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur (Our Ref : WTW/01/V/2260E/21/SAH)	RM44,730,000/-
5.	An ongoing condominium/apartment development known as "Residensi SkySierra (The Valley)" erected on Lot No. 80068 (Formerly known as PT 1283), Mukim Ulu Kelang, District of Kuala Lumpur, Federal Territory of Kuala Lumpur An ongoing condominium/apartment development (Our Ref : WTW/01/V/002260F/21/LKC)	RM85,000,000/-
6.	An ongoing affordable apartment development known as "SkyAwani V" erected on Lot No. 201438, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur An ongoing affordable apartment development known as "SkyAwani V" (Our Ref : WTW/01/V/2260G/21/SAH)	RM24,000,000/-
7.	An ongoing condominium development known as "SkyVogue Residences" erected on Lot No. PT 50017, Mukim of Kuala Lumpur, District of Kuala Lumpur, Federal Territory of Kuala Lumpur An ongoing condominium development (Our Ref : WTW/01/V/002260H/21/LKC)	RM20,000,000/-
8.	An ongoing condominium/apartment development known as "EdgeWood (Residensi SkySanctuary 1)" erected on Lot PT 50178, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur An ongoing condominium/apartment development (Our Ref : WTW/01/V/002260I/21/THP)	RM60,000,000/-
9.	Lot No. PT 50038, Mukim of Kuala Lumpur, District of Kuala Lumpur, Federal Territory of Kuala Lumpur A parcel of residential land (Our Ref : WTW/01/V/002260J/21/MZE)	RM40,000,000/-
10.	Lot No. 201208, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur A parcel of vacant residential land (Our Ref : WTW/01/V/2260K/21/SSP)	RM56,000,000/-

14. VALUATION CERTIFICATES (CONT'D)**CBRE WTW**

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002260/21/LKC

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No.	Property Details	Market Value
11.	Lot No. 201210, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur A parcel of commercial land (Our Ref : WTW/01/V/002260L/21/SSP)	RM90,000,000/-
12.	Lot No. 201619, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur A parcel of vacant commercial land (Our Ref : WTW/01/V/2260M/21/SSP)	RM35,000,000/-
13.	Lot Nos. PT 50177, PT 50179 - PT 50182 (inclusive), Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur Five (5) parcels of vacant residential land (Our Ref : WTW/01/V/2260N/21/SSP)	RM167,000,000/-
14.	Lot Nos. PT 50007, PT 50008 and PT 50009, Mukim Ulu Kelang, District of Kuala Lumpur, Federal Territory of Kuala Lumpur Three (3) parcels of vacant commercial land (Our Ref : WTW/01/V/002260O/21/LKC)	RM137,000,000/-
15.	Lot No. PT 50138, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur A parcel of vacant residential land (Our Ref : WTW/01/V/2260P/21/SSP)	RM11,000,000/-
16.	Lot No. PT 50052, Mukim of Petaling, District of Kuala Lumpur, Federal Territory of Kuala Lumpur A parcel of vacant residential land (Our Ref : WTW/01/V/002260Q/21/MZE)	RM19,000,000/-
17.	Lot 4249, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur A parcel of vacant residential land (Our Ref : WTW/01/V/002260R/22/THP)	RM43,000,000/-
18.	Lot No. 1478 & Alienated Land Known as Plot A, Both within Mukim of Kuala Lumpur, District of Kuala Lumpur, Federal Territory of Kuala Lumpur A parcel of agricultural land with residential potential and an alienated residential land (Our Ref : WTW/01/V/002260S/22/MZE)	RM27,000,000/-
19.	Lot No. PT 50178, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur A parcel of vacant commercial land (Our Ref : WTW/01/V/2260T/21/SSP)	RM42,000,000/-
Total		RM960,830,000/-

Yours faithfully

for and on behalf of

CBRE WTW Valuation & Advisory Sdn Bhd

(formerly known as C H Williams Taihar & Wong Sdn Bhd)

Sr HENG KIANG HAI

MBA (Real Estate), B.Surv (Hons) Prop.Mgt,

MRICS, FRISM, FPEPS, MMIPFM

Registered Valuer (V-486)

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD [197401001098]

Our Ref: WTW/01/V/002260/21/LKC
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CERTIFICATE OF VALUATION

1. Twenty-three (23) units of condominium located within Residensi Bennington, No. 1, Jalan Arena 1, Setapak 53200 Kuala Lumpur
(Our Ref : WTW/01/V/002260A/21/CSN)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS**:-

WE HAVE INSPECTED ONLY SELECTED SIX (6) UNITS AND THE VALUATION FOR THE REMAINING UNITS IS BASED ON "EXTERNAL VIEWING" AND ASSUMING THE CONDITIONS AND SPECIFICATIONS ARE SAME AS UNIT NOS.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASIS IS INVALID/ INCORRECT.

PROPERTY IDENTIFICATION

- The property : Twenty-three (23) units of condominium
- Location : Residensi Bennington, No. 1, Jalan Arena 1, Setapak, 53200 Kuala Lumpur
- Unit No./Strata Title No./ Parcel No./ Storey No./ Building No./ Accessory Parcel No./ Strata Floor Area and Share Unit of Parcel : Please refer to "General Description" section
- Parent Title No. : Pajakan Negeri 53557
- Parent Lot No. : Lot 201666, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur
- Tenure : Leasehold 99 years expiring on 8 July 2119
(Unexpired term of approximately 97 years)
- Registered Owner : NTP WORLD CORPORATION SDN. BHD.
- Category of Land Use : Building
- Encumbrances : Nil
- Express Condition : Kondominium

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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GENERAL DESCRIPTION

Residensi Bennington is a condominium development formed by Block A and Block B (29-storey each) atop a nine (9)-storey podium and a basement floor. The facilities of subject development are mainly located at ground floor, 8th floor and rooftop.

Brief details of subject property are summarised as follows:-

No.	Unit No.	Strata Title No.	Strata Floor Area as per Certified Plan for Main Parcel (sq. metres)
1	A-30-07	Pajakan Negeri 53557/M1A/31/229	144
2	A-33A-03A	Pajakan Negeri 53557/M1A/35/266	115
3	A-36-08	Pajakan Negeri 53557/M1A/37/279	146
4	A-37-07	Pajakan Negeri 53557/M1A/38/296	135
5	B-17-07	Pajakan Negeri 53557/M1B/18/385	115
6	B-27-05	Pajakan Negeri 53557/M1B/28/480	124
7	B-30-05	Pajakan Negeri 53557/M1B/31/510	120
8	B-30-06	Pajakan Negeri 53557/M1B/31/511	124
9	B-33-05	Pajakan Negeri 53557/M1B/34/540	115
10	B-33-06	Pajakan Negeri 53557/M1B/34/541	115
11	B-33A-05	Pajakan Negeri 53557/M1B/35/550	115
12	B-33A-06	Pajakan Negeri 53557/M1B/35/551	115
13	B-33A-08	Pajakan Negeri 53557/M1B/35/553	115
14	B-35-03A	Pajakan Negeri 53557/M1B/36/559	115
15	B-35-05	Pajakan Negeri 53557/M1B/36/560	115
16	B-35-06	Pajakan Negeri 53557/M1B/36/561	115
17	B-35-07	Pajakan Negeri 53557/M1B/36/562	115
18	B-36-03A	Pajakan Negeri 53557/M1B/37/568	124
19	B-36-05	Pajakan Negeri 53557/M1B/37/569	124
20	B-36-07	Pajakan Negeri 53557/M1B/37/571	124
21	B-37-03A	Pajakan Negeri 53557/M1B/38/577	115
22	B-37-05	Pajakan Negeri 53557/M1B/38/578	115
23	B-37-06	Pajakan Negeri 53557/M1B/38/579	115

METHOD OF VALUATION

We have only adopted one valuation approach ie. Comparison Approach in arriving at our valuation since there are adequate and reliable transaction data within the same scheme.

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002260/Z1/LKC
Page 8**VALUE CONSIDERATION****Comparison Approach**

In arriving the market value of the subject property, we have considered the following condominium market evidences:-

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Scheme	Bennington Residence		
Strata Title No.	No. Strata 53557 (M1A/22/138)	No. Strata 53557 (M1A/30/212)	No. Pemaju 201666 (A/15/7)
Lot No.	Lot 201666		
Mukim	Setapak		
District	Kuala Lumpur		
State	Federal Territory of Kuala Lumpur		
Unit No.	A-21-06	A-29-10	A-15-07
Floor Area	115 square metres (1,238 square feet)	101 square metres (1,087 square feet)	144 square metres (1,550 square feet)
Tenure	Leasehold 99 years expiring on 8 July 2119		
Date	01/03/2022	29/12/2021	07/10/2020
Vendor	*NTP WORLD CORPORATION SDN BHD	*NTP WORLD CORPORATION SDN BHD	ZALAM CORPORATION SDN BHD
Purchaser	SIMRAN KAUR A/P BALRAJ SINGH	SAM WAY BING	SUZANA BINTI KASSIM
Consideration	RM640,000/-	RM570,000/-	RM750,000/-
Analysis (RM per square foot)	RM517psf	RM524psf	RM484psf
Adjustment	Adjustments made on floor level, size and quantum allowance		
Adjusted Value (RM per square foot)	RM480psf	RM478psf	RM467psf

*Note: Based on our records, we noted that the Comparable 1 and 2 are not primary sales. The vendor name still recorded as the developer, i.e. NTP WORLD CORPORATION SDN BHD due to the fact that these transactions occurred prior to the issuance of strata titles.

We have adopted Unit No. B-35-05 as the base unit. From the above analysis, the adjusted values ranging from RM467 per square foot to RM480 per square foot. Having regard to the foregoing, we have adopted Comparable 1 as the best comparable because it reflects the recent market transaction.

The base value adopted is RM480 per square foot. It is noted that Unit Nos. A-30-07, A-36-08 and A-37-07 are having one (1) extra tandem car park compared to other units which are generally having two (2) single car parks. Adjustment has been made to reflect the value. Further adjustments are made on the size and floor level to other units. Therefore, the values adopted ranging from RM463 per square foot to RM494 per square foot.

The market value of the subject property is ranging from RM590,000 per unit to RM770,000 per unit. Hence, the total market value of the subject property derived from Comparison Approach is RM14,300,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the total market value of the subject property **BASED ON THE BASIS AND PROVISIO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to transfer, lease, mortgage, charge and free from all encumbrances at **RM14,300,000/- (Ringgit Malaysia: Fourteen Million And Three Hundred Thousand Only)**.

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD [197401001098]

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2. Fifty-Eight (58) Stratified Shopoffices, A Food Court and 135 Carpark Bays located within Residensi SkyAwani 2, No. 1A, Jalan 2/12, Kampung Batu Muda, 51100 Kuala Lumpur
(Our Ref : WTW/01/V/002260B/21/CSN)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS:-**

WE HAVE INSPECTED SELECTED UNITS AND THE VALUATION FOR THE REMAINING UNITS IS BASED ON "EXTERNAL VIEWING" AND ASSUMING THE CONDITIONS AND SPECIFICATIONS ARE SAME AS UNIT NOS. G-18, 01-01, 01-16, 01-23, 01-30, 01-38, 02-02, 02-03 and 02-25.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASIS IS INVALID/ INCORRECT.

PROPERTY IDENTIFICATION

The property : Property 1:
Fifty-eight (58) stratified shopoffices

Property 2 :
i) A food court ; and
ii) 135 carpark bays

Location : Residensi SkyAwani 2, No. 1A, Jalan 2/12, Kampung Batu Muda, 51100 Kuala Lumpur

Unit No./Strata Title : Please refer to "General Description" section
No./ Parcel No./
Storey No./ Building
No./ Accessory
Parcel No./ Strata
Floor Area and Share
Unit of Parcel

Parent Title No. : Pajakan Negeri 53124

Parent Lot No. : Lot 81355, Mukim of Batu, District of Kuala Lumpur, Federal Territory of Kuala Lumpur

Tenure : Leasehold 99 years expiring on 23 October 2117
(Unexpired term of approximately 95 years)

Registered Owner : SKYAWANI 2 DEVELOPMENT SDN. BHD.

Category of Land : Building
Use

Encumbrances : Nil

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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GENERAL DESCRIPTION**Subject Block**

Residensi SkyAwani 2 comprises mainly the following developments: -

- i) 20 shop units on ground floor;
- ii) 80 office units on 1st and 2nd floors including 1 food court;
- iii) 9-storey podium car park from ground floor to 8th floor;
- iv) 1-storey facilities on 9th floor;
- v) One (1) block of 35-storey affordable condominium (414 units) (Block A) from 10th floor to 44th floor;
- vi) One (1) block of 30-storey affordable condominium (294 units) (Block B) from 10th floor to 39th floor; and

The details of the subject property are summarised as follows:-

Property 1: Fifty-eight (58) stratified shopoffices

Property 2: A food court which consists of eleven (11) stalls and 135 carpark bays

all located within Residensi SkyAwani 2, No. 1A, Jalan 2/12, Kampung Betu Muda, 51100 Kuala Lumpur.

The details of fifty-eight (58) units of stratified shopoffice summarised as follows:-

- i) Three (3) units of ground floor shop;
- ii) Twenty-one (21) units of 1st floor office;
- iii) Thirty-four (34) units of 2nd floor office.

No.	Unit No.	Strata Title No.	Strata Floor Area (square metres)	Express Condition
1	G-18	Pajakan Negeri 53124/M1/1/18	112	Kedai
2	G-19	Pajakan Negeri 53124/M1/1/19	113	Kedai
3	G-20	Pajakan Negeri 53124/M1/1/20	67	Kedai
4	01-01	Pajakan Negeri 53124/M1/2/21	107	Pejabat
5	01-13	Pajakan Negeri 53124/M1/2/35	51	Pejabat
6	01-16	Pajakan Negeri 53124/M1/2/32	51	Pejabat
7	01-17	Pajakan Negeri 53124/M1/2/31	53	Pejabat
8	01-23	Pajakan Negeri 53124/M1/2/44	59	Pejabat
9	01-25	Pajakan Negeri 53124/M1/2/52	42	Pejabat
10	01-26	Pajakan Negeri 53124/M1/2/51	51	Pejabat
11	01-27	Pajakan Negeri 53124/M1/2/50	51	Pejabat
12	01-28	Pajakan Negeri 53124/M1/2/49	51	Pejabat
13	01-29	Pajakan Negeri 53124/M1/2/48	59	Pejabat
14	01-30	Pajakan Negeri 53124/M1/2/47	59	Pejabat
15	01-32	Pajakan Negeri 53124/M1/2/62	42	Pejabat
16	01-33	Pajakan Negeri 53124/M1/2/53	44	Pejabat
17	01-33A	Pajakan Negeri 53124/M1/2/61	56	Pejabat
18	01-35	Pajakan Negeri 53124/M1/2/54	61	Pejabat
19	01-36	Pajakan Negeri 53124/M1/2/60	63	Pejabat
20	01-37	Pajakan Negeri 53124/M1/2/55	66	Pejabat
21	01-38	Pajakan Negeri 53124/M1/2/59	63	Pejabat
22	01-39	Pajakan Negeri 53124/M1/2/56	66	Pejabat
23	01-40	Pajakan Negeri 53124/M1/2/58	78	Pejabat
24	01-41	Pajakan Negeri 53124/M1/2/57	85	Pejabat
25	02-01	Pajakan Negeri 53124/M1/3/63	41	Pejabat
26	02-02	Pajakan Negeri 53124/M1/3/64	85	Pejabat
27	02-03	Pajakan Negeri 53124/M1/3/65	102	Pejabat

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD [197401001098]

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GENERAL DESCRIPTION (Cont'd)

No.	Unit No.	Strata Title No.	Strata Floor Area (square metres)	Express Condition
28	02-05	Pajakan Negeri 53124/M1/3/67	51	Pejabat
29	02-07	Pajakan Negeri 53124/M1/3/69	51	Pejabat
30	02-08	Pajakan Negeri 53124/M1/3/70	51	Pejabat
31	02-09	Pajakan Negeri 53124/M1/3/71	51	Pejabat
32	02-11	Pajakan Negeri 53124/M1/3/79	51	Pejabat
33	02-12	Pajakan Negeri 53124/M1/3/78	51	Pejabat
34	02-13	Pajakan Negeri 53124/M1/3/77	51	Pejabat
35	02-13A	Pajakan Negeri 53124/M1/3/76	51	Pejabat
36	02-15	Pajakan Negeri 53124/M1/3/75	51	Pejabat
37	02-16	Pajakan Negeri 53124/M1/3/74	51	Pejabat
38	02-17	Pajakan Negeri 53124/M1/3/73	53	Pejabat
39	02-18	Pajakan Negeri 53124/M1/3/80	53	Pejabat
40	02-19	Pajakan Negeri 53124/M1/3/81	51	Pejabat
41	02-21	Pajakan Negeri 53124/M1/3/83	51	Pejabat
42	02-22	Pajakan Negeri 53124/M1/3/84	59	Pejabat
43	02-23	Pajakan Negeri 53124/M1/3/85	59	Pejabat
44	02-25	Pajakan Negeri 53124/M1/3/93	42	Pejabat
45	02-26	Pajakan Negeri 53124/M1/3/92	51	Pejabat
46	02-27	Pajakan Negeri 53124/M1/3/91	51	Pejabat
47	02-28	Pajakan Negeri 53124/M1/3/90	51	Pejabat
48	02-29	Pajakan Negeri 53124/M1/3/89	59	Pejabat
49	02-30	Pajakan Negeri 53124/M1/3/88	59	Pejabat
50	02-31	Pajakan Negeri 53124/M1/3/87	42	Pejabat
51	02-32	Pajakan Negeri 53124/M1/3/103	42	Pejabat
52	02-33	Pajakan Negeri 53124/M1/3/94	44	Pejabat
53	02-33A	Pajakan Negeri 53124/M1/3/102	56	Pejabat
54	02-35	Pajakan Negeri 53124/M1/3/95	61	Pejabat
55	02-36	Pajakan Negeri 53124/M1/3/101	63	Pejabat
56	02-37	Pajakan Negeri 53124/M1/3/96	66	Pejabat
57	02-38	Pajakan Negeri 53124/M1/3/100	63	Pejabat
58	02-39	Pajakan Negeri 53124/M1/3/97	66	Pejabat

The food court which is located on first floor, has a total of eleven (11) stalls bearing Unit Nos. 01-42 to 01-52 (inclusive) and the distribution of car parking bays within the subject building is as follows:

Floor	No. of Carpark Bays
Ground Floor	87
1 st Floor	10
2 nd Floor	16
3 rd Floor	22
Total	135

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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GENERAL DESCRIPTION (Cont'd)

The 135 carpark bays are the accessory parcels of the food court under the strata title details as follow:-

No.	Unit No.	Strata Title No.	Accessory Parcel No.	Strata Floor Area (square metres)	Accessory Parcel Area (square metres)
1	01-42 to 01-52 (Inclusive)	Pajakan Negeri 53124/M1/2/38	A1 to A71 (Inclusive), A74 to A81 (Inclusive), A84 to A100 (Inclusive), A102, A103, A105, A107, A110, A111, A113 to A123 (Inclusive), A129, A133, A137 to A144 (Inclusive), A146 to A153 (Inclusive), A186, A188, A189, A191, A192, A194	414	1,675

METHOD OF VALUATION

The market value of the subject property arrived at principally by the Comparison Approach. We have also carried out a check valuation using the Income Approach (Investment Method).

VALUE CONSIDERATION**a. Comparison Approach****D FIFTY-EIGHT (58) STRATIFIED SHOPOFFICE**

Based on our findings, there are no recent secondary recorded transactions of upper floor stratified shoppoffices within the subject scheme and the immediate locality. Therefore, we have adopted transactions of ground floor shops located within the subject scheme and SkyAwani 1 which is situated nearby the subject property.

Transactions of ground floor shop within the subject scheme (Residensi SkyAwani 2) and Residensi SkyAwani 1 are as follows:-

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Scheme	Residensi SkyAwani 2	Residensi SkyAwani 1	Residensi SkyAwani 1
Strata Title No.	No. Pemaju 81355 (-/G/12)	No. Strata 52754(M1/1/26)	No. Strata 52754(M1/1/23)
Lot No.	Lot 81355	Lot 81070	Lot 81070
Mukim	Batu		
District	Kuala Lumpur		
State	Federal Territory of Kuala Lumpur		
Address	G-12, Jalan 2/12	G-26, Jalan Sentul Pasar	G-23, Jalan Sentul Pasar
Type	Shop within serviced residence scheme		
Floor Area	100 square metres (1,076 square feet)	87 square metres (936 square feet)	137 square metres (1,475 square feet)

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002260/21/LKC
Page 13**VALUE CONSIDERATION (Cont'd)****a. Comparison Approach (Cont'd)**

Details	Comparable 1	Comparable 2	Comparable 3
Tenure	Leasehold 99 years expiring on 23 October 2117	Leasehold 99 years expiring on 5 January 2116	Leasehold 99 years expiring on 5 January 2116
Date	22/10/2020	10/06/2020	21/08/2018
Vendor	CMB ENTERPRISE SDN. BHD.	CITRA AMAL SDN BHD	CITRA AMAL SDN BHD
Purchaser	LEE MING HOOI	ES-FATH GROUP(M) SDN BHD	KONG CHIAN HONG
Consideration	RM1,170,000/-	RM914,421/-	RM1,969,000/-
Analysis (RM per square foot)	RM1,087 psf	RM976 psf	RM1,335 psf
Adjustments	Adjustments made on time ^{note} , visibility/exposure, size, developer sale and quantum allowance		
Adjusted Value (RM per square foot)	RM598 psf	RM488 psf	RM634 psf

*Note : We have made downward adjustment on the transactions before first Movement Control Order (MCO) to reflect the present market condition impacted by the COVID-19 pandemic.

We have considered Unit No. G-18 as the base unit.

From the above analysis, the adjusted values ranging from RM488 psf to RM634 psf. Having regard to the foregoing, we have adopted Comparable 1 as the best comparable as it is situated within the same scheme. The value adopted is rounded to RM600 psf.

Further adjustments are made on the floor level, size, visibility/exposure and shape.

Therefore, the values adopted ranging as follows:-

- Ground Floor: from RM600 psf to RM630 psf
- First Floor: from RM270 psf to RM510 psf
- First Floor (Food Court): RM135 psf
- Second Floor: from RM135 psf to RM390 psf

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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VALUE CONSIDERATION (Cont'd)**ii) 135 CARPARK BAYS**

There is dearth of recent car park transactions. Transactions of car parks within a larger locality are as follows:-

Details	Comparable 1	Comparable 2
Source	Bursa Announcement dated 23 February 2017	Bursa Announcement dated 1 September 2016
Scheme	The Paradigm Petaling Jaya	Damansara Intan
Mukim	Bandar Petaling Jaya	Pekan Sungai Penchala
District	Petaling	
State	Selangor	
Address	No. 1, Jalan SS7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor	Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor
Number of Carpark Bays	865 bays	1,519 bays
Date	23/02/2017	01/09/2016
Vendor	JELAS PURI SDN BHD	DICORP LAND SDN BHD
Purchaser	EMPLOYEES PROVIDENT FUND BOARD	SCP ASSETS SDN BHD
Consideration	RM26,000,000/-	RM24,902,650/-
Analysis (RM per bay)	RM30,058 per bay	RM16,394 per bay
Adjustments	Adjustments have been made on time, location - general and quantum allowance	
Analysis (RM per bay)	RM28,555 per bay	RM20,247 per bay

From the above analysis, the adjusted values ranging from RM20,247 per bay to RM28,555 per bay.

Having regard to the foregoing, we have adopted Comparable 2 as the best comparable due to its similarities in terms of development type.

Hence, the value adopted is rounded to RM20,000/- per bay.

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002260/21/LKC
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VALUE CONSIDERATION (Cont'd)

b. Income Approach (Investment Method)

As a check, we have adopted the Income Approach (Investment Method).

D FIFTY-EIGHT (58) STRATIFIED SHOPOFFICE

Description	Parameters	Remarks
Gross Monthly Rental - Term	Ground Floor	RM3.34 psf
	First Floor	RM1.75 psf to RM2.45 psf
	Second Floor	RM1.73 psf to RM2.55 psf
Gross Monthly Rental - Reversionary	Ground Floor	RM2.70 psf to RM3.17 psf
	First Floor	RM1.62 psf to RM2.49 psf
	Second Floor	RM0.95 psf to RM2.55 psf
Monthly Outgoings - Term & Reversionary	RM0.24 psf - RM0.31 psf	Considered the current actual outgoings of the subject property.
Void	10.00%	We have adopted the void for rent-free period and risk of vacancy and uncertainty. Taking into consideration the current market condition of similar properties, we have adopted the void at 10%.
Capitalisation Rate - Term	4.00%	Based on the recent transaction of the shopoffice within the vicinity, the net yield ranging from 3.55% to 4.80%. Taking into consideration the location, building specification and building age of the subject property, we have adopted the net yield (term) at 4.00% and net yield (reversionary) at 4.50%.
Capitalisation Rate - Reversionary	4.50%	

The total market value derived from Income Approach (Investment Method) for fifty-eight (58) stratified shopoffices is RM13,250,000/-.

ID FOOD COURT & 135 CARPARK BAYS

Description	Parameters	Remarks
Gross Monthly Rental (Food Court)	RM500 per stall	Considered the asking rental of the subject property.
Gross Monthly Rental (Carpark)	RM 110 per bay	Considered the current rental of the subject property.
Monthly Outgoings	RM0.53 psf	Considered the current actual outgoings of the subject property.
Void	30.00%	We have adopted the void for rent-free period and risk of vacancy and uncertainty. Taking into consideration the current market condition of similar properties, we have adopted the void at 30.00%.
Capitalisation Rate	4.50%	Taking into consideration the location, building specification and usage of the subject property, we have adopted the net yield at 4.50%.

Notes: "psf" denotes per square feet

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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VALUE CONSIDERATION (Cont'd)

b. Income Approach (Investment Method)

II) FOOD COURT & 135 CARPARK BAYS

The total market value derived from Income Approach (Investment Method) for food court and 135 carpark bays is RM3,100,000/-.

Therefore, the total market value for fifty-eight (58) stratified shopoffices, food court and 135 carpark bays is RM16,350,000/-.

RECONCILIATION OF VALUE

The total market value for the subject property derived from both Comparison Approach and Income Approach (Investment Method) are shown as follows:-

Comparison Approach	-	RM15,800,000/-
Income Approach (Investment Method)	-	RM16,350,000/-

We have adopted the market value derived from Comparison Approach as a fair representation of the market value of the subject property in view that there are similar transactions available.

VALUATION

Taking into consideration the above factors, we therefore assess the total market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to transfer, lease, charge and free from all encumbrances at **RM15,800,000/- (Ringgit Malaysia: Fifteen Million And Eight Hundred Thousand Only).**

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002260/21/LKC
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3. An ongoing affordable apartment development known as "SkyAwani 4"
(Our Ref : WTW/01/V/002260D/21/THP)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS**:-

- I. The subject property is an ongoing affordable apartment development known as "SkyAwani 4";
- II. It has obtained development order from Dewan Bandaraya Kuala Lumpur (DBKL) on 11 March 2019 for the proposed development of two blocks of affordable apartment comprising a total of 1,782 units;
- III. The valuation is based on the building plans prepared by MOA Architects Sdn Bhd and approved by DBKL bearing reference no. BP U2 OSC 2018 4174 dated 7 August 2019;
- IV. The stage of completion of the building is based on the progress payment certificate no. 27 issued by K L Wong Architect Sdn Bhd as at 12 May 2022 and summary of completion works (progress report No. 60) for a period of 10 May 2022 to 23 May 2022;
- V. We have considered the sale status report dated 31 May 2022; and
- VI. A marketable and registrable individual strata title for residential use will be issued.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASES IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property	: An ongoing affordable apartment development known as "SkyAwani 4"
Address	: SkyAwani 4, off Jalan Usahawan 6, Setapak, 53200 Kuala Lumpur
Title No.	: Pajakan Negeri 54206
Lot No.	: Lot 201836, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur
Tenure	: Leasehold 99 years expiring on 16 August 2117 (Unexpired term of approximately 95 years)
Surveyed Land Area	: 12,380 square metres (Approximately 133,257 square feet / 3.059 acres)

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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PROPERTY IDENTIFICATION (Cont'd)

Category of Land Use : Building
Registered Owner : NTP WORLD CORPORATION SDN BHD
Encumbrances : Charged twice (2) to MALAYAN BANKING BERHAD

GENERAL DESCRIPTION

Site

The site is near trapezoidal in shape and generally flat in terrain. It lies about the same level of the existing frontage metalled road, off Jalan Usahawan 6. The site boundaries are generally demarcated with metal hoarding sheets and was currently undergoing construction works.

Proposed Development

Based on the building plans prepared by MOA Architects Sdn Bhd and approved by Dewan Bandaraya Kuala Lumpur (DBKL) dated 7 August 2019, the subject property has been approved for a development of two (2) blocks of affordable apartment (1,782 units) atop of an eight (8)-storey car park podium and three (3)-storey mezzanine together with facilities.

Based on the sales status report dated 31 May 2022, we noted that 1,777 units out of the total 1,782 units (approximately 99.72%) were sold.

Based on the Progress Report No. 60 for a period of 10 May 2022 to 23 May 2022, the stage of construction was at 39.62%. We were given to understand by the client that the project is targeted to be completed by December 2023.

PLANNING PROVISION

The subject property is designated for residential use as per the Express Condition stated in the document of title.

METHOD OF VALUATION

We have only adopted one valuation approach ie. Income Approach (Residual Method/Discounted Cash Flow Method) in arriving at our valuation as the subject property is an ongoing development.

VALUE CONSIDERATION

Income Approach (Residual Method/Discounted Cash Flow Method)

Summary of Parameters

Gross Development Value (GDV) : RM233,505,000.00/- (Note 1)
Gross Development Value (GDC) : RM199,741,844.71/- (Note 2)
Developer's profit : 10% of GDV
Development period : 2 years (Note 3)
Discount Rate : 8.0% per annum

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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VALUE CONSIDERATION (Cont'd)**Note 1:**

The total GDV is tabulated as follows: -

No. of Unit	Total Selling Price	Rebate / Bumi Discount	Net Selling Price	Amount Billed as at 31 May 2022*	Unbilled Amount	Balance
1,777 – Sold	RM533,100,000.00	RM170,000.00***	RM532,930,000.00	RM300,925,000.00	RM232,005,000.00	RM232,005,000.00
5 – Unsold**	RM1,500,000.00	-	RM1,500,000.00	-	-	RM1,500,000.00
Total	RM533,600,000.00	RM170,000.00	RM534,430,000.00			RM233,505,000.00

*Amount billed is exclusive of rebate/discount

** Inclusive of booked units

*** RM1,000/- cashback for 170 units by Developer

The GDV is derived based on the following justifications: -

Sale Status	Rate Adopted	Justification
Sold Units	Actual selling price	Based on the actual selling price as stated in the sale status provided by the client.
Unsold Units	RM300,000/- per unit	As per DBKL letter dated 19 February 2018

Note 2:

The GDC are based on the following main parameters: -

Item	Contract Sum/Revised Contract Sum /Amount Adopted	Certified Amount	Balance Amount to be Paid	Remarks
Piling Works, Pilecaps, Column and Wall Stumps, and Lift Pit Walls ^{Note}	RM20,031,169.76	RM19,158,937.62	RM872,232.14	Based on the anticipated revised contract sum and Certificate of Payment provided by the client. The awarded contract sum is in accordance with the industry average cost.
Main Building & External Works ^{Note}	RM257,659,942.74	RM112,127,067.27	RM145,532,875.47	Made reference to JUBM & Arcadis Construction Handbook Malaysia 2022, based on the anticipated revised contract sum and Certificate of Payment provided by the client. The average cost is analysed at approximately RM105 per square foot. The awarded contract sum is in accordance with the industry average cost.
Developer's Profit & Risk	10.00%	-	RM23,350,500.00	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. In view that the subject development is affordable apartment, we have adopted 10% developer's profit in our valuation after taking into account the stage of construction and the sales status.

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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VALUE CONSIDERATION (Cont'd)

Note 1:

The total construction cost of about RM277,891,112.50 (i.e. piling works, main building and infrastructure works) is analysed at about RM113 per square foot over gross floor area of 2,453,277 square feet (inclusive of car park GFA). The breakdown of the construction cost for main building works is unavailable as the awarded main building works is inclusive of preliminaries, infrastructure works, prime cost and provisional sums.

We have made reference to the JUBM & Arcadis Construction Cost Handbook Malaysia 2022 as follows:-

- The building construction cost for elevated car park is ranging from RM85 to RM145 per square foot.
- The building construction cost for average standard apartment, high rise is ranging from RM124 to RM248 per square foot.

We have allocated approximately RM50.9 million construction cost (gross floor area of 836,132 sq ft x RM80psf) for the carpark podium as it is an affordable component.

The balance of construction cost is about RM226.6million which is analysed at RM125 per square foot (inclusive of preliminaries, piling works, infrastructure works, prime cost and provisional sums) over gross floor area of 1,817,145 sq. ft for the affordable apartment building.

We are of the opinion that the above disclosed cost is in line with the market rate.

Note 3:

We have adopted an estimated development period of two (2) years in our valuation. Taking into consideration of the take-up rate of 99.72% as well as the construction progress as at the date of valuation, we are of the opinion that the estimated development period is considered realistic.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property as at 31 May 2022 **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERM OF REFERENCE HEREIN** with permission to transfer, lease, charge and free from all encumbrances at **RM30,000,000/- (Ringgit Malaysia: Thirty Million Only).**

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD [197401001098]

Our Ref: WTW/01/V/002260/21/LKC
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4. Seventy seven (77) units of serviced apartment located within SkyMeridien
(Our Ref : WTW/01/V/002260E/21/SAH)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS**:-

- I. We have only inspected selected units and the valuation for the remaining units is based on "external viewing" and assuming the conditions and specifications are same as unit nos. A-38-03A, A-38-06, A-38-10, A-38-11, B-09-03 and B-09-06; and
- II. A marketable and registrable individual strata title with leasehold tenure for serviced apartment use will be issued as per the proposed strata plan submitted to Pengarah Tanah Dan Galian Wilayah Persekutuan Kuala Lumpur on 3 August 2021.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASIS IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property	:	Seventy seven (77) units of serviced apartment
Location	:	SkyMeridien, Jalan 1/48A, Bandar Baru Sentul, 51000 Kuala Lumpur
Strata Title No.	:	No strata title has been issued yet
Parent Title No.	:	Pajakan Mukim 1019 (formerly HSM 5881)
Parent Lot No.	:	Lot 201813 (formerly PT 50087), Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur
Tenure of Parent Lot	:	Leasehold 99 years expiring on 18 May 2119 (Unexpired term of approximately 97 years)
Registered Owner of Parent Lot	:	SKYMERIDIEN DEVELOPMENT SDN BHD
Encumbrances of Parent Lot	:	Nil

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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GENERAL DESCRIPTION

SkyMeridien is two (2) blocks of 30-storey and 31-storey serviced apartment identified as Block A and Block B, constructed on top of eight (8)-storey podium comprises seven (7)-storey elevated car park and 1 level of facilities located at level 8 together with 1 level basement car park.

The subject property comprises seventy-seven (77) units of serviced apartment.

Based on the Proposed Strata Plan provided to us by the client, the subject property has the floor area and accessory parcel as follows:

No.	Unit No.	Building No.	Storey No.	Parcel No.	Floor Area (Square Metres)	
1	A-09-06	M1-A	10	6	125	
2	A-09-07			7	125	
3	A-09-08			8	125	
4	A-09-12			12	91	
5	A-15-10		16	92	123	
6	A-18-03		19	126	54	
7	A-23-03A		24	197	123	
8	A-26-03A		27	239	123	
9	A-31-03A		32	309	123	
10	A-32-05		33	324	112	
11	A-32-11			330	123	
12	A-33-03		34	336	123	
13	A-33A-03		35	349	123	
14	A-33A-05			351	91	
15	A-33A-06			352	91	
16	A-33A-09			355	112	
17	A-33A-10		356	123		
18	A-35-03		36	362	123	
19	A-35-03A			363	112	
20	A-35-07			366	91	
21	A-36-03A	M1-A	37	376	123	
22	A-36-05			377	112	
23	A-36-06			378	91	
24	A-37-03A		38	390	123	
25	A-37-05			391	112	
26	A-37-10			396	112	
27	A-37-11			397	123	
28	A-38-03A		39	404	123	
29	A-38-06			406	91	
30	A-38-07			407	91	
31	A-38-09		409	91		
32	A-38-10	M1-A	39	410	112	
33	A-38-11			411	123	
34	B-09-03	M1-B	10	417	114	
35	B-09-06			420	144	
36	B-09-07			421	133	
37	B-09-10			424	90	
38	B-22-03A		23	571	123	
39	B-27-03A		28	631	123	
40	B-30-05		31	668	112	
41	B-31-03A		32	679	123	
42	B-31-09			684	123	
43	B-32-07		33	694	91	
44	B-32-09			696	123	
45	B-33-03		M1-B	34	702	123

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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Page 23**GENERAL DESCRIPTION (Cont'd)**

No.	Unit No.	Building No.	Storey No.	Parcel No.	Floor Area (Square Metres)
46	B-33-03A			703	112
47	B-33-07			706	112
48	B-33A-03A			714	112
49	B-33A-05		35	715	91
50	B-33A-06			716	91
51	B-35-03A			725	112
52	B-35-05		36	726	91
53	B-35-06			727	91
54	B-35-07			728	112
55	B-36-03			735	54
56	B-36-05		37	737	112
57	B-36-06			738	91
58	B-36-08			740	112
59	B-36-10			742	54
60	B-37-03			747	54
61	B-37-06		38	750	91
62	B-37-08			752	112
63	B-38-01			757	74
64	B-38-03			759	54
65	B-38-05		39	761	112
66	B-38-06			762	91
67	B-38-07			763	91
68	B-38-10			766	54
69	B-39-01		40	769	74
70	B-39-02			770	74
71	B-39-03			771	54
72	B-39-03A			772	123
73	B-39-05			773	112
74	B-39-06	M1-B	40	774	91
75	B-39-07			775	91
76	B-39-08			776	112
77	B-39-10			778	54

PLANNING PROVISION

The subject property is designated for commercial use as per the Express Condition stated in the document of title.

METHOD OF VALUATION

We have only adopted one valuation approach ie. Comparison Approach in arriving at our valuation since there are adequate and reliable transaction data within the same scheme.

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002260/21/LKC
Page 24**VALUE CONSIDERATION**Comparison Approach

In arriving the market value of the subject property, we have considered the following serviced apartment market evidences:-

Details	Comparable 1	Comparable 2	Comparable 3
Source	Valuation and Property Services Department (JPPH)		
Scheme	MH PLATINUM RESIDENSI	KL TRADERS SQUARE RESIDENCE	KL TRADERS SQUARE RESIDENCE
Developer's Parcel No./ Strata Title No.	Geran Mukim 2438 M1/22/188)	NO. PEMAJU 201565(D/35/10)	NO. PEMAJU 201565(A/10/9)
Parent Lot No.	Lot 201140	Lot 201565	
Mukim	Setapak		
District	Kuala Lumpur		
State	Federal Territory of Kuala Lumpur		
Unit No.	Unit No. 21-11	Unit No. D-35-10	Unit No. A-10-9
Property Type	Serviced apartment		
Floor Area	64.00 sq. metres (689 sq. feet)	85.29 sq. metres (918 sq. feet)	87.33 sq. metres (940 sq. feet)
Tenure	Term in perpetuity (Freehold)		
Date	22/04/2022	11/04/2022	28/02/2022
Vendor	MUHAMMAD LING BIN ABDULLAH	SCENIC PAVILION SDN. BHD.	RUBANCHARLES A/L SEBESTIAN + 1
Purchaser	CHAN CHE SAN +1	JAYPIRAKAS A/L SAMINATAN	VILLISHA A/P GUNASEGARAN
Consideration	RM365,000/-	RM500,000/-	RM535,000/-
Analysis (RM per square foot)	RM530psf	RM545psf	RM569psf
Adjustments	Adjustments have been made on Location, Floor Level, Building Age, Floor Area, Tenure, Quantum Allowance, Public Transport		
Adjusted Value (RM per square foot)	RM519psf	RM518psf	RM570psf

Notes: "psf" denotes per square foot

We have adopted Unit No. A-36-06 as the base unit. From the above analysis, the adjusted values ranging from RM518 per square foot to RM570 per square foot. Having regard to the foregoing, we have adopted Comparable 1 and Comparable 2 as the best comparables as it the latest represent transaction in the market.

The base value adopted is RM520 per square foot. Further adjustments have been made on floor area, floor level and no. of car park. Hence, the value adopted ranging from RM453 per square foot to RM549 per square foot.

The market value of the subject property is ranging from RM290,000 per unit to RM730,000 per unit. Hence, the total market value derived from Comparison Approach is at RM44,730,000/-.

VALUATION

Taking into consideration the above factors, we therefore assess the total market value of the subject property **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** with permission to transfer, lease, charge and free from all encumbrances at **RM44,730,000/- (Ringgit Malaysia: Forty Four Million and Seven Hundred and Thirty Thousand Only).**

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002260/21/LKC
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5. An ongoing condominium/apartment development known as "Residensi SkySierra (The Valley)"
(Our Ref : WTW/01/V/002260F/21/LKC)

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS**:-

- I. The subject property is an ongoing condominium/apartment development known as "Residensi SkySierra (The Valley)";
- II. It has obtained development order approval letter from Dewan Bandaraya Kuala Lumpur (DBKL) on 15 October 2019 for the construction of three blocks of condominium/apartment comprising a total of 1,039 units;
- III. The valuation is based on the amended approved building plans prepared by Archimatrix Sdn Bhd and approved by DBKL bearing reference no. BP U2 OSC 2021 0001 dated 22 July 2021;
- IV. The stage of completion of the building is based on the progress payment certificate no. 26 issued by Archimatrix Sdn Bhd as at 11 May 2022 and summary of completion works (progress report No. 54) for a period 15 May 2022 to 28 May 2022 as provided to us by the client;
- V. We have considered the sale status report dated 31 May 2022 as provided to us by the client; and
- VI. A marketable and registrable individual strata title for residential use will be issued.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASES IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property	: An ongoing condominium/apartment development known as "Residensi SkySierra (The Valley)"
Address	: Residensi SkySierra (The Valley), Jalan Taman Setiawangsa, AU2, 54200 Kuala Lumpur
Title No.	: Pajakan Negeri 53720
Lot No.	: Lot 80068 (Formerly known as PT 1283), Mukim Ulu Kelang, District of Kuala Lumpur, Federal Territory of Kuala Lumpur
Tenure	: Leasehold 99 years expiring on 16 May 2118 (Unexpired term of approximately 96 years)
Land Area	: 18,869 square metres (Approximately 203,104 square feet / 4.663 acres)
Category of Land Use	: Building
Registered Owner	: SKYSIERRA DEVELOPMENT SDN BHD
Encumbrances	: Charged to MBSB BANK BERHAD

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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GENERAL DESCRIPTIONSite

The site is irregular in shape and generally flat in terrain. The site lies about the same level of the existing frontage metalled road, Jalan Taman Setiawangsa. The site boundaries were generally demarcated with metal hoarding sheets and was currently undergoing construction works.

Proposed Development

Based on the amended building plans prepared by Archimatrix Sdn Bhd and approved by Dewan Bandaraya Kuala Lumpur (DBKL) dated 22 July 2021, the subject property has been approved for a development of three (3) blocks of 1,309 units condominium/apartment atop of an eight (8)-storey car park podium together with facilities.

Based on the sales status report dated 31 May 2022 as provided to us by the client, we noted that 1,108 units out of the total 1,309 units (approximately 85%) were sold.

Based on the Progress Report No. 54 for a period of 15 May 2022 to 28 May 2022, the stage of construction was at 50.55%. We were given to understand by the client that the project is targeted to be completed by June 2023.

PLANNING PROVISION

The subject property is designated for residential use as per the Express Condition stated in the document of title.

METHOD OF VALUATION

We have only adopted one valuation approach ie. Income Approach (Residual Method/Discounted Cash Flow Method) in arriving at our valuation as the subject property is an ongoing development.

VALUE CONSIDERATION**Income Approach (Residual Method/ Discounted Cash Flow Method)**Summary of Parameters

Gross Development Value (GDV)	RM344,645,050.00/- (Note 1)
Gross Development Cost (GDC)	RM248,517,435.81/- (Note 2)
Developer's Profit	15.0% of GDV
Development Period	2 years (Note 3)
Discount Rate	8.0% per annum

Note 1:

The total GDV is tabulated as follows: -

No. of Unit	Total Selling Price	Rebate / Bumi Discount	Net Selling Price	Amount Billed as at 31 May 2022*	Unbilled Amount	Balance
1,108 - Sold	RM638,105,000.00	RM54,067,126.20	RM584,037,873.80	RM357,463,133.80	RM226,574,740.00	RM226,574,740.00
201 - Unsold	RM130,122,000.00	RM12,051,690.00	RM118,070,310.00	-	-	RM118,070,310.00
Total	RM768,227,000.00	RM66,118,816.20	RM702,108,183.80			RM344,645,050.00

*Amount billed is excluding of rebate/discount

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

Our Ref: WTW/01/V/002260/21/LKC
Page 27**VALUE CONSIDERATION (Cont'd)**

The GDV is derived based on the following justifications: -

Sale Status	Rate Adopted	Justification
Sold Units	Actual selling price	Based on the actual selling price as stated in the sale status provided by the client.
Unsold Units	Average of RM532 per square foot	We have made reference to the concluded selling prices of the development units within the subject scheme, transacted prices of similar properties and the developers' selling prices of other upcoming projects.

Note 2:

The Gross Development Cost (GDC) are based on the following main parameters:-

Item	Contract Sum/Revised Contract Sum /Amount Adopted	Certified Amount	Balance Amount to be Paid	Remarks
Piling and Sub-structure Works ^{Note}	RM16,550,000.00	RM16,550,000.00	RM0.00	Completed. Based on the anticipated revised contract sum and Certificate of Payment provided by the client. The awarded contract sum is in accordance with the industry average cost.
Building Construction Cost & Infrastructure Cost ^{Note}	RM305,334,089.65	RM148,330,001.82	RM157,004,087.83	Made reference to JUBM & Arcadis Construction Handbook Malaysia 2022, based on the anticipated revised contract sum and Certificate of Payment provided by the client. The average cost is analysed to be RM125 per square foot over total gross floor area. The awarded contract sum is in accordance with the industry average cost.
Developer's Profit & Risk	15.0%	-	RM51,696,757.50	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. For the subject development, we have adopted 15.0% developer's profit in our valuation after taking into account the stage of construction which is relatively at advanced stage i.e. 50.55% coupled with a high sales status i.e. 85%.

Note:

The total construction cost of RM321,884,089.65/- (i.e. piling works, main building works inclusive of infrastructure works) is analysed at about RM132 per square foot over gross floor area of 2,439,722.87 square feet (inclusive of car park GFA). The breakdown of the construction cost for main building works is unavailable as the awarded main building works is inclusive of preliminaries, infrastructure works, prime cost and provisional sums.

We have made reference to the JUBM & Arcadis Construction Cost Handbook Malaysia 2022 as follows -

- The building construction cost for elevated car park is ranging from RM85 to RM145 per square foot.
- The building construction cost for average standard apartment, high rise is ranging from RM124 to RM248 per square foot.

We have allocated approximately RM63.9 million construction cost (gross floor area of 752,053.14 sq. ft. x RM85psf) for the carpark podium. The balance of construction cost is about RM267.9 million which is analysed at RM763 per square foot (inclusive of preliminaries, piling works, infrastructure works, prime cost and provisional sums) over gross floor area of 1,687,669.53 sq. ft. for the condominium/apartment building.

We are of the opinion that the above disclosed cost is in line with the market rate.

Note 3:

We have adopted an estimated development period of two (2) years in our valuation. Taking into consideration of the take-up rate of 85% as well as the construction progress as at the date of valuation, we are of the opinion that the estimated development period is considered realistic.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property as at 31 May 2022 **BASED ON THE BASIS AND PROVISIO AS STATED IN DETAIL UNDER THE TERM OF REFERENCE HEREIN** with permission to transfer, lease, charge and free from all encumbrances at **RM85,000,000/- (Ringgit Malaysia: Eighty Five Million Only).**

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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**6. An ongoing affordable apartment development known as "SkyAwani V"
(Our Ref : WTW/01/V/002260G/21/SAH)**

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS**:-

- I. The subject property is an ongoing affordable apartment development known as SkyAwani V;
- II. It has obtained amended development order from Dewan Bandaraya Kuala Lumpur (DBKL) on 6 July 2020 for the proposed development of one block of affordable apartment comprising a total of 615 units;
- III. The valuation is based on the amended building plans prepared by Archimatrix Sdn Bhd and approved by DBKL bearing reference no. BP U1 OSC 2020 0963 dated 27 November 2020;
- IV. The stage of completion of the building is based on the progress payment certificate no. 14 issued by Archimatrix Sdn Bhd as at 11 May 2022 and summary of completion works (progress report No. 31) for a period of 8 May 2022 to 21 May 2022 as provided to us by the client;
- V. We have considered the sale status report dated 31 May 2022 as provided to us by the client; and
- VI. A marketable and registrable individual strata title for residential use will be issued.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASIS IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property : An ongoing affordable apartment development known as "SkyAwani V"

Address : SkyAwani V, Jalan Dato Senu 3, Sentul, 51000 Kuala Lumpur

Title No. : Pajakan Negeri 52872

Lot No. : Lot 201438, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur

Tenure : Leasehold 99 years expiring on 19 March 2116
(Unexpired term of approximately 94 years)

Land Area : 8,238 square metres
(Approximately 88,673 square feet / 2.036 acres)

Registered Owner : SKYAWANI 5 DEVELOPMENT SDN BHD

Encumbrances : Charged to HSBC BANK MALAYSIA BERHAD

14. VALUATION CERTIFICATES (CONT'D)

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GENERAL DESCRIPTION

The site is irregular in shape, generally flat in terrain and lies about the same level with the existing frontage metalled road, Jalan Dato Senu 3.

Proposed Development

Based on the amended building plans prepared by Archimatrix Sdn Bhd and approved by DBKL on 27 November 2020, the subject property has been approved for a development of one (1) block of twenty eight (28)-storey affordable apartment (615 units) atop of an eight (8)-storey carpark podium together with facilities.

Based on the sales status report dated 31 May 2022, we noted that 611 units out of the total 615 units (approximately 99.35%) were sold.

Based on the Progress Report No. 31 for a period of 8 May 2022 to 21 May 2022, the stage of construction was at 16.50%. We were given to understand by the client that the project is targeted to be completed by September 2024.

PLANNING PROVISION

The subject property is designated for residential use as per the Express Condition stated in the document of title.

METHOD OF VALUATION

We have only adopted one valuation approach ie. Income Approach (Residual Method/Discounted Cash Flow Method) in arriving at our valuation as the subject property is an ongoing development.

VALUE CONSIDERATION**Income Approach (Residual Method/Discounted Cash Flow Method)****Summary of Parameters**

Gross Development Value (GDV)	:	RM137,550,000.00/-	(Note 1)
Gross Development Value (GDC)	:	RM110,663,722.80/-	(Note 2)
Developer's profit	:	10% of GDV	
Development period	:	2 years	(Note 3)
Discount Rate	:	8.0% per annum	

Note 1:

The total GDV is tabulated as follows: -

No. of Unit	Total Selling Price	Rebate	Net Selling Price	Amount Billed as at 31 May 2022*	Balance
611 – Sold	RM183,300,000.00	RM13,000.00	RM183,287,000.00	RM46,937,000.00	RM136,350,000.00
4 – Unsold	RM1,200,000.00	-	RM1,200,000.00	-	RM1,200,000.00
Total	RM184,500,000.00	RM13,000.00	RM184,487,000.00	RM46,937,000.00	RM137,550,000.00

*Amount billed is exclusive of rebate / discount.

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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VALUE CONSIDERATION (Cont'd)

The GDV is derived based on the following justifications: -

Sale Status	Rate Adopted	Justification
Sold Units	Actual selling price	Based on the actual selling price as stated in the sale status provided by the client.
Unsold Units	RM300,000/- per unit	As per DBKL letter dated 5 October 2017

Note 2:

The GDC are based on the following main parameters: -

Item	Contract Sum/ Revised Contract Sum / Amount Adopted	Certified Amount	Balance Amount to be Paid	Remarks
Piling / Sub-structure works (inclusive preliminaries, earthwork & site clearance) ^{*Note}	RM7,029,493.60	RM5,558,991.46	RM1,470,502.14	Based on the anticipated revised contract sum and Certificate of Payment provided by the client. The awarded contract sum is in accordance with the industry average cost.
Main Building Works (inclusive Infrastructure Works) ^{*Note}	RM98,393,056.19	RM16,982,203.99	RM81,410,852.20	Made reference to JUBM & Arcadis Construction Handbook Malaysia 2022, based on the anticipated revised contract sum and Certificate of Payment provided by the client. The average cost is analysed to be RM97 per square foot over total gross floor area. The awarded contract sum is in accordance with the industry average cost.
Developer's Profit & Risk	10.00%	-	RM13,755,000.00	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. In view that the subject development is affordable apartment, we have adopted 10% developer's profit in our valuation after taking into account the stage of construction.

***Note:**

The total construction cost of about RM105.4 million (i.e. piling works, main building works inclusive of infrastructure works) is analysed at about RM104 per square foot over gross floor area of 1,016,843 sq. ft. (inclusive of car park GFA). The breakdown of the construction cost for main building works is unavailable as the awarded main building works is inclusive of preliminaries, infrastructure works, prime cost and provisional sums.

We have made reference to the JUBM & Arcadis Construction Cost Handbook Malaysia 2022 where the construction cost in Kuala Lumpur are as follows:-

- The building construction cost for elevated car park is ranging from RM85 to RM145 per square foot.
- The building construction cost for average standard apartment, high rise is ranging from RM124 to RM248 per square foot.

We have allocated approximately RM21.0 million construction cost (gross floor area of 262,660.69 sq ft x RM80psf) for the carpark podium as it is an affordable component. The balance of construction cost is about RM84.4 million which is analysed at RM112 per square foot (inclusive of preliminaries, piling works, infrastructure works, prime cost and provisional sums) over gross floor area of 754,182.31 sq. ft. for the affordable apartment building.

We are of the opinion that the above disclosed cost is in line with the market rate.

Note 3:

We have adopted an estimated development period of two (2) years in our valuation. Taking into consideration of the take-up rate of 99.35% as well as the construction progress as at the date of valuation, we are of the opinion that the estimated development period is considered realistic.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property as at 31 May 2022 **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERMS OF REFERENCE HEREIN** free from all encumbrances at **RM24,000,000/- (Ringgit Malaysia: Twenty Four Million Only).**

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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**7. An ongoing condominium development known as "SkyVogue Residences"
(Our Ref : WTW/01/V/002260H/21/LKC)**

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS**:-

- I. The subject property is an ongoing condominium development known as "SkyVogue Residences";
- II. It has obtained development order approval letter from Dewan Bandaraya Kuala Lumpur (DBKL) on 10 Aug 2020 for the proposed development of one block of condominium comprising a total of 333 units;
- III. The valuation is based on the amended approved building plans prepared by Archimatrix Sdn Bhd approved by DBKL bearing reference no. (32) dlm. BP S1 OSC 2020 1312 dated 28 December 2020;
- IV. The stage of completion of the building is based on the progress payment certificate no. 8 issued by Axventure Sdn Bhd as at 10 May 2022 and summary of completion works (progress report No. 19) for a period of 8 May 2022 to 21 May 2022 as provided to us by the client;
- V. We have considered the sale status report dated 31 May 2022 as provided to us by the client; and
- VI. A marketable and registrable individual strata title for residential use will be issued.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASES IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property	: An ongoing condominium development known as "SkyVogue Residences"
Address	: SkyVogue Residences, Jalan 1/109F, Taman Danau Desa, 58100 Kuala Lumpur
Title No.	: Hakmilik HSD (Hakmilik Sementara Daftar) 121070
Lot No.	: PT 50017, Mukim of Kuala Lumpur, District of Kuala Lumpur, Federal Territory of Kuala Lumpur
Tenure	: Leasehold 99 years expiring on 18 July 2118 (Unexpired term of approximately 96 years)
Provisional Land Area	: 5,440 square metres (Approximately 58,556 square feet / 1.344 acres)
Category of Land Use	: Building

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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PROPERTY IDENTIFICATION (Cont'd)

Registered Owner	: SKYVOGUE DEVELOPMENT SDN BHD
Encumbrances	: Charged to HONG LEONG BANK BERHAD
Restriction of Interest	: Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur

GENERAL DESCRIPTION

The site is trapezoidal in shape and generally flat in terrain. It lies about the same level as the existing frontage metalled road, Jalan 1/109F. The site boundaries are generally demarcated with metal hoarding sheets and was currently undergoing construction works.

Proposed Development

Based on the amended building plans prepared by Archimatrix Sdn Bhd and approved by Dewan Bandaraya Kuala Lumpur (DBKL) on 28 December 2020, the subject property has been approved for a development of one (1) block of 333 units condominium atop of an eleven (11)-storey car park podium together with facilities.

Based on the sales status report dated 31 May 2022, we noted that 306 units out of the total 333 units (approximately 92%) were sold.

Based on the Progress Report No. 19 for a period of 8 May 2022 to 21 May 2022, the stage of construction was at 6.24%. We were given to understand by the client that the project is targeted to be completed by March 2025.

PLANNING PROVISION

The subject property is designated for residential use as per the Express Condition stated in the document of title.

METHOD OF VALUATION

We have only adopted one valuation approach ie. Income Approach (Residual Method/Discounted Cash Flow Method) in arriving at our valuation as the subject property is an ongoing development.

VALUE CONSIDERATION**Income Approach (Residual Method/ Discounted Cash Flow Method)****Summary of Parameters**

Gross Development Value (GDV)	RM200,663,435.00/- (Note 1)
Gross Development Cost (GDC)	RM176,849,014.47/- (Note 2)
Developer's Profit	17.5% of GDV
Development Period	3 years (Note 3)
Discount Rate	8.0% per annum

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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VALUE CONSIDERATION (Cont'd)**Note 1:**The total GDV estimated at **RM200,663,435.00/-** is tabulated as follows: -

No. of Unit	Total Selling Price	Rebate / Bumi Discount	Net Selling Price	Amount Billed as at 31 May 2022*	Unbilled Amount	Balance
306 - Sold	RM253,696,000.00	RM15,352,452.50	RM238,343,547.50	RM60,487,012.50	RM177,856,535.00	RM177,856,535.00
27 - Unsold	RM25,341,000.00	RM2,534,100.00	RM22,806,900.00	-	-	RM22,806,900.00
Total	RM279,037,000.00	RM17,886,552.50	RM261,150,447.50			RM200,663,435.00

*Amount billed is excluding of rebate/discount

The GDV is derived based on the following justifications: -

Sale Status	Rate Adopted	Justification
Sold Units	Actual selling price	Based on the actual selling price as stated in the sale status provided by the client.
Unsold Units	Average of RM598 per square foot	We have made reference to the concluded selling prices of the development units within the subject scheme, transacted prices of similar properties and the developers' selling prices of other upcoming projects.

Note 2:

The GDC are based on the following main parameters:-

Item	Contract Sum/Revised Contract Sum /Amount Adopted	Certified Amount	Balance Amount to be Paid	Remarks
Piling and Sub-structure Works (Inclusive Earthworks and Site Clearance and Basement Sub-structure) <i>Note</i>	RM13,072,334.70	RM12,069,592.49	RM1,002,742.21	Based on the anticipated revised contract sum and Certificate of Payment provided by the client. The awarded contract sum is in accordance with the industry average cost.
Building Construction Cost & Infrastructure Cost <i>Note</i>	RM120,452,937.94	RM6,607,203.90	RM113,845,734.04	Made reference to JUBM & Arcadis Construction Handbook Malaysia 2022, based on the anticipated revised contract sum and Certificate of Payment provided by the client. The average cost is analysed to be RM130 per square foot over total gross floor area. The awarded contract sum is in accordance with the industry average cost.
Developer's Profit & Risk	17.50%	-	RM35,116,101.13	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. For the subject development, we have adopted 17.5% developer's profit in our valuation after taking into account the stage of construction which is at early stage i.e. 6.24% but has achieved a high sales status i.e. 92%.

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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VALUE CONSIDERATION (Cont'd)

Note 1:

The total construction cost of RM133,525,272.64/- (i.e. piling works, main building works inclusive of infrastructure works) is analysed at about RM147 per square foot over gross floor area of 908,920.50 square feet (inclusive of car park GFA). The breakdown of the construction cost for main building works is unavailable as the awarded main building works is inclusive of preliminaries, infrastructure works, prime cost and provisional sums.

We have made reference to the JUBM & Arcadis Construction Cost Handbook Malaysia 2022 as follows:-

- The building construction cost for elevated car park is ranging from RM85 to RM145 per square foot.
- The building construction cost for average standard apartment, high rise is ranging from RM124 to RM248 per square foot.

We have allocated approximately RM25.6 million construction cost (gross floor area of 300,893.00 sq. ft. x RM85psf) for the carpark podium.

The balance of construction cost is about RM107.9 million which is analysed at RM177 per square foot (inclusive of preliminaries, piling works, infrastructure works, prime cost and provisional sums) over gross floor area of 608,027.50 sq. ft. for the condominium building.

We are of the opinion that the above disclosed cost is in line with the market rate.

Note 3:

We have adopted an estimated development period of three (3) years in our valuation. Taking into consideration of the take-up rate of 92% as well as the construction progress as at the date of valuation, we are of the opinion that the estimated development period is considered realistic.

The present value of the net cash flow for the subject development over three (3) years at the discount rate of 8.0% per annum is to reflect the time value of money adequately.

VALUATION

Taking into consideration the above factors, we therefore assess the market value of the subject property as at 31 May 2022 **BASED ON THE BASIS AND PROVISO AS STATED IN DETAIL UNDER THE TERM OF REFERENCE HEREIN** with permission to transfer, lease, charge and free from all encumbrances at **RM20,000,000/- (Ringgit Malaysia: Twenty Million Only)**.

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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- 8. An ongoing condominium/apartment development known as "EdgeWood (Residensi SkySanctuary 1)"
(Our Ref : WTW/01/V/002260I/21/THP)**

TERMS OF REFERENCE

The valuation is carried out based on the following **BASIS**:-

- I. The subject property is an ongoing condominium/apartment development known as "EdgeWood (Residensi SkySanctuary 1)";
- II. It has obtained development order from Dewan Bandaraya Kuala Lumpur (DBKL) on 26 August 2020 for the proposed development of two blocks of condominium/apartment comprising a total of 960 units;
- III. The valuation is based on the amended approved building plans prepared by WDA Architects Sdn. Bhd. bearing reference no. BP U2 OSC 2021 0291 dated 7 May 2021;
- IV. The stage of completion of the building is based on the progress payment certificate no.2 issued by WDA Architects Sdn Bhd as at 11 May 2022 and summary of completion works (progress report No. 7) for a period of 19 May 2022 to 01 June 2022;
- V. We have considered the sale status report dated 31 May 2022; and
- VI. A marketable and registrable individual strata title for residential use will be issued.

IT IS TO BE NOTED THAT THE VALUATION IS BASED ON THE ABOVE BASIS WHICH ARE ASSUMED TO BE VALID AND CORRECT. WE RESERVE THE RIGHT TO MAKE AMENDMENTS (INCLUDING THE MARKET VALUE) IF ANY OF THE ABOVE BASES IS INVALID/INCORRECT.

PROPERTY IDENTIFICATION

The property	: An ongoing condominium/apartment development known as "EdgeWood (Residensi SkySanctuary 1)"
Address	: EdgeWood (Residensi SkySanctuary 1), off Jalan 1/23C, Setapak, 53300 Kuala Lumpur
Title No.	: Hakmilik HSD (Hakmilik Sementara Daftar) 122338
Lot No.	: PT 50178, Mukim of Setapak, District of Kuala Lumpur, Federal Territory of Kuala Lumpur
Tenure	: Leasehold 99 years expiring on 17 February 2120 (Unexpired term of approximately 98 years)
Provisional Land Area	: 15,352.6 square metres (Approximately 165,254 square feet / 3.794 acres)

14. VALUATION CERTIFICATES (CONT'D)

CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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PROPERTY IDENTIFICATION (Cont'd)

Category of Land Use	:	Building
Registered Owner	:	SKYSANCTUARY DEVELOPMENT SDN. BHD.
Encumbrances	:	i. Charged to OCBC AL-AMIN BANK BERHAD ii. Charged to OCBC BANK (MALAYSIA) BERHAD

GENERAL DESCRIPTION**Site**

The site is irregular in shape and generally flat in terrain. It lies about the same level of the existing frontage metalled road, off Jalan 1/23C. The site boundaries are generally demarcated with metal hoarding sheets and was currently undergoing construction works.

Proposed Development

Based on the amended building plans prepared by WDA Architects Sdn Bhd and approved by Dewan Bandaraya Kuala Lumpur (DBKL) on 7 May 2021, the subject property has been approved for a development of two (2) blocks of condominium/apartment (960 units) atop of an eight (8)-storey car park podium and one (1) storey car park at lower ground floor together with facilities.

Based on the sales status report dated 31 May 2022 as provided to us by the client, we noted that 592 units out of the total 960 units (approximately 62%) were sold.

Based on the Progress Report No. 7 for the period of 19 May 2022 to 01 June 2022, the stage of construction was at 3.30%. We were given to understand by the client that the project is targeted to be completed by June 2025.

PLANNING PROVISION

The subject property is designated for residential use as per the Express Condition stated in the document of title.

METHOD OF VALUATION

We have only adopted one valuation approach ie. Income Approach (Residual Method/Discounted Cash Flow Method) in arriving at our valuation as the subject property is an ongoing development.

VALUE CONSIDERATION**Income Approach (Residual Method/Discounted Cash Flow Method)****Summary of Parameters**

Gross Development Value (GDV)	:	RM438,312,936.50/- (Note 1)
Gross Development Value (GDC)	:	RM365,526,254.28/- (Note 2)
Developer's profit	:	20% of GDV
Development period	:	3 years (Note 3)
Discount Rate	:	8.0% per annum

14. VALUATION CERTIFICATES (CONT'D)



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)

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VALUE CONSIDERATION (Cont'd)

Note 1:

The total GDV is tabulated as follows: -

No. of Unit	Total Selling Price	Rebate / Bumi Discount	Net Selling Price	Amount Billed as at 31 May 2022*	Unbilled Amount	Balance
592 - Sold	RM315,598,000.00	RM28,888,924.00	RM286,709,076.00	RM33,731,466.00	RM252,977,610.00	RM252,977,610.00
368 - Unsold**	RM205,131,000.00	RM19,795,673.50	RM185,335,326.50	-	-	RM185,335,326.50
Total	RM520,729,000.00	RM48,684,597.50	RM472,044,402.50			RM438,312,936.50

*Amount billed is exclusive of rebate/discount

** Inclusive of booked units

The GDV is derived based on the following justifications: -

Sale Status	Rate Adopted	Justification
Sold Units	Actual selling price	Based on the actual selling price as stated in the sale status provided by the client.
Unsold Units	Average of RM511 per square foot	We have made reference to the concluded selling prices of the development units within the subject scheme, the transacted prices of similar properties and the developers' selling prices of other upcoming projects.

Note 2:

The GDC are based on the following main parameters: -

Item	Contract Sum/Revised Contract Sum /Amount Adopted	Certified Amount	Balance Amount to be Paid	Remarks
Piling and Sub-structure Works ^{Note}	RM10,880,868.63	RM9,781,183.99	RM1,099,684.64	Based on the anticipated revised contract sum and Certificate of Payment provided by the client. The awarded contract sum is in accordance with the industry average cost.
Main Building & External Works ^{Note}	RM213,951,744.34	RM2,254,724.53	RM211,697,019.81	Made reference to JUBM & Arcadis Construction Handbook Malaysia 2022, based on the anticipated revised contract sum and Certificate of Payment provided by the client. The average cost is analysed at approximately RM115 per square foot. The awarded contract sum is in accordance with the industry average cost.
Developer's Profit & Risk	20.0%	-	RM87,662,587.30	Our surveys and enquiries with developers revealed that the rate of return of about 10% to 20% of Gross Development Value (GDV) is required for a developer to commit to a project development. In view that the subject development is affordable apartment, we have adopted 20% developer's profit in our valuation after taking into account the stage of construction and the sales status.