

**TA Enterprise Berhad**  
(Registration No. 199001003300 (194867-M))  
(Incorporated in Malaysia)  
**and its subsidiaries**

**Financial statements for the  
year ended 31 December 2023**

# **TA Enterprise Berhad**

(Registration No. 199001003300 (194867-M))

(Incorporated in Malaysia)

## **and its subsidiaries**

### **Directors' report for the year ended 31 December 2023**

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

#### **Principal activities**

The Company is principally engaged in investment holding and the provision of management services to its subsidiaries, whilst the principal activities of the subsidiaries are as stated in Note 8 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

#### **Subsidiaries**

The details of the Company's subsidiaries are disclosed in Note 8 to the financial statements.

#### **Results**

	<b>Group RM'000</b>	<b>Company RM'000</b>
Profit for the year attributable to:		
Owners of the Company	442,049	604
Non-controlling interests	<u>27,044</u>	<u>-</u>
	<u>469,093</u>	<u>604</u>

#### **Reserves and provisions**

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

#### **Dividends**

No dividend was paid during the financial year and the Directors do not recommend any final dividend to be paid for the financial year under review.

## Directors of the Company

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

Datuk Tiah Thee Kian  
Datin Tan Kuay Fong  
Zainab Binti Ahmad  
Dato' Sri Mohamed Bin Abid (resigned on 17 April 2023)

The names of the Directors of the Company's subsidiaries in office during the financial year until the date of this report are:

Datuk Tiah Thee Kian  
Datin Tan Kuay Fong  
Zainab Binti Ahmad  
Dato' Sri Mohamed Bin Abid (resigned on 17 April 2023)  
Khoo Poh Kim @ Kimmy  
Chew Chin Guan  
Datuk Hamzah Bin Mohd Tahir  
Liew Peng Kheun (resigned on 28 November 2023)  
Richard A/L Anthony Joseph  
Shaari Bin Mat Hussin  
Tah Heong Beng  
Choo Swee Kee  
Mohammed A'reeff Bin Abdul Khalid  
Ahmed Fauzi Bin Mohamed  
Nor Aziah Binti Ab Halim  
Dayangku Shukarni Binti Awang Jolkipli  
Nor Asma Binti Mohamed  
Ernest Yeap Kian Fuj  
Lee Yen Foong  
Dulsi Karabet  
Peter John Tudehope  
Tony Ong Thian Bok  
Khong Kim Kong  
Lee Medd  
Tiah Ee Laine  
Tiah Joo Kim  
Tiah Joo Keng  
Yip Kam Mun  
Chau Koan Hung  
Jimmy Wong  
Mike Mootien  
Jannette N. Pel  
Tan Kuay Geok  
Ngiam Kee Tong  
Tawee Saengrung  
Lim Yee Mun  
Leong Chee Lim  
Chin Pei San  
Datuk Leong Kam Weng  
Ong Lit Wei (appointed on 15 May 2023)  
Lee Lin Chyuan (appointed on 15 August 2023)  
Iruthayanathan A/L Arokiasamy (appointed on 28 November 2023)

## Directors' interests in shares

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors of the Company at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			At 31.12.2023
	At 1.1.2023	Bought	Sold	
<b>Interests in the Company</b>				
Datuk Tiah Thee Kian				
- direct	2,371,139,483	831,647	-	2,371,971,130
- others @	114,844,483	-	-	114,844,483
Datin Tan Kuay Fong				
- direct	8,183,848	-	-	8,183,848
- others @	114,844,483	-	-	114,844,483

@ Indirect interests held through children

By virtue of their interests in the shares of the Company, Datuk Tiah Thee Kian and Datin Tan Kuay Fong are also deemed interested in the shares of the subsidiaries during the financial year to the extent that TA Enterprise Berhad has an interest.

None of the other Directors holding office at 31 December 2023 had any interest in the shares of the Company and of its related corporations during the financial year.

## Directors' benefits

Since the end of the previous financial year,

- i) no Director of the Company has received nor become entitled to receive any benefit from the Company or its subsidiaries (other than those shown below);

	From the Company RM'000	From a subsidiary company RM'000
Directors of the Company:		
Fees	44	-
Remuneration	3,739	6,182
Estimated money value of any other benefits	45	33
	<u>3,828</u>	<u>6,215</u>

## **Directors' benefits (continued)**

- ii) no Director of the Company has received nor become entitled to receive any benefit by reason of a contract made by the Company or a related corporation with the Director or with a firm of which Director is a member, or with a company in which the Director has a substantial financial interest other than certain Directors received fixed salary of a full-time employee of related corporations.

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

## **Issue of shares and debentures**

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

There were no debentures issued during the financial year.

## **Options granted over unissued shares**

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

## **Indemnity and insurance costs**

There was no amount of indemnity given or insurance effected since 1 May 2023 for the Directors and officers of the Group and of the Company.

There was no indemnity given to, or insurance effected for the auditors of the Group and of the Company during the financial year.

## **Other statutory information**

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

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

## **Other statutory information (continued)**

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

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

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

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2023 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

## **Auditors**

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

The auditors' remuneration of the Group and of the Company during the year are RM991,000 and RM89,000 respectively.

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

.....  
**Datin Tan Kuay Fong**  
Director

.....  
**Datuk Tiah Thee Kian**  
Director

Date: 31 May 2024

# TA Enterprise Berhad

(Registration No. 199001003300 (194867-M))

(Incorporated in Malaysia)

## and its subsidiaries

### Statements of financial position as at 31 December 2023

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Assets</b>					
Property, plant and equipment	3	1,814,665	1,766,450	1,411	1,004
Investment properties	4	528,805	530,951	-	-
Right-of-use assets	5	355,337	352,032	2,459	3,649
Inventories	6	802,996	765,801	-	-
Intangible assets	7	318,661	302,107	239	247
Investments in subsidiaries	8	-	-	2,789,042	2,778,105
Investments in joint ventures	9	5,532	5,222	-	-
Investments in securities	10	21,344	3,845	3,065	3,123
Deferred tax assets	11	30,038	19,948	56	61
Receivables	12	35,772	33,154	38,558	43,382
<b>Total non-current assets</b>		<u>3,913,150</u>	<u>3,779,510</u>	<u>2,834,830</u>	<u>2,829,571</u>
Inventories	6	221,468	205,686	-	-
Contract assets	13	85,352	47,372	-	-
Contract costs	14	8,613	12,343	-	-
Investments in securities	10	811,847	700,089	-	-
Receivables	12	687,762	465,985	24,104	2,873
Derivatives	15	1,038	20	-	-
Tax recoverable		28,192	25,527	1,663	1,986
Other investment	16	43,698	37,956	-	-
Cash and bank balances	17	511,733	455,524	6,433	877
<b>Total current assets</b>		<u>2,399,703</u>	<u>1,950,502</u>	<u>32,200</u>	<u>5,736</u>
<b>Total assets</b>		<u>6,312,853</u>	<u>5,730,012</u>	<u>2,867,030</u>	<u>2,835,307</u>



## Statements of financial position as at 31 December 2023 (continued)

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Equity</b>					
Share capital	18	2,316,164	2,316,164	2,316,164	2,316,164
Reserves		1,715,100	1,167,365	354,984	354,438
<b>Total equity attributable to owners of the Company</b>	18	4,031,264	3,483,529	2,671,148	2,670,602
<b>Non-controlling interests</b>		109,486	81,879	-	-
<b>Total equity</b>		4,140,750	3,565,408	2,671,148	2,670,602
<b>Liabilities</b>					
Deferred tax liabilities	11	200,161	196,331	-	-
Borrowings	19	391,104	457,719	-	-
Lease liabilities		764	499	1,424	2,693
Provisions	21	16,228	16,057	-	-
<b>Total non-current liabilities</b>		608,257	670,606	1,424	2,693
Borrowings	19	1,153,377	1,190,949	182,975	158,318
Lease liabilities		974	1,014	1,269	1,210
Payables	20	358,349	253,083	1,193	1,401
Provisions	21	9,904	9,717	-	-
Contract liabilities	13	35,267	33,806	9,021	1,083
Derivatives	15	3,866	2,018	-	-
Income tax payable		2,109	3,411	-	-
<b>Total current liabilities</b>		1,563,846	1,493,998	194,458	162,012
<b>Total liabilities</b>		2,172,103	2,164,604	195,882	164,705
<b>Total equity and liabilities</b>		6,312,853	5,730,012	2,867,030	2,835,307

The notes on pages 20 to 127 are an integral part of these financial statements.

# TA Enterprise Berhad

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(Incorporated in Malaysia)

## and its subsidiaries

### Statements of profit or loss for the year ended 31 December 2023

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	22	1,207,797	895,771	16,171	20,023
Other income		25,480	9,234	7,591	1,595
Net gain/(loss) from investments in securities	23	259,823	(279,789)	98	98
Property development expenditure recognised as expense		(113,913)	(111,604)	-	-
Cost of inventories	6	(41,843)	(25,120)	-	-
Personnel costs		(281,826)	(231,587)	(8,991)	(5,384)
Depreciation		(95,601)	(92,396)	(1,361)	(1,357)
Remisiers', agents' and commissioned futures broker representatives' commissions		(73,712)	(69,236)	-	-
Foreign exchange (loss)/gain, net		(3,115)	(32,811)	24	12
Net reversal of/(allowance for) impairment of financial assets		1,447	(558)	751	(1,163)
Other expenses		(321,563)	(236,276)	(7,588)	(4,491)
<b>Operating profit/(loss)</b>		<b>562,974</b>	<b>(174,372)</b>	<b>6,695</b>	<b>9,333</b>
Finance income	25	24,374	13,118	2,141	1,153
Finance costs	26	(84,499)	(50,109)	(7,584)	(5,428)
Share of loss in an associate, net of tax		-	(68)	-	-
Share of profit/(loss) in joint ventures, net of tax	9	220	(250)	-	-
<b>Profit/(Loss) before tax</b>		<b>503,069</b>	<b>(211,681)</b>	<b>1,252</b>	<b>5,058</b>
Tax expense	27	(33,976)	(27,180)	(648)	(263)
<b>Profit/(Loss) for the year</b>	28	<b>469,093</b>	<b>(238,861)</b>	<b>604</b>	<b>4,795</b>
<b>Profit/(Loss) attributable to:</b>					
Owners of the Company		442,049	(237,322)	604	4,795
Non-controlling interests		27,044	(1,539)	-	-
<b>Profit/(Loss) for the year</b>		<b>469,093</b>	<b>(238,861)</b>	<b>604</b>	<b>4,795</b>

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## and its subsidiaries

### Statements of profit or loss and other comprehensive income for the year ended 31 December 2023

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) for the year	469,093	(238,861)	604	4,795
<b>Other comprehensive income:</b>				
<b>Items that are or may be reclassified subsequently to profit or loss:</b>				
Net gain on foreign currency translation differences	106,272	70,575	-	-
Debt investments measured at fair value through other comprehensive income				
- Net fair value gain/(loss)	333	(406)	-	-
	<u>106,605</u>	<u>70,169</u>	<u>-</u>	<u>-</u>
<b>Items that will not be reclassified subsequently to profit or loss:</b>				
Net change in fair value of equity investments designated at fair value through other comprehensive income	(58)	154	(58)	154
Other comprehensive income/(loss) for the year	<u>106,547</u>	<u>70,323</u>	<u>(58)</u>	<u>154</u>
<b>Total comprehensive income/(loss) for the year</b>	<u><u>575,640</u></u>	<u><u>(168,538)</u></u>	<u><u>546</u></u>	<u><u>4,949</u></u>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Company	547,600	(167,449)	546	4,949
Non-controlling interests	<u>28,040</u>	<u>(1,089)</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income/(loss) for the year</b>	<u><u>575,640</u></u>	<u><u>(168,538)</u></u>	<u><u>546</u></u>	<u><u>4,949</u></u>

The notes on pages 20 to 127 are an integral part of these financial statements.

# TA Enterprise Berhad

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## and its subsidiaries

### Consolidated statement of changes in equity for the year ended 31 December 2023

Group	Note	/-----Attributable to owners of the Company-----/					/-----Non-distributable-----/ Distributable			
		Share capital RM'000	Merger reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2022		2,316,164	-	37,769	3,332	386,055	892,871	3,636,191	35,217	3,671,408
Foreign currency translation differences for foreign operations		-	-	-	-	58,925	-	58,925	462	59,387
Net investment in foreign operations		-	-	-	-	11,188	-	11,188	-	11,188
Net change in fair value of equity investment designated at FVOCI		-	-	-	154	-	-	154	-	154
Debt investments measured at FVOCI - Net fair value loss		-	-	-	(394)	-	-	(394)	(12)	(406)
Other comprehensive (loss)/income for the year		-	-	-	(240)	70,113	-	69,873	450	70,323
Loss for the year		-	-	-	-	-	(237,322)	(237,322)	(1,539)	(238,861)
Total comprehensive (loss)/income for the year		-	-	-	(240)	70,113	(237,322)	(167,449)	(1,089)	(168,538)
Acquisition of NCI	8.1	-	-	3	1	(132)	1,104	976	(2,534)	(1,558)
Business combination under common control		-	13,811	-	-	-	-	13,811	50,285	64,096
Total transactions with owners of the Group		-	13,811	3	1	(132)	1,104	14,787	47,751	62,538
At 31 December 2022		2,316,164	13,811	37,772	3,093	456,036	656,653	3,483,529	81,879	3,565,408
		Note 18	Note 18	Note 18	Note 18	Note 18				

## Consolidated statement of changes in equity for the year ended 31 December 2023 (continued)

Group	Note	/-----Attributable to owners of the Company-----/					/-----Non-distributable-----/ Distributable			
		Share capital RM'000	Merger reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2023		2,316,164	13,811	37,772	3,093	456,036	656,653	3,483,529	81,879	3,565,408
Foreign currency translation differences for foreign operations		-	-	-	-	30,927	-	30,927	993	31,920
Net investment in foreign operations		-	-	-	-	74,352	-	74,352	-	74,352
Net change in fair value of equity investment designated at FVOCI		-	-	-	(58)	-	-	(58)	-	(58)
Debt investments measured at FVOCI - Net fair value gain		-	-	-	330	-	-	330	3	333
Other comprehensive income for the year		-	-	-	272	105,279	-	105,551	996	106,547
Profit for the year		-	-	-	-	-	442,049	442,049	27,044	469,093
Total comprehensive income for the year		-	-	-	272	105,279	442,049	547,600	28,040	575,640
Acquisition of NCI	8.1	-	-	-	-	22	113	135	(433)	(298)
Total transactions with owners of the Group		-	-	-	-	22	113	135	(433)	(298)
At 31 December 2023		2,316,164	13,811	37,772	3,365	561,337	1,098,815	4,031,264	109,486	4,140,750
		Note 18	Note 18	Note 18	Note 18	Note 18				

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### Statement of changes in equity for the year ended 31 December 2023

Company	/-----Attributable to owners of the Company-----/ /---Non-distributable---/ Distributable			
	Share capital RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total equity RM'000
<b>At 1 January 2022</b>	2,316,164	2,479	347,010	2,665,653
Net change in fair value of equity investment designated at FVOCI	-	154	-	154
Profit for the year	-	-	4,795	4,795
Total comprehensive income for the year	-	154	4,795	4,949
<b>At 31 December 2022/ 1 January 2023</b>	2,316,164	2,633	351,805	2,670,602
Net change in fair value of equity investment designated at FVOCI	-	(58)	-	(58)
Profit for the year	-	-	604	604
Total comprehensive income for the year	-	(58)	604	546
<b>At 31 December 2023</b>	2,316,164	2,575	352,409	2,671,148
	Note 18	Note 18		

The notes on pages 20 to 127 are an integral part of these financial statements.

# TA Enterprise Berhad

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### Statements of cash flows for the year ended 31 December 2023

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>Cash flows from operating activities</b>				
Profit/(Loss) before tax	503,069	(211,681)	1,252	5,058
<i>Adjustments for:</i>				
Amortisation of intangible assets	307	512	8	10
Bad debts written off	11,003	3,700	-	-
Deemed fee income from provision of financial guarantees	-	-	(7,407)	(1,572)
Depreciation	95,601	92,396	1,361	1,357
Net fair value (gain)/loss on fair value through profit or loss ("FVTPL") investment	(212,800)	303,601	-	-
Net loss/(gain) on disposal of property, plant and equipment	239	(37)	-	52
Gross dividend income	(8,048)	(11,467)	(9,400)	(15,098)
Interest expense	84,499	50,109	7,584	5,428
Interest income	(67,753)	(25,633)	(2,141)	(1,153)
Net allowance for/(reversal of) impairment on:				
- investments in subsidiaries	-	-	5,104	2,165
- property, plant and equipment	(12,391)	-	-	-
- financial assets	(1,447)	(558)	(751)	1,163
Net gain on disposal/redemption of investments in securities	(2,432)	(4,039)	-	-
Net unrealised (gain)/loss in foreign exchange translation	(11,839)	19,926	(22)	(12)
Property, plant and equipment written off	1,292	31	-	-
Net provision for employee benefits	1,368	1,746	-	-
Net share of (profit)/loss from an associate/joint ventures, net of tax	(220)	318	-	-
<b>Operating profit/(loss) before changes in working capital</b>	<b>380,448</b>	<b>218,924</b>	<b>(4,412)</b>	<b>(2,602)</b>

## Statements of cash flows for the year ended 31 December 2023 (continued)

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>Cash flows from operating activities (continued)</b>				
Changes in working capital:				
Contract assets	(37,980)	(23,552)	-	-
Contract costs	3,730	28,879	-	-
Contract liabilities	1,461	2,486	-	-
Inventories	(54,482)	7,672	-	-
Payables	114,569	192,115	(201)	281
Receivables	(241,904)	(105,841)	(3,282)	(7,120)
<b>Cash generated from/(used in) operations</b>	165,842	320,683	(7,895)	(9,441)
Interest received	22,189	17,559	-	-
Interest paid	(1,378)	(2,843)	(309)	(487)
Taxes paid, net of refund	(43,563)	(52,850)	(319)	(379)
<b>Net cash generated from/(used in) operating activities</b>	143,090	282,549	(8,523)	(10,307)
<b>Cash flows from investing activities</b>				
Increase in pledged deposits for banking facilities	(161)	(37)	-	-
Dividends received	8,048	11,467	9,400	15,098
Interest received	45,463	8,963	2,148	1,004
Subscription in NCRPS issued by a subsidiary	-	-	(39)	-
Increase in ownership interest in subsidiaries	(298)	(1,298)	(298)	(1,298)
Loans to subsidiaries	-	-	(13,123)	(42,483)
Proceeds from disposal of:				
-property, plant and equipment	265	368	-	30
-investments in securities	1,237,215	611,785	-	-
Proceeds from redemption of non- cumulative redeemable preference shares ("NCRPS")	-	-	380	3,100



## Statements of cash flows for the year ended 31 December 2023 (continued)

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>Cash flows from investing activities (continued)</b>				
Acquisition of:				
- property, plant and equipment	(22,168)	(32,771)	(578)	(25)
- intangible assets	(425)	(293)	-	(4)
- investment properties	(731)	(11,704)	-	-
- investments in securities	(1,108,466)	(540,046)	-	-
- derivatives	(1,931)	(373)	-	-
Net placement of fixed and call deposits with maturity more than three months	(3,563)	(30,138)	-	-
<b>Net cash generated from/(used in) investing activities</b>	<u>153,248</u>	<u>15,923</u>	<u>(2,110)</u>	<u>(24,578)</u>
<b>Cash flows from financing activities</b>				
Drawdown of borrowings	425,489	45,112	28,500	52,100
Repayment of borrowings	(598,463)	(342,046)	(3,500)	(19,000)
Interest paid	(72,147)	(45,357)	(7,623)	(4,568)
Payment of lease liabilities	(2,635)	(1,918)	(1,210)	(1,154)
<b>Net cash (used in)/generated from financing activities</b>	<u>(247,756)</u>	<u>(344,209)</u>	<u>16,167</u>	<u>27,378</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	48,582	(45,737)	5,534	(7,507)
Effect of exchange rate fluctuations on cash held	7,332	815	22	12
Cash and cash equivalents at 1 January	<u>423,714</u>	<u>468,636</u>	<u>877</u>	<u>8,372</u>
<b>Cash and cash equivalents at 31 December</b>	<u>479,628</u>	<u>423,714</u>	<u>6,433</u>	<u>877</u>

# **Statements of cash flows for the year ended 31 December 2023 (continued)**

## **Notes to the statements of cash flows**

### *(i) Cash and cash equivalents*

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>2023 RM'000</b>	<b>2022 RM'000</b>	<b>2023 RM'000</b>	<b>2022 RM'000</b>
Cash and bank balances	17	511,843	455,576	6,433	877
Less: Remisiers' monies		(27,577)	(27,385)	-	-
Pledged for bank facilities		(4,638)	(4,477)	-	-
Cash and cash equivalents		<u>479,628</u>	<u>423,714</u>	<u>6,433</u>	<u>877</u>

### *(ii) Cash outflows for leases as a lessee*

		<b>Group</b>		<b>Company</b>	
		<b>2023 RM'000</b>	<b>2022 RM'000</b>	<b>2023 RM'000</b>	<b>2022 RM'000</b>
<b>Included in net cash from operating activities:</b>					
Payment relating to short-term leases		1,261	1,257	13	12
Payment relating to leases of low value assets		-	-	5	5
Interest paid in relation to lease liabilities		49	66	160	216
<b>Included in net cash from financing activities:</b>					
Payment of lease liabilities		<u>2,635</u>	<u>1,918</u>	<u>1,210</u>	<u>1,154</u>
<b>Total cash outflows for leases</b>		<u>3,945</u>	<u>3,241</u>	<u>1,388</u>	<u>1,387</u>

## Statements of cash flows for the year ended 31 December 2023 (continued)

### Notes to the statements of cash flows (continued)

#### (iii) Reconciliation of movements of liabilities to cash flows arising from financing activities

	/-----Group-----/			/-----Company-----/			
	Borrowings	Lease liabilities	Total	Borrowings	Lease liabilities	Due to subsidiaries	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2022</b>	1,903,744	2,625	1,906,369	124,850	5,057	141	130,048
<b>Changes from financing activities</b>							
Drawdown of borrowings	45,112	-	45,112	52,100	-	-	52,100
Repayment of borrowings	(342,046)	-	(342,046)	(19,000)	-	-	(19,000)
Interest paid	(45,357)	-	(45,357)	(4,438)	-	(130)	(4,568)
Payment of lease liabilities	-	(1,918)	(1,918)	-	(1,154)	-	(1,154)
<b>Total changes from financing cash flows</b>	<b>(342,291)</b>	<b>(1,918)</b>	<b>(344,209)</b>	<b>28,662</b>	<b>(1,154)</b>	<b>(130)</b>	<b>27,378</b>
<b>Other changes</b>							
Interest expense	48,069	66	48,135	4,806	216	135	5,157
Foreign exchange differences	39,146	-	39,146	-	-	-	-
Other changes	-	740	740	-	(216)	796	580
<b>Total liabilities related to other changes</b>	<b>87,215</b>	<b>806</b>	<b>88,021</b>	<b>4,806</b>	<b>-</b>	<b>931</b>	<b>5,737</b>
<b>At 31 December 2022</b>	<b>1,648,668</b>	<b>1,513</b>	<b>1,650,181</b>	<b>158,318</b>	<b>3,903</b>	<b>942</b>	<b>163,163</b>
	Note 19			Note 19		Note 20	

## Statements of cash flows for the year ended 31 December 2023 (continued)

### Notes to the statements of cash flows (continued)

#### (iii) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

	/-----Group-----/			/-----Company-----/			
	Borrowings	Lease liabilities	Total	Borrowings	Lease liabilities	Due to subsidiaries	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2023</b>	1,648,668	1,513	1,650,181	158,318	3,903	942	163,163
<b>Changes from financing activities</b>							
Drawdown of borrowings	425,489	-	425,489	28,500	-	-	28,500
Repayment of borrowings	(598,463)	-	(598,463)	(3,500)	-	-	(3,500)
Interest paid	(72,147)	-	(72,147)	(7,618)	-	(5)	(7,623)
Payment of lease liabilities	-	(2,635)	(2,635)	-	(1,210)	-	(1,210)
<b>Total changes from financing cash flows</b>	(245,121)	(2,635)	(247,756)	17,382	(1,210)	(5)	16,167
<b>Other changes</b>							
Interest expense	80,732	49	80,781	7,275	160	-	7,435
Foreign exchange differences	60,202	-	60,202	-	-	-	-
Other changes	-	2,811	2,811	-	(160)	(812)	(972)
<b>Total liabilities related to other changes</b>	140,934	2,860	143,794	7,275	-	(812)	6,463
<b>At 31 December 2023</b>	1,544,481	1,738	1,546,219	182,975	2,693	125	185,793
	Note 19			Note 19		Note 20	

The notes on pages 20 to 127 are an integral part of these financial statements.

# TA Enterprise Berhad

(Registration No. 199001003300 (194867-M))

(Incorporated in Malaysia)

## and its subsidiaries

### Notes to the financial statements

TA Enterprise Berhad is a public limited liability company, incorporated and domiciled in Malaysia. The address of the principal place of business and registered office is as follows:

#### Principal place of business and registered office

34<sup>th</sup> Floor, Menara TA One,  
No. 22, Jalan P. Ramlee,  
50250 Kuala Lumpur.

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”) and the Group’s interests in joint ventures. The financial statements of the Company as at and for the financial year ended 31 December 2023 do not include other entities.

The Company is principally engaged in investment holding and the provision of management services to its subsidiaries, whilst the principal activities of the subsidiaries are as stated in Note 8 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors on 31 May 2024.

## 1. Basis of preparation

### (a) Statement of compliance

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

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

#### ***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

## 1. Basis of preparation (continued)

### (a) Statement of compliance (continued)

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

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

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

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2024 for the amendments that are effective for annual periods beginning on or after 1 January 2024.
- from the annual period beginning on 1 January 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.

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

### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Derivative financial instruments	Fair value
Non-derivative financial instruments at FVTPL	Fair value
Non-derivative financial instruments at FVOCI	Fair value

### (c) Functional and presentation currency

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

## 1. Basis of preparation (continued)

### (d) Use of estimates and judgements

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

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

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

- *Note 7 – Impairment on intangible assets*
- *Note 10 – Valuation on investment in securities*
- *Note 22.3 – Revenue recognition*
- *Preparation of the financial statements on a going concern basis*

As at 31 December 2023, the Company's current liabilities exceeded its current assets by RM162 million. The current liabilities of the Company mainly arose from short-term borrowings.

In the preparation of the financial statements on going concern basis, the Directors have considered the Company's ability to obtain continuing support from its bankers to rollover and refinance its short-term borrowings to correspond with the funding requirements of its long-term business plan.

In view of the foregoing, the Directors concluded that there is no material uncertainty exists related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as going concerns.

## 2. Changes in material accounting policies

### Material accounting policy information

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

Although the amendments did not result in any changes to the Group's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

### 3. Property, plant and equipment

Group	Note	Freehold land RM'000	Buildings RM'000	Renovations RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Equipment and computers RM'000	Asset under construction RM'000	Total RM'000
<b>Cost</b>									
<b>At 1 January 2022</b>		363,276	1,941,034	201,692	63,260	15,237	205,497	17,592	2,807,588
Reclassifications		-	14,685	(331)	937	-	3,026	(18,317)	-
Adjustments		-	-	(58)	-	(91)	50	-	(99)
Additions		7,524	2,345	2,103	2,828	948	10,133	6,890	32,771
Write-off		-	-	-	(246)	-	(1,785)	-	(2,031)
Disposals		-	-	-	(269)	(662)	(1,630)	-	(2,561)
Effect of foreign exchange translation		2,683	1,934	(1,831)	351	(43)	4,264	124	7,482
<b>At 31 December 2022/ 1 January 2023</b>		373,483	1,959,998	201,575	66,861	15,389	219,555	6,289	2,843,150
Reclassifications		-	5,578	-	(1,467)	-	3,139	(7,250)	-
Transfer from investment properties		45	254	118	-	-	58	-	475
Transfer to intangible assets	7	-	-	-	-	-	-	(22)	(22)
Additions		-	2,104	1,126	3,953	936	10,277	3,772	22,168
Write-off		-	-	-	(108)	(219)	(2,664)	(1,292)	(4,283)
Disposals		-	-	-	(725)	(3,071)	(1,430)	-	(5,226)
Effect of foreign exchange translation		28,158	88,636	7,277	4,802	118	13,564	181	142,736
<b>At 31 December 2023</b>		401,686	2,056,570	210,096	73,316	13,153	242,499	1,678	2,998,998



### 3. Property, plant and equipment (continued)

Group	Note	Freehold land RM'000	Buildings RM'000	Renovations RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Equipment and computers RM'000	Asset under construction RM'000	Total RM'000
<b>Accumulated depreciation and impairment loss At 1 January 2022</b>									
Accumulated depreciation		-	412,323	167,496	41,010	9,627	130,606	-	761,062
Accumulated impairment loss		-	228,317	10	14,152	1,132	5,632	548	249,791
		-	640,640	167,506	55,162	10,759	136,238	548	1,010,853
Adjustments		-	-	-	21	(110)	1	-	(88)
Depreciation for the year		-	40,598	6,836	4,700	894	18,457	-	71,485
Write-off		-	-	-	(215)	-	(1,785)	-	(2,000)
Disposals		-	-	-	(269)	(331)	(1,630)	-	(2,230)
Effect of foreign exchange translation		-	(1,912)	(1,654)	399	(43)	1,879	11	(1,320)
<b>At 31 December 2022</b>									
Accumulated depreciation		-	451,473	172,678	46,010	10,147	147,561	-	827,869
Accumulated impairment loss		-	227,853	10	13,788	1,022	5,599	559	248,831
		-	679,326	172,688	59,798	11,169	153,160	559	1,076,700

### 3. Property, plant and equipment (continued)

Group	Note	Freehold land RM'000	Buildings RM'000	Renovations RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Equipment and computers RM'000	Asset under construction RM'000	Total RM'000
<b>Accumulated depreciation and impairment loss (continued)</b>									
Depreciation for the year		-	42,929	5,689	4,292	786	20,667	-	74,363
Reclassification		-	(589)	-	-	-	-	589	-
Transfer from investment properties		-	88	55	-	-	32	-	175
Reversal of impairment loss	3.1	-	(11,317)	(9)	(4)	(1)	(1,060)	-	(12,391)
Write-off		-	-	-	(108)	(219)	(2,664)	-	(2,991)
Disposals		-	-	-	(637)	(2,696)	(1,389)	-	(4,722)
Effect of foreign exchange translation		-	32,349	6,116	4,248	72	10,382	32	53,199
<b>At 31 December 2023</b>									
Accumulated depreciation		-	519,564	184,537	53,298	8,893	174,375	-	940,667
Accumulated impairment loss		-	223,222	2	14,291	218	4,753	1,180	243,666
		-	742,786	184,539	67,589	9,111	179,128	1,180	1,184,333
<b>Carrying amounts</b>									
At 1 January 2022		363,276	1,300,394	34,186	8,098	4,478	69,259	17,044	1,796,735
At 31 December 2022/ 1 January 2023		373,483	1,280,672	28,887	7,061	4,220	66,397	5,730	1,766,450
At 31 December 2023		401,686	1,313,784	25,557	5,727	4,042	63,371	498	1,814,665

### 3. Property, plant and equipment (continued)

Company	Renovations RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Equipment and computers RM'000	Total RM'000
<b>Cost</b>					
<b>At 1 January 2022</b>	32	70	2,125	887	3,114
Adjustments	-	-	-	5	5
Additions	-	-	-	25	25
Disposals	-	-	(251)	(8)	(259)
<b>At 31 December 2022/ 1 January 2023</b>	32	70	1,874	909	2,885
Additions	-	-	567	11	578
Disposals	-	-	-	(11)	(11)
<b>At 31 December 2023</b>	32	70	2,441	909	3,452
<b>Accumulated depreciation</b>					
<b>At 1 January 2022</b>	26	70	924	866	1,886
Adjustments	4	-	(2)	3	5
Depreciation for the year	2	-	150	15	167
Disposals	-	-	(169)	(8)	(177)
<b>At 31 December 2022/ 1 January 2023</b>	32	70	903	876	1,881
Depreciation for the year	-	-	155	16	171
Disposals	-	-	-	(11)	(11)
<b>At 31 December 2023</b>	32	70	1,058	881	2,041
<b>Carrying amounts</b>					
<b>At 1 January 2022</b>	6	-	1,201	21	1,228
<b>At 31 December 2022/ 1 January 2023</b>	-	-	971	33	1,004
<b>At 31 December 2023</b>	-	-	1,383	28	1,411

#### 3.1 Impairment

During the year, impairment reversal of RM11,252,000 and RM1,139,000 were recorded for Four Points Hotel, Thailand and Paradox Vancouver, Canada respectively, amounting to RM12,391,000 in total which reflected the improved hotel business expectations compared to those assumed during Covid-19.

### 3. Property, plant and equipment (continued)

#### 3.2 Pledged assets

The net carrying amounts of certain land and buildings pledged to financial institutions for credit facilities granted to the Group at the end of the financial year as disclosed in Note 19 are as follows:

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Freehold land	47,192	45,188
Buildings	<u>380,575</u>	<u>375,035</u>
	<u>427,767</u>	<u>420,223</u>

#### 3.3 Material accounting policy information

##### (a) Depreciation

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

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

• Buildings	15 - 70 years
• Renovations	3 - 10 years
• Furniture and fittings	2 - 10 years
• Motor vehicles	5 years
• Equipment and computers	3 - 15 years

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

#### 4. Investment properties

Group	Freehold land RM'000	Buildings RM'000	Capital work-in- progress RM'000	Total RM'000
<b>Cost</b>				
<b>At 1 January 2022</b>	257,009	573,129	15,158	845,296
Additions	42	1,165	10,497	11,704
Reclassification	-	25,655	(25,655)	-
Effect of foreign exchange translation	(553)	(2,416)	-	(2,969)
<b>At 31 December 2022/ 1 January 2023</b>	256,498	597,533	-	854,031
Additions	63	668	-	731
Transfer to property, plant and equipment	(45)	(430)	-	(475)
Effect of foreign exchange translation	4,492	20,176	-	24,668
<b>At 31 December 2023</b>	261,008	617,947	-	878,955
<b>Accumulated depreciation and impairment loss</b>				
<b>At 1 January 2022</b>				
Accumulated depreciation	-	282,663	-	282,663
Accumulated impairment loss	-	27,492	-	27,492
	-	310,155	-	310,155
Depreciation for the year	-	14,595	-	14,595
Effect of foreign exchange translation	-	(1,670)	-	(1,670)
<b>At 31 December 2022/ 1 January 2023</b>				
Accumulated depreciation	-	295,588	-	295,588
Accumulated impairment loss	-	27,492	-	27,492
	-	323,080	-	323,080
Depreciation for the year	-	14,849	-	14,849
Transfer to property, plant and equipment	-	(175)	-	(175)
Effect of foreign exchange translation	-	12,396	-	12,396
<b>At 31 December 2023</b>				
Accumulated depreciation	-	322,658	-	322,658
Accumulated impairment loss	-	27,492	-	27,492
	-	350,150	-	350,150
<b>Carrying amounts</b>				
At 1 January 2022	257,009	262,974	15,158	535,141
At 31 December 2022/ 1 January 2023	256,498	274,453	-	530,951
At 31 December 2023	261,008	267,797	-	528,805

#### 4. Investment properties (continued)

**4.1** Investment properties comprise a number of commercial properties that are leased to third parties. Each of the lease contains an initial non-cancellable period ranging from 1 to 20 years (2022: 1 to 20 years). Subsequent renewals are negotiable with the lessee and the average renewal periods are 2 years (2022: 2 years).

**4.2** Included in buildings are deferred leasing commissions amounting to RM3,972,000 (2022: RM4,030,000) to be amortised over the lease term.

**4.3** The following are recognised in profit or loss in respect of investment properties:

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Lease income	66,777	61,181
Direct operating expenses (exclude depreciation):		
- income generating investment properties	(35,450)	(32,579)
- non-income generating investment properties	<u>(979)</u>	<u>(979)</u>

**4.4** The operating lease income to be received are as follows:

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Less than one year	62,955	63,344
One to two years	53,631	58,277
Two to three years	44,726	48,242
Three to four years	27,630	37,915
Four to five years	24,426	23,627
More than five years	<u>68,287</u>	<u>89,949</u>
Total undiscounted lease income to be received	<u>281,655</u>	<u>321,354</u>

#### 4.5 Fair value information

Fair value of investment properties are categorised as follows:

	<b>Level 3</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Group</b>		
Land and buildings	<u>1,700,567</u>	<u>1,487,507</u>

Fair value information does not include capital work-in-progress.

## **4. Investment properties (continued)**

### **4.5 Fair value information (continued)**

#### **Level 3 fair value**

##### **Valuation processes applied by the Group for Level 3 fair value**

Level 3 fair values of buildings have been generally derived using the income approach and sales comparison approach (2022: income approach and sales comparison approach).

For income approach, this valuation method considers the present value of net cash flows to be generated from property, taking into account expected annual net income. The expected net cash flows are discounted using capitalisation rate or risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease term.

For sales comparison approach, sales price of comparable properties in close proximity are adjusted for difference in key attributes such as property size. The most significant input into this valuation approach is price per square feet of comparable properties.

### **4.6 Properties pledged as security**

Investment properties of the Group with carrying amount of RM445,734,000 (2022: RM460,435,000) have been charged to secure banking facilities granted to the Group at the end of the financial year as disclosed in Note 19.

### **4.7 Material accounting policy information**

#### **(a) Depreciation**

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives. Certain properties in subsidiaries are depreciated using the reducing balance method. Freehold land and capital work-in-progress are not depreciated.

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

- Buildings 57 years

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

## 5. Right-of-use assets

The Group leases assets including land, dormitory, office and retail space and equipment. Information about leases for which the Group or the Company is a lessee is presented below.

Group	Land RM'000	Dormitory, office and retail space RM'000	Equipment RM'000	Total RM'000
<b>At 1 January 2022</b>	348,274	2,566	2	350,842
Additions	-	809	-	809
Depreciation for the year	(5,104)	(1,210)	(2)	(6,316)
Termination of leases	-	(684)	-	(684)
Effect of foreign exchange translation	7,383	(2)	-	7,381
<b>At 31 December 2022/ 1 January 2023</b>	350,553	1,479	-	352,032
Additions	-	1,408	-	1,408
Depreciation for the year	(5,215)	(1,174)	-	(6,389)
Effect of foreign exchange translation	8,286	-	-	8,286
<b>At 31 December 2023</b>	353,624	1,713	-	355,337

Company	Warehouse RM'000	Office space RM'000	Total RM'000
<b>At 1 January 2022</b>	49	4,790	4,839
Depreciation for the year	(16)	(1,174)	(1,190)
<b>At 31 December 2022/1 January 2023</b>	33	3,616	3,649
Depreciation for the year	(16)	(1,174)	(1,190)
<b>At 31 December 2023</b>	17	2,442	2,459

The table below describes the nature of the Group's and of the Company's leasing activities by type of right-of-use assets:

Right-of-use assets	No. of right-of-use assets	Range of remaining term
Land	4	18 – 70 years
Office and retail space	23	<1 – 3 years

The Company leases office space and warehouse as storage space that run for a period of 3 years with an option to renew the lease after the date.



## 5. Right-of-use assets (continued)

### 5.1 Extension options

Some leases of office space contain extension options exercisable by the Group and the Company. The extension options held are exercisable only by the Group and the Company and not by the lessors. The Group and the Company assess at lease commencement whether it is reasonably certain to exercise the extension options. The Group and the Company reassess whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

As of 31 December 2023, the Group has leases which contain extension options of 1 to 3 years that have not been included in the computation of lease liabilities, as the Group is not reasonably certain they will exercise the extension options. The potential future lease payments not included in the lease liabilities (discounted) is RM1,176,000 (2022: RM714,000).

### 5.2 Pledged assets

Right-of-use land of the Group with carrying amount of RM345,599,000 (2022: RM342,285,000) has been charged to secure banking facilities granted to the Group at the end of the financial year as disclosed in Note 19.

### 5.3 Recognition exemption

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

## 6. Inventories

	Note	Group 2023 RM'000	2022 RM'000
<b>At cost</b>			
<b>Non-current</b>			
Land held for property development	6.1	802,996	765,801
<b>Current</b>			
Properties under construction	6.2	172,817	155,428
Completed properties		37,567	39,701
Land held for resale		6,279	6,279
Food and beverages		1,843	1,716
Consumables		2,962	2,562
		221,468	205,686
Total inventories		1,024,464	971,487
<b>Recognised in profit or loss:</b>			
Inventories recognised as cost of inventories		41,843	25,120

## **6. Inventories (continued)**

### **6.1 Land held for property development**

Land held for property development with carrying amount of RM238,230,000 (2022: RM221,652,000) has been pledged as security for credit facilities granted to the Group as disclosed in Note 19.

### **6.2 Properties under construction**

Properties under construction with carrying amount of RM26,016,000 (2022: RM41,965,000) has been pledged as security for credit facilities granted to the Group as disclosed in Note 19.

### **6.3 Material accounting policy information**

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

#### *Land held for development*

Land held for development comprise costs associated with the acquisition of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

#### *Land held for resale*

The cost of land held for resale includes all incidental costs incurred in acquiring the land and preparing it for resale.

#### *Completed properties*

The cost of properties held for resale is determined on the specific identification basis and includes costs of land, construction and appropriate development expenses.

#### *Food and beverages and consumables*

For remaining inventories, cost of inventories is based on first-in-first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

## 7. Intangible assets

Group	Note	Trading right RM'000	Goodwill RM'000	Software RM'000	Total RM'000
<b>Cost</b>					
<b>At 1 January 2022</b>		100	359,339	9,726	369,165
Additions		-	-	293	293
Effect of foreign exchange translation		-	6,798	(5)	6,793
<b>At 31 December 2022/ 1 January 2023</b>		100	366,137	10,014	376,251
Transfer from property, plant and equipment	3	-	-	22	22
Additions		-	-	425	425
Effect of foreign exchange translation		-	18,708	222	18,930
<b>At 31 December 2023</b>		100	384,845	10,683	395,628
<b>Accumulated amortisation and impairment loss</b>					
<b>At 1 January 2022</b>					
Accumulated amortisation		-	-	8,302	8,302
Accumulated impairment loss		-	64,420	95	64,515
		-	64,420	8,397	72,817
Amortisation for the year		-	-	512	512
Effect of foreign exchange translation		-	818	(3)	815
<b>At 31 December 2022/ 1 January 2023</b>					
Accumulated amortisation		-	-	8,811	8,811
Accumulated impairment loss		-	65,238	95	65,333
		-	65,238	8,906	74,144
Amortisation for the year		-	-	307	307
Effect of foreign exchange translation		-	2,325	191	2,516
<b>At 31 December 2023</b>					
Accumulated amortisation		-	-	9,309	9,309
Accumulated impairment loss		-	67,563	95	67,658
		-	67,563	9,404	76,967
<b>Carrying amounts</b>					
At 1 January 2022		100	294,919	1,329	296,348
At 31 December 2022/1 January 2023		100	300,899	1,108	302,107
At 31 December 2023		100	317,282	1,279	318,661
	Note 7.1	Note 7.3			

## 7. Intangible assets (continued)

Company	Software RM'000
<b>Cost</b>	
<b>At 1 January 2022</b>	1,400
Additions	4
<b>At 31 December 2022/1 January 2023/31 December 2023</b>	<u>1,404</u>
<b>Accumulated amortisation</b>	
<b>At 1 January 2022</b>	1,147
Amortisation for the year	10
<b>At 31 December 2022/1 January 2023</b>	1,157
Amortisation for the year	8
<b>At 31 December 2023</b>	<u>1,165</u>
<b>Carrying amounts</b>	
At 1 January 2022	<u>253</u>
At 31 December 2022/1 January 2023	<u>247</u>
At 31 December 2023	<u>239</u>

### 7.1 Trading right

Trading right allows the Trading Participants to trade in all classes of contracts with Bursa Malaysia. In accordance with the Rule 304.1, Participantship of Bursa Malaysia Derivatives Berhad ("BMDB"), the rights of the trading participants are as follows:

- (a) the right to trade for itself in the Market, in such manner as BMDB may from time to time direct;
- (b) the right to trade on behalf of clients and to charge a commission on all business transacted by it on behalf of these clients at such rate or rates as BMDB may from time to time consider appropriate;
- (c) the right to be a Nominating Participant for the purpose of clearing for Non-Clearing Participants; and
- (d) all other rights conferred on Trading Participants by these Rules in respect of trading in contracts transacted in the Market.

The Group is not permitted to transfer its participantship in BMDB to any other person. The trading right has an indefinite useful life unless the Group resigns or voluntarily suspends its participantship or the Group's participantship is suspended or is terminated by BMDB.

## 7. Intangible assets (continued)

### 7.2 Amortisation

Amortisation expenses are included in other expenses of the Group and the Company.

### 7.3 Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's hotel operations which represent the lowest level of cash-generating units within the Group at which the goodwill is monitored for internal management purposes.

The carrying amounts of goodwill allocated to each unit are as follows:

	Group	
	2023	2022
	RM'000	RM'000
<u>Hotel operations</u>		
Westin Melbourne, Australia	167,430	159,580
Paradox Singapore Merchant Court at Clarke Quay, Singapore	149,852	141,319
	<u>317,282</u>	<u>300,899</u>

*Significant judgement and assumptions in relation to impairment of goodwill*

#### 7.3.1 Westin Melbourne, Australia

The recoverable amount of the Westin Melbourne, Australia was based on its value in use determined by discounting future cash flows to be generated by the hotel. The estimated recoverable amount exceeded the carrying amount of the unit (including goodwill).

The discounted cash flow was based on the following key assumptions:

- 5 (2022: 5) years projected cash flows using a pre-tax discount rate of 8.50% (2022: 7.50%) and terminal growth rate of 2.00% (2022: 2.00%).
- Occupancy rates were estimated to be 81% to 90% (2022: 80% to 90%) for 5 years and occupancy rate of 90% is used subsequent to 5 years.
- Average room rates and revenue per available room were projected to be AUD342 to AUD380 (2022: AUD335 to AUD374) and AUD278 to AUD342 (2022: AUD268 to AUD337) respectively.

A reasonable possible change in the above key assumptions would not result in an impairment loss.

## **7. Intangible assets (continued)**

### **7.3 Impairment testing for cash-generating units containing goodwill (continued)**

#### **7.3.2 Paradox Singapore Merchant Court at Clarke Quay, Singapore**

The recoverable amount of the Paradox Singapore Merchant Court at Clarke Quay was based on its fair value performed by an accredited independent valuer derived from comparison approach. The independent valuer has considered transactions of comparable hotels within the immediate and surrounding localities in arriving at the market value of the Subject Property based on Comparison Approach. Adjustments are made for differences in tenure of leasehold land, condition, location, size, zoning of the building, market sentiment and other factors in order to arrive at a common basis for comparison. The estimated recoverable amount exceeded the carrying amount of the unit (including goodwill). The fair value measurement was categorised as a Level 3 fair value based on key assumptions used by the independent valuer in the valuation technique.

The following adjustment has been made in deriving the recoverable amount:

- a) Adjustments were made based on when the buildings were built or most recently had additions and alterations works done, the quality of fittings and finishes used in the buildings and the hotel tier.
- b) 10% (2022: 10%) adjustment was made for every doubling of Gross Floor Area to account for differences in size, as smaller areas command higher per square metre/feet rates as per market norms.
- c) Adjustments were made after considering the proximity of each property to the Central Business District core area and to Mass Rapid Transit Stations.

A reasonable possible change in the above key assumptions would not result in an impairment loss.

## 8. Investments in subsidiaries

	Note	Company 2023 RM'000	2022 RM'000
Cost of investment	8.1	2,861,112	2,845,071
Less: Accumulated impairment losses		(72,070)	(66,966)
		<u>2,789,042</u>	<u>2,778,105</u>

**8.1** During the year, the Company acquired additional interest in TA Global Berhad ("TAG"), a subsidiary of the Company for a total number of 1,065,240 (2022: 4,634,305) shares amounting to RM298,000 (2022: RM1,298,000).

### 8.2 Subsidiaries

The details of the subsidiaries are as follows:

Name of entity	Principal place of business	Principal activities	Effective ownership interest (O) and voting interest (V)	
			2023 %	2022 %
TA Global Berhad	Malaysia	Investment holding	98.96	98.94
TA Securities Holdings Berhad	Malaysia	License stockbroker and dealer in securities	100	100
Ace Fit International Limited*	Hong Kong	Property investment	100	100
TA Capital Sdn. Bhd.*	Malaysia	Money lending	100	100
TA Futures Sdn. Bhd.	Malaysia	Licensed futures and options broking	100	100
Flamingo Projects Sdn. Bhd.*	Malaysia	Property investment	100	100
TA Centre Berhad*	Malaysia	Investment holding	100	100
TA F&B Services Sdn. Bhd.	Malaysia	Food and beverages	100	100
TA Nominees Sdn. Bhd.*	Malaysia	Dormant	100	100
TA Asset Management Sdn. Bhd.*	Malaysia	Share investment	100	100

## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership interest (O) and voting interest (V)	
			2023 %	2022 %
TA Restaurant and Café Sdn. Bhd.*	Malaysia	Operation of restaurant chains and retail outlets	100	100
Total Ingenious Sdn. Bhd.*	Malaysia	Investment holding	100	100
<b><i>Subsidiaries of TA Securities Holdings Berhad</i></b>				
TA Muamalah Nominees (Tempatan) Sdn. Bhd.*	Malaysia	Nominee services for Islamic broking	100	100
TA Nominees (Tempatan) Sdn. Bhd.*	Malaysia	Nominee services	100	100
TA Nominees (Asing) Sdn. Bhd.*	Malaysia	Nominee services	100	100
TASEC Nominees (Tempatan) Sdn. Bhd.*	Malaysia	Nominee services	100	100
TASEC Nominees (Asing) Sdn. Bhd.*	Malaysia	Nominee services	100	100
TA Investment Management Berhad	Malaysia	Licensed fund manager managing unit trust and private funds	100	100
<b><i>Subsidiary of Ace Fit International Limited</i></b>				
TA Ace Fit Investment Management (Kunming) Co. Ltd.*	The People's Republic of China	Property management	100	100



## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership interest (O) and voting interest (V)	
			2023 %	2022 %
<b>Subsidiaries of Total Ingenious Sdn. Bhd.</b>				
Philippine TA Securities, Inc.*#	The Republic of the Philippines	Under voluntary suspension (formerly stockbroker and dealer in securities)	99.99	99.99
TA Wealth Investment Limited	The British Virgin Islands	Investments in securities	100	100
<b>Subsidiaries of TA Global Berhad</b>				
TA Properties Sdn. Bhd.	Malaysia	Investment holding, property development and property management services	98.96	98.94
Raintree Amalgamated Sdn. Bhd.*	Malaysia	Investment holding	98.96	98.94
TA Ascents (M) Sdn. Bhd.*	Malaysia	Investment holding	98.96	98.94
Metro Ingenious Sdn. Bhd.*	Malaysia	General trading, investment and property investment	98.96	98.94
Quaywest Ltd.*	Mauritius	Investment holding	98.96	98.94
Quayside Gem Ltd.*	Mauritius	Investment holding	98.96	98.94
Swiss Liberty Sdn. Bhd.*	Malaysia	Investment holding	98.96	98.94
Crystal Ingenious Sdn. Bhd.*	Malaysia	General trading, investment and property development	98.96	98.94

## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership interest (O) and voting interest (V)	
			2023 %	2022 %
Subsidiaries of TA Global Berhad (continued)				
Crystal Caliber Sdn. Bhd.*	Malaysia	Investment holding	98.96	98.94
Grace Plus Enterprises Limited*	Hong Kong	Investment holding	98.96	98.94
Avenue Star Enterprise Limited*	Hong Kong	Investment holding	98.96	98.94
Subsidiaries of TA Properties Sdn. Bhd.				
Cosmic Legion Sdn. Bhd.*	Malaysia	Investment holding	98.96	98.94
TA Binaprestij Sdn. Bhd.*	Malaysia	General construction	98.96	98.94
Wales House Hotel Ltd.*	Australia	Hotel management services	98.96	98.94
Idaman Parkland Sdn. Bhd.*	Malaysia	Property investment and development	98.96	98.94
Wales House Nominees Pty. Ltd.*	Australia	Trustee of Wales House Trust	98.96	98.94
TA Team Stars Sdn. Bhd.*	Malaysia	Property investment and development	98.96	98.94
Menara TA Sdn. Bhd.	Malaysia	Property investment	98.96	98.94
Indo Aman Bina Sdn. Bhd.	Malaysia	Property investment and development	98.96	98.94
Orchard Park Sdn. Bhd.	Malaysia	Property investment and development	98.96	98.94
Astra Dinamik Sdn. Bhd.	Malaysia	Property investment and development	98.96	98.94

## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership interest (O) and voting interest (V)	
			2023 %	2022 %
<b>Subsidiaries of TA Properties Sdn. Bhd. (continued)</b>				
TA Gemilang Trading Sdn. Bhd.*	Malaysia	Trading in building materials and investment holding	98.96	98.94
Binaprestij Maju Sdn. Bhd.*	Malaysia	Dormant	98.96	98.94
Ample Equities Sdn. Bhd.*	Malaysia	Property investment and development	98.96	98.94
TA Property Development (Philippines) Inc.*#	The Republic of the Philippines	Dormant	98.96	98.94
Ample Era Sdn. Bhd.*	Malaysia	Property investment and development	98.96	98.94
Star Winners Sdn. Bhd.*	Malaysia	Property investment and development	98.96	98.94
Beta Vector Sdn. Bhd.*	Malaysia	Property investment and development	98.96	98.94
TA Ventures Sdn. Bhd.*	Malaysia	Dormant	98.96	98.94
Factor Synergy Sdn. Bhd.	Malaysia	Property investment and development	98.96	98.94
TA Project Management Sdn. Bhd.*	Malaysia	Dormant	98.96	98.94
TA Property Management Sdn. Bhd.*	Malaysia	Property management	98.96	98.94
Dinar Ehsan Sdn. Bhd.*	Malaysia	Investment holding	61.85	61.84

## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership interest (O) and voting interest (V)	
			2023 %	2022 %
<b>Subsidiaries of TA Properties Sdn. Bhd. (continued)</b>				
TA First Credit Sdn. Bhd.	Malaysia	Money lending, property investment and development	98.96	98.94
Ativo Plaza Sdn. Bhd.*	Malaysia	Property investment and development	98.96	98.94
Pure Factor Sdn. Bhd.*	Malaysia	Property investment and development, hotel management services	98.96	98.94
<b>Subsidiaries of TA Ascents (M) Sdn. Bhd.</b>				
Ascents Hotel Pty. Ltd.*	Australia	Hotel management services	98.96	98.94
TA Covenant Pty. Ltd.*	Australia	Trustee of Ascents Trust	98.96	98.94
<b>Subsidiary of Quaywest Ltd.</b>				
Paradox Clarke Quay Pte. Ltd. \$*	Singapore	Hotel management services	98.96	98.94
<b>Subsidiary of Swiss Liberty Sdn. Bhd.</b>				
TA Global Kunshan Ltd.*	Cayman Island	Investment holding	98.96	98.94

## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership interest (O) and voting interest (V)	
			2023 %	2022 %
<b>Subsidiaries of TA Global Kunshan Ltd.</b>				
Shanghai Global Hotel Group Ltd.*	The British Virgin Islands	Investment holding	98.96	98.94
Sino Dragon Asset Ltd.*	The British Virgin Islands	Investment holding	98.96	98.94
<b>Subsidiary of Shanghai Global Hotel Group Ltd.</b>				
Kunshan Mamlaka Hotel Co. Ltd.\$*	The People’s Republic of China	Hotel management services	98.96	98.94
<b>Subsidiary of Crystal Ingenious Sdn. Bhd.</b>				
TA Little Bay Pty Limited*	Australia	Property development	98.96	98.94
<b>Subsidiaries of Crystal Caliber Sdn. Bhd.</b>				
TAG 195 Ltd.*	Cayman Island	Investment holding	98.96	98.94
TAG 194 Ltd.*	Cayman Island	Investment holding	98.96	98.94
<b>Subsidiary of TAG 195 Ltd.</b>				
TA Global (Thailand) Ltd. \$*	Thailand	Dormant	(O) 98.96 (V) 94.06	(O) 98.94/ (V) 94.04
<b>Subsidiary of TA Global (Thailand) Ltd.</b>				
Siam Recovery Holdings Company Ltd. \$*	Thailand	Investment holding	98.96	98.94

## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership Interest (O) and voting interest (V)	
			2023 %	2022 %
<b><i>Subsidiary of Siam Recovery Holdings Company Ltd.</i></b>				
Siam Resorts Company Ltd. \$*	Thailand	Hotel and residential apartment operations	98.96	98.94
<b><i>Subsidiaries of TAG 194 Ltd.</i></b>				
TA Global Phuket Ltd.*	The British Virgin Islands	Dormant	98.96	98.94
Able Global Investments Ltd.*	The British Virgin Islands	Dormant	98.96	98.94
Accord Delta Investments Ltd.*	The British Virgin Islands	Dormant	98.96	98.94
St. Lukes Holdings Ltd.*	The British Virgin Islands	Dormant	98.96	98.94
Data Choice Investments Ltd.*	The British Virgin Islands	Dormant	98.96	98.94
Ecovision Investments Ltd.*	The British Virgin Islands	Dormant	98.96	98.94
Grand Classic Investment Ltd.*	The British Virgin Islands	Dormant	98.96	98.94
Summit Results Ltd.*	The British Virgin Islands	Dormant	98.96	98.94
Triumph Time Investments Ltd.*	The British Virgin Islands	Dormant	98.96	98.94
Mistletoe Holdings Ltd.*	The British Virgin Islands	Dormant	98.96	98.94

## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership interest (O) and voting interest (V)	
			2023 %	2022 %
<b>Subsidiary of TA Global Phuket Ltd.</b>				
Siam Resorts Fund \$*	Thailand	Closed-end property and loan fund	98.96	98.94
<b>Subsidiary of Factor Synergy Sdn. Bhd.</b>				
Peramah Setia (M) Sdn. Bhd.*	Malaysia	Dormant	98.96	98.94
<b>Subsidiary of Dinar Ehsan Sdn. Bhd.</b>				
Panca Resmi Sdn. Bhd.*	Malaysia	Investment holding and property development	61.85	61.84
<b>Subsidiaries of Cosmic Legion Sdn. Bhd.</b>				
Sanjung Padu (M) Sdn. Bhd.	Malaysia	Investment holding	98.96	98.94
Parallel Legion Sdn. Bhd.*	Malaysia	Investment holding	98.96	98.94
ERF Properties Sdn. Bhd.*	Malaysia	Investment holding	98.96	98.94
<b>Subsidiaries of Sanjung Padu (M) Sdn. Bhd.</b>				
Fine Legion Sdn. Bhd.*	Malaysia	Investment holding	98.96	98.94
TA Properties (Canada) Ltd.*	Canada	Dormant	98.96	98.94

## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership interest (O) and voting interest (V)	
			2023 %	2022 %
<b>Subsidiary of Parallel Legion Sdn. Bhd.</b>				
TA Optimum Investment Limited	The British Virgin Islands	Investments in securities	98.96	98.94
<b>Subsidiaries of ERF Properties Sdn. Bhd.</b>				
No. 205 Cathedral Ventures Ltd.*	Canada	Dormant	98.96	98.94
Maxfine International Limited*	Hong Kong	Investment holding	98.96	98.94
<b>Subsidiaries of Fine Legion Sdn. Bhd.</b>				
TA Canada Holdings Ltd.*	Canada	Dormant	98.96	98.94
1187792 B.C Ltd.*	Canada	Dormant	98.96	98.94
TA Management Ltd.*	Canada	Management services	98.96	98.94
<b>Subsidiary of Maxfine International Limited</b>				
West Georgia Holdings Inc.*	Canada	Dormant	98.96	98.94
<b>Subsidiary of TA Canada Holdings Ltd.</b>				
TA West Georgia Development Ltd.*	Canada	Property development	98.96	98.94



## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership interest (O) and voting interest (V)	
			2023 %	2022 %
<b>Subsidiaries of TA Management Ltd.</b>				
TA F&B GP Ltd.*	Canada	Hotel partnership	98.96	98.94
WG Restaurant GP Ltd.*	Canada	Dormant	98.96	98.94
Aava Whistler Hotel GP Ltd.*	Canada	Hotel partnership	98.96	98.94
<b>Subsidiary of TA F&amp;B GP Ltd.</b>				
TA F&B Limited Partnership*	Canada	Hotel management services	98.96	98.94
<b>Subsidiary of WG Restaurant GP Ltd.</b>				
WG Restaurant Limited Partnership*	Canada	Dormant	98.96	98.94
<b>Subsidiary of Aava Whistler Hotel GP Ltd.</b>				
Aava Whistler Hotel Limited Partnership*	Canada	Hotel management services	98.96	98.94

In addition, the following trusts financial statements have been consolidated into the Group's financial statements:

Name of Trust	Country of incorporation	Effective ownership interest (O) and voting interest (V)	
		2023	2022
		%	%
ERF Properties Sdn. Bhd. has trust beneficiary interest in:			
Aava (Canada) Trust*	Barbados	98.96	98.94

## 8. Investments in subsidiaries (continued)

### 8.2 Subsidiaries (continued)

Name of Trust	Country of incorporation	Effective ownership interest (O) and voting interest (V)	
		2023 %	2022 %
<b>Raintree Amalgamated Sdn. Bhd. has trust beneficiary interest in:</b>			
Wales House Trust*	Australia	98.96	98.94
<b>TA Ascents (M) Sdn. Bhd. has trust beneficiary interest in:</b>			
Ascents Trust*	Australia	98.96	98.94

\* Not audited by KPMG PLT.

\$ Audited by member firms of KPMG International.

# This subsidiary filed for dissolution with the Bureau of Internal Revenue of Philippines in previous financial years.

8.2.1 In prior year, TA Properties Sdn. Bhd., a 98.94% owned subsidiary of the Group, had subscribed 1,000,000 units of RM1.00 ordinary shares issued by Dinar Ehsan Sdn. Bhd. ("DESB"). The acquisition resulted in the shareholding interest increased from 25.00% to 62.50% and consequently, DESB and its wholly owned subsidiary, Panca Resmi Sdn. Bhd. became subsidiaries of the Group. The acquisition was a business combination under common control and hence, the acquisition was accounted for using book value accounting whereby the difference between consideration paid and the capital of acquiree is reflected in merger reserve.

## 9. Investments in joint ventures

	Group	
	2023 RM'000	2022 RM'000
Investment in shares	4,773	4,773
Share of post-acquisition reserves	759	449
	<u>5,532</u>	<u>5,222</u>
<b>Group's share of results for the year ended</b>		
<b>31 December</b>		
Group's share of profit/(loss), net of tax	<u>220</u>	<u>(250)</u>

Summarised financial information has not been included as the joint ventures are not individually material to the Group.

## 9. Investments in joint ventures (continued)

Details of the Group's joint ventures are as follows:

Name of entity	Country of incorporation	Principal activities
West Georgia Development Limited Partnership (West Georgia Project)	Canada	Property development
Nusa Lagenda Development Sdn. Bhd. (Kuala Langat Project)	Malaysia	Project investment and housing development

## 10. Investments in securities

Group	Note	FVTPL RM'000	FVOCI – Equity instrument designated upon initial recognition RM'000	FVOCI – Debt instrument RM'000	Total RM'000
<b>2023</b>					
<b>Non-current</b>					
Non-Cumulative Redeemable Preference Shares ("NCRPS")	10.1	-	17,337	-	17,337
Shares		-	3,065	-	3,065
Bonds		-	-	942	942
		-	20,402	942	21,344
<b>Current</b>					
Shares		704,663	-	-	704,663
Bonds		106,101	-	-	106,101
Unit trusts		1,083	-	-	1,083
		811,847	-	-	811,847
Total investments in securities		811,847	20,402	942	833,191
<b>2022</b>					
<b>Non-current</b>					
Shares		-	3,123	-	3,123
Bonds		-	-	722	722
		-	3,123	722	3,845
<b>Current</b>					
Shares		611,914	-	-	611,914
Structured securities	10.2	87,210	-	-	87,210
Unit trusts		965	-	-	965
		700,089	-	-	700,089
Total investments in securities		700,089	3,123	722	703,934

## 10. Investments in securities (continued)

Company	Note	FVTPL RM'000	FVOCI – Equity instrument designated upon initial recognition RM'000	FVOCI – Debt instrument RM'000	Total RM'000
<b>2023</b>					
<b>Non-current</b>					
Shares		-	3,065	-	3,065
<b>2022</b>					
<b>Non-current</b>					
Shares		-	3,123	-	3,123

### 10.1 Non-cumulative redeemable preference shares (“NCRPS”)

10.1.1 This represents 5,000 Class B Non-Cumulative Redeemable Preference Shares (“NCRPS”) of CAD1,000 each was issued by Holborn Properties Limited to TA Management Limited, a subsidiary of the Group during the year.

10.1.2 The Group designated the investment in equity securities as fair value through other comprehensive income because this investment represents investment that the Group intends to hold for long-term strategic purposes.

The Group has assessed that the fair value changes are not material and hence, the investment has been measured approximate to costs.

10.1.3 There was no dividend income, disposals or transfers of any cumulative gain or loss within equity relating to this investment during the year.

10.1.4 The salient features of the NCRPS are as follows:

- (i) The NCRPS shall be redeemed by the Issuer in accordance with their Articles of Association by paying to the holder the redemption amount together with any dividends declared but unpaid thereon.
- (ii) The payment of the dividend (if any) shall be at the discretion of the Issuer and it is non-cumulative in nature.
- (iii) In the event of a winding-up/liquidation of the Issuer, the Holder of the NCRPS has the right to a return of all capital paid up in priority to the ordinary shares in the Holder.

## 10. Investments in securities (continued)

### 10.1 Non-cumulative redeemable preference shares (“NCRPS”) (continued)

10.1.4 The salient features of the NCRPS are as follows (continued):

(iv) The Holder of the NCRPS shall have no right to participate in the distribution of any residual assets of the Issuer, save for those rights mentioned in (iii) above.

(v) The Holder is not entitled to receive notice of or to attend or to vote at any general meetings.

### 10.2 Significant judgements and assumptions arising from determining the fair value of investments in structured securities

The Group applied judgement and assumptions in determining the fair value of the structured securities based on relevant prices or inputs. Judgement is involved when selecting and applying a valuation technique for measuring the fair value of these unquoted structured securities. Judgement is also applied in assessing the relevance of observable market data to determine the inputs under fair value hierarchy.

### 10.3 Pledged assets

The investment securities portfolio of the Group amounting to RM806,326,000 (2022: RM695,590,000) are charged to the financial institutions for the facilities granted to the Group’s entities as disclosed in Note 19.

### 10.4 Equity investment designated at fair value through other comprehensive income

The Group and the Company designated the following investment as equity investment measured at fair value through other comprehensive income because this equity represents investment that the Group and the Company intend to hold for long-term strategic purposes.

	Fair value at 31 December		Dividend income recognised during	
	2023	2022	2023	2022
Group and Company	RM'000	RM'000	RM'000	RM'000
Investment in Malaysia Rating Corporation Berhad	3,065	3,123	98	98

There were no disposals or transfers of any cumulative gain or loss within equity relating to this investment during 2023 and 2022.

## 11. Deferred tax assets/(liabilities)

### Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Group</b>						
Property, plant and equipment	2,799	3,110	(191,520)	(196,866)	(188,721)	(193,756)
Right-of-use assets	-	-	(3,838)	(5,073)	(3,838)	(5,073)
Unutilised tax losses	16,177	6,044	-	-	16,177	6,044
Property development	10,903	10,105	(3,811)	(3,673)	7,092	6,432
Inventories	-	-	(92)	(92)	(92)	(92)
Lease liabilities	4,084	5,330	-	-	4,084	5,330
Receivables	79	60	-	-	79	60
Contract liabilities	663	643	-	-	663	643
Other items	3,767	4,029	(9,334)	-	(5,567)	4,029
Tax assets/(liabilities)	38,472	29,321	(208,595)	(205,704)	(170,123)	(176,383)
Set off of tax	(8,434)	(9,373)	8,434	9,373	-	-
Net tax assets/(liabilities)	30,038	19,948	(200,161)	(196,331)	(170,123)	(176,383)
					<b>2023 RM'000</b>	<b>2022 RM'000</b>
<b>Company</b>						
Right-of-use assets					(590)	(876)
Lease liabilities					646	937
Net tax assets					56	61

### Unrecognised deferred tax assets

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

	Group	
	2023 RM'000	2022 RM'000
Unabsorbed capital allowances	556,048	536,249
Unutilised tax losses	335,982	463,328
Other deductible temporary differences	145,212	102,974
	<u>1,037,242</u>	<u>1,102,551</u>

## 11. Deferred tax assets/(liabilities) (continued)

### Unrecognised deferred tax assets (continued)

Certain unutilised tax losses and all the unabsorbed capital allowances of the subsidiaries are available indefinitely to offset against future taxable profits of the subsidiaries. The unutilised tax losses of RM331,688,000 (2022: RM327,550,000) expire between 2024 to 2043 (2022: 2023 to 2042). There were unutilised tax losses of certain subsidiaries of RM21,244,000 (2022: RM10,505,000) which had expired during the financial year.

### Movement in temporary differences during the year

Group	At 1.1.2022 RM'000	Recognised in profit or loss (Note 27) RM'000	Business combination under common control RM'000	Effect of movement in exchange rates RM'000	At 31.12.2022/ 1.1.2023 RM'000	Recognised in profit or loss (Note 27) RM'000	Effect of movement in exchange rates RM'000	At 31.12.2023 RM'000
Property, plant and equipment	(183,234)	6,784	(17,221)	(85)	(193,756)	4,938	97	(188,721)
Right-of-use assets	(6,512)	1,439	-	-	(5,073)	1,065	170	(3,838)
Unutilised tax losses	10,616	(4,528)	-	(44)	6,044	9,646	487	16,177
Property development	10,296	(3,864)	-	-	6,432	660	-	7,092
Inventories	(92)	-	-	-	(92)	-	-	(92)
Lease liabilities	6,764	(1,434)	-	-	5,330	(1,246)	-	4,084
Receivables	30	30	-	-	60	19	-	79
Contract liabilities	738	(95)	-	-	643	20	-	663
Other items	3,721	356	-	(48)	4,029	(9,482)	(114)	(5,567)
	(157,673)	(1,312)	(17,221)	(177)	(176,383)	5,620	640	(170,123)

## 12. Receivables

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Non-current</b>					
Trade receivables	12.2	1,214	1,419	-	-
Deferred tenant inducements		16,766	14,009	-	-
Finance lease receivables	12.3	4,423	5,305	-	-
Operating lease receivables		13,369	12,421	-	-
Due from subsidiaries	12.4	-	-	38,641	43,477
		35,772	33,154	38,641	43,477
Less: Allowance for impairment		-	-	(83)	(95)
		35,772	33,154	38,558	43,382
<b>Current</b>					
Financial receivables	12.1	70,399	70,675	-	-
Trade receivables	12.2	583,584	399,290	-	-
Deferred tenant inducements		3,668	2,370	-	-
Other receivables		51,178	27,170	764	610
Finance lease receivables	12.3	882	791	-	-
Operating lease receivables		323	387	-	-
Due from subsidiaries	12.4	-	-	23,340	2,263
Due from a joint venture		27	27	-	-
Due from a deconsolidated subsidiary	12.5	14,357	13,430	-	-
		724,418	514,140	24,104	2,873
Less: Allowance for impairment		(36,656)	(48,155)	-	-
		687,762	465,985	24,104	2,873
		723,534	499,139	62,662	46,255

### 12.1 Financial receivables

	Group	
	2023 RM'000	2022 RM'000
<b>Current</b>		
Loan receivables	70,399	70,675
Less: Allowance for impairment	(16,988)	(18,839)
	53,411	51,836

The Group's financial receivables bear interest ranging from:

	2023	2022
Performing loans	7% - 12%	8% - 12%
Overdue interests	8%	8%



## 12. Receivables (continued)

### 12.2 Trade receivables

		Group	
	Note	2023 RM'000	2022 RM'000
Due from stockbroking clients	12.2.1	441,690	319,613
Due from unit trust funds	12.2.2	30,275	11,466
Amount with derivative clearing house		3,576	3,225
Due from brokers	12.2.3	42,036	9,677
Other trade receivables	12.2.4	54,162	30,610
Stakeholder sum held by solicitors	12.2.5	13,059	26,118
		584,798	400,709
Less: Allowance for impairment		(3,631)	(14,176)
		<u>581,167</u>	<u>386,533</u>

12.2.1 Due from stockbroking clients represents amounts receivable from margin clients and non-margin clients, and contracts entered into on behalf of clients where settlements via Central Depository System have yet to be made.

According to the Bursa Malaysia Securities Berhad Fixed Delivery and Settlement System ("FDSS") trading rules, the trade settlement is 2 market days. The Group's trade credit terms for margin clients are set in accordance with the terms of the respective margin agreements.

The interest rates charged to margin financing receivables reported as part of amount due from stockbroking clients during the year ranged from 4.85% to 20.00% (2022: 4.85% to 20.00%) per annum. Margin financing receivables interest rates are fixed upon the grant of margin financing and are revised on a yearly basis. Margin financing receivables which are secured by margin shares held as collaterals do not have fixed terms of maturity.

12.2.2 The amount due from unit trust funds relates to cancellation of units which are receivable within 10 days and manager's fee arising from the management of the unit trust funds are receivable within 30 days. These amounts are neither past due nor impaired.

## 12. Receivables (continued)

### 12.2 Trade receivables (continued)

#### 12.2.3 Offsetting of financial assets and financial liabilities

The following table provides information of financial assets and liabilities that have been set off for presentation purpose:

Group	Gross amount RM'000	Balances that are set off RM'000	Net amount presented in the statement of financial position RM'000
<b>2023</b>			
<b>Financial assets</b>			
<b><i>Trade receivables</i></b>			
Due from brokers	131,039	(89,003)	42,036
<b>Financial liabilities</b>			
<b><i>Trade payables</i></b>			
Due to brokers	89,677	(89,003)	674
<b>2022</b>			
<b>Financial assets</b>			
<b><i>Trade receivables</i></b>			
Due from brokers	99,651	(89,974)	9,677
<b>Financial liabilities</b>			
<b><i>Trade payables</i></b>			
Due to brokers	93,065	(89,974)	3,091

Certain amounts due from brokers and due to brokers were set off for presentation purpose because they have enforceable right to set off and they intend either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The gross amount of financial asset and financial liabilities and their net amounts disclosed in the above tables have been measured in the statements of financial position on amortised cost basis.

12.2.4 Other trade receivables are mostly non-interest bearing. They are recognised at their original invoiced amounts which represent their fair values at initial recognition.

## 12. Receivables (continued)

### 12.2 Trade receivables (continued)

12.2.5 Stakeholders sum held by solicitors are amounts paid by buyers to the Group's solicitors and are collectible by the Group from the solicitors upon the expiry of 8 months and 24 months respectively after the date the purchaser takes vacant possession in accordance with the sale and purchase agreements. Stakeholder sum are unsecured, interest free and are expected to be collected as follows:

	2023 RM'000	2022 RM'000
<b>Group</b>		
Less than one year	13,059	13,059
Between one to two years	-	13,059
	<u>13,059</u>	<u>26,118</u>

### 12.3 Finance lease receivables

The Group leases out a building for a lease term of 8 years with a fit-out period of 2 months both commencing from Handover Date of 1 November 2020.

This lease transfers substantially all the risk and rewards incidental to ownership of the building. The lease does not include buy-back agreements or residual value guarantees.

The lease payments to be received are as follows:

	2023 RM'000	2022 RM'000
<b>Group</b>		
Less than one year	1,416	1,416
One to two years	1,416	1,416
Two to three years	1,416	1,416
Three to four years	1,416	1,416
Four to five years	1,180	1,416
More than five years	-	1,180
Total undiscounted lease payments	6,844	8,260
Unearned interest income	<u>(1,539)</u>	<u>(2,164)</u>
Net investment in lease	<u>5,305</u>	<u>6,096</u>
Non-current	4,423	5,305
Current	<u>882</u>	<u>791</u>
Total	<u>5,305</u>	<u>6,096</u>

## 12. Receivables (continued)

### 12.4 Due from subsidiaries and a related company

	Company	
	2023	2022
	RM'000	RM'000
<b>Non-current</b>		
Loan and advances to subsidiaries	38,641	43,477
Less: Allowance for impairment	(83)	(95)
	<u>38,558</u>	<u>43,382</u>
<b>Current</b>		
Loan and advances to subsidiaries	23,340	2,263
	<u>23,340</u>	<u>2,263</u>
	<u>61,898</u>	<u>45,645</u>

#### *Loans and advances to subsidiaries*

Other than an amount of RM61,633,000 (2022: RM45,385,000) which is subject to interest charge of 4.20% to 4.63% (2022: 3.09% to 4.36%) per annum, advances to subsidiaries of the Company are unsecured, interest-free, and repayable on demand.

### 12.5 Due from a deconsolidated subsidiary

Amount due from a deconsolidated subsidiary relates to the amount due from TA Hotel Management Limited Partnership ("TAHMLP"). The Group has measured the credit loss allowance on this receivable to be 100% of the outstanding balance amounting to RM14,357,000 (2022: RM13,430,000) due to an Assignment in Bankruptcy made under Section 49(4) of the Bankruptcy and Insolvency Act of Canada for TAHMLP.

### 13. Contract assets/(contract liabilities)

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Contract assets</b>					
Contract assets from sales of properties	13.1	85,057	46,940	-	-
Other contract assets		509	646	-	-
		85,566	47,586	-	-
Less: Allowance for impairment		(214)	(214)	-	-
		<u>85,352</u>	<u>47,372</u>	<u>-</u>	<u>-</u>
<b>Contract liabilities</b>					
Contract liabilities from:					
- sales of properties	13.1	(13,817)	(17,205)	-	-
- hotel operations	13.2	(18,689)	(13,920)	-	-
Other contract liabilities		(2,761)	(2,681)	-	-
Financial guarantees		-	-	(9,021)	(1,083)
		<u>(35,267)</u>	<u>(33,806)</u>	<u>(9,021)</u>	<u>(1,083)</u>

#### 13.1 Contract assets/(liabilities) from sales of properties

The contract assets primarily relate to the Group's rights to consideration for work completed on sales of properties but not yet billed at the reporting date.

The Group's contract liabilities related to sale of properties where progress billings was issued in advance, which revenue is recognised over time.

The contractual billings period for property development ranges between 1 to 4 years. Nevertheless, the schedule of billings does not correspond with the revenue recognition which is determined using actual construction costs incurred over budgeted construction costs.

The Group's contract assets and contract liabilities relating to the sales of properties as at year end can be summarised as follows:

	Group	
	2023 RM'000	2022 RM'000
Contract assets	85,057	46,940
Contract liabilities	<u>(13,817)</u>	<u>(17,205)</u>
	<u>71,240</u>	<u>29,735</u>

### 13. Contract assets/(contract liabilities) (continued)

#### 13.1 Contract assets/(liabilities) from sales of properties (continued)

	Group	
	2023 RM'000	2022 RM'000
<b>At 1 January</b>	29,735	3,035
Net revenue recognised during the year	171,361	200,939
Net progress billings during the year	<u>(129,856)</u>	<u>(174,239)</u>
<b>At 31 December</b>	<u>71,240</u>	<u>29,735</u>

#### 13.2 Contract liabilities from hotel operations

The Group's contract liabilities from hotel room rental received in advance where invoice was issued in advance, which revenue is recognised over time.

Reconciliation of contract liabilities movement relating to hotel operations:

	Group	
	2023 RM'000	2022 RM'000
<b>At 1 January</b>	(13,920)	(7,828)
Revenue recognised that was included in the contract liability balance at the beginning of the period	14,339	7,968
Increase in cash received, excluding amounts recognised as revenue during the period	(18,217)	(13,967)
Effect of foreign exchange translation	<u>(891)</u>	<u>(93)</u>
<b>At 31 December</b>	<u>(18,689)</u>	<u>(13,920)</u>

### 14. Contract costs

		Group	
	Note	2023 RM'000	2022 RM'000
<b>Cost to fulfil a contract</b>	14.1		
- Land costs		1,972	2,567
- Development costs		259	-
<b>Cost to obtain a contract</b>	14.2	<u>6,382</u>	<u>9,776</u>
<b>Total contract costs</b>		<u>8,613</u>	<u>12,343</u>

#### 14.1 Cost to fulfil a contract

Land costs and development costs that are attributable to the sold units are capitalised as contract costs during the year. The capitalised costs are expensed to profit or loss following the progress of revenue recognition. The development costs included in the cost to fulfil a contract are the furnishing costs to be recognised at point in time when the customer obtains the control of the asset.

## 14. Contract cost (continued)

### 14.2 Cost to obtain a contract

Sales commission fees that are attributable to the sold units are capitalised as contract costs during the financial year. The capitalised sales commission fees are expensed to profit or loss over time based on the percentage of completion of the properties sold. The amount amortised during the year was RM8,044,000 (2022: RM2,997,000) included in property development expenditure recognised as expense.

The Group applies the practical expedient in Para 94 of MFRS 15 and recognises the incremental cost of obtaining contracts as an expense when incurred if the amortisation period of the assets that the Group otherwise could have recognised is one year or less.

### 14.3 Land pledged as securities

Part of the freehold land included in the contract cost has been pledged as securities for credit facilities granted to the Group as disclosed in Note 19.

## 15. Derivatives

Group	Note	Nominal value RM'000	Assets RM'000	Liabilities RM'000
<b>2023</b>				
Derivatives held for trading at fair value through profit or loss				
- Geared currency accumulators	15.1	18,176	47	(171)
- Geared currency decumulators	15.1	9,914	31	-
- Geared equity accumulators	15.2	2,352	960	(1,298)
- Geared equity decumulators	15.2	1,216	-	(2,397)
		<u>31,658</u>	<u>1,038</u>	<u>(3,866)</u>
<b>2022</b>				
Derivatives held for trading at fair value through profit or loss				
- Geared currency accumulators	15.1	33,715	-	(80)
- Geared currency decumulators	15.1	83,234	-	(140)
- Geared equity accumulators	15.2	6,200	20	(1,798)
		<u>123,149</u>	<u>20</u>	<u>(2,018)</u>

The Group entered into geared currency/equity accumulators and decumulators as part of the Group's investment portfolio with a view to maximise the Group's performance.

## 15. Derivatives (continued)

### 15.1 Geared currency accumulators and decumulators

The key risk of investing in an accumulator/decumulator with gearing feature is that the Group will be obliged to buy/sell periodically the agreed amount of the underlying currency (at the strike rate) when the market price falls below/goes above the strike rate. There is a risk where the exchange rate of the relevant foreign currency may move in an unfavourable direction.

### 15.2 Geared equity accumulators and decumulators

The key risk of investing in an accumulator/decumulator with gearing feature is that the Group will be obliged to accumulate/decumulate the geared quantity of the underlying share at the forward price throughout the tenure of the product, even if the prevailing share price is lower/higher than the forward price.

### 15.3 Significant judgements and assumptions arising from determining the fair value of derivatives

The Group applied judgement and assumptions in determining the fair value of the derivatives based on relevant prices or inputs. Judgement is involved when selecting and applying a valuation technique for measuring the fair value of these unquoted derivatives. Judgement is also applied in assessing the relevance of observable market data to determine the inputs under fair value hierarchy.

## 16. Other investment

	Group	
	2023	2022
	RM'000	RM'000
Fixed and call deposits with financial institutions with maturity more than three months	<u>43,698</u>	<u>37,956</u>

Included in other investment of the Group are fixed and call deposits of RM3,900,000 (2022: RM3,900,000) pledged for bank guarantee granted to a subsidiary.

The average maturity period as at reporting date for the deposits with financial institutions is 9 months (2022: 9 months) and are subject to interest rate of 4.86% (2022: 3.37%) per annum.



## 17. Cash and bank balances

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash and bank balances	17.1	318,824	297,073	6,433	877
Deposits and placements with financial institutions	17.2	193,019	158,503	-	-
		511,843	455,576	6,433	877
Less: Allowance for impairment		(110)	(52)	-	-
		<u>511,733</u>	<u>455,524</u>	<u>6,433</u>	<u>877</u>

**17.1** Included in the cash and bank balances of the Group are:

- (i) Remisiers' monies of approximately RM27,577,000 (2022: RM27,385,000) arising from a stockbroking subsidiary.
- (ii) An amount of RM3,365,137 (2022: RM409,000) pledged for bank facilities granted to subsidiaries.
- (iii) An amount of RM112,051,000 (2022: RM108,691,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and therefore restricted from use in other operations.
- (iv) Reserve fund denominated in AUD, SGD, RMB, THB and CAD totaling RM16,297,000 equivalent (2022: RM18,778,000 equivalent) for hotel capital replacement purposes.

**17.2** Included in the deposits and placements with financial institutions of the Group are:

- (i) An amount of RM51,787,692 (2022: RM24,553,000) pledged for bank facilities granted to subsidiaries.
- (ii) Reserve fund denominated in AUD totaling RM8,108,000 equivalent (2022: RM8,022,000 equivalent) for hotel capital replacement purposes.

### 17.3 Monies held-in-trust

#### 17.3.1 Stockbroking and unit trust operations

Monies held-in-trust on behalf of clients by the Group as at 31 December 2023 are RM359,522,000 (2022: RM310,563,000). These monies do not constitute part of the Group's assets and are not recognised in the statements of financial position.

#### 17.3.2 Derivative trading operations

These segregated accounts do not constitute part of the Group's assets and liabilities.

## 17. Cash and bank balances (continued)

### 17.3 Monies held-in-trust (continued)

#### 17.3.2 Derivative trading operations (continued)

##### Segregated accounts

	Note	Group 2023 RM'000	2022 RM'000
Receivables	17.3.2.1	31,974	81,472
Payables	17.3.2.2	<u>(166,275)</u>	<u>(268,312)</u>
		<u>(134,301)</u>	<u>(186,840)</u>
Cash and cash equivalents:			
Cash and bank balances		44,163	30,761
Deposits with financial institutions		<u>90,138</u>	<u>156,079</u>
	17.3.2.3	<u>134,301</u>	<u>186,840</u>

17.3.2.1 Receivables represent segregated clearing account balances maintained with Bursa Malaysia Derivatives Clearing Berhad ("BMDC") on behalf of the Group's clients.

Interest earned on such accounts is paid to the clients upon the Group's discretion in accordance with the respective Risk Disclosure Documents signed and agreed by the clients.

17.3.2.2 Payables in excess of clients' segregated clearing account balances and unrealised (loss)/gain are repayable upon clients' request for withdrawal.

17.3.2.3 Cash and cash equivalents represent monies held on behalf of the Group's clients. Interest earned on these accounts is payable to the clients at the Group's discretion in accordance with the respective Risk Disclosure Documents signed and agreed by the clients.

17.3.2.4 In accordance with Financial Reporting Standards Implementation Committee Consensus 18 ("FRSIC 18"), monies held-in-trust by a participating organisation are not recognised as part of the entity's assets with the corresponding liabilities as the entity neither has control over the trust monies nor has any contractual or statutory obligation to its clients on the money deposited in the trust account that would result in an outflow of resources embodying economic benefits from the entity.

This accounting treatment is consistent with the definition of assets and liabilities as defined in the Conceptual Framework for Financial Reporting under the MFRS Framework.

## 18. Capital and reserves

### Share capital

Share capital	Group and Company			
		Number		Number
	Amount	of shares	Amount	of shares
	2023	2023	2022	2022
	RM'000	'000	RM'000	'000
<b>Issued and fully paid shares with no par value classified as equity instruments:</b>				
Ordinary shares				
As at 1 January/31 December	2,316,164	2,537,935	2,316,164	2,537,935

### 18.1 Ordinary shares

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

### 18.2 Merger reserve

Merger reserve arises from common control transaction for which the Group has chosen to apply book value accounting. The difference between purchase consideration and net assets at book value of the acquiree is reflected in merger reserve.

### 18.3 Capital reserve

Capital reserve was created mainly from the retained profits of a subsidiary, TA Properties Sdn. Bhd. as a result of the redemption of unquoted shares out of profits by this subsidiary in prior years.

### 18.4 Fair value reserve

Fair value reserve represents the cumulative fair value changes of financial assets measured at fair value through other comprehensive income until they are derecognised or impaired.

### 18.5 Exchange translation reserve

Exchange translation reserve includes:

- (i) Foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency; and
- (ii) Foreign exchange differences arising from designated intra-group monetary items that are considered to form part of the Group's net investment in foreign operations when settlement of the monetary items is neither planned nor likely to occur in the foreseeable future.

## 19. Borrowings

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>Non-current</b>				
<b>Secured</b>				
Term loans	391,104	457,719	-	-
<b>Current</b>				
<b>Secured</b>				
Term loans	110,821	369,573	-	-
Revolving credits	602,131	193,402	93,016	65,131
Bridging loan	2,194	19,383	-	-
Bank overdraft	-	4,505	-	-
Other bank borrowings	328,231	490,888	-	-
	<u>1,043,377</u>	<u>1,077,751</u>	<u>93,016</u>	<u>65,131</u>
<b>Unsecured</b>				
Revolving credits	<u>110,000</u>	<u>113,198</u>	<u>89,959</u>	<u>93,187</u>
	<u>1,153,377</u>	<u>1,190,949</u>	<u>182,975</u>	<u>158,318</u>
<b>Total borrowings</b>	<u>1,544,481</u>	<u>1,648,668</u>	<u>182,975</u>	<u>158,318</u>

### 19.1 Interest rate

#### Group

##### **Term loans**

The term loans of the Group are subject to interest rates ranging from 2.62% to 5.18% (2022: 2.62% to 4.73%) per annum.

Non-current term loans of the Group are repayable over the next 7 years (2022: 8 years).

##### **Revolving credits**

The revolving credits are subject to interest rates ranging from 4.11% to 4.85% (2022: 2.72% to 4.68%) per annum.

##### **Bridging loan**

The bridging loan of the Group is subject to interest rate of 5.13% (2022: 4.61%) per annum and is repayable by redemption sums from sale of development units.

##### **Bank overdraft**

Bank overdraft of prior year was subject to interest rate of 6.88% per annum.

##### **Other bank borrowings**

Other bank borrowings are subject to interest rates ranging from 2.18% to 6.96% (2022: 2.21% to 6.88%) per annum.

## 19. Borrowings (continued)

### 19.1 Interest rate (continued)

#### Company

##### ***Revolving credits***

The revolving credits are subject to interest rates ranging from 4.30% to 4.84% (2022: 2.72% to 4.68%) per annum.

### 19.2 Security

#### Group

##### ***Term loans***

The term loans are secured by:

- i) investment properties;
- ii) land and buildings classified as property, plant and equipment;
- iii) land classified as right-of-use assets;
- iv) the assignment of rentals and a general security agreement over property;
- v) first all-monies charged over the ordinary shares of certain subsidiaries;
- vi) corporate guarantees by the Company and a subsidiary; and
- vii) deposits and bank balances.

##### ***Revolving credits***

Revolving credits are secured by:

- i) corporate guarantees by the Company and a subsidiary;
- ii) land and buildings classified as property, plant and equipment;
- iii) investment properties;
- iv) assignment of rentals; and
- v) land held for property development.

##### ***Bridging loans***

Bridging loans are secured by:

- i) corporate guarantees by the Company and a subsidiary;
- ii) land held for property development classified as inventories; and
- iii) contract cost.

##### ***Bank overdraft***

Bank overdraft is secured by:

- i) investment securities; and
- ii) deposits and bank balances.

##### ***Other bank borrowings***

The other bank borrowings are secured by:

- i) land and buildings classified as property, plant and equipment;
- ii) land classified as right-of-use assets;
- iii) first all-monies charged over the ordinary shares of certain subsidiaries;
- iv) investment securities;
- v) deposits and bank balances; and
- vi) corporate guarantee by the Company.

## 19. Borrowings (continued)

### 19.2 Security (continued)

#### Company

#### *Revolving credits*

The revolving credits are secured by a freehold land and building of a subsidiary.

## 20. Payables

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<b>Current</b>					
<b>Trade</b>					
Trade payables	20.1	161,199	53,997	-	-
Trade accruals	20.2	26,243	21,117	-	-
		<u>187,442</u>	<u>75,114</u>	<u>-</u>	<u>-</u>
<b>Non-trade</b>					
Other payables		78,884	71,918	150	73
Deposits received		17,741	19,188	-	-
Accruals	20.3	74,282	86,863	918	386
Due to subsidiaries		-	-	125	942
		<u>170,907</u>	<u>177,969</u>	<u>1,193</u>	<u>1,401</u>
Total payables		<u>358,349</u>	<u>253,083</u>	<u>1,193</u>	<u>1,401</u>

### 20.1 Trade payables

Trade payables arise mainly from:

- (i) subsidiaries involved in property management, hotel operations and property development activities;
- (ii) a stockbroking subsidiary relates to amounts payable to margin and non-margin clients and outstanding contracts entered into on behalf of clients where settlements have yet to be made;
- (iii) security deposits withheld to enable the Group to grant and monitor the trading limit to the remisiers' customers; and
- (iv) a unit trust manager subsidiary, relates to amounts payable to external investment managers, commission payable to agents and redemption payable to unit holders.

Included in trade payables are retention sums amounting to RM18,790,000 (2022: RM11,259,000), these are payable upon the expiry of the defect liability period of 12 months to 27 months from the respective dates of completion. Out of the retention sum payable, RM12,456,000 (2022: RM931,000) is due within 12 months.

## 20. Payables (continued)

### 20.2 Trade accruals

Trade accruals mainly relate to the accruals for development and construction costs for the work completed but pending finalisation of account and billings.

These amounts will be reclassified to trade payables upon completion of the certification process and/or the receipts of final billings from the respective subcontractors.

### 20.3 Accruals

Accruals mainly relate to the accruals for dealer incentive amounting to RM31,884,000 (2022: RM32,989,000).

## 21. Provisions

	Employee benefits RM'000	Development/ construction costs RM'000	Total RM'000
<b>Group</b>			
<b>At 1 January 2022</b>	7,005	8,540	15,545
Provisions included under personnel costs	5,399	-	5,399
Provisions included under development/construction costs	-	8,597	8,597
Reversal of provision under personnel costs	(3,653)	-	(3,653)
Exchange differences	(114)	-	(114)
<b>At 31 December 2022/1 January 2023</b>	8,637	17,137	25,774
Provisions included under personnel costs	8,233	-	8,233
Reversal of provision under personnel costs	(6,865)	-	(6,865)
Reversal of provision under development/construction costs	-	(1,505)	(1,505)
Exchange differences	495	-	495
<b>At 31 December 2023</b>	10,500	15,632	26,132
<b>Group 2023</b>			
Non-current	1,643	14,585	16,228
Current	8,857	1,047	9,904
	10,500	15,632	26,132
<b>2022</b>			
Non-current	1,472	14,585	16,057
Current	7,165	2,552	9,717
	8,637	17,137	25,774

## **21. Provisions (continued)**

### **Employee benefits**

Provisions for employee benefits are in respect of annual leave and long service leave in certain subsidiaries when it is probable that settlement will be required and the amount can be measured reliably.

### **Development/construction costs**

Provisions for development/construction costs is in respect of the Group's obligation on the construction of common infrastructure. The estimated costs made were based on conceptual design of the common infrastructure and the awarded sum to the contractors at period end.



## 22. Revenue

Group	Broking and financial services RM'000	Investment holding RM'000	Credit and lending RM'000	Property investment RM'000	Property development RM'000	Hotel operations RM'000	Total RM'000
<b>2023</b>							
<b>Major products and service lines</b>							
<b><i>Revenue from contracts with customers</i></b>							
Hotel room rental and related revenue	-	-	-	-	-	531,540	531,540
Sales of food and beverage	-	-	-	-	-	122,954	122,954
Sales of properties	-	-	-	-	174,676	-	174,676
Sales of land held for development	-	-	-	-	71,470	-	71,470
Gross brokerage fee	57,685	-	-	-	-	-	57,685
Underwriting commission and placement fees	16,122	-	-	-	-	-	16,122
Profit from sale of trust units	28,468	-	-	-	-	-	28,468
Manager's/performance fee from unit trust and private mandate clients' funds	69,889	-	-	-	-	-	69,889
Maintenance charges recoveries from tenants	-	-	-	27,937	-	-	27,937
Sales of electricity	-	-	-	501	-	-	501
Others	5,634	683	-	6	-	-	6,323
<b>Carried forward (to page 73)</b>	<b>177,798</b>	<b>683</b>	<b>-</b>	<b>28,444</b>	<b>246,146</b>	<b>654,494</b>	<b>1,107,565</b>

## 22. Revenue (continued)

Group	Broking and financial services RM'000	Investment holding RM'000	Credit and lending RM'000	Property investment RM'000	Property development RM'000	Hotel operations RM'000	Total RM'000
<b>2023</b>							
<b>Major products and service lines</b>							
<b>Brought forward (from page 72)</b>	177,798	683	-	28,444	246,146	654,494	1,107,565
<b>Other revenue</b>							
Rental income from:							
- properties	-	-	1	66,780	3,432	-	70,213
- a Director	-	360	-	-	-	-	360
- others	149	1	-	-	-	-	150
Service and administration charges	21,144	-	1,529	-	-	-	22,673
Interest income of financial assets calculated using the effective interest method that are:							
<i>At amortised cost</i>							
- money lending	-	-	6,836	-	-	-	6,836
	21,293	361	8,366	66,780	3,432	-	100,232
<b>Total revenue</b>	199,091	1,044	8,366	95,224	249,578	654,494	1,207,797

## 22. Revenue (continued)

Group 2023	Broking and financial services RM'000	Investment holding RM'000	Credit and lending RM'000	Property investment RM'000	Property development RM'000	Hotel operations RM'000	Total RM'000
<b>Primary geographical markets</b>							
<b>Revenue from contracts with customers</b>							
Malaysia	177,798	683	-	546	246,146	707	425,880
Australia	-	-	-	-	-	202,791	202,791
Canada	-	-	-	27,898	-	121,916	149,814
Singapore	-	-	-	-	-	205,345	205,345
China	-	-	-	-	-	25,599	25,599
Thailand	-	-	-	-	-	98,136	98,136
	177,798	683	-	28,444	246,146	654,494	1,107,565
<b>Other revenue</b>							
Malaysia	21,293	361	8,366	24,595	3,432	-	58,047
Canada	-	-	-	42,185	-	-	42,185
	21,293	361	8,366	66,780	3,432	-	100,232
<b>Total revenue</b>	<b>199,091</b>	<b>1,044</b>	<b>8,366</b>	<b>95,224</b>	<b>249,578</b>	<b>654,494</b>	<b>1,207,797</b>

## 22. Revenue (continued)

Group	Broking and financial services RM'000	Investment holding RM'000	Credit and lending RM'000	Property investment RM'000	Property development RM'000	Hotel operations RM'000	Total RM'000
<b>2022</b>							
<b>Major products and service lines</b>							
<b><i>Revenue from contracts with customers</i></b>							
Hotel room rental and related revenue	-	-	-	-	-	330,024	330,024
Sales of food and beverage	-	-	-	-	-	72,719	72,719
Sales of properties	-	-	-	-	200,938	-	200,938
Gross brokerage fee	55,086	-	-	-	-	-	55,086
Underwriting commission and placement fees	14,545	-	-	-	-	-	14,545
Profit from sale of trust units	22,724	-	-	-	-	-	22,724
Manager's/performance fee from unit trust and private mandate clients' funds	77,072	-	-	-	-	-	77,072
Maintenance charges recoveries from tenants	-	-	-	26,696	-	-	26,696
Sales of electricity	-	-	-	442	-	-	442
Others	6,285	606	-	8	-	-	6,899
<b>Carried forward (to page 76)</b>	<b>175,712</b>	<b>606</b>	<b>-</b>	<b>27,146</b>	<b>200,938</b>	<b>402,743</b>	<b>807,145</b>

## 22. Revenue (continued)

Group	Broking and financial services RM'000	Investment holding RM'000	Credit and lending RM'000	Property investment RM'000	Property development RM'000	Hotel operations RM'000	Total RM'000
<b>2022</b>							
<b>Major products and service lines</b>							
<b>Brought forward (from page 75)</b>	175,712	606	-	27,146	200,938	402,743	807,145
<b>Other revenue</b>							
Rental income from:							
- properties	-	-	14	61,556	2,540	-	64,110
- a Director	-	360	-	-	-	-	360
- others	128	1	-	-	-	-	129
Service and administration charges	18,677	-	1,141	-	-	-	19,818
Interest income of financial assets calculated using the effective interest method that are:							
<i>At amortised cost</i>							
- money lending	-	-	4,209	-	-	-	4,209
	18,805	361	5,364	61,556	2,540	-	88,626
<b>Total revenue</b>	194,517	967	5,364	88,702	203,478	402,743	895,771

## 22. Revenue (continued)

Group	Broking and financial services RM'000	Investment holding RM'000	Credit and lending RM'000	Property investment RM'000	Property development RM'000	Hotel operations RM'000	Total RM'000
<b>2022</b>							
<b>Primary geographical markets</b>							
<b><i>Revenue from contracts with customers</i></b>							
Malaysia	175,712	606	-	485	200,938	642	378,383
Australia	-	-	-	-	-	160,064	160,064
Canada	-	-	-	26,661	-	81,682	108,343
Singapore	-	-	-	-	-	113,744	113,744
China	-	-	-	-	-	26,682	26,682
Thailand	-	-	-	-	-	19,929	19,929
	175,712	606	-	27,146	200,938	402,743	807,145
<b><i>Other revenue</i></b>							
Malaysia	18,805	361	5,364	22,209	2,540	-	49,279
Canada	-	-	-	39,347	-	-	39,347
	18,805	361	5,364	61,556	2,540	-	88,626
<b>Total revenue</b>	<b>194,517</b>	<b>967</b>	<b>5,364</b>	<b>88,702</b>	<b>203,478</b>	<b>402,743</b>	<b>895,771</b>

## 22. Revenue (continued)

	Company	
	2023	2022
	RM'000	RM'000
<b>Major products and service lines</b>		
<b><i>Revenue from contracts with customers</i></b>		
Management fees from subsidiaries	6,869	5,023
<b><i>Other revenue</i></b>		
Gross dividends from subsidiaries	9,302	15,000
	<u>16,171</u>	<u>20,023</u>

### 22.1 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of services	Timing of revenue recognition or method used to recognised revenue	Significant payment terms
Hotel room rental and related revenue	<p>Room rental revenue is recognised over the period of the guests' stay at the hotel.</p> <p>Any cancellations of hotel reservation during the non-refundable periods are immediately recognised as room revenue.</p> <p>Revenue of rendering of other services is recognised when the services are provided or on a straight-line basis over the terms of the service and ultimate collection is reasonably assumed.</p>	Cash or credit term of up to 90 days.
Sales of food and beverage	Revenue from sales of food and beverage is recognised when the customer receives and consumes, and the Group has a present right to payment for food and beverage product.	Cash or credit term of up to 90 days.

## 22. Revenue (continued)

### 22.1 Nature of goods and services (continued)

The following information reflects the typical transactions of the Group (continued):

Nature of services	Timing of revenue recognition or method used to recognised revenue	Significant payment terms
Sales of properties	Revenue is recognised over time using the input method, which is based on the property development costs incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of the contract.  For sale of completed development properties, revenue is recognised at a point in time, being when the properties have been delivered to the buyer and it is probable that the Group will collect the considerations to which it would be entitled to in exchange for the assets sold.	Credit term of 30 to 90 days.
Gross brokerage fee	Revenue is recognised at a point in time basis upon the execution of trade on behalf of clients, computed based on a pre-determined percentage of the contract value.	Credit period of 2 days from transaction date.
Underwriting commission and placement fees	Revenue is recognised at a point in time when the service has been rendered, or right to receive payment has been established in accordance with terms of agreement with the customer.	Payable on billing made.
Interest income - money lending	Revenue is recognised over time as per agreed rate on the agreements with borrowers	Credit period of 30 days from invoice date.



## 22. Revenue (continued)

### 22.1 Nature of goods and services (continued)

The following information reflects the typical transactions of the Group (continued):

Nature of services	Timing of revenue recognition or method used to recognised revenue	Significant payment terms
Manager's fee from unit trust and private mandate clients' funds	Manager's fee earned on unit trust funds is recognised over time, computed on a daily basis based on a pre-determined percentage of daily Net Asset Value (NAV) on unit trust funds as stipulated in its prospectus.  Fees earned on private mandates are earned recognised over time, computed on pre-determined percentage of month end portfolio valuation as stipulated in the Investment Management Agreement.	Payable on monthly basis.
Profit from sale of trust units	Profit from sale of trust units is recognised at a point in time upon execution of trade on behalf of clients, computed based on a pre-determined percentage of the contract value.	Payable on the day of purchases being made.
Maintenance charges recoveries from tenants	Revenue from maintenance charges recoveries from tenants is recognised on an accrual basis.	Payable on billing made.
Sales of electricity	Revenue from sales of electricity is recognised upon supply and distribution of electricity (acting as an agent of an electricity company) to tenants and the tenants received and consumed the electricity energy.	Payables on billing made
Service and administration charges	Revenue from service and administration charges is recognised when the services are rendered.	Credit period of 30 days from invoice date

There were no variable element in consideration for the transactions above.

## 22. Revenue (continued)

### 22.2 Transaction price allocated to the remaining performance obligation

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date. The disclosure is only providing information for contracts that have an original expected duration of more than one year.

	Group	
	2023	2022
	RM'000	RM'000
Remaining performance obligations at the reporting date:		
Sales of properties	192,548	250,493

The remaining performance obligations amounting to RM192,548,000 (2022: RM250,493,000) are expected to be recognised over 1 to 2 years (2022: 1 to 2 years). Included in the sale of properties are revenue allocated to the furniture and fittings amounting to RM20,459,000 (2022: RM15,529,000) given to the purchasers when they purchase the property which is expected to be recognised in less than a year (2022: 1 year) when the customers obtain control of the assets.

The Group applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

### 22.3 Significant judgements and assumptions arising from revenue recognition

The Group applied the following judgements and assumptions that significantly affect the determination of the amount and timing of revenue recognised from contracts with customers:

- For property development contracts, the Group measured the performance of construction work done by comparing actual work costs incurred with the estimated total costs required to complete the construction. Significant judgements are required to estimate the total contract costs to complete. In making these estimates, management relied on professionals' estimates and also on past experience of completed projects. A change in the estimates will directly affect the revenue to be recognised.

## 23. Net gain/(loss) from investments in securities

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Net fair value gain/(loss) from investments in securities:				
At FVTPL				
- structured securities	(17,916)	(9,400)	-	-
- bonds	5,397	-	-	-
- shares	226,125	(310,279)	-	-
- unit trusts	73	(42)	-	-
- derivatives	(879)	16,120	-	-
	<u>212,800</u>	<u>(303,601)</u>	<u>-</u>	<u>-</u>
Interest income from investments in securities:				
At FVTPL				
- bonds	877	-	-	-
- structured securities	35,594	8,306	-	-
At FVOCI				
- bonds	<u>72</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>36,543</u>	<u>8,306</u>	<u>-</u>	<u>-</u>
Gross dividend income from investments in securities:				
At FVTPL				
- shares	7,950	11,369	-	-
At FVOCI				
- shares	<u>98</u>	<u>98</u>	<u>98</u>	<u>98</u>
	<u>8,048</u>	<u>11,467</u>	<u>98</u>	<u>98</u>
Gain on disposal/redemption of investments in securities:				
At FVTPL				
- shares	<u>2,432</u>	<u>4,039</u>	<u>-</u>	<u>-</u>
	<u>2,432</u>	<u>4,039</u>	<u>-</u>	<u>-</u>
	<u>259,823</u>	<u>(279,789)</u>	<u>98</u>	<u>98</u>

## 24. Directors' remuneration

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>Directors of the Company</b>				
<b><i>Executive:</i></b>				
Salaries and other emoluments	2,959	908	2,959	908
Bonus	780	127	780	127
Benefits-in-kind	45	55	45	55
	<u>3,784</u>	<u>1,090</u>	<u>3,784</u>	<u>1,090</u>
<b><i>Non-executive:</i></b>				
Other emoluments	4,947	7,248	-	-
Fees	44	52	44	52
Bonus	1,235	1,020	-	-
Benefits-in-kind	33	150	-	-
	<u>6,259</u>	<u>8,470</u>	<u>44</u>	<u>52</u>
<b>Directors of the subsidiaries</b>				
<b><i>Executive:</i></b>				
Salaries and other emoluments	2,338	2,466	-	-
Bonus	917	770	-	-
Fees	3	9	-	-
Benefits-in-kind	82	93	-	-
	<u>3,340</u>	<u>3,338</u>	<u>-</u>	<u>-</u>
<b><i>Non-executive:</i></b>				
Salaries and other emoluments	610	627	-	-
Fees	160	216	-	-
	<u>770</u>	<u>843</u>	<u>-</u>	<u>-</u>
Total	<u>14,153</u>	<u>13,741</u>	<u>3,828</u>	<u>1,142</u>
Total excluding benefits-in-kind	<u>13,993</u>	<u>13,443</u>	<u>3,783</u>	<u>1,087</u>

## 25. Finance income

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Interest income of financial assets calculated using the effective interest method that are:				
At amortised costs:				
- bank balances, deposits and placements with financial institutions	15,412	6,716	55	73
- amount due from subsidiaries	-	-	2,086	1,079
Other finance income	8,962	6,402	-	1
	<u>24,374</u>	<u>13,118</u>	<u>2,141</u>	<u>1,153</u>

## 26. Finance costs

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:				
- amount due to subsidiaries	-	-	-	135
- bank borrowings	80,732	48,069	7,275	4,806
Interest expense on lease liabilities	49	66	160	216
Other finance costs	3,718	1,974	149	271
	<u>84,499</u>	<u>50,109</u>	<u>7,584</u>	<u>5,428</u>

## 27. Tax expense

### Recognised in profit or loss

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>Current tax expense</b>				
Current year:				
- Malaysian income tax	32,999	29,257	601	282
- Foreign tax	5,561	8,307	-	-
	<u>38,560</u>	<u>37,564</u>	<u>601</u>	<u>282</u>
Under/(Over) provision in prior years:				
- Malaysian income tax	1,503	35	41	28
- Foreign tax	(467)	(11,731)	-	-
	<u>1,036</u>	<u>(11,696)</u>	<u>41</u>	<u>28</u>
	<u>39,596</u>	<u>25,868</u>	<u>642</u>	<u>310</u>
<b>Deferred tax expense</b>				
Origination and reversal of temporary differences (Note 11)	(5,620)	1,312	6	(47)
	<u>(5,620)</u>	<u>1,312</u>	<u>6</u>	<u>(47)</u>
Total tax expense	<u>33,976</u>	<u>27,180</u>	<u>648</u>	<u>263</u>

## 27. Tax expense (continued)

### Reconciliation of tax expense

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) for the year	469,093	(238,861)	604	4,795
Total income tax expense	<u>33,976</u>	<u>27,180</u>	<u>648</u>	<u>263</u>
Profit/(Loss) excluding tax	<u>503,069</u>	<u>(211,681)</u>	<u>1,252</u>	<u>5,058</u>
Income tax calculated using Malaysian tax rate of 24%	120,737	(50,803)	300	1,214
Effect of different tax rates in foreign jurisdictions	943	115	-	-
Effect of tax rates of 3% for foreign source income	-	(803)	-	-
Tax exempt income	(92,305)	(37,852)	(4,034)	(4,001)
Non-deductible expenses	22,498	139,242	4,341	3,022
Net recognition of previously unrecognised deferred tax assets	(18,933)	(11,023)	-	-
Under/(Over) provision in prior years	<u>1,036</u>	<u>(11,696)</u>	<u>41</u>	<u>28</u>
Total tax expense	<u>33,976</u>	<u>27,180</u>	<u>648</u>	<u>263</u>

## 28. Profit/(Loss) for the year

	Group		Company	
Note	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>Profit/(Loss) for the year is arrived at after charging/ (crediting):</b>				
<b>Auditors' remunerations</b>				
Audit fees:				
- KPMG PLT	929	885	89	85
- Overseas affiliates of KPMG PLT	577	516	-	-
- Other auditors	1,213	1,119	-	-
Non-audit fees:				
- KPMG PLT	62	54	-	-
- Local affiliates of KPMG PLT	84	78	29	14
- Other auditors	246	213	-	-

## 28. Profit/(Loss) for the year (continued)

	Note	Group		Company	
		2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
<b>Profit/(Loss) for the year is arrived at after charging/ (crediting) (continued):</b>					
<b>Material expenses/(income)</b>					
Hotel operation cost (excluding personnel cost)		188,920	123,040	-	-
Reversal of impairment on property, plant and equipment	3.1	(12,391)	-	-	-
Impairment loss on investment in subsidiaries		-	-	5,104	2,165
Deemed fee income from provision of financial guarantees		-	-	(7,407)	(1,572)
Personnel expenses (including key management personnel and Directors):	28.1				
- Wages, salaries and others		263,869	215,385	8,358	4,925
- Contribution to defined contribution plan		17,957	16,202	633	459
<b>Expenses arising from leases</b>					
Expenses relating to short-term leases		1,261	1,257	13	12
Expenses relating to leases of low-value assets		-	-	5	5
<b>Net gain/(loss) on impairment of financial instruments</b>					
Financial assets at amortised cost		1,447	(558)	12	80
Financial guarantees		-	-	739	(1,083)
		1,447	(558)	751	(1,163)

**28.1** The above personnel costs include remuneration paid/payable to Directors of the Group and of the Company (excluding fees and benefits-in-kind that are not classified as personnel costs) that are disclosed in Note 24.

## 29. Financial instruments

### 29.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

- (a) Amortised cost ("AC");
- (b) Fair value through profit or loss ("FVTPL"); and
- (c) Fair value through other comprehensive income ("FVOCI")
  - Equity instrument designated upon initial recognition ("EIDUIR")
  - Debt instrument ("DI")

<b>2023</b>	<b>Carrying</b>			<b>FVOCI –</b>	<b>FVOCI –</b>
<b>Financial assets</b>	<b>amount</b>	<b>AC</b>	<b>FVTPL</b>	<b>EIDUIR</b>	<b>DI</b>
<b>Group</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Investments in securities	833,191	-	811,847	20,402	942
Receivables (excluding prepayments)	713,936	713,936	-	-	-
Derivatives	1,038	-	1,038	-	-
Other investment	43,698	43,698	-	-	-
Cash and bank balances	511,733	511,733	-	-	-
	<b>2,103,596</b>	<b>1,269,367</b>	<b>812,885</b>	<b>20,402</b>	<b>942</b>
<b>Company</b>					
Investments in securities	3,065	-	-	3,065	-
Receivables (excluding prepayments)	62,307	62,307	-	-	-
Cash and bank balances	6,433	6,433	-	-	-
	<b>71,805</b>	<b>68,740</b>	<b>-</b>	<b>3,065</b>	<b>-</b>
<b>Financial liabilities</b>					
<b>Group</b>					
Borrowings	(1,544,481)	(1,544,481)	-	-	-
Payables	(358,349)	(358,349)	-	-	-
Derivatives	(3,866)	-	(3,866)	-	-
	<b>(1,906,696)</b>	<b>(1,902,830)</b>	<b>(3,866)</b>	<b>-</b>	<b>-</b>
<b>Company</b>					
Borrowings	(182,975)	(182,975)	-	-	-
Payables	(1,193)	(1,193)	-	-	-
	<b>(184,168)</b>	<b>(184,168)</b>	<b>-</b>	<b>-</b>	<b>-</b>



## 29. Financial instruments (continued)

### 29.1 Categories of financial instruments (continued)

<b>2022</b>	<b>Carrying</b>	<b>AC</b>	<b>FVTPL</b>	<b>FVOCI –</b>	<b>FVOCI –</b>
<b>Financial assets</b>	<b>amount</b>	<b>RM'000</b>	<b>RM'000</b>	<b>EIDUIR</b>	<b>DI</b>
<b>Group</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Investments in securities	703,934	-	700,089	3,123	722
Receivables (excluding prepayments)	491,892	491,892	-	-	-
Derivatives	20	-	20	-	-
Other investment	37,956	37,956	-	-	-
Cash and bank balances	455,524	455,524	-	-	-
	<u>1,689,326</u>	<u>985,372</u>	<u>700,109</u>	<u>3,123</u>	<u>722</u>
<b>Company</b>					
Investments in securities	3,123	-	-	3,123	-
Receivables (excluding prepayments)	46,060	46,060	-	-	-
Cash and bank balances	877	877	-	-	-
	<u>50,060</u>	<u>46,937</u>	<u>-</u>	<u>3,123</u>	<u>-</u>
<b>Financial liabilities</b>					
<b>Group</b>					
Borrowings	(1,648,668)	(1,648,668)	-	-	-
Payables	(253,083)	(253,083)	-	-	-
Derivatives	(2,018)	-	(2,018)	-	-
	<u>(1,903,769)</u>	<u>(1,901,751)</u>	<u>(2,018)</u>	<u>-</u>	<u>-</u>
<b>Company</b>					
Borrowings	(158,318)	(158,318)	-	-	-
Payables	(1,401)	(1,401)	-	-	-
	<u>(159,719)</u>	<u>(159,719)</u>	<u>-</u>	<u>-</u>	<u>-</u>

## 29. Financial instruments (continued)

### 29.2 Net gains and losses arising from financial instruments

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>Net gains/(losses) on:</b>				
Financial assets at fair value through profit or loss	259,653	(279,887)	-	-
Debt instruments at fair value through other comprehensive income:				
- recognise in profit or loss	72	-	-	-
- recognised in other comprehensive income	333	(406)	-	-
	405	(406)	-	-
Equity instruments designated at fair value through other comprehensive income:				
- recognised in profit or loss	98	98	98	98
- recognised in other comprehensive income	(58)	154	(58)	154
	40	252	40	252
Financial assets at amortised cost	43,929	(29,232)	2,916	1,084
Financial liabilities at amortised cost	(105,391)	(37,870)	(7,424)	(5,211)
	<u>198,636</u>	<u>(347,143)</u>	<u>(4,468)</u>	<u>(3,875)</u>

### 29.3 Financial risk management

The Group and the Company have exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

## 29. Financial instruments (continued)

### 29.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from investment in debt securities, trade receivables, contract assets, financial receivables, cash and bank balances, and other receivables. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

#### 29.4.1 Investment in debt securities

##### *Risk management objectives, policies and processes for managing the risk*

The Group maintains a portfolio of diversified debts securities issued by various issuers. Such exposures are capped according to the credit rating of the issuers.

##### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

The investments are unsecured.

The Group is of the view that the loss allowance is not material and did not recognise any allowance for impairment as at the end of the reporting period.

The following table presents an analysis of the credit quality of debt securities at FVTPL and FVOCI.

	Group			
	2023		2022	
	FVTPL RM'000	FVOCI RM'000	FVTPL RM'000	FVOCI RM'000
<b>Debt securities</b>				
BBB- to AAA	71,287	-	-	-
B- to BB+	34,546	-	-	-
C	-	914	-	677
No Rating	268	28	-	45
<b>Total debt securities</b>	<b>106,101</b>	<b>942</b>	<b>-</b>	<b>722</b>

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.2 Trade receivables, contract assets, finance lease receivables and financial receivables

##### *Risk management objectives, policies and processes for managing the risk*

The Group controls its exposure to credit risk by the application of credit approvals, limits and monitoring procedures. A credit approval limit structure approved by the Board of Directors is in place for all lending activities of the Group.

Financial receivables are monitored on an ongoing basis via group-wide management reporting procedures. For effective management of non-performing accounts ("NPAs"), a debt recovery unit has been established to focus on formulating and executing recovery action plan. As a whole, NPAs are monitored closely by the Group.

In managing credit risk of trade receivables, contract assets, finance lease receivables and financial receivables, the Group takes appropriate actions (including but not limited to legal actions) to recover long overdue balances.

##### *Exposure to credit risk, credit quality and collateral*

The credit risk of certain financial assets of the Group is mitigated by collaterals held against the financial assets. All trade receivables, contract assets, finance lease receivables and financial receivables are subject to impairment review at the end of the reporting period. The collateral mitigates credit risk and would reduce the extent of impairment allowance for the assets subject to impairment review. There has not been any significant changes in the quality of the collateral held for the financial assets.

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.2 Trade receivables, contract assets, finance lease receivables and financial receivables (continued)

##### *Exposure to credit risk, credit quality and collateral (continued)*

The normal credit term for cancellation of units by the funds is 10 days whereas for management fees is 30 days. The Group's normal trade credit terms for other trade receivables are assessed and approved on a case-by-case basis.

The maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

##### *Concentration of credit risk*

The exposure of credit risk for trade receivables, contract assets, finance lease receivables and financial receivables as at the end of the reporting period by country and business segment (net of impairment losses) are as follows:

	Group			
	2023		2022	
	RM'000	% of total	RM'000	% of total
<b>By country</b>				
Malaysia	700,255	96	469,333	96
Singapore	6,829	1	6,805	1
Australia	10,324	1	6,769	1
Canada	5,045	<1	4,597	1
Thailand	2,001	<1	2,716	<1
Other countries	781	<1	1,617	<1
	<u>725,235</u>	<u>100</u>	<u>491,837</u>	<u>100</u>

	Group			
	2023		2022	
	RM'000	% of total	RM'000	% of total
<b>By business segment</b>				
Broking and financial services	520,098	72	334,042	68
Credit and lending	52,442	7	50,879	10
Hotel operations	22,485	3	19,234	4
Property investment	9,404	1	10,496	2
Investment holding	1,140	<1	1,013	<1
Property development	114,916	16	75,385	15
Others	4,750	<1	788	<1
	<u>725,235</u>	<u>100</u>	<u>491,837</u>	<u>100</u>

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.2 Trade receivables, contract assets, finance lease receivables and financial receivables (continued)

##### *Concentration of credit risk (continued)*

##### (i) Trade receivables and contract assets

The Group has no significant concentration of credit risk from exposures to a single debtor or to groups of debtors within its trade receivables and contract assets.

##### (ii) Finance lease receivables

The Group has significant concentration of credit risk from exposures to a single debtor (2022: single) within its finance lease receivable.

##### (iii) Financial receivables

The 5 (2022: 5) largest financial receivables, which contributed 84% (2022: 84%) of the net financial receivables, representing the Group's significant concentration of credit risks, are summarised as follows:

<b>Group</b>	<b>Gross carrying amount RM'000</b>	<b>Loss allowance RM'000</b>	<b>Net balance RM'000</b>
<b>2023</b>			
Five largest financial receivables	54,682	(9,966)	44,716
Others	15,717	(7,022)	8,695
	<u>70,399</u>	<u>(16,988)</u>	<u>53,411</u>
<b>2022</b>			
Five largest financial receivables	53,415	(9,986)	43,429
Others	17,260	(8,853)	8,407
	<u>70,675</u>	<u>(18,839)</u>	<u>51,836</u>

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.2 Trade receivables, contract assets, finance lease receivables and financial receivables (continued)

##### *Recognition and measurement of impairment loss*

##### (i) Trade receivables, contract assets and finance lease receivables

In measuring the credit risk of trade receivables (except for broking services), contract assets and finance lease receivables, the Group applies the simplified approach prescribed by MFRS 9 which required expected lifetime losses to be recognised from initial recognition of the trade receivables, contract assets and finance lease receivables which are financial assets.

The Group assessed the trade receivables and contract assets are not subject to significant credit risk as trade receivables from tenants are secured with security deposits and the sale of development properties are made to buyers with end financing facilities from reputable end-financiers, whilst the ownership and rights to the properties remain with the Group in the event of default.

For broking services, the Group measures ECLs of each client individually. These receivables are impaired up to collateralised values under the following circumstances:

<b>Types of accounts</b>	<b>Criteria for classification as impaired</b>
Margin financing	When its equity value falls below 130% of its outstanding balance.
Contra losses	When the account remains outstanding for 16 calendar days or more from the date of contra transaction.
Overdue purchase contracts	When the account remains outstanding from T+4 market days onwards.

The following table provides information about the exposure to credit risk and ECLs for trade receivables, contract assets and finance lease receivables which are grouped together as they are expected to have similar risk nature.

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

29.4.2 Trade receivables, contract assets, finance lease receivables and financial receivables (continued)

*Recognition and measurement of impairment loss (continued)*

(i) Trade receivables, contract assets and finance lease receivables (continued)

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>2023</b>			
Stakeholder sum	13,059	-	13,059
Not past due	643,725	(58)	643,667
Past due 1 – 30 days	6,341	(38)	6,303
Past due 31 – 60 days	3,091	(22)	3,069
Past due 61 – 90 days	3,019	(125)	2,894
Past due more than 90 days	1,388	(592)	796
	670,623	(835)	669,788
<b>Credit impaired</b>			
Individually impaired	5,046	(3,010)	2,036
	675,669	(3,845)	671,824
Trade receivables	584,798	(3,631)	581,167
Contract assets	85,566	(214)	85,352
Finance lease receivables	5,305	-	5,305
	675,669	(3,845)	671,824
Collateralised trade receivables			
- where no loss allowance recognised	319,703	-	319,703
- where loss allowance recognised	3,306	(2,170)	1,136
	323,009	(2,170)	320,839



## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.2 Trade receivables, contract assets finance lease receivable and financial receivables (continued)

##### *Recognition and measurement of impairment loss (continued)*

##### (i) Trade receivables, contract assets and finance lease receivables (continued)

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>2022</b>			
Stakeholder sum	26,118	-	26,118
Not past due	405,552	(32)	405,520
Past due 1 – 30 days	4,636	(105)	4,531
Past due 31 – 60 days	2,065	(71)	1,994
Past due 61 – 90 days	485	(14)	471
Past due more than 90 days	639	(190)	449
	439,495	(412)	439,083
<b>Credit impaired</b>			
Individually impaired	14,896	(13,978)	918
	454,391	(14,390)	440,001
Trade receivables	400,709	(14,176)	386,533
Contract assets	47,586	(214)	47,372
Finance lease receivables	6,096	-	6,096
	454,391	(14,390)	440,001
Collateralised trade receivables			
- where no loss allowance recognised	214,302	-	214,302
- where loss allowance recognised	9,745	(8,973)	772
	224,047	(8,973)	215,074

Trade receivables which are credit impaired amounting to RM5,046,000 (2022: RM14,896,000) are partially collateralised in the form of remisiers' deposits, cash, shares and security deposits. Impairment loss has been provided to the extent of the collateral value of RM1,136,000 (2022: RM772,000).

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.2 Trade receivables, contract assets, finance lease receivables and financial receivables (continued)

##### *Recognition and measurement of impairment loss (continued)*

##### (i) Trade receivables, contract assets and finance lease receivables (continued)

There are trade receivables where the Group has not recognised any loss allowance as the trade receivables are supported by collateral such as remisiers' deposits, cash and shares held as securities in managing exposure to credit risk.

The movements in the allowance for impairment in respect of trade receivables, contract assets and finance lease receivables during the year are shown below:

<b>Group</b>	<b>Lifetime ECL RM'000</b>	<b>Credit impaired RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2022</b>	430	15,208	15,638
Impairment loss recognised	26	2,541	2,567
Impairment loss reversed	(43)	(3,772)	(3,815)
Amount written off	-	(12)	(12)
Exchange difference	(1)	13	12
<b>At 31 December 2022/ 1 January 2023</b>	412	13,978	14,390
Impairment loss recognised	28	61	89
Impairment loss reversed	-	(1,445)	(1,445)
Amount written off	-	(9,195)	(9,195)
Exchange difference	4	2	6
<b>At 31 December 2023</b>	<b>444</b>	<b>3,401</b>	<b>3,845</b>

##### (ii) Financial receivables

The Group measures ECL of financial receivables individually. These financial receivables are impaired up to collateralised values. Financial receivables are considered credit impaired if they are past due 90 days and are unlikely to repay loans in full, loan rollover due to difficulty to repay on maturity, or it is becoming probable that receivable counterparty will enter bankruptcy.

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

29.4.2 Trade receivables, contract assets, finance lease receivables and financial receivables (continued)

#### *Recognition and measurement of impairment loss (continued)*

(ii) Financial receivables (continued)

The following table provides information about the exposure to credit risk and ECLs for financial receivables.

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>2023</b>			
Not past due	45,269	-	45,269
Past due 1 – 30 days	209	-	209
Past due more than 90 days	3,384	-	3,384
	48,862	-	48,862
<b>Credit impaired</b>			
Individually impaired	21,537	(16,988)	4,549
	21,537	(16,988)	4,549
	70,399	(16,988)	53,411
Collateralised financial receivables			
- where no loss allowance recognised	48,862	-	48,862
- where loss allowance recognised	21,537	(16,988)	4,549
	70,399	(16,988)	53,411
<b>2022</b>			
Not past due	46,943	-	46,943
Past due 1 – 30 days	90	-	90
	47,033	-	47,033
<b>Credit impaired</b>			
Individually impaired	23,642	(18,839)	4,803
	23,642	(18,839)	4,803
	70,675	(18,839)	51,836
Collateralised financial receivables			
- where no loss allowance recognised	47,033	-	47,033
- where loss allowance recognised	23,642	(18,839)	4,803
	70,675	(18,839)	51,836

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.2 Trade receivables, contract assets, finance lease receivables and financial receivables (continued)

##### *Recognition and measurement of impairment loss (continued)*

##### (ii) Financial receivables (continued)

Financial receivables which are credit impaired amounting to RM21,537,000 (2022: RM23,642,000) are partially secured by collaterals. Impairment loss has been provided to the extent of the collateral value of RM4,549,000 (2022: RM4,803,000).

There are financial receivables where the Group has not recognised any loss allowance as the financial receivables are supported by collateral such as shares, land and property held as securities and other credit enhancement in managing exposure to credit risk.

The movements in the allowance for impairment in respect of financial receivables during the year are shown below:

Group	Credit impaired	
	2023 RM'000	2022 RM'000
<b>At 1 January</b>	18,839	20,420
Amount written off	(1,808)	(2,378)
Impairment loss recognised	475	916
Impairment loss reversed	(518)	(119)
<b>At 31 December</b>	<u>16,988</u>	<u>18,839</u>

#### 29.4.3 Inter-company loans and advances

##### *Risk management objectives, policies and processes for managing the risk*

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the results of the subsidiaries regularly.

##### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.3 Inter-company loans and advances (continued)

##### *Recognition and measurement of impairment loss*

Generally, the Company considers loans and advances to subsidiaries are low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when:

- The subsidiary's loan or advance is overdue for more than 90 days and the subsidiary is unlikely to repay its loan or advance to the Company in full;
- Rollover of loans and advances due to difficulty to repay on maturity; or
- It is becoming probable that the subsidiary will enter bankruptcy.

The Company determines the probability of default for these loans and advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' loans and advances.

<b>Company</b>	<b>Gross carrying amount RM'000</b>	<b>Loss allowance RM'000</b>	<b>Net balance RM'000</b>
<b>2023</b>			
Low credit risk	61,981	(83)	61,898
<b>2022</b>			
Low credit risk	45,740	(95)	45,645

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.3 Inter-company loans and advances (continued)

##### *Recognition and measurement of impairment loss (continued)*

The movements in the allowance for impairment in respect of subsidiaries' loans and advances during the year are shown below:

<b>Company</b>	<b>12-month ECL RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2022</b>	15	15
Impairment loss recognised	83	83
Impairment loss reversed	(3)	(3)
<b>At 31 December 2022/ 1 January 2023</b>	95	95
Impairment loss recognised	48	48
Impairment loss reversed	(60)	(60)
<b>At 31 December 2023</b>	83	83

#### 29.4.4 Financial guarantees

##### *Risk management objectives, policies and processes for managing the risk*

The Company provides financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

##### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk as represented by the outstanding banking facilities of the subsidiaries are as follows:

	<b>Company 2023 RM'000</b>	<b>2022 RM'000</b>
Corporate guarantees issued to:		
- financial institutions for credit facilities granted to its subsidiaries	801,513	144,710

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.4 Financial guarantees (continued)

##### *Recognition and measurement of impairment loss*

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to pay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

The movement in the allowance for impairment in respect of financial guarantees is as follows:

<b>Company</b>	<b>12-month ECL</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 January</b>	1,083	-
Net remeasurement of loss allowance	(739)	1,083
<b>At 31 December</b>	<u>344</u>	<u>1,083</u>

#### 29.4.5 Cash, bank balances and deposits

##### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

##### *Recognition and measurement of impairment loss*

The cash, bank balances and deposits are held with reputable banks and financial institutions. In addition, some of the bank balances are insured by government agencies. These banks and financial institutions have low credit risks.

## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.5 Cash, bank balances and deposits (continued)

##### *Recognition and measurement of impairment loss (continued)*

The movements in the allowance for impairment in respect of cash, bank balances and deposits during the year are shown below:

<b>Group</b>	<b>12-month ECL RM'000</b>
<b>At 1 January 2022</b>	118
Impairment loss recognised	50
Impairment loss reversed	(137)
Exchange difference	21
	<hr/>
<b>At 31 December 2022/1 January 2023</b>	52
Impairment loss recognised	73
Impairment loss reversed	(17)
Exchange difference	2
	<hr/>
<b>At 31 December 2023</b>	<u>110</u>

#### 29.4.6 Other receivables

##### *Risk management objectives, policies and processes for managing the risk*

Credit risks on other receivables are mainly arising from sundry receivables and amount due from a deconsolidated subsidiary. Sundry receivables are conventional short-term receivables that are either fixed or non-interest bearing receivables that are repayable on demand.

These receivables are considered to be held within a held-to-collect business model consistent with the Group's and the Company's continuing recognition of the receivables.

##### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.



## 29. Financial instruments (continued)

### 29.4 Credit risk (continued)

#### 29.4.6 Other receivables (continued)

##### *Recognition and measurement of impairment loss*

The Group and the Company have adopted lifetime ECL measurements for sundry receivables due to the expected lifetime period of sundry receivables are generally less than 12 months.

The amount due from a deconsolidated subsidiary relates to the amount due from TA Hotel Management Limited Partnership ("TAHMLP"). The Group has measured the credit loss allowance on this receivable to be 100% of the outstanding balance due to an Assignment in Bankruptcy made under Section 49(4) of the Bankruptcy and Insolvency Act of Canada on TAHMLP.

The movements in the allowance for impairment in respect of other receivables and amount due from a deconsolidated subsidiary during the year are shown below:

<b>Group</b>	<b>Lifetime ECL RM'000</b>	<b>Credit impaired RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2022</b>	101	16,456	16,557
Amount written off	-	(1,310)	(1,310)
Impairment loss reversed	(20)	-	(20)
Exchange difference	-	(87)	(87)
<b>At 31 December 2022/ 1 January 2023</b>	81	15,059	15,140
Impairment loss reversed	(35)	(69)	(104)
Exchange difference	-	1,001	1,001
<b>At 31 December 2023</b>	46	15,991	16,037

## **29. Financial instruments (continued)**

### **29.5 Liquidity risk**

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables and borrowings.

The Group and the Company seek to achieve a balance between certainty of funding and a flexible cost-effective borrowing structure. Where possible, they consistently seek to maintain equitable cash level and adequate bank facilities to ensure sufficient liquidity to meet their liabilities when they fall due. The Group and the Company adopt regular financial review to ensure that the Group and the Company have adequate capacity to meet their cash and collateral obligations. The Group and the Company assess the impact to their financial condition, safety and soundness arising from their inability (whether real or perceived) to meet their contractual obligations regularly.

The Group and the Company also maintain a prudent borrowing policy aimed towards the following:

- (a) maintaining sufficient cash for all cash flow requirement;
- (b) managing investment portfolio maturity to match debt repayment;
- (c) sourcing for a diverse range of funding sources and ample credit facilities to provide sufficient liquidity cushion; and
- (d) managing projected net borrowing needs to be covered by committed facilities.

The Group's Centralised Treasury function manages the Group's funding needs by allocating sufficient funds to support all its business units in maintaining optimum levels of liquidity sufficient for their operations. Regular cash flow forecasts are conducted to manage all strategic funding requirements and invest surplus cash from operating cash cycles in appropriate investment instruments such as interest-bearing current account, time deposits, money market deposits, bonds and investment securities.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

## 29. Financial instruments (continued)

### 29.5 Liquidity risk (continued)

#### *Maturity analysis*

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments.

Group	Carrying amount RM'000	Contractual interest rate/ discount rate	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>2023</b>							
<b>Non-derivative financial liabilities</b>							
Borrowings	1,544,481	2.18% - 6.96%	1,658,990	1,207,473	57,215	69,453	324,849
Lease liabilities	1,738	2.56% - 5.13%	1,772	995	570	207	-
Payables	358,349	-	358,349	351,316	4,743	2,095	195
	<u>1,904,568</u>		<u>2,019,111</u>	<u>1,559,784</u>	<u>62,528</u>	<u>71,755</u>	<u>325,044</u>
<b>Derivative financial liabilities</b>							
Geared currency accumulators	(171)	-	(171)	(171)	-	-	-
Geared equity accumulators	(1,298)	-	(1,298)	(1,298)	-	-	-
Geared equity decumulators	(2,397)	-	(2,397)	(2,397)	-	-	-
	<u>(3,866)</u>		<u>(3,866)</u>	<u>(3,866)</u>	<u>-</u>	<u>-</u>	<u>-</u>

## 29. Financial instruments (continued)

### 29.5 Liquidity risk (continued)

*Maturity analysis (continued)*

Group	Carrying amount RM'000	Contractual interest rate/ discount rate	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>2022</b>							
<b>Non-derivative financial liabilities</b>							
Borrowings	1,648,668	2.21% - 6.88%	1,766,801	1,251,726	134,485	62,142	318,448
Lease liabilities	1,513	2.56% - 4.13%	1,630	921	581	128	-
Payables	253,083	-	253,083	242,755	8,672	1,461	195
	<u>1,903,264</u>		<u>2,021,514</u>	<u>1,495,402</u>	<u>143,738</u>	<u>63,731</u>	<u>318,643</u>
<b>Derivative financial liabilities</b>							
Geared currency accumulators	80	-	80	80	-	-	-
Geared currency decumulators	140	-	140	140	-	-	-
Geared equity accumulators	1,798	-	1,798	1,798	-	-	-
	<u>2,018</u>		<u>2,018</u>	<u>2,018</u>	<u>-</u>	<u>-</u>	<u>-</u>

## 29. Financial instruments (continued)

### 29.5 Liquidity risk (continued)

*Maturity analysis (continued)*

Company	Carrying amount RM'000	Contractual interest rate/ discount rate	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>2023</b>							
<b>Financial liabilities</b>							
Borrowings	182,975	3.81% - 4.84%	191,007	191,007	-	-	-
Lease liabilities	2,693	4.77% - 4.93%	2,834	1,370	1,464	-	-
Payables	1,193	0% - 4.63%	1,193	1,193	-	-	-
Financial guarantees*	9,021	-	801,513	801,513	-	-	-
	<u>195,882</u>		<u>996,547</u>	<u>995,083</u>	<u>1,464</u>	<u>-</u>	<u>-</u>
<b>2022</b>							
<b>Financial liabilities</b>							
Borrowings	158,318	3.81% - 4.68%	165,187	165,187	-	-	-
Lease liabilities	3,903	4.77% - 4.93%	4,204	1,370	1,370	1,464	-
Payables	1,401	0% - 4.36%	1,442	1,442	-	-	-
Financial guarantees*	1,083	-	144,710	144,710	-	-	-
	<u>164,705</u>		<u>315,543</u>	<u>312,709</u>	<u>1,370</u>	<u>1,464</u>	<u>-</u>

\* The disclosure represents the maximum amount of the guarantee and the amount is allocated to the earliest period in which the guarantee could be called.

## 29. Financial instruments (continued)

### 29.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

#### 29.6.1 Currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to United States Dollar ("USD"), Australian Dollar ("AUD"), Canadian Dollar ("CAD"), Singapore Dollar ("SGD"), Euro ("EUR") and Thai Baht ("THB"). The Group is exposed to foreign currency risk from external investing, borrowings and intra-group funding activities.

#### *Risk management objectives, policies and processes for managing the risk*

The Group's exposure to foreign currency risk is monitored on an ongoing basis and hedges may be taken using derivative financial instruments for foreseeable significant exchange rate fluctuations and are managed by the Group's Treasury Department.

The Group maintains a natural hedge for certain subsidiaries/trusts, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from the investment.

## 29. Financial instruments (continued)

### 29.6 Market risk (continued)

#### 29.6.1 Currency risk (continued)

##### *Exposure to foreign currency risk*

The Group's exposures to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period are as follows:

Group	----- Denominating currencies -----							Total RM'000
	USD RM'000	AUD RM'000	CAD RM'000	SGD RM'000	EUR RM'000	THB RM'000	Others RM'000	
<b>2023</b>								
<b>Balances recognised in the statement of financial position</b>								
Cash, bank balances and deposits	14,802	2,453	24,744	1,232	106	-	2,734	46,071
Investments in securities	-	124	-	-	32,790	-	4,182	37,096
Trade receivables	2,866	-	-	-	-	-	-	2,866
Other receivables	204	-	-	-	-	-	4	208
Borrowings	-	-	(35,818)	-	(1,506)	-	(1,272)	(38,596)
Trade payables	(2,853)	(41)	-	(34)	(2)	-	(60)	(2,990)
Other payables	(2,282)	(21)	-	-	(1)	-	(169)	(2,473)
Intra-group balances	(30,556)	243,419	1,401,935	2,095	-	531,765	(1,031)	2,147,627
<b>Net exposure</b>	<b>(17,819)</b>	<b>245,934</b>	<b>1,390,861</b>	<b>3,293</b>	<b>31,387</b>	<b>531,765</b>	<b>4,388</b>	<b>2,189,809</b>

## 29. Financial instruments (continued)

### 29.6 Market risk (continued)

#### 29.6.1 Currency risk (continued)

Group	Denominating currencies							Total RM'000
	USD RM'000	AUD RM'000	CAD RM'000	SGD RM'000	EUR RM'000	THB RM'000	Others RM'000	
<b>2022</b>								
<b>Balances recognised in the statement of financial position</b>								
Cash, bank balances and deposits	2,799	25,123	7,403	878	211	26	6,590	43,030
Investments in securities	-	92	-	-	59,793	-	9,946	69,831
Other receivables	227	-	-	-	-	-	6	233
Borrowings	-	-	(54,863)	(319,870)	(11,274)	-	(5,023)	(391,030)
Trade payables	(2,729)	(39)	-	(32)	(2)	-	(59)	(2,861)
Other payables	(386)	(21)	(18)	-	(328)	-	(82)	(835)
Intra-group balances	(32,402)	233,503	1,153,007	1,144,138	-	506,074	(1,050)	3,003,270
<b>Net exposure</b>	<b>(32,491)</b>	<b>258,658</b>	<b>1,105,529</b>	<b>825,114</b>	<b>48,400</b>	<b>506,100</b>	<b>10,328</b>	<b>2,721,638</b>



## 29. Financial instruments (continued)

### 29.6 Market risk (continued)

#### 29.6.1 Currency risk (continued)

##### *Currency risk sensitivity analysis*

A 10% (2022: 10%) strengthening of the respective functional currencies against the following currencies at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

Group	Equity		Profit or loss	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
USD	1,354	2,469	(1,279)	19
AUD	(18,691)	(19,658)	(18,691)	(19,658)
CAD	(105,706)	(84,020)	(72,513)	(53,709)
SGD	(250)	(62,709)	(250)	24,096
EUR	(2,385)	(3,678)	(2,385)	(3,678)
THB	(40,414)	(38,464)	(533)	(493)
Others	<u>(334)</u>	<u>(785)</u>	<u>(335)</u>	<u>(785)</u>

A 10% (2022:10%) weakening of the respective functional currencies against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

#### 29.6.2 Interest rate risk

The Group's fixed rate instruments are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate instruments are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

## 29. Financial instruments (continued)

### 29.6 Market risk (continued)

#### 29.6.2 Interest rate risk (continued)

*Risk management objectives, policies and processes for managing the risk*

The Group and the Company adopt a policy to ensure that the interest rates on investments and borrowings obtained are competitive. The Group and the Company do not hedge their investments in fixed income securities. Management monitors the exposure for these fixed income securities closely.

The Group's and the Company's policy is to borrow principally on a floating rate basis but to retain a proportion of fixed rate debt. The objective for the mix of fixed and floating rate borrowings is to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall. The mix between fixed and floating rate borrowings is monitored and varied according to changes in interest rates to ensure that the Group's cost of financing is kept at the lowest possible.

*Exposure to interest rate risk*

The interest rate profile of the Group's and the Company's significant interest-earning and interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Fixed rate instruments</b>				
Investments in securities:				
- Bonds	107,043	722	-	-
Financial receivables	70,399	70,675	-	-
Finance lease receivables	5,305	6,096	-	-
Fixed deposits placed with financial institutions	236,717	196,459	-	-
Borrowings	(368,884)	(356,477)	-	-
Lease liabilities	(1,738)	(1,513)	(2,693)	(3,903)
	<u>48,842</u>	<u>(84,038)</u>	<u>(2,693)</u>	<u>(3,903)</u>
<b>Floating rate instruments</b>				
Due from subsidiaries	-	-	61,633	45,385
Borrowings	(1,175,597)	(1,292,191)	(182,975)	(158,318)
	<u>(1,175,597)</u>	<u>(1,292,191)</u>	<u>(121,342)</u>	<u>(112,933)</u>

## 29. Financial instruments (continued)

### 29.6 Market risk (continued)

#### 29.6.2 Interest rate risk (continued)

##### *Interest rate risk sensitivity analysis*

##### *Fair value sensitivity analysis for fixed rate instruments*

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss, except for fixed rate investment securities classified as fair value through profit or loss and classified as fair value through other comprehensive income. The Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

A change of 100 basis point ("bp") in interest rates would have increased/(decreased) equity and profit or loss arising from interest bearing instruments classified as fair value through profit or loss and classified as fair value through other comprehensive income by the amounts shown below:

Group	Equity		Profit or loss	
	100 bp increase RM'000	100 bp decrease RM'000	100 bp increase RM'000	100 bp decrease RM'000
<b>2023</b>				
<b>Fixed rate instruments</b>				
Investments in securities				
- Bonds	<u>(10)</u>	<u>10</u>	<u>(11,206)</u>	<u>14,260</u>
<b>2022</b>				
<b>Fixed rate instruments</b>				
Investments in securities				
- Bonds	<u>(6)</u>	<u>6</u>	<u>-</u>	<u>-</u>

## 29. Financial instruments (continued)

### 29.6 Market risk (continued)

#### 29.6.2 Interest rate risk (continued)

##### *Interest rate risk sensitivity analysis (continued)*

##### *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 bp in interest rates at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Group	Equity		Profit or loss	
	100 bp increase RM'000	100 bp decrease RM'000	100 bp increase RM'000	100 bp decrease RM'000
<b>2023</b>				
Floating rate instruments	<u>(9,883)</u>	<u>9,883</u>	<u>(9,883)</u>	<u>9,883</u>
<b>2022</b>				
Floating rate instruments	<u>(10,941)</u>	<u>10,941</u>	<u>(10,941)</u>	<u>10,941</u>
<b>Company</b>				
<b>2023</b>				
Floating rate instruments	<u>(922)</u>	<u>922</u>	<u>(922)</u>	<u>922</u>
<b>2022</b>				
Floating rate instruments	<u>(858)</u>	<u>858</u>	<u>(858)</u>	<u>858</u>

#### 29.6.3 Other price risk

Equity price risk arises from the Group's investments in quoted equity instruments and structured securities.

##### *Risk management objectives, policies and processes for managing the risk*

The risk of loss in value is minimised via thorough analysis before investing and continuous monitoring of the investments' performance and risk. The Group manages disposal of its investments to optimise returns on realisation.

## 29. Financial instruments (continued)

### 29.6 Market risk (continued)

#### 29.6.3 Other price risk (continued)

##### *Equity price risk sensitivity analysis*

An increase of 10% in indices at the end of the reporting period would have increased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant and the Group's equity instruments move in correlation according to the following indices:

Group	Equity		Profit or loss	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
- FTSE Bursa Malaysia KLCI	371	278	371	278
- Dow Jones	76,887	53,834	76,887	53,834
- Hang Seng	15	520	15	520
- S&P/ASX 200 Index	16	15	16	15
- SIX Swiss Exchange	274	463	274	463
- Euro Stoxx 50	<u>3,279</u>	<u>5,979</u>	<u>3,279</u>	<u>5,979</u>

A decrease of 10% in indices at the end of the reporting period would have had equal but opposite effect of the above indices to the amounts shown above, on the basis that all other variables remained constant.

Equity price risk sensitivity analysis for structured securities are not presented as management believed that the changing in the equity price would not significantly impact the equity and profit or loss while other unobservable input remain constant.

### 29.7 Fair value information

The carrying amounts of cash and bank balances, short-term receivables, payables and short-term borrowings approximate their fair values due to the relatively short-term nature of these financial instruments.

## 29. Financial instruments (continued)

### 29.7 Fair value information (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2023</b>										
<b>Financial assets</b>										
<i>At FVTPL</i>										
Shares	704,663	-	-	704,663	-	-	-	-	704,663	704,663
Bonds	105,833	268	-	106,101	-	-	-	-	106,101	106,101
Unit trust	-	1,083	-	1,083	-	-	-	-	1,083	1,083
Geared currency accumulators	-	47	-	47	-	-	-	-	47	47
Geared currency decumulators	-	31	-	31	-	-	-	-	31	31
Geared equity accumulators	-	960	-	960	-	-	-	-	960	960
	810,496	2,389	-	812,885	-	-	-	-	812,885	812,885
<i>At FVOCI</i>										
Shares	-	-	3,065	3,065	-	-	-	-	3,065	3,065
Bonds	-	942	-	942	-	-	-	-	942	942
	-	942	3,065	4,007	-	-	-	-	4,007	4,007
	810,496	3,331	3,065	816,892	-	-	-	-	816,892	816,892

## 29. Financial instruments (continued)

### 29.7 Fair value information (continued)

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
<b>2023</b>										
<b>Financial liabilities</b>										
<i>At FVTPL</i>										
Geared currency accumulators	-	(171)	-	(171)	-	-	-	-	(171)	(171)
Geared equity accumulators	-	(1,298)	-	(1,298)	-	-	-	-	(1,298)	(1,298)
Geared equity decumulators	-	(2,397)	-	(2,397)	-	-	-	-	(2,397)	(2,397)
	-	(3,866)	-	(3,866)	-	-	-	-	(3,866)	(3,866)
<i>At amortised cost</i>										
Borrowings - Non-current	-	-	-	-	-	-	(371,716)	(371,716)	(371,716)	(391,104)
	-	(3,866)	-	(3,866)	-	-	(371,716)	(371,716)	(375,582)	(394,970)

## 29. Financial instruments (continued)

### 29.7 Fair value information (continued)

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
<b>2022</b>										
<b>Financial assets</b>										
<i>At FVTPL</i>										
Shares	611,914	-	-	611,914	-	-	-	-	611,914	611,914
Structured securities	-	87,210	-	87,210	-	-	-	-	87,210	87,210
Unit trust	-	965	-	965	-	-	-	-	965	965
Geared equity accumulators	-	20	-	20	-	-	-	-	20	20
	611,914	88,195	-	700,109	-	-	-	-	700,109	700,109
<i>At FVOCI</i>										
Shares	-	-	3,123	3,123	-	-	-	-	3,123	3,123
Bonds	-	722	-	722	-	-	-	-	722	722
	-	722	3,123	3,845	-	-	-	-	3,845	3,845
	611,914	88,917	3,123	703,954	-	-	-	-	703,954	703,954



## 29. Financial instruments (continued)

### 29.7 Fair value information (continued)

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
<b>2022</b>										
<b>Financial liabilities</b>										
<i>At FVTPL</i>										
Geared currency accumulators	-	(80)	-	(80)	-	-	-	-	(80)	(80)
Geared currency decumulators	-	(140)	-	(140)	-	-	-	-	(140)	(140)
Geared equity accumulators	-	(1,798)	-	(1,798)	-	-	-	-	(1,798)	(1,798)
	-	(2,018)	-	(2,018)	-	-	-	-	(2,018)	(2,018)
<i>At amortised cost</i>										
Borrowings - Non-current	-	-	-	-	-	-	(433,906)	(433,906)	(433,906)	(457,719)
	-	(2,018)	-	(2,018)	-	-	(433,906)	(433,906)	(435,924)	(459,737)

## 29. Financial instruments (continued)

### 29.7 Fair value information (continued)

Company	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
<b>2023</b>										
<b>Financial assets</b>										
<i>At FVOCI</i>										
Shares	-	-	3,065	3,065	-	-	-	-	3,065	3,065
<i>At amortised cost</i>										
Due from subsidiaries	-	-	-	-	-	-	38,558	38,558	38,558	38,558
- Non-current	-	-	3,065	3,065	-	-	38,558	38,558	41,623	41,623
<b>2022</b>										
<b>Financial assets</b>										
<i>At FVOCI</i>										
Shares	-	-	3,123	3,123	-	-	-	-	3,123	3,123
<i>At amortised cost</i>										
Due from subsidiaries	-	-	-	-	-	-	43,382	43,382	43,382	43,382
- Non-current	-	-	3,123	3,123	-	-	43,382	43,382	46,505	46,505

## 29. Financial instruments (continued)

### 29.7 Fair value information (continued)

#### Level 2 fair value

##### *Unit trusts*

The unit trusts are valued based on Net Asset Value (NAV) of the fund, as reported by the managers of such funds.

##### *Structured securities*

The fair value of structured securities is estimated by considering inter-relationship between volatility and correlation in discounted cash flows and option pricing by financial institutions.

##### *Bonds*

The fair values of bonds were obtained from a financial institution, taking into account par value, coupon payments, yield and time to maturity.

##### *Geared equity accumulators and decumulators*

The fair value of geared equity accumulators and decumulators are estimated by considering primarily on knockout percentage, discount percentage, volatilities of the underlying stock, and the overall market trends, commonly used by financial institutions.

##### *Geared currency accumulators and decumulators*

The fair value of geared currency accumulators and decumulators are estimated based on option pricing model including but not limited to current spot rate, time-to-maturity, volatilities, strike rate and risk-free interest rate, commonly used by financial institutions.

#### **Transfers between Level 1 and Level 2 fair values**

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2022: no transfer in either directions).

## 29. Financial instruments (continued)

### 29.7 Fair value information (continued)

#### Level 3 fair value

The following table shows a reconciliation of Level 3 fair values:

	<b>Group and Company</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Shares</b>		
At 1 January	3,123	2,969
Fair value (loss)/gain recognised in other comprehensive income	(58)	154
At 31 December	<u>3,065</u>	<u>3,123</u>

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

#### 29.7.1 Financial instruments carried at fair value

<b>Type</b>	<b>Description of valuation technique and inputs used</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurement</b>
Shares	The fair values of shares are based on the adjusted net asset method by reference to the fair value of the assets and liabilities of the investee.	Adjusted net asset value	The higher the value of the adjusted net assets the higher the fair value.

## 29. Financial instruments (continued)

### 29.7 Fair value information (continued)

#### 29.7.2 Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Borrowings	Discounted cash flows using a rate based on the current market rate of borrowing of the respective Group entities at the reporting date.
Due from subsidiaries	Discounted cash flows using a rate based on the current market rate of borrowing of the respective Group entities at the reporting date.

*Valuation processes applied by the Group and the Company for Level 3 fair value instruments*

Treasury team regularly monitors the fair value of the instruments by obtaining expert advice from the issuer banks.

## 30. Capital management

The Group's and the Company's objectives when managing capital are to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern, so as to maintain creditors and market confidence and to sustain future development of the business. The Directors monitor and maintain an optimal gearing ratio that complies with debt covenants requirements.

The gearing ratios were as follows:

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Borrowings	19	1,544,481	1,648,668	182,975	158,318
Lease liabilities		<u>1,738</u>	<u>1,513</u>	<u>2,693</u>	<u>3,903</u>
Total debts		<u>1,546,219</u>	<u>1,650,181</u>	<u>185,668</u>	<u>162,221</u>
Equity attributable to equity holders of the Company		<u>4,031,264</u>	<u>3,483,529</u>	<u>2,671,148</u>	<u>2,670,602</u>
Gearing ratio (times)		<u>0.38</u>	<u>0.47</u>	<u>0.07</u>	<u>0.06</u>

There was no change in the Group's and the Company's approach to capital management during the financial year.

## 31. Commitments

	Group	
	2023	2022
	RM'000	RM'000
<b>Capital expenditure commitments</b>		
<b>Plant and equipment</b>		
Contracted but not provided for	4,187	6,364
<b>Investment properties</b>		
Contracted but not provided for	21	10
	<u>4,208</u>	<u>6,374</u>

## 32. Related parties

### Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the parties are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

The Group has related party relationship with its subsidiaries, significant investors, joint ventures and key management personnel.

### Significant related party transactions

Related party transactions have been entered into in the normal course of business. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in Note 10, Note 12 and Note 20.

## 32. Related parties (continued)

### Significant related party transactions (continued)

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>A. Subsidiaries</b>				
Gross dividend income	-	-	9,302	15,000
Management fee income	-	-	6,869	5,023
Interest income	-	-	2,086	1,079
Interest expense	-	-	-	(135)
Management fee expenses	-	-	(1,218)	(1,269)
Rental of office premises paid	-	-	(1,370)	(1,368)
Rental of warehouse paid	-	-	(18)	(19)
Parking fee paid	-	-	(78)	(61)
<b>B. Key management personnel</b>				
<b>Directors</b>				
Rental income for a property let to:				
- Datuk Tiah Thee Kian, a Director of the Company	360	360	-	-
Management fees and performance fees of private mandate received from Datin Tan Kuay Fong, a Director of the Company	15	15	-	-

### Compensation of key management personnel

The remuneration of the Directors are disclosed in Note 24. The remuneration of other key management personnel during the financial year are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>Other key management personnel</b>				
Short-term employee benefits, fees, commission and gratuity	6,034	5,663	154	-
Post-employment benefits:				
Defined contribution plan	621	587	18	-
	<u>6,655</u>	<u>6,250</u>	<u>172</u>	<u>-</u>

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

## 32. Related parties (continued)

### Other significant related party transactions

- (i) As at 31 December 2023, certain Directors of the Group and a key management personnel have units in the unit trust funds managed by a subsidiary as follows:
- 15,000 units (2022: 15,000 units) in TA Global Absolute Growth Fund MYR Hedged Class, representing less than 0.01% (2022: less than 0.01%) of units in circulation;
  - 29,510 units (2022: 0 unit) in TA Global Absolute ESG Alpha Fund MYR Hedged Class, representing less than 0.01% (2022: less than 0.01%) of units in circulation;
  - 276,536 units (2022: 262,398 units) in TA Dana Optimix, representing 0.31% (2022: 0.23%) of units in circulation;
  - 7,914 units (2022: 25,804 units) in TA Islamic CashPLUS Fund Class B, representing 0.03% (2022: 0.29%) of units in circulation;
  - 5,692,271 units (2022: 5,453,635 units) in TA Asia Pacific REITs Income Fund, representing 40.78% (2022: 33.37%) of units in circulation;
  - 51,933 units (2022: 0 unit) in TA Global Technology Fund MYR Hedged Class, representing 0.02% (2022: 0.00%) of units in circulation;
  - 80,974 units (2022: 33,000 units) in TA Asia Absolute Alpha Fund MYR Hedged Class, representing less than 0.01% (2022: less than 0.01%) of units in circulation;
  - 52,029 units (2022: 38,497 units) in TA Global Technology Fund MYR Class, representing less than 0.01% (2022: less than 0.01%) of units in circulation;
  - 0 unit (2022: 44,180 units) in TA Asia Absolute Alpha Fund MYR Class, representing 0.00% (2022: 0.01%) of units in circulation;
  - 0 unit (2022: 26,455 units) in TA Global Absolute ESG Alpha Fund MYR Class, representing 0.00% (2022: 0.02%) of units in circulation;
  - 116,967 units (2022: 0 unit) in TA All China Equity Fund MYR Hedged Class, representing 0.03% (2022: 0.00%) of units in circulation;
  - 18,028 units (2022: 0 unit) in TA European Equity Fund, representing 0.05% (2022: 0.00%) of units in circulation; and
  - 57,670 units (2022: 0 unit) in TA Global Select Equity Fund MYR Hedged Class, representing 0.09% (2022: 0.00%) of units in circulation.
- (ii) During the year, TA Management Limited (“TAML”), a 98.96% owned subsidiary of the Group, invested in 5,000 Class B preference shares at CAD1,000 per share in Holborn Properties Ltd. (“Holborn Properties”) amounting to RM17,337,000, a company related to a Director of the Group.



# **TA Enterprise Berhad**

(Registration No. 199001003300 (194867-M))

(Incorporated in Malaysia)

## **and its subsidiaries**

### **Statement by Directors pursuant to Section 251(2) of the Companies Act 2016**

In the opinion of the Directors, the financial statements set out on pages 7 to 127 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2023 and of their financial performance and cash flows for the financial year then ended.

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

.....  
**Datin Tan Kuay Fong**  
Director

.....  
**Datuk Tiah Thee Kian**  
Director

Date: 31 May 2024

## **TA Enterprise Berhad**

(Registration No. 199001003300 (194867-M))

(Incorporated in Malaysia)

### **and its subsidiaries**

## **Statutory declaration pursuant to Section 251(1)(b) of the Companies Act 2016**

I, **Lee Lin Chyuan** (MIA membership number: 36722), the officer primarily responsible for the financial management of TA Enterprise Berhad, do solemnly and sincerely declare that the financial statements set out on pages 7 to 127 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Lee Lin Chyuan, NRIC: 841108-04-5013 at Kuala Lumpur in the Federal Territory on 31 May 2024.

.....  
**Lee Lin Chyuan**

Before me:

**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants  
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## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TA ENTERPRISE BERHAD**

(Registration No. 199001003300 (194867-M))  
(Incorporated in Malaysia)

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of TA Enterprise Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 127.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

#### **Basis for Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

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

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

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 8 to the financial statements.

### **Other Matter**

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

**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants

Petaling Jaya

Date: 31 May 2024

**Chong Dee Shiang**  
Approval Number: 02782/09/2024 J  
Chartered Accountant